

NOVUS HM LEGAL PRACTITIONERS NEWSLETTER

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INSIDE THE ISSUE

Message from the Managing Partner	P2
Charging Interest on Non-Performing Loans - What Does the Law Say? - Mary Govati Mbewe & Phola Liyena	P4
Private Pension Schemes in Zambia: The Portability of Private Pension Benefits- Phola Liyena	P8
A New Wave in the Mining Sector? What do Investors need to know about the Minerals Regulation Commission Act - Jacqueline Mutale & Phola Liyena	P10
The Employment & Labour Issue of Severance Pay - Has this been settled? - Nchimunya M. Mwale	P13
Protecting Personal Information: Data Protection Compliance - Mary Govati Mbewe & Anastasia Kepi	P15
Regulating Green Finance: A legal analysis of Zambia's Green Loans Guidelines and Bonds - Anastasia Kepi	P17
Firm Announcements:	P20
Photo Gallery:	P22

MESSAGE FROM OUR MANAGING PARTNER



Dear Esteemed Clients/Readers,

Welcome to the latest edition of the NOVUS Newsletter.

Every six months, we curate this publication with one purpose in mind: to keep you informed, inspired, and ahead of the curve. You will find thoughtful analysis of pressing legal developments, highlights of the work keeping our team busy, and insight into the trends shaping the future of legal practice and commerce in Zambia.

In this issue, we dive into the hotly debated subject of interest on non-performing loans, unpacking how recent court decisions have reshaped the interpretation of Section 110 of the Banking and Financial Services Act. We also explore the critical and timely issue of private pension schemes and the portability of benefits, a topic with direct impact on both employers and employees. From there, we turn our lens to the mining sector, dissecting the implications of the newly enacted Minerals Regulation Commission Act and what it means for investors and the future of Zambia's mineral wealth. On the employment and labour front, we ask the long-standing question of whether severance pay has finally been settled by our courts? In a world increasingly shaped by technology, we spotlight key compliance requirements under the Data Protection Act, ensuring you're equipped to stay ahead in the era of digital accountability. We also cast our eye to the green horizon, reviewing Zambia's dynamic regulatory landscape around green finance, including green loans and bonds.

We round off with a behind the scenes look at some of the exciting matters that the Firm has recently been involved in, along with important news and announcements from our team.

Thank you for your continued engagement and trust in our expertise. We hope you find this edition not only informative, but genuinely thought-provoking. Here's to staying informed, staying inspired, and staying ahead!

Warm regards,



Misozi Hope Masengu
Managing Partner

Innovation. Professionalism. Integrity.



Charging Interest on Non-Performing Loans – What Does the Law Say?

Mary Govati Mbewe & Phola Liyena

1.0 Introduction

1.1. In Zambia, charging interest on loans is standard business practice. Lenders or creditors expect regular interest payments as compensation for the capital they provide; while borrowers naturally prefer to keep interest rates low and favour shorter loan durations. This inherent tension between maximizing returns and minimising costs is particularly pronounced when loans become non-performing.

1.2. Recently, the High Court in the case of **First National Bank Zambia Limited vs. Quatt Investments Limited & Andrew Kangwa (2024/HPC/0518) (the “Quatt case”)**, brought into focus the issue of the whether interest continues to accrue on loans classified as non-performing. The High Court’s decision marked a significant divergence from an earlier Court of Appeal decision, in the case of

Chilola Intertrade vs. Citizen Economic Empowerment Commission (Appeal No. 282/2022) (“the CEEC Case”), which grappled with this legal issue. Subsequently, the Court of Appeal had another occasion to pronounce itself on the same issue in the case of **Chita Lodge and Resorts Limited & Others vs. Development Bank of Zambia (Appeal No. 177/2024) (“the Chita Lodge Case”)**.

1.3. This article explores the central question of whether interest continues to accrue on non-performing loans and considers the broader legal and commercial implications of these decisions for both lending institutions and borrowers.

2.0 The Law on Recoverable Amounts for Non-Performing Loans.

2.1. Noteworthy, under Zambian

law, a loan is deemed to be non-performing when the principal amount or interest payments are overdue (unpaid) by more than 90 days. Accordingly, the law prescribes the amounts that banks and/or financial service providers (“FSPs”) may recover from a borrower once a loan is classified as non-performing. In this regard, **Section 110(1)** of the BFSA provides thus **Section 110(1)** of the **Banking and Financial Services Act No. 7 of 2017 (“BFSA”)** provides that: *“(1) A financial service provider shall recover the following amounts from a borrower on a non-performing credit facility: (a) the principal amount owing when the credit facility becomes non-performing; (b) any interest in arrears due in accordance with the credit facility agreement but not exceeding the principal amount owing when the loan becomes non-performing; and (c) expenses incurred in the*

recovery of amounts owed by the borrower."

- 2.2. This means that banks or FSPs can recover, the following amounts: the principal amount that is still unpaid when the loan stops performing; any unpaid interest, (but it cannot be more than the principal amount); and the costs the lender spent to recover the money.

2.3. Conflicting Interpretations of Section 110 by the Courts.

The Court of Appeal's Initial Interpretation

- 2.4. On 16th February 2024, the Court of Appeal in the CEEC Case (earlier cited), delivered a Judgment to the effect that financial institutions cannot charge additional interest once a loan becomes non-performing, and that total interest recoverable is capped at the principal amount outstanding at the time of classification of the loan as non-performing. The Court of Appeal decision is couched as follows: **"A reading of these provisions shows that interest may only be charged on a non-performing loan when the principal and/ or interest has not been in arrears for more than 90 days. This means once there is default in repaying the loan for more than 90 days, that loan is deemed to be non-performing and the lender may recover the principal amount owing when the credit facility becomes non-performing and any interest in arrears due in accordance with the agreement, but not exceeding the principal amount owing when the loan becomes non-performing. The effect of the provision being the proscribing of the charging of interest on non-performing loans and that the interest due should not exceed the principal amount owing at the time the loan becomes non-performing."**
- 2.5. In essence, the Court concluded that once a loan has been non-performing for over 90 days, interest may no longer

accrue and the interest payable must not exceed the principal at the time of classification. This approach contradicts established Supreme Court decisions, which treat contractual interest obligations as binding unless explicitly disallowed by statute. For example, see the cases of: **Indo Zambia Bank vs. Leonard Mwelwa Witika & Others (Selected Judgment No. 16 of 2018); and Credit Africa Bank Limited vs. George K. Kalunga & Another (SCZ Appeal No. 144 of 1997)**, (collectively the "Supreme Court Judgments"). These Supreme Court Judgments held that the classification of a loan as non-performing, does not relieve borrowers of their obligation to pay interest in accordance with the terms of the original loan agreement.

The High Court's Interpretation

- 2.6. Subsequently, on 16th September 2024, the High Court in the **Quatt case** (earlier cited), reaffirmed the principle established in the Supreme Court Judgments. There, the learned trial Judge held that Section 110(1)(b) of the BFSFA does not prohibit charging interest on non-performing loans. He criticised the Court of Appeal's interpretation in the CEEC case as "reading into section 110 words or meanings which are not intended."
- 2.7. Accordingly, the High Court held that Section 110 of the BFSFA, does not prohibit lenders from continuing to charge interest on non-performing loans. The Court reasoned that the classification of a loan as non-performing is an administrative matter for regulatory and reporting purposes and does not extinguish the lender's contractual right to interest, unless waived or renegotiated. The Court held in part, quoting Honourable Mr. Justice W. S. Mweemba, as follows: **"I cannot agree more with the observations of Honourable Justice P. Chitengi. Bank interest is still chargeable on non-accrual loans as the**

placing of a loan on non-accrual status does not abrogate the borrowers' obligations under a loan agreement to pay interest. However, accrued but uncollected interest cannot be shown by a bank in its financial statements to the shareholders and to the Central Bank as income." Evidently, this Judgment contradicts the earlier Court of Appeal decision in the **CEEC Case**.

The Principle of Stare Decisis

- 2.8. The High Court's deviation from the Court of Appeal's ruling raises concerns regarding the common law doctrine of stare decisis, which espouses that lower courts must follow binding precedents set by higher courts, to ensure consistency and predictability in judicial decisions. Generally, the High Court is bound by decisions of more superior courts, that is, judgments of the Court of Appeal, Constitutional Court and Supreme Court. In like manner, lower courts such as Magistrates Courts, are bound the decisions of the Superior Courts.
- 2.9. Interestingly, in the **Quatt Case**, the High Court (in departing from the Court of Appeal decision in the **CEEC Case**), relied on the Supreme Court Judgments. Thus, the Court of Appeal's failure to adhere to the Supreme Court Judgments in the **CEEC Case** appears, at minimum, to represent an instance of appellate innovation and arguably, a legal misstep. By failing to adhere to Supreme Court authorities, the Court of Appeal inadvertently provided the High Court with the necessary legal latitude to sidestep the decision in the **CEEC Case**.

The Court of Appeal's Subsequent Decision

- 2.10. On 27th June 2025, the Court of Appeal in the **Chita Lodge Case** (earlier cited), had another occasion to pronounce itself on this legal issue. The Court held that **Section 110(1)(b)** does not require interest to be capped immediately when a loan becomes

non-performing. Rather, the provision only imposes a limit whereby the total interest charged must not exceed the principal amount, and this limit applies only when the loan has remained non-performing for more than ninety days. In other words, interest may continue to accrue after the loan becomes non-performing, but once the ninety-day period has lapsed, the total interest recoverable cannot surpass the original principal owed. The Court of Appeal held as follows: ***“On whether or not interest ought to have been capped immediately the loan became non-performing, it is our considered view that in the manner Section 110 (1) (b) is couched, there is no such obligation. The only obligation is that interest should not exceed the principal at the time the loan is held to be non-performing for a period exceeding ninety days.”***

Resolving Conflicting Precedents

- 2.11. Where there is inconsistency between Supreme Court and Court of Appeal decisions, the High Court must follow the Supreme Court, as it is the higher judicial authority, based on the principle of ***stare decisis***. This is also mandated by **Article 125(1)** of the Zambian Constitution, which designates the Supreme Court as the final appellate authority. The High Court’s approach in the **Quatt Case** was, therefore, arguably justifiable, as it aligns with the Supreme Court Judgments, which are binding in any case.
- 2.12. While the Court of Appeal didn’t directly reference the Supreme Court Judgments or the **Quatt Case**, its position in the **Chita Lodges Case** appears to align with the Supreme Court’s authorities (as well as the decision of the High Court in **Quatt**). However, this position conflicts with the **CEEC Case**. According to the doctrine of **stare decisis**, equally applies here.



Generally, when two decisions of a court of coordinate jurisdiction are in conflict, the later decision prevails unless the earlier decision was rendered by a bench of greater numerical strength. Since both Court of Appeal panels in this case were composed of the same number of judges, the later decision is binding. Therefore, lenders remain entitled to continue charging interest on non-performing loans in accordance with the terms of the loan agreement, subject to applicable statutory caps. This suggests that the Supreme Court Judgments; the **Chita Lodges** and **Quatt** decisions constitute good law and remain applicable to the lender-borrower relationship.

The Duplum Rule and Interest Capping on Non-Performing Loans

- 2.13. While **Section 110** of the BFSA does not prohibit charging interest on non-performing loans, it imposes a limit on the recoverable interest, ensuring it does not exceed the principal amount outstanding at the time of classification as non-performing. This reflects the **duplum rule**, a common law principle preventing interest from accumulating indefinitely to the detriment of borrowers.

Regulatory Framework for Interest Accrual

- 2.14. The **Supreme Court Judgments** examined the interpretation of **Statutory Instrument No. 142 of 1996**, which has since been replaced by the **Banking and Financial Services (Classification and Provisioning of Loans) Directives, Statutory Instrument No. 31 of 2020 (the 2020 Directives)**. These regulations do not prohibit interest accrual on non-performing loans, but regulate how such loans are reported in financial statements. Directive 9 of the **2020 Directives**, (mirroring **Regulation 14 of the 1996 Regulations**), provides that banks must place non-performing loans on non-accrual status under specific conditions. However, as seen in the **Quatt Case**, this is an accounting requirement and does not relieve borrowers of their contractual obligation to pay interest.

Limiting Excessive Interest Accrual

- 2.15. While creditors may continue to charge interest per the original loan terms, the law in Zambia caps recoverable interest at the principal amount outstanding when the loan became non-performing. This provision means that even though lenders can

keep charging interest according to the loan agreement, after the loan is declared non-performing, they can only recover interest up to an amount equal to the unpaid principal at the time the loan became non-performing. Any interest beyond that limit cannot be claimed from the borrower or awarded to the lender. This strikes a balance by ensuring firstly, that lenders' rights are protected, allowing interest accrual to continue under contract terms; and secondly, that borrowers are safeguarded, by preventing excessive interest charges from escalating beyond the principal owed.

- 2.16. For example, if a borrower owes Fifty Thousand Kwacha (ZMW50,000.00) when their loan becomes non-performing, the lender can keep charging interest under the contract, but can only recover up to Fifty Thousand Kwacha (ZMW50,000.00) in interest, plus the principal and recoverable costs. Excess interest cannot be claimed.

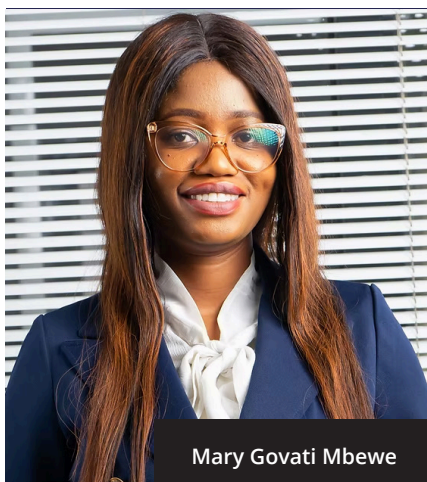
Commercial Implication

- 2.17. The foregoing authorities carry important commercial implications for Zambia's financial sector by restoring legal certainty on interest recovery for non-performing loans. For lenders, they preserve the contractual right to continue charging interest after default, supporting risk management and repayment restructuring, while the statutory cap under Section 110 of the BFSA limits recoverable interest to an amount equal to the principal outstanding at default, preventing excessive recovery. This balance safeguards borrowers from spiralling debt while still ensuring lenders are compensated for capital risk. For the broader credit market, the decisions align judicial interpretation with Supreme Court precedent, reduce uncertainty from past conflicting rulings, and maintain public confidence in loan enforcement.

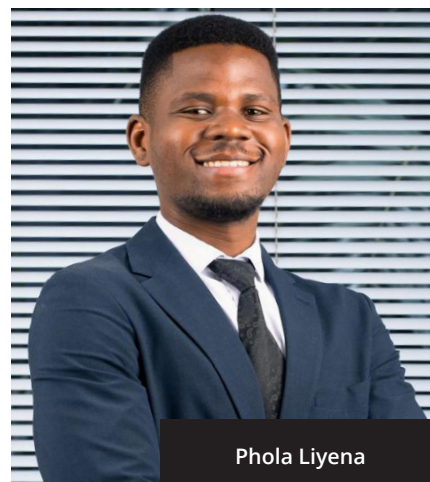
Conclusion

- 2.18. The High Court's position in the **Quatt** matter, departing from the Court of Appeal's determination in the **CEEC Case**, is legally sustainable as it is anchored on binding Supreme Court authorities and accords with the common law doctrine of stare decisis. Furthermore, the Court of Appeal's subsequent pronouncement in the **Chita Lodges** Case constitutes a reversal of its earlier stance in the **CEEC Case**, and by application of stare decisis, the later decision is binding. Both the **Quatt** and **Chita Lodges** decisions reaffirm the Supreme Court's jurisprudence that financial institutions are entitled to levy interest on non-performing loans, subject to the statutory ceiling prescribed under Section 110 of the BFSA. Specifically, recoverable interest is capped at an amount equivalent to the principal outstanding as at the date the loan was classified as non-performing. Collectively, these decisions restore uniformity in the interpretation of loan classification regulations and uphold the principle that contractual interest remains eligible on non-performing facilities, subject to statutory limitations, until full liquidation of the debt.

“This provision means that even though lenders can keep charging interest according to the loan agreement, after the loan is declared non-performing, they can only recover interest up to an amount equal to the unpaid principal at the time the loan became non-performing.”



Mary Govati Mbewe



Phola Liyena

Private Pension Schemes: The Portability of Private Pension Benefits

Phola Liyena

1.0 A private pension scheme refers to an occupational plan or arrangement that entitles individuals to benefits based on various factors such as age, length of service, earnings, or other criteria. These benefits are typically paid upon retirement, death, or termination of service. Notably, occupational pension schemes generally fall into two categories: Defined Contribution Schemes (DCS) and Defined Benefit Schemes (DBS). Under Zambian law, it is a legal requirement for all private pension schemes to be registered and approved under the *Private Pension Scheme Regulation Act No. 28 of 1996* ("the Act"), to operate lawfully. This article addresses the issue of portability of private pension benefits in Zambia.



Defined Contribution Scheme

1.1. A Defined Contribution Scheme (DCS) is a pension plan in which no specific retirement income is guaranteed. It allows employees and employers (where applicable) to contribute regularly to an individual account. The pension fund grows through contributions, investment returns, and tax relief, and the benefit an employee receives at retirement depends on the total accumulated funds. Under this scheme, the investment risk is borne by the employee. Upon retirement, the employee may receive either a lump sum or a fixed annual sum based on the value of their retirement account. (*Richard H. Chama & 213 Others*

vs. NAPSA & 8 Others (Appeal No. 001/2018, SCZ/8/230/2012) [30 June 2020])

SCZ/8/230/2012) [30 June 2020])

Key Differences Between DCS and DBS

Defined Benefit Scheme

1.2. In contrast, a Defined Benefit Scheme (DBS) guarantees a specific retirement benefit, predetermined by a formula that takes into account the employee's earnings history, length of service, and age. Unlike a DCS, where benefits depend on contributions and investment returns, a DBS is predetermined and provides employees with a fixed benefit, independent of market performance, typically calculated based on tenure and salary. Under a DBS, the employer bears the investment risk. (*Richard H. Chama & 213 Others vs. NAPSA & 8 Others (Appeal No. 001/2018,*

1.3. The primary differences between DCS and DBS are typically threefold. First, in a DCS, retirement benefits are uncertain and depend on the contributions made and investment performance, whereas in a DBS, benefits are predetermined using a set formula. Second, in a DCS, the employee bears the investment risk, while in a DBS, the employer carries this risk. Third, in a DCS, benefits are based on accumulated contributions, while in a DBS, benefits are determined by the employee's salary and length of service.

Portability of Private Pension

Benefits

1.4. Portability of pension benefits generally refers to the transfer or receipt of accrued pension benefits upon leaving a scheme before retirement. **Under Section 18(1)(f)** of the Act, it is mandatory for employers operating private pension schemes to provide employees with full portability of accrued benefits when they leave the scheme. The said Section 18(1)(f) of the Act is couched in the following terms: *“A pension scheme shall: – grant to members leaving the scheme before a benefit has become payable full portability of the accrued retirement benefits at the time the member leaves the scheme.”*

1.5. In the case of **Richard H. Chama & 213 Others vs. NAPSA & 8 Others (Appeal No. 001/2018, SCZ/8/230/2012) [30 June 2020]** (the “Richard Chama case”), the Supreme Court of Zambia held that an employee is entitled to full portability of accrued benefits, without the need to defer payment until retirement age. The Court of Appeal, was of a similar view in the case of **First Quantum Mining vs. Mwape (APP/284/2021) [2023] ZMCA 148** when it held that, according to the Act, contributions made to a private pension scheme cannot be forfeited by a parting employee because they are portable benefits.

Calculation of Portable Benefits

1.6. The calculation of portable benefits varies depending on whether the scheme is a DCS or DBS. Under Section 18(3) of the Act, in a Defined Contribution Scheme, portable benefits are the total contributions made by both the employer and employee, plus interest. Whereas, in a Defined Benefit Scheme, portable benefits are determined by the present value of the accrued retirement

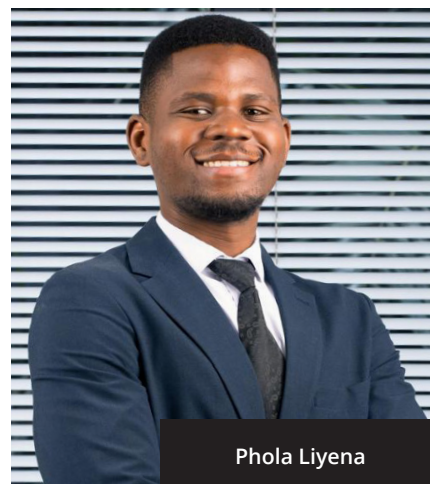
pension, as calculated by the scheme actuary.

The Legality of Deferred Portable Benefits Under Zambian Law

1.7. It is important to highlight that, the Act has abolished deferred or delayed payment of pension benefits. Under Zambian law, employees are entitled to receive their pension benefits upon leaving the scheme, irrespective of whether they have reached retirement age. In the case of *Standard Chartered Bank (Z) Plc vs. Willard Solomon Nthanga & 402 Others (2008) 1 ZR 129*, the Supreme Court ruled that deferred pension schemes are illegal and that employees must be paid their accrued benefits upon separation. This ruling was reaffirmed in the *Richard H. Chama case*, making it clear that pension schemes with rules requiring deferred benefits until the contributing employee attains the prescribed retirement age are unenforceable under Zambian law.

1.8. In conclusion, under Zambian law, employees are entitled to immediate access to their pension benefits upon leaving a private pension scheme, with no requirement for deferral until retirement. Immediate access includes providing the employee with the option to transfer to a new scheme or have their benefits paid to them on a prorated basis. Any scheme which purports to deny the employees this option would be contrary to the *Pensions Scheme Regulation Act* and therefore, illegal. Hence, under a private pension scheme, even employees who have not attained retirement age are entitled to obtain their full pension benefits.

“Under Zambian law, employees are entitled to immediate access to their pension benefits upon leaving a private pension scheme, with no requirement for deferral until retirement.”



Phola Liyena

A New Wave in the Mining Sector? What do Investors need to know about the Minerals Regulation Commission Act No. 14 of 2024



Jacqueline Mutale & Phola Liyena

1.0 Following the issuance of the Minerals Regulation Commission Act (Commencement Order) Statutory Instrument No. 42 of 2025, the Minerals Regulation Commission Act No. 14 of 2024, ("the Act") is now in force. The Act signifies a new wave of changes in Zambia's mining sector. Notably, the purpose of the Act is to inter alia: (i) regulate and monitor the development and management of mineral resources in the Republic; (ii) establish the Minerals Regulation Commission and provide for its functions; (iii) establish the Mining Appeals Tribunal; and (iv) repeal and replace the Mines and Minerals Development Act, of 2015 (the "Old Act").

2.0 Key Provisions of the Act

2.1. **Minerals in Zambia vest in the President.** The Act provides that all rights of ownership in, exploration, mining, processing and disposing of minerals wheresoever located in the Republic vest in the President on behalf of the Republic.

2.2. **Principle of Prudent Development of Mineral Resources.** The Act recognises, among other principles, that mineral resources are a non-renewable resource and shall be conserved, developed and used prudently, considering the needs of present and future generations. Additionally, citizens are entitled to equitable access to mineral resources and to benefit from mineral resources development.

2.3. **Creation of the Minerals Regulation Commission.** The Act establishes the Minerals Regulation Commission ("the Commission") as the regulatory agency of mineral exploration in Zambia. The main functions of the Commission are to *inter alia*: grant and revoke mining and non-mining rights; regulate and monitor the mining industry and mining operations in Zambia; and to prevent illegal mining, minerals smuggling and tax evasion in collaboration with other Government authorities.

2.4. **Elimination of the Mining**

Licence Committee (MLC).

The Old Act established the MLC, which does not possess corporate status and operates alongside the Ministers and Directors to undertake the responsibilities of considering applications for mining rights and non-mining rights, such as, (i) grant, renew or refusal of mining rights and non-mining rights; (ii) terminate, suspend or cancel mining rights and non-mining rights; and (iii) amendment of the terms and conditions of mining rights and non-mining rights. The new Act now vest these powers and responsibilities in the Commission.

2.5. **Stricter Penalties for Illegal Mining.** The Act strictly prohibits the exploration, mining, mineral processing or gold panning without licence or environmental impact assessment, issued by the Commission. Undertaking mining activities without a licence is a serious offence, punishable by up to seven (7) years' imprisonment and a fine of ZMW280,000, or both, for an individual; and a fine of ZMW2.0 million for a company

or body corporate.

2.6. Mining Rights Exclusive to Citizens.

The Act provides that mining rights over Medium-Scale Mining Rights, that is, between 6.68 hectares and 1,000 hectares are restricted to: (i) Citizen-influenced companies (at least 25% Zambian ownership); (ii) Citizen-empowered companies (at least 50% Zambian ownership); and (iii) Citizen-owned companies (100% Zambian ownership). Furthermore, regardless of size, a mining right over an area exceeding 6.68 hectares can only be issued to a company, not an individual.

3.0 Licences Under the Act

3.1. The Act provides for several validity periods for different licences issued under the Act, notably:

- (i) **Exploration Licence:** valid for four (4) years and may be renewed for two (2) further and final periods of three (3) years each.
- (ii) **Artisanal Mining Licence:** valid for, three (3) years.
- (iii) **Small-Scale Mining Licence:** valid for ten (10) years.
- (iv) **Large-Scale Mining Licence:** valid for twenty-five (25) years.
- (v) **Mineral Processing Licence:** valid for a period of twenty-five (25) years and may be renewed.
- (vi) **Gold Panning Certificate:** valid for a period of two (2) years and is renewable every after two (2) years as prescribed.
- (vii) **Mineral Trading Permit:** valid for a period of three (3) years and may be renewed every after three (3) years as prescribed.

4.0 Additional Changes Investors Need to be Aware of

4.1. The Act introduces a restriction on the number of mining rights that a person can hold. The maximum number of mining rights a person

can hold is five (5), subject to the Commission's discretion to grant more upon compliance with terms and conditions of mining rights held under the Act and financial capacity of the applicant seeking a further mining right.

4.2. Regarding Artisanal Mining Licences, it is important to note that the position that an artisanal mining shall only be undertaken by a citizen or a co-operative wholly composed of citizens remains the same as it was in the Old Act. However, the Act permits a company or foreign national who, with written consent of the holder of an artisanal mining right, intends to work in partnership or any form of agreement with a holder of an artisanal mining right, shall obtain prior written approval of the Commission.

4.3. In the recent case of **Hai Sheng Mining Enterprises Ltd vs. Cupwell Ng'ambi Mining Ltd (Appeal No. 315/2023) [2025] ZMCA** (the "Hai Sheng case") the Court of Appeal made it clear that an artisanal licence can only be granted to citizens, or a citizen owned, citizen-influenced or citizen-empowered company. The Court further stated that a body corporate can hold other mining licences with the exception of artisanal licences. The Court held that considering Cupwell Ng'ambi Mining Ltd was a corporate entity, it could not legally hold an artisanal mining licence. However, the Court noted ambiguity in the law, as **Section 12(3)(b) of the Mines and Minerals Development Act No 11 of 2015**, which imposes penalties on corporate entities, suggesting some recognition of their involvement in mining activities. The Court therefore, held that the artisanal licence in this case was in the name of an individual and since the mining agreement was between two companies neither of the parties to the contract were licenced to carry out mining in Zambia.

4.4. In addition to mining licences,

the Act introduces the concept of an "Access agreement" which is a legal contract between the holder of a mining right and an owner or occupier of land over which the mining right subsists, for the conduct of exploration, mining or other activities authorised by the mining right to be carried on the land. It means that private owners of land with a mining right can now enter into agreements that allow third parties to explore the land and conduct other mining activities permitted by the landowner's licence.

5.0 Taxation of the Mining Industry

5.1. Regarding taxation, the Act provides that a person shall not transfer, assign, encumber or otherwise deal with a mining right or mineral processing licence, or an interest in a mining right or mineral processing licence, without the approval of the Commission and the production of a tax clearance certificate issued by the ZRA Commissioner-General. In the case of **Teal Minerals Barbados Incorporated vs. Zambia Revenue Authority (Appeal 4 of 2022) [2022] ZMSC 39 (17 August 2022)** the Supreme Court clarified that transfer of the shares in a mining company incorporated abroad with mining assets in Zambia is equally subject to taxation. This is the case even if the transaction occurred wholly outside Zambia because the asset which was at the heart of the transaction (viz. a mining licence to extract minerals in Zambia) was situated in the country tax is payable. The current rates of property transfer tax (PTT) are as follows: 10% of the realised value in respect of a mining right for a mining licence; 8% of the realised value in respect of a mining right for an exploration licence; 10% of the realised value in respect of a mineral processing licence; 8% of the realised value in respect of shares.

Payment of Royalties

5.2. In the same vein, the Act provides for major changes relating to the percentage payable as royalties on minerals and further specifies the various types of minerals that are subject to the conditions provided under the Act. The section provides that a holder of a mining licence shall pay mineral royalty at the rate of:

- (i) 5% of the norm value of the base metals produced or recoverable under the licence, except when the base metal is copper, cobalt or vanadium;
- (ii) 5% of the gross value of the energy and industrial minerals produced or recoverable under the licence;
- (iii) 6% of the gross value of the gemstones produced or recoverable under the licence;
- (iv) 6% of the norm value of precious metals produced or recoverable under the licence.
- (v) 4% of the norm value when the norm price of copper is less than four thousand United States dollars per tonne;
- (vi) 6.5% of the norm value when the norm price of copper is four thousand United States dollars or higher per tonne but less than five thousand United States dollars per tonne;
- (vii) 8.5% of the norm value when the norm price of copper is five thousand United States dollars or higher per tonne but less than seven thousand United States dollars per tonne; or
- (viii) 10% of the norm value when the norm price of copper is seven thousand United States dollars or higher per tonne.
- (ix) 8% of the norm value of the cobalt or vanadium produced or recoverable.

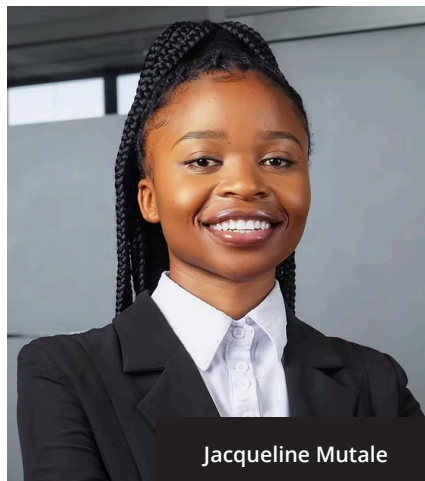
5.3. Notably, all mineral royalties may be paid in advance. Further, a

person in possession of minerals extracted in the Republic for which mineral royalties have not been paid, is liable to pay the prescribed mineral royalties at the rates as elaborated above. Under the Act Norm Value means: the monthly average London Metal Exchange cash price per tonne multiplied by the quantity of the metal or recoverable metal sold; (b) the monthly average Fastmarkets Metal Bulletin cash price per tonne multiplied by the quantity of metal sold or recoverable metal sold to the extent that the metal price is not quoted on the London Metal Exchange; or (c) the monthly average cash price per tonne, at any other exchange market approved by the Commissioner-General, multiplied by the quantity of the metal sold or recoverable metal sold to the extent that the metal price is not quoted on the London Metal Exchange or in the Fastmarkets Metal Bulletin

6.0 Conclusion

6.1. The Act strengthens Zambia's mineral resource management by centralising regulation under the Minerals Regulation Commission. It further promotes local ownership, enhances governance and enforces stricter penalties for unlicensed mining. It clarifies taxation, mineral royalty rates, access agreements and aims to achieve transparency, sustainability, and equitable benefits for all stakeholders.

“The Act strengthens Zambia’s mineral resource management by centralising regulation under the Minerals Regulation Commission.”



Jacqueline Mutale



Phola Liyena

Severance Pay – Has the Matter Been Settled by the Zambian Courts?

Nchimunya Mwale

1.0 Introduction

1.1. The issue of severance pay has sparked considerable debate in Zambia's legal landscape, particularly in relation to permanent and pensionable employees under the current labour laws. To unpack the controversy, it is important to begin with the statutory definition.

What Is Severance Pay?

1.2. The **Employment Code Act No. 3 of 2019 ("the Act")** defines severance pay under Section 3 as the "wages and benefits paid to an employee whose contract of employment is terminated in accordance with Section 54." In this regard, Section 54 of the Act provides that:

"(1) An employer shall pay an employee a severance pay, where the employee's contract of employment is terminated or has expired, in the following manner:

- (a) where an employee has been medically discharged from employment, in accordance with section 38(5);*
- (b) where a contract of employment is for a fixed duration, severance pay shall either be a gratuity at the rate of not less than twenty-five percent of the employee's basic pay earned during the contract period or the retirement benefits provided by the relevant social security scheme that the employee is*

a member of, as the case may be;

- (c) where a contract of employment of a fixed duration has been terminated, severance pay shall be a gratuity at the rate of not less than twenty-five percent of the employee's basic pay earned during the contract period as at the effective date of termination;*
- (d) where a contract of employment has been terminated by redundancy in accordance with section 55, the severance pay shall be a lumpsum of two months' basic pay for each year served under the contract of employment; or*
- (e) where an employee dies in service, the severance pay shall be two months' basic pay for each year served under the contract of employment."*

1.3. Noteworthy, Section 54(3) explicitly excludes casual, temporary, probationary employees, and those on **long-term contracts** from receiving severance pay. An employee on a long-term contract is a person engaged on a contract of service for a period exceeding twelve months, renewable for a further term. The question then becomes is an employee on a permanent and pensionable contract entitled to severance pay?

The Courts Weigh In: Interpretation of Section 54.

1.4. At the High Court level, most judges have interpreted the

provisions of Section 54 to allow for the payment of severance pay to permanent and pensionable employees. For instance, in the case of **Dansiano Phiri vs. Afronet Trading Limited (TA Fresh Dream Bakery) (COMPIRCLK 2832021) 2024 ZMHC 33 (20 February 2024)** the High Court held that a permanent employee is entitled to be paid severance pay at the rate of not less than twenty-five percent (25%) of their basic pay earned during the contract period of employment, up to the date of termination. The Court's rationale for this decision was that a permanent contract is also a fixed term contract because a permanent contract ends at a pre-determined time when the employee attains retirement age. The Courts in the cases of *Mupila vs. Yu Wei (COMPIRCLK 222 of 2021) [2022] ZMIC*, and *Saviours Mundia vs. Consolidated Farming Unit (COMP IRLCK 4422019) 2023 ZMHC 45 (22 June 2023)* expressed similar sentiments.

Contradictory Court of Appeal Cases

1.5. At the Court of Appeal level, the learned Justices were not so unanimous in their views. In **Stanbic Bank Zambia Ltd vs. Natasha Patel (Appeal No. 274 of 2022) ZMCA 2024**, the Court of Appeal held that the natural and ordinary meaning of the statutory provisions under Section 54 (1) (c) on Severance Pay indicates that this benefit is exclusively available to employees on fixed-term contracts. The Court was

of the view that Severance Pay under Section 54 (1) (c) only applies to employment contracts with a defined start and end date. Therefore, employees on permanent and pensionable contracts are excluded from receiving severance pay under Section 54 (1)(c) because they do not have a fixed start and end time.

1.6. In addressing this issue from the point of view of a permanent employee who's been dismissed from employment, the Court of Appeal in **Midlands Milling 2011 Ltd vs. Lloyd Tembo (APP 297/2022) ZMCA 2024 (the "Midlands Milling case")**, held that a dismissed employee is not entitled to severance pay. The Court stated that the mode of exit from employment, rather than the type of employment contract, determines whether severance pay is due. The Court was of the view that severance pay is only payable upon the termination or expiration of a contract, but this does not include cases of dismissal. As a result, an employee dismissed for wrongdoing is not eligible for severance pay. Therefore, severance pay is only applicable when the employment ends through termination or expiration without fault by the employee. If these conditions are met, the relevant provisions of Severance Pay should then be applied to determine the appropriate severance package.

1.7. The Court of Appeal was again called upon to interpret these provisions in **Zubao Harry Juma vs. First Quantum Minerals Road Division (Appeal No. 102 of 2022)**. The brief facts were that the appellant, a permanent employee, was dismissed for gross misconduct. His employer terminated his employment without severance benefits. The High Court upheld the dismissal as lawful and denied any entitlement to termination benefits. The employee appealed, arguing that under the Employment Code, he

was entitled to severance pay in the form of a 25% gratuity, even upon dismissal. The employer maintained that misconduct disentitled the employee to any benefits. Surprisingly, the Court of Appeal ruled in favour of the employee, holding that under Section 54(1)(c), severance pay in the form of gratuity applied regardless of the reason for termination, thus, extending the benefit to permanent employees, even upon dismissal.

Reversal of Position in Recent Decisions

1.8. However, this interpretation was short-lived. In subsequent judgments, the Court of Appeal shifted its position. In **Kingfred Phiri vs. Life Master Limited (Appeal No. 24 of 2024) ZMCA 2024** the Court of Appeal held that employees on permanent and pensionable contracts, whether terminated or dismissed for disciplinary reasons, are not entitled to severance pay. Furthermore, the Court also guided that the distinction between fixed-term and permanent contracts is fundamental in determining eligibility for severance pay. Therefore, permanent and pensionable contracts, are distinct from fixed term contracts, as the former lack a predetermined end date, unlike fixed-term contracts. This position reaffirmed the Court of Appeal's earlier position in *Midlands Milling case* (earlier cited)

Conclusion: A Settled Yet Evolving Issue

1.9. The current judicial interpretation of Section 54 of the Employment Code Act is that employees engaged on a permanent and pensionable basis are not entitled to severance pay, unless the situations under section 54(1) (a), (d) or (e) are applicable. While this position appears settled for now, uncertainty remains as the issue may ultimately be tested before

the Supreme Court. Until then, both employers and employees must navigate the current landscape with careful attention to the prevailing interpretation of Section 54.

1.10. In view of the above, it is recommended that employment contracts clearly specify the nature of employment, whether permanent and pensionable, fixed-term, or long-term, in alignment with the provisions of the Employment Code Act. Additionally, employers should consider establishing contingency funds to cover unforeseen obligations such as severance payments, thereby minimizing financial strain on the business.

1.11. For permanent and pensionable employees, it is further recommended that employment contracts and relevant human resources policies reflect the current legal position on the specific circumstances under which severance pay may become payable. Employers must also ensure full compliance with pension scheme requirements, including timely and accurate contributions.

1.12. Moreover, HR personnel should be adequately trained to maintain accurate employment records and follow the correct procedures for both terminations and dismissals. It is essential that the distinction between these two processes is well understood and properly applied in practice.



Nchimunya M. Mwale

Data Protection: Use, Storage and Protection of Personal Data

Mary Govati Mbewe and Anastasia Kepi

1.0 Introduction

1.1. In recent years, the use and storage of personal data has gained prominence. In simple terms, personal data refers to information which directly or indirectly identifies an individual, this includes a name, an identification number, location data, an online identifier, or one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.



1.2. **The Data Protection Act No. 3 of 2021** (the “DPA”) is Zambia’s primary law regulating data protection. The DPA is anchored on Article 17 of the the Constitution of Zambia (Amendment) Act, 2016, which guarantees the right to privacy. The DPA regulates the collection, use, storage, transmission, and processing of personal data by Data Controllers, processors, and collectors. Under the DPA, Data Controllers and processors have stringent duties to process this data lawfully, fairly, and securely.

1.3. A Data Controller is a person who, either alone or jointly with other persons, controls and is responsible for keeping and using personal data on a computer, or in structured manual files, and requests, collects, collates, processes or stores personal data from or in respect of a person. Whereas, a Data Processor is a person, or a private or public body that processes personal data for and on behalf of/under the instruction of a Data Controller.

Licensing and Registration of Data Controllers and Processors

1.4. The office of the Data

Protection Commissioner (“the Commissioner”) is responsible for among other things, administering the DPA and regulating data use and processing in Zambia. Under the DPA, Data Controllers and Processors must register with the Commissioner before handling personal data. Registration requires submitting details on processing activities, security measures, and compliance procedures. A certificate of registration is issued upon approval. Registration must be renewed periodically, and significant changes in data processing must be reported within seven days. This ensures ongoing compliance and allows the Commissioner to monitor and enforce data protection standards.

Lawful Basis and Limitations on Processing

1.5. The DPA outlines seven (7) key principles for lawful data processing:

(i) Lawfulness, fairness, and

transparency: Data subjects must be informed why their data is collected and how it will be used.

(ii) Purpose limitation: Data can only be processed for the specified purpose and not repurposed without consent.

(iii) Data minimisation: Collect only the necessary information.

(iv) Accuracy: Data must be kept up to date, with inaccurate data corrected promptly.

(v) Storage limitation: Personal data must be deleted when no longer needed.

(vi) Respect for data subject rights: Individuals must be able to access, correct, or withdraw their data.

(vii) Security: Adequate measures must protect data from unauthorised access or loss.

1.6. Individuals, companies, firms and other organisations, collecting personal data/information, must obtain clear consent from data subjects before collecting data, using consent forms that outline: the purpose of data collection; the types of data collected; and the data subject rights, including the right to withdraw consent.

Ordinarily, a privacy notice should accompany consent forms, explaining data usage, storage, and protection measures.

Processing of Personal Data

1.7. Notably, Data Controllers may process personal data only when: the data subject has given explicit consent, the processing is necessary for legal claims, healthcare, or public interest. Importantly, the individual whose data is being used or processed must understand their rights, including the right to withdraw consent at any time.

Processing of Sensitive Personal Data

1.8. The provisions relating to Sensitive data, are even more stringent. Sensitive data refers to information relating to an individual's race, health, political views, religion, and biometrics. This information can only be processed when: (i) it is necessary for legal proceedings; (ii) is required for medical purposes, handled by a professional bound by confidentiality; (iii) the explicit consent is obtained. The Act prohibits processing sensitive data unless these conditions are met, ensuring individuals' fundamental rights are protected.

Data Security Measures

1.9. Under the DPA, once personal information is lawfully collected (i.e., with the consent of the data subject), the Data Controllers must implement safeguards to protect data from unauthorised access, loss, or destruction. Security measures should include encryption to prevent unauthorised access; access controls ensuring only authorised personnel can handle data; and regular security audits to assess risks. These measures minimise the risk of data breaches and ensure compliance with legal obligations.

Data Subject Rights

1.10. Under the DPA, data subjects have the right to, among other things: (i) access their data

and request copies; (ii) correct or erase inaccurate data; (iii) object to processing that affects their rights; (iv) request data portability, allowing transfer to another controller; (v) the right to know how long personal data is stored.

Disclosure of Personal Data

1.11. Data Controllers/Processors must not disclose personal data unless, the data subject has provided explicit consent, or the disclosure is required for law enforcement, public safety, or national security. Unauthorised disclosure is a criminal offence punishable by fines of up to 200,000 penalty units or imprisonment of up to two years.

Storage and Cross-Border Transfer of Personal Data

1.12. It is important to note that the DPA requires that personal data be stored within Zambia. The DPA permits storage of personal data in the cloud. Generally, the Cloud is understood to mean networked computing facilities providing remote data storage and processing services via the internet. Under the DPA, the Cloud would be regarded as an Information System. That is, a system for the generation, sending, reception, storage, display or other processing of data messages, and includes the internet. The DPA, mandates that personal data must be processed and stored within Zambia unless otherwise prescribed by the

Minister. However, sensitive personal data must be stored locally without exception.

Transfer of Personal Data Outside Zambia

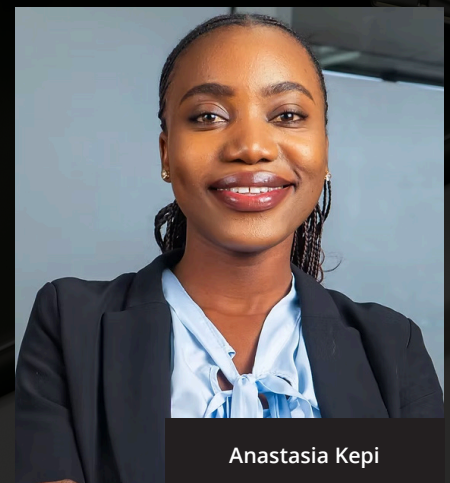
1.13. While the Act requires personal data to be stored in Zambia, it may be transferred outside the country if the Minister grants authorisation, or the data subject gives explicit consent for international transfers. Transfers outside Zambia must comply with approved contracts or frameworks ensuring equivalent protection. To reiterate, sensitive personal data must always remain within Zambia, unless an exception applies.

Conclusion

1.14. Zambia's Data Protection laws are strict on use, processing and cross-border transfers, requiring explicit legal mechanisms if data is to be used or stored in other jurisdictions. Data Controllers and Processors, have significant legal obligations under the Act, to register with the Data Protection Commissioner. Further, they must obtain clear consent from the individual before collecting personal data. Importantly, Data Processors and Controllers must implement security measures to protect data and allow individuals to exercise their rights over their data.



Mary Govati Mbewe



Anastasia Kepi

Regulating Green Finance: A Legal Analysis of Zambia's Green Loans and Bonds Guidelines

Anastasia Kepi



1.0 Introduction

1.1. As climate change continues to impact Zambia, prioritising environmental protection and preservation has become imperative. One innovative approach to mitigating the effects of global warming within the financial sector is the introduction of green finance, particularly through green loans and green bonds. This article explores the legal framework governing green loans and bonds in Zambia, focusing on the regulatory landscape, tax considerations, and their broader role in promoting sustainable development.

Green Finance Regulations in Zambia

- 1.2. Green finance refers to a form of financing that enables borrowers to use the money raised from the bonds and loans to exclusively fund projects that make a substantial contribution to an environmental objective. The Green Finance market in Zambia is regulated by the Bank of Zambia (BoZ) and the Securities and Exchange Commission (SEC). They oversee the issuance and management of Green Bonds and loans.
- 1.3. Notably, government, through BoZ and SEC, has published two (2) guidelines to raise green

investments in the country, namely, the *Securities (Green Bonds) Guidelines* ("the **Green Bonds Guidelines**") issued by SEC in 2019; and the *Banking and Financial Services (Green Loans) Guidelines* ("the **Green Loans Guidelines**") issued by BoZ in 2023. The Green Loans Guidelines are the main framework regulating green finance in Zambia.

The Green Loans Guidelines 2023

- 1.4. The purpose of the *Green Loans Guidelines* is to enable financial service providers to contribute towards the attainment of sustainable development goals and to establish standards for

the provision of green loans in Zambia. To achieve this purpose, issuers, i.e., public and private financial institutions have the legal obligation to conduct comprehensive due diligence, ensuring that the revenues generated from the issuance of the Green Loans are strictly allocated to projects with demonstrable environmental benefits, such as renewable energy, sustainable agriculture, and pollution control.

The Green Bonds Guidelines 2019

1.5. The *Green Bonds Guidelines* to provide a framework for issuing bonds that fund environmentally sustainable projects. These guidelines ensure transparency and accountability by requiring issuers to clearly define how bond profits will be used, set criteria for selecting ecofriendly projects, track and allocate funds specifically to those projects and provide regular reporting on their environmental impact. This helps investors to understand the bonds environmental benefits and builds confidence in green financing.

Distinguishing Green Bonds from Traditional Bonds

1.6. Green bonds differ from traditional bonds primarily in their use of profits. Unlike ordinary bonds, which can be used for any purpose, green bonds are earmarked for environmental projects. Additionally, the issuing requirements of green bonds and ordinary bonds differ. Green bonds must state the projects into which the funds will be directed. Furthermore, green bonds must comply with the criteria set out in the Green Loans and Green Bonds Guidelines, such as reporting. This means clearly stating the



use of profits and third-party verification or certification that proposed projects meet the green standards.

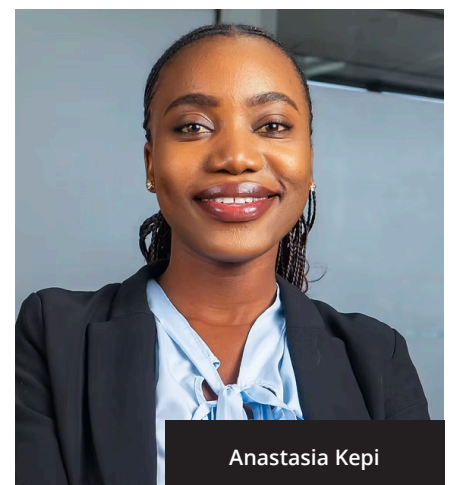
Taxation of Green Bonds in Zambia

1.7. The taxation of green bonds presents a critical legal consideration for both issuers and investors. In the 2023 Zambian National Budget, the government introduced an exemption from withholding tax on interest income earned from green bonds listed on the securities exchange in Zambia, provided the bonds have a maturity period of at least three years. This measure was designed to encourage investment in environmentally beneficial projects. The exemption is now codified in the **Income Tax (Amendment) Act No. 24 of 2022**, which came into effect on 1st January 2023.

Conclusion

1.8. While the legal framework for

green finance in Zambia is gradually developing, several challenges remain. One of the key challenges is ensuring that the legal and regulatory environment evolves in step with the rapidly changing landscape of green finance. In particular, monitoring and evaluating the impact of proposed green projects can be difficult, as such projects are inherently long-term and their environmental benefits may take years to materialise.



Anastasia Kepi

Deals and Matters we are excited about Lately....

We are delighted to share a snapshot of some of the exciting matters we have recently advised on. These engagements showcase the breadth of our expertise across diverse sectors, our commitment to protecting clients' interests, and our ability to deliver practical and strategic solutions in complex transactions.

A. Energy Sector - Advisory on Power Purchase and Regulatory Compliance

We recently advised a leading regional energy company on the structuring and negotiation of a long-term power supply arrangement. Our role included, reviewing regulatory requirements under the Electricity Act and the Energy Regulation Act, advising on compliance issues, and supporting negotiations with the utility company. This matter showcases our expertise in the energy sector and our ability to deliver practical solutions that align with Zambia's evolving energy landscape.

B. Banking and Financial Sector - Strengthening Lending Security and Debt Recovery.

Our Firm is pleased to have closed a significant number of mortgage transactions, both legal and equitable, on behalf of leading Banks and micro-financial institutions. These transactions have strengthened our clients' lending security positions and facilitated the smooth advancement of credit facilities to borrowers across various sectors.

In addition, we have successfully recovered substantial sums owed to our clients through enforcement actions, including foreclosure proceedings and negotiated settlements. These recoveries not only restore value

to our clients, but also reinforce confidence in the enforceability of financial contracts.

This work highlights our Firm's robust banking and finance practice and our commitment to protecting the interests of financial institutions through efficient structuring, diligent due diligence, and effective enforcement mechanisms.

C. Banking & Financial Sector (Registration of Mortgages) - Securing Interests through Mortgage Registrations.

Our Firm is proud to be acting on behalf of a leading commercial bank in Zambia (on a retainer basis) in relation to the registration of mortgages arising from complex financing transactions. We successfully navigate intricate procedures, ensuring that the mortgages are duly registered in accordance with statutory requirements, thereby perfecting the banks' securities.

Through this work, we not only safeguard our clients' financial interests, but also strengthen their ability to enforce security in the event of default.

D. Consumer Goods - Protecting Brand and Intellectual Property Rights

Our Firm successfully represented a multinational consumer goods company in safeguarding its trademark portfolio against infringement in Zambia. We took swift action by issuing cease-and-desist notices, filing necessary applications with the Patents and Companies Registration Agency (PACRA), and securing favourable outcomes that protected the client's market position. This case

reflects our strong intellectual property practice and our commitment to defending our clients' brands in competitive markets.

E. TRUSTS

We recently advised a leading conglomerate in the Fast-Moving Consumer Goods (FMCG) sector on the establishment of family trusts, shareholder structures, and associated tax implementation strategies.

Our comprehensive role included:

- Drafting of Trust Deeds and Sub-Trusts
- Registration of trust structures
- Transfer of shares and property assets

This engagement underscores our firm's commitment to helping clients navigate complex legal transactions with confidence. It also reflects our ability to provide innovative, out-of-the-box solutions tailored to the unique needs of high-growth businesses and family enterprises.

F. NGO Sector - Organisational Restructuring and Workforce Advisory

We advised a prominent international non-governmental organisation (INGO) on a restructuring exercise necessitated by changes in donor funding. Our team guided the client through the redundancy process, ensuring full compliance with the Employment Code Act, managing stakeholder engagement, and mitigating legal and reputational risk. This matter underscores our expertise in employment and labour law and our ability to provide practical, strategic advice to organisations navigating sensitive transitions.

Firm Announcements

A. We've Moved! Same Trusted Advice, Fresh New Space.

We are excited to share that we have moved to new and larger premises in order to serve you better.

Our new address is:

NOVUS House
Stand No. 3795, Ngwerema Road
Off Kwacha Road,
Olympia Park, Lusaka.

Our new office reflects our continued growth and dedication to delivering exceptional legal services. Every piece of furniture, every design choice, and every tech feature, was thoughtfully selected to embody our philosophy of innovation, client focus and professionalism. We look forward to welcoming you to NOVUS House soon!

Click on the link here to get a 3-D view of our new office spaces:

[Click Here](#)



B. Promotion Announcement! Natasha Mwanza Appointed Operations and Business Development Manager

We are delighted to announce the promotion of Natasha Mwanza to the role of Operations and Business Development Manager. Natasha brings a unique combination of creativity, strategic insight, and analytical expertise to our leadership team. Having been a valued member of the NOVUS family from inception, she is committed to leveraging her skills and experience, to drive business growth and strengthen the Firm's continued success. We look forward to her contributions in this new role.



Natasha Mwanza

C. NOVUS Becomes a Member of ADVOC International



We are pleased to announce that NOVUS HM Legal Practitioners has joined ADVOC, a leading international alliance of independent law firms with over 90 members across more than 75 countries. Membership in ADVOC strengthens our global presence and enhances our ability to provide seamless cross-border legal services to our clients. We look forward to collaborating with our new partners and building strong international synergies that will benefit our clients worldwide.

D. NOVUS Team Donates Blood to Save Lives

As part of our commitment to community service, the NOVUS team proudly participated in a blood donation drive organised by the FNB Zambia Foundation in partnership with the Zambia National Blood Transfusion Service. We are honoured to support such a life-saving initiative, because saving lives is a shared responsibility and every drop truly counts.



E. Departures/Collaborations

After a successful secondment with First National Bank (FNB), Phola will be leaving the Firm effective 1st September 2025, to take on a new role with the Bank as Legal Manager.

Phola joined the Firm through our Graduate Programme and has grown tremendously over the years, consistently demonstrating dedication, innovation, and a genuine eagerness to learn. This move is a reflection not only of Phola's hard work and commitment, but also of the



Phola Liyena

strength of the relationships the Firm builds with its clients, and the calibre of talent we develop within our team.

At the Firm, we believe in nurturing careers through meaningful work, continuous learning, and a culture that empowers people to grow. Phola's story reflects this commitment - from a graduate recruit to a trusted professional now stepping into a leadership role. We are proud to have played a part in his journey and we wish him continued success!

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