
Zimbabwe to re-evaluate all mining contracts - Mr Biti

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Mr Tendai Biti Zimbabwe's Finance Minister told Reuters that Zimbabwe will re evaluate all mining contracts and introduce a use it or lose it policy for its mining industry under a proposed law.

News of the vetting of mining contracts by Zimbabwe's unity government of President Robert Mugabe and Prime Minister Morgan Tsvangirai is likely to surprise investors at a time the country is wooing them to help repair a battered economy.

Mining in the southern African country has become the leading source of foreign exchange, with gold accounting for a third of exports, but political turmoil, lack of energy and unfavorable regulatory rules has led to several mines closing.

Mr Biti in an interview said that "The government... is working on a new mining law, amendments to the mining laws, so that we comply with new standards for the extractive industries, which the World Bank is insisting on." He said that "That law will introduce the concept of 'use it or lose it' with respect to... mining claims. It will also introduce the re-evaluation of every mining contract that has been signed in Zimbabwe."

But Mr Biti declined to said that when the proposed law would be brought to parliament, saying he didn't want to pre-empt the mines minister.

(Sourced from Reuters)

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