



AFRICAN PEER REVIEW MECHANISM

APRM COUNTRY REVIEW REPORT

REPUBLIC OF ZAMBIA



KEY ISSUES FOR DISCUSSION
AT THE SUMMIT OF THE APR FORUM




INTRODUCTION

1. Zambia acceded to the African Peer Review Mechanism (APRM) on 22 January, 2006 at the African Union (AU) Summit held in Khartoum, Sudan. The untimely death of the president, and the holding of presidential by-elections somewhat delayed the country's self-assessment. However, Zambia's commitment was steadfast with the confirmation of the Ministry of Justice (MoJ) as the Focal Point Institution. Zambia received and hosted the APRM Country Support Mission which was led by Dr. Graca Machel, the member of the Panel of Eminent Persons, from the 23 to the 25 February 2009. During this mission, a Memorandum of Understanding on Technical Assessment and the Country Review Process was signed by the Government and the APR Panel. The Minister of Justice, Honourable George Kunda launched the APRM process in Zambia on 8 July 2007.
2. A 47-member National Governing Council (NGC) was appointed, but was later reduced to 30 members following the recommendations of the Country Support Mission. The NGC made a communication strategy and carried out country wide sensitization and awareness campaigns in 2009. The NGC contracted three Technical Research Institutions (TRIs) and an individual consultant to collect material for the Country Self-Assessment Report (CSAR) and National Plan Action (NPOA). However, the completion of the CSAR was delayed due to resource constraints, and other implementation challenges such as the translation of technical concepts such as money laundering and corporate governance into local languages, and the fact that the surveys and preparation of thematic reports took a much longer period than expected. Both the CSAR and NPOA were validated in most provinces, and the two documents were submitted to the APRM Secretariat in October 2010.
3. The Country Review Mission (CRM) was from 7 to 25 February 2011. It was led by Prof. Amos Sawyer and was composed of individual African experts in the four thematic areas of APRM, and others from strategic partners, namely, the United Nations Development Programme (UNDP), United Nations Economic for Africa (UNECA) and African Development Bank, under the coordination of officers from the APRM Continental Secretariat.
4. The launch of CRM involved an audience of the country review team with the former His Excellency, President Rupiah Banda, who welcomed the CRM and pledged commitment to the APRM principles of Governance. During the country review, the team employed its expertise and interacted with all groups of stakeholders, including the members of the government, parliament, political parties, the private sector, civil society organizations, trade unions, women's groups, youth groups, community leaders, and academia, among others. The CRM consultations started in the capital, Lusaka, after which the team was divided into two groups. One group visited the following provinces: North-western (Kolwezi), Copperbelt (Ndola), Western (Mongu), and Southern (Livingstone). The second covered the provinces of Laupula (Kasama), Northern (Mansa), Central (Kabwe), and Eastern (Chipata).
5. The participation in the stakeholder consultations was generally inclusive, even though the representatives of the government were numerically dominant, and the private sector tended to be under-represented. The knowledge of the APRM process and appreciation of its value were uneven. Nevertheless, the CRM was able to discuss the critical issues in the CSAR and gained additional insights that inform the current report. The CRM also had access to other reports and documents as provided by stakeholders.

BRIEF BACKGROUND OF ZAMBIA:

6. Zambia was made Protectorate of the United Kingdom in 1924, and later became part of Central Africa Federation (1953-63). The Federation was however, dissolved in 1963 and Zambia gained political independence on 24 October 1964 under the leadership of the UNIP led by President Kenneth Kaunda.
7. After independence, political unrest faced Zambia, forcing President Kaunda to abolish multiparty democracy, opting for single party democracy in 1991 when he organised a multiparty elections. Mr Kenneth Kaunda lost the elections and the Movement for Multiparty Democracy (MDD), led by Mr Frederick Chiluba won the elections.



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8. The MDD was in power from 1991 to September 2011, when the leader of Patriotic Front, President Michael Sata defeated the incumbent President of MDD, Mr. Rupiah Banda in general elections.

STANDARDS AND CODES

9. Though Zambia has signed and ratified some international Conventions, it does not have a central register and depository of all regional and international agreements.
10. In addition, there is little knowledge amongst stakeholders of the various international instruments and their domestication.
11. Reporting on the implementation of the agreements is also dismal.

CRM FINDINGS IN DEMOCRACY AND POLITICAL GOVERNANCE

12. Zambia has been a Republic since independence in 1964. The current constitution is the fourth and was adopted in 1996. The fifth major constitutional changes were being debated in the National Assembly during the time of the CRM. Zambia is credible for holding regular elections since independence of 1964.
13. The Country's Chief Executive is the President, who is the head of State and Government. The President is assisted by a Vice President and a Cabinet that he appoints from the pool of elected members of parliament. The president appoints the principal officers of state, including the judges, state commissioners, permanent secretaries, provincial and district commissioners, and the heads of major state agencies. As the head of state and government, as well as the president of the ruling party, the president is pre-eminent in the governance of the entire political system.
14. There is the National Assembly which consists of 150 elected members of parliament. The president may nominate up to eight additional members. There have been regular elections since independence. These are done concurrently for the president, members of parliament and the local government councils. The National Assembly performs legislative functions, and is headed by the Speaker of Parliament, who is selected by the sitting members, but whose candidacy is influenced by the president.
15. There is an entrenched system of political patronage, which is manifested in the president's appointment of all principal state officials, the executive's control over the national budget, and generally a blurring of the boundaries between the state and the ruling party. The constitutional separation of powers and checks and balances are difficult to discern, and adherence to the rule of law appears to be problematic because of the absence of effective countervailing powers of the other state institutions, and ineffective accountability mechanisms.
16. The Judiciary has insufficient human capacity and inadequate budgets. It is usually unable to accomplish all its planned activities and to perform as effectively as expected. The appointment of judges and the determination of their conditions of service are in the hands of the president. The Judicial Service Commission appears to be subordinate to the executive.
17. The country has an impressive history of supporting political liberation in Southern Africa. It has also served as a chosen refuge for freedom fighters from the sub-region and East Africa. Zambia has been an international good citizen and does not have serious political conflicts with neighbouring countries.
18. Zambia is peaceful though there are internal disagreements and tensions such as the Barotse land issue, which requires urgent attention to avoid conflict.
19. Other internal tensions emanate from the influx of foreign investors in the mines and farms, who do not seem to respect workers' rights and are abusive of them. Employment conflicts in the mines and commercial farms are thus a source of potential conflict within Zambia. The influx of foreign investors in the mines and farms seem not to respect rights of local workers.
20. Another area of political tension and potential conflict relates to the absence of constitutional certainty. The Zambian constitution has frequently been changed. The average life of each version of the constitution has been about a decade, which is hardly adequate for any constitutional order to take root and institutionalise.

21. The prevalence of corruption across the entire system, which is, in the political, economic, social and other spheres means that it has become endemic; actually systemic. Corruption appears to have historical roots, having evolved throughout the different regime types since independence, and closely linked to the system of over-centralised political power, dispensation of patronage, and the lack of official accountability. This needs attention.
22. It is also disappointing that Zambia rights of vulnerable groups such as women, youth, refugees and IDPs are not adequately provided for. The institutional capacities and budgets are inadequate for the state to ensure the promotion and protection of human rights and liberties.

CRM FINDINGS IN ECONOMIC GOVERNANCE AND MANAGEMENT.

23. Zambia has ratified and made progress in domesticating international instruments though human and financial resources limit effectiveness in their implementation. However, the signing and commitments have not necessarily led to (quick) implementation. In addition, there is more progress in implementing regional standards and codes than international ones.
24. Zambia's performance is among the seventeen high performing emerging groups of countries in Sub-Saharan Africa.
25. Zambia has been trying to promote sound macroeconomic policies since the 1990s, in order to reverse the trend towards economic stagnation and regression experienced in the previous two decades, and to launch the country towards sustainable growth and development. The results are uneven and could easily be reversed. The country is facing a number of challenges in the management of the economy, including high inflation; negative savings rates; debt management; dependence on a narrow economic base and lack of diversification; policy inflexibilities and ineffective policy and regulatory frameworks, etc.
26. Economic management is also affected by the high prevalence of corruption. Anti-corruption laws and institutions are in place in Zambia, but there is widespread criticism across the country about the ineffectiveness of such laws and institutions.
27. Zambia has had a progressive approach to economic governance and management, but has to resolve several challenges. One major challenge is to implement the international and regional commitments that the country has bound itself to. The second is to make institutions work to implement as effectively as possible the economic policies that have been formulated.
28. Zambia should continue to encourage greater transparency, accountability, and democratic control over economic policies and implementation, in which the legislature should be given greater powers of oversight over the executive agencies of the state so that policies, budget allocations, and project implementation are done for the national interest.
29. Zambia should strengthen the implementation of reforms aimed at sound public financial management, including tax collection and administration; institutionalization of the MTEF; improving the performance of the office of the Auditor General; implementation of fiscal decentralization; and strengthening the functioning of the Anti-Corruption Commission
30. The efforts of government should also be placed on re-positioning Zambia as a "developmental state", with increased but selective intervention in the determination of critical economic variables that affect growth and development, and with increased state assistance to and regulation of domestic entrepreneurship; and cultivation of a new partnership involving the state, private enterprise, and labour
31. Zambia should seek to harmonise its membership of regional integration schemes, with a view to finding the best forms of regional interactions that could maximize national benefits.



CRM FINDINGS IN CORPORATE GOVERNANCE

32. The concept of corporate governance is relatively new in Zambia, but there is keen interest in good corporate governance in both public and private enterprises.
33. Zambia has adopted, among others, the International Accounting Standards (IAS), International Standards on Auditing (ISA), Core Principles of Effective Banking Supervision which are being used by the Bank of Zambia, Core Principles for Securities and Insurance Supervision and Regulation which are being utilized by the Securities and Exchange Commission and the Pension and Insurance Authority. Zambia has also ratified the African Charter on Human and People's Rights and 39 Labour Codes of the International Labour Organisation (ILO).
34. Zambia has therefore reasonably adequate legal, regulatory and institutional framework for businesses, though Government contracting appears to favour larger, foreign companies at the expense of local (smaller) enterprises.
35. Foreign investors allegedly disregard labour rights. More so, industries excessively pollute the environment without being checked.
36. Level of corporate social responsibility in the country is very low.
37. Though, the Institute of Directors (IOD) has played a leading role in promoting ethical business practices especially in the private sector, corporate governance instruments are not effectively followed, and there appears to be no functional avenues for enforcement.
38. Zambia has various legal measures and institutions established to protect consumers, such as the National Bureau of Standards (NBS) and the Zambia Competition Commission (ZCC), but there is little general awareness of consumer rights.

CRM FINDINGS IN SOCIO-ECONOMIC DEVELOPMENT

39. Zambia has sustained SED by implementing a number of development plans, strategies and programmes since her independence.
40. Zambia has the potential to be self-reliant in its socio-economic development, given its endowment with natural resources, though there are gaps in the leadership aspects of self reliance.
41. Zambia has a well articulated national social vision in the Vision 2030 Plan and in other subsequent documents.
42. Poverty levels have remained high and the incidence of poverty among the rural population has increased, with levels rising from 78 per cent in 2004 to 80 per cent in 2006.
43. There are commendable efforts put in place to guide the country out of this situation. Such efforts include Fifth National Development Plan (FNDP) for the period 2006 to 2011 and the Transitional National Development Plan (TNDP) of 2002 to 2005, and the Sixth National Development Plan.
44. There is a possibility of achieving a number of the Millennium Development Goals in education, gender equality, women empowerment, child mortality rate, tuberculosis and HIV/AIDS.
45. Slightly more than half of the population has access to clean water though there are still problems with access to water and sanitation in the country.
46. Zambia also has sources of hydro electricity with the Kariba dam as a major example. Petroleum is the only energy form which is wholly imported by the country.

KEY STRENGTHS

- **Active CSOs:** The Zambian CSOs are noted for their fight for democracy and good governance. The most active all along has been the Jesuit Centre for Theological Reflection (JCTR), Lusaka, Zambia, whose website is www.jctr.org.zm. The Catholic Church establishment and its institutions have also spoken up for human rights for many decades. The JCTR, for instance, was very active in mobilising civil society responses to the constitutional review commission(s) as well as articulating opposition to a constitutional revision that did not fully address the concerns of Zambians.
- **Economic growth rate:** The Zambian economy continues at a respectable rate; Zambia's performance was among the seventeen high performing emerging groups of countries in Sub-Saharan Africa.

COMMENDABLE PRACTICES

- **High level commitment to liberation movements in Africa:** Zambia had a high level of commitment to the liberation of Southern Africa and exhibited solidarity with political movements that were fighting the minority regimes of South Africa, Southern Rhodesia (Zimbabwe), South West Africa (Namibia), Mozambique and Angola. Consequently, the country suffered economically through subversion mostly by South Africa and Rhodesia, and socially, through hosting refugees from all the above-named countries.
- **Maturity of Democratic Practice:** The maturing of democratic practice through Constitutional debates is a credit to Zambia. There has been wide support for the ideals of constitutionalism in Zambia. Having attained independence in 1964, Zambia has traversed forms of governance ranging from its initial Lancaster House type constitution to a period of one-party statehood before embracing the multi-party "Christian" state of the 1991 Constitution at present in force. For instance, the Constitution of Zambia Bill 2010, which was being debated in the National Assembly from 11 February 2011, but did not pass the vote of 29 March 2011.
- **Public Hearings on the breach of Children's rights:** There are Public Hearings on the Breach of Children's rights. The Human Rights Commission organizes public hearings on issues that undermine the rights of children, including violence against women. Submissions are made by all stakeholders from all quarters, including children themselves. The hearings create awareness on the rights of children and measures to be taken in safeguarding them
- **The Social Cash Transfer Scheme (SCTS):** In 2004, Zambia introduced a Social Cash Transfer Scheme (SCTS) with the help of co-operating partners such as the United Kingdom Department for International Development (DFID) the Irish Aid and the United Nations Children Fund (UNICEF). The SCTS was implemented to cater for the majority of Zambian households headed by the elderly, widow's children, or either disabled or chronically ill individuals in need of basic social protection are. It provides small, regular grants to households with under-five year old children in selected districts with the highest levels of poverty and under-five mortality rates.

KEY CHALLENGES

- Zambia is deficient in domesticating and implementing regional International agreements. This is addition to lacking of a depository of international instruments in the country
- Corruption cuts across the entire system of political, social and economic spheres in Zambia, which needs a concerted effort to uproot.
- There are high levels of unemployment and low wages, especially in urban areas, which most likely will yield to insecurity.
- Poverty is an evident fact in Zambia, which needs a protracted approach to address.
- Among other denied rights, women still lack access to land in comparison to their male counterparts. Likewise, there is disrespect for human (labour) rights in the workplaces such as mines. Denying rights to certain sections of the population is injustice to society.



- Poor state of feeder roads inhibits economic development. Government ought to work on these feeder roads to boost economic development of the country.
- Non-enforcement of environmental protection regulations, lack of corporate social responsibility and non-protection of consumers.

CROSS-CUTTING ISSUES

- **Implementation of international and regional standards and codes:** The international and regional agreements, standards, and codes that Zambia has committed to in all areas of governance are not necessarily implemented, monitored, and reported on. The official explanation of inadequate human capacity and insufficient funding for implementation are contradicted by non-state actors' assertions that the government lacks political will to fulfil its obligations.
- **Frequent constitutional changes:** Zambia has had four Constitutions since independence; with each having an average span of only one decade. The protection and promotion of constitutional rule is done through an assessment of the Constitution of Zambia Bill 2010, which was under discussion by the National Assembly during the duration of the CRM. The constitutional change was not passed by the legislature in its vote of 29 March 2011. Nevertheless, the assessment is necessary in view of the frequent constitutional changes that Zambia has gone through since independence, and due to concerns that such frequent changes may not necessarily be in the long term national interest.
- **State centralisation, patronage, and corruption:** The Zambian state system is over-centralised, with a dominant executive branch headed by the president. The executive branch is preeminent because of an over-concentration of power in the presidency, which includes several features. First, there is the blurring of the line between the executive and legislature by the outmoded and inappropriate continuation of the use of a Westminster-type of parliamentary feature in terms of which the cabinet (a part of the executive) is drawn from the ranks of the national assembly (a part of the legislature). This is exacerbated by the numbers game in which a disproportionately large cabinet dominates a relatively small national assembly. The junior status of back-benchers who are not in the cabinet does not equip them with the necessary and sufficient authority to hold the executive to account. Secondly, the omnipotence of the president is fuelled further by his powers of appointment in respect of the judiciary, where he is said to prefer contract appointments to security of tenure - thus undermining institutional independence and cultivating executive-mindedness in judges that are desirous of having their contracts renewed. Similarly, the president has the power to appoint senior civil servants, including the DPP, and those who serve on the various commissions and public entities. The judiciary is also undermined by presidential power to give directives to the Judicial Service Commission (also appointed by the president). That serves to further increase the over-concentration of power in presidential hands.
- **Capacity building:** Not mentioning the judiciary and other administrative institutions, the problems of capacity cut across aboard the service delivery institutions. This is even pronounced in disparities between urban and rural areas. Education, Health, Police, Immigration, Drug enforcement Department, Prisons, and Registrar of societies, National registration and Commission of refugees all face the insufficient human resource incapacity.
- **Environmental Degradation:** Zambia has very good legislation on environmental protection. However, the issue of the capacity of the existing institutional framework to enforce the laws on environmental protection is not effective. Furthermore, stakeholders from the government, private sector, civil society and communities informed the CRM that in the case of foreign businesses, especially in the mining sector, enforcement of environmental provisions was compromised by the fact that the government of Zambia had exempted some mining companies from environmental obligations as part of the Zambian government drive to attract and retain foreign direct investment.
- **The Barotseland problem:** The Barotseland problem is essentially political, but has several dimensions: the national constitutional issue; discord within the royal clan; and the simmering conflict between the Litunga and other chiefs within the Western province. It also has a social economic dimension, which is manifested in Barotseland people's claims of economic neglect and marginalisation of the Western province by the

government. The discovery of economic natural resources and competition over future access and exploitation could be a potential source of conflict.

RECOMMENDATIONS FOR THEMATIC AREAS:

Democracy and Political Governance.

Standards and Codes:

- Seriously consider signing additional regional instruments such as: the Nairobi Declaration on Illicit Small Arms and Light Weapons in the Great Lakes Region and the Horn of Africa (2000); the Declaration and Plan of Action on Control of Illicit Drugs Trafficking and Abuse in Africa (2002);
- Make the domestication process more inclusive by involving as much public input as possible. Ministries directly responsible for implementing the provisions can take the lead in this exercise. Publicising the non-domesticated agreements and inviting submissions from all stakeholders will help to quicken the process.
- Zambia should increase efforts and capacity to fulfill the country's regional and international commitments by domesticating them.

Objective 1: Reduce inter and Inter-state Conflicts

- Government agreements with foreign investors must be made transparent and available to the public so that citizens can be assured that government is safeguarding the public's rights and interests. This would help workers to know that their rights are protected.
- Extend tax holidays to local investors so they too can benefit from the incentives for investments just like foreigners, as well strengthening regime for casual labours so that their rights are not violated.
- To broaden access to justice by employees, the Industrial Relations Court should be decentralized further to cover all the provinces rather than being located only at Lusaka and Ndola.
- The traditional chiefs should be included in mediating electoral disputes since they are critical actors in society such as societal mobilisation.
- Need to resolve long standing Barotse land problem, that could pose a threat to internal stability.

Objective 2: Promoting Constitutional Democracy.

- Zambia should consider dismantling the system of centralisation. Constitutional changes should aim at fundamental transformation of the over-centralised state system and promote decentralization in order to enhance constitutional rule, separation of powers and accountability. Furthermore, a mature political culture towards tolerance for political diversity should be developed to avoid electoral violence.
- Zambia should establish systems to enhance both human and financial capacity of critical institutions such as judiciary, national assembly, Human Rights Commission and other agencies that promote good governance practices.

Objective 3: Promoting Economic, Social and cultural rights, and civil and Political Rights:

- Pass a law against Torture and ensure that Corporal Punishment is completely eradicated in schools, prisons and police. Similarly, pass a law on Freedom of Information Act as expeditiously as possible. The Media are also encouraged to voluntarily regulate their activities through a designated body.

Objective 4: Uphold Separation of Powers:

- Amend the constitution to guarantee the separation of powers amongst the three organs of the state: the executive, legislature and judiciary and to safeguard the operational independence of each

Objective 5: Ensure accountable, efficient and effective Public Service and other public office holders:

- There should be a concerted effort to develop human capacity, including the development of a national capacity development plan.



- The system of appointment of public servants should be based on merit, that is, qualifications, skills, and competence, in order to enhance professionalism.
- Patronage appointments to both central government and local government institutions should cease.

Objective 6: Fighting Corruption in Political sphere

- Steps must be taken to create an independent corruption fighting unit. The office of the Ombudsman could be of assistance in the fight against corruption.
- Executive control over the ACC and any other corruption fighting unit must be eliminated.

Objective 7: Promoting Rights of Women:

- Constitutional reforms need to be undertaken to address the discrimination clause (Article 23 (4) (c) and (d) which undermine the principles of CEDAW.
- Advocacy on the 50/50 campaign needs to target political parties to amend their constitutions and manifestos in order to embrace inclusion of women in the party structures.

Objective 8: Promoting Rights of the Children and Young Persons:

- Intensify the efforts to create awareness of children's rights and the contents and rationale of CRC. Chiefs and broad based traditional leadership need to be brought on board; there is need to bridge the knowledge and/or awareness levels between parents and children to ease tensions of misunderstandings and misconceptions.
- Strengthen institutions entrusted with promotion and protection of children's rights and reconsider rights to health, education and shelter (currently under the directive of state principles) to be part of the justiciable bill of rights in order to offer optimal protection to children and young people.

Objective 9: Promoting Rights of Vulnerable Groups including Refugees, the aged people and IDPs

- Adopt the Policy for the Ageing and make appropriate resource allocations for its implementation.
- Undertake reforms in order to improve the rights and welfare of PWDs in the socio-economic, political and cultural sphere; development initiatives should take into account the inclusion and involvement of PWDs in planning, implementation and monitoring processes

ECONOMIC GOVERNANCE AND MANAGEMENT

Standards and Codes

- Establish a depository unit at the Ministry of Foreign Affairs for centralized documentation of the standards and codes to which Zambia is a party so as to facilitate monitoring their implementation.
- Improve the overall capacity of the Government to implement international treaties.

Objective 1: Promote Macro-Economic Policies that support sustainable development

- The Zambian Government should consider taking on more of an interventionist stance, so as to create the conditions prevalent in a "developmental state". This should include efforts to reduce inflation through a more active monetary policy by the Central Bank, rather than leaving this completely in the hands of "market forces".
- The private sector, especially domestic entrepreneurs, should facilitate cooperation and mutual help among themselves and not rely passively on the Government for assistance.
- There should be cultivated some genuine partnership between Government and the private sector, starting with eliminating the negative stereotypes each side has of the other.

Objective 2: Implement Sound and Transparent and predictable economic Policies.

- Zambia should continue to encourage greater transparency, accountability, and democratic control over economic policies and implementation.
- There should be increased efforts to strengthen the oversight role of Parliament in monitoring and evaluation.
- There is need for the country to establish systems that guarantee certainty of budget allocations for performance of state functions.
- Zambia should strengthen implementation of reforms aimed at sound public financial management including tax collections and administration.

Objective 3: Promote Sound Public Finance Management

- Efforts should be increased to improve small investors' access to credit by the Government working together with the BOZ, commercial banks
- Widen the audit coverage in a given fiscal year by scaling up the funding of the office of the Auditor General.
- Accelerate the implementation of the Decentralization Policy by sensitizing the public on the legal administrative aspects of the centralized government, building capacity to implement the policy, and strengthening the councils by giving them authority to collect their own revenue, gradually reduce their dependence on the central government, and grant them autonomy in decision making.
- The Anti-Corruption Commission and the Auditor-General's Office should be given adequate human and financial resources and full institutional and administrative autonomy so that they can perform their functions more efficiently
- Provide adequate protection to whistleblowers, including establishing/opening internet and/or e-mail lines to report cases of corruption. Electronic based payments including the use of credit cards, should be introduced to reduce the incidence of money laundering.
- Public Procurement activities should be decentralized according to the provisions of the Public Procurement Authority Act (2008).
- Adopt a robust freedom of information (FOI) legislation to enable citizens to have access to relevant information regarding government activities, particularly those related to provision of public services and public financial management.

Objective 4: Fighting Corruption and Money Laundering:

- Zambia should review several statutes to ensure that they conform to international standards and best practices. Among these are The Prohibition and Prevention of Money laundering Act (PPMLA), The Banking and Financial Services Act, and the Anti-Terrorism Act.
- The Anti-Corruption Commission and the Auditor-General's Office should be given adequate human and financial resources and full institutional and administrative autonomy so that they can perform their functions more efficiently. Authority for the appointment and removal of the head of either institution should be removed from the President and granted to an independent (constitutional) body.
- Government should make deliberate efforts to treat the recommendations of the ACC and the Auditor-General institutions as having the force of High Court judgment.
- The role of Parliament in addressing problems of corruption should be strengthened by setting up a select parliamentary committee to follow up on the implementation of the recommendations made by the ACC and the Auditor General.

Objective 5: Accelerating Regional for Participating in the Harmonisation of Monetary, Trade and Investment Policies:

- Zambia should consider re-assessing its dual membership of COMESA and SADC in view of the need to harmonise macroeconomic policies that could maximise the benefits of regional integration for Zambia.



- The country should initiate a discussion within SADC and COMESA to encourage a shift in emphasis from primarily trade integration to market integration, especially labour mobility, but also including the integration of physical infrastructure, financial markets, capital markets, commodity markets, and standards and codes for regulating markets.
- Zambia should develop a comprehensive implementation strategy to ensure that the Diagnostic Trade Integration Study and Private Sector Development Reform Programme make effective contributions to export diversification and private sector development

CORPORATE GOVERNANCE.

Standards and Codes:

- A special government institution should be established to monitor the ratification and compliance of the standards and code in all organizations.

Objective 1: Promoting an Enabling Environment and Effective Regulatory Framework for Economic Activities.

- Zambia comprehensively looks at provision of infrastructure including water, roads and energy in all regions so as to boost productivity of Zambian business.
- Zambia reviews the legal environment in order to make it easier for business to enforce contracts, issue licences and register property.

Objective 2: To ensure that Corporations Act on Good Citizens with Regard to Human Rights, social responsibility and environmental sustainability:

- Zambian government needs to cultivate a favourable climate for foreign investment in an enforceable policy and legal regulatory framework that recognizes the rights of workers, foreign or citizens and must endeavour to protect its citizens from human rights abuses.
- Zambia should recognize in practical and tangible terms the role of trade unions in protecting workers' rights.
- Zambia should fully strengthen the independence and enforcement powers of the Zambia Environmental Council and other bodies responsible for environmental protection to effectively carry out their respective responsibilities. Zambia should as ensure regulatory framework functional.
- There is an urgent need for the Zambian Government to revisit the legal frame work of corporate governance so as to protect the rights of suppliers, consumers and members of the community, as well amending the current Company Act and insolvent Act to protect rights of shareholders and other stakeholders.
- The Zambia Government shall harmonize and integrate the various consumers' protective units into one strong body with a clear mission, visions and values.
- Zambian Government should ensure financial sustainability and institutionalization of the Institute of Directors, Institute of Management and other similar Institutions that help train Directors in corporate governance issues.

Objective 3: Promote the Adoption of Codes of Good Business Ethics in Achieving the Objectives of the Corporation:

- Government should actively implement the policy on the establishment of Integrity Committees in critical public sector organizations, regardless of whether they form part of the pilot group or not. As a key institution in the public sector and in line with the Government policy, the Central Bank should establish an Integrity Committee; this can be done by mandating its Ethics Committee to carry out this function
- The Central Bank Corporate Governance Guidelines should be amended to highlight the following as areas which are pertinent for inclusion in the Codes of Ethics to be developed by regulated entities: insider dealing (for listed institutions), corruption and money laundering.

- Government should harmonize its anti money laundering efforts and expedite the establishment and facilitation of the Financial Intelligence Unit as a key component in the anti money laundering enforcement mechanism. As part of the regime, Government should ensure legal protection for whistle blowers.
- Government should expedite its decision to compel mining companies to list on the Lusaka Stock Exchange (LuSE). In addition, the House of Chiefs and the local Chiefs should be incorporated as compelling enforcement mechanisms for promoting good corporate governance and business ethics in the provinces.

Objective 4: Ensuring that Corporations treat all Stakeholders fairly, including Share-holders, Employees, Communities and Suppliers

- There is an urgent need for the Zambian Government to revisit the legal frame work of corporate governance so as to protect the rights of suppliers, consumers and members of the community.
- The present responsibilities of the Bureau of standards need to be shared with other bodies so that the Bureau can be more effective and efficient. The enforcement of the standards must be carried out by another body.
- The present Company Act and insolvency Act must be amended so as to protect the right of the share holders and other stake holders.
- The Environmental Council of Zambia should collaborate with other stakeholders' institutions in order to ensure compliance with environmental laws and its enforcement.

Objective 5: Providing for the Accountability of Corporations, Directors and Officers

- The companies Act of 1994 to be revised and state clearly the sanctions against corporation for non disclosure on all material matters in both public and private sectors of the Zambian economy.
- The Zambian government should ensure the financial sustainability and institutionalization of the institute of Directors, Institute of Management and other similar Institutions that help to train Director in corporate governance issues.
- The Company Act should also devote a whole section of the Act to differentiate the issues of governance from management issues. This will help to minimize the role conflicts between Board members and management

SOCIO-ECONOMIC DEVELOPMENT

Standards and Codes:

- Zambia should publish and disseminate all adopted Standards and codes. Government should translate them in local languages for ease of reading. Committees for monitoring and implementation of Conventions should be set up.

Objective 1: Promoting Self-Reliance in Development and Building Capacity for Self-Sustaining Development.

- Engage in publicity campaign to promote the national vision of achieving a middle income status by 2030 through the use of Radio, TV, print media and other means of communication.
- Ensure a quick implementation of the Public Sector Reform Programme including the decentralization programme.
- Diversify and broaden the base of the economy from mining-dependence into other sectors such as tourism, manufacturing and agriculture and agro-business.
- Implement the necessary programmes and tools to wean Zambia from dependence on external funding



Objective 2: Accelerate Socio-economic Development to Achieve Sustainable Development and Poverty Reduction

- Remain committed to implementing the programmes identified under decentralization and Implementation Plan and addressing factors identified to ensure that the country has a devolved system of government that is more in tune with the social and economic development demands and requirements of the grassroots.
- Develop long term strategic plan that addresses unemployment, consider the needs of the labour market, and strengthen the human and financial capacity of the development programmes.
- Promote participatory policy planning and ensure timely budget allocations and mechanisms of disbursement of funds to the sector ministries, and the decentralised structures of government and development programmes.
- Attract more skilled professionals to the civil services for staffing positions at the sub-state levels.
- Address the issue of youth unemployment through the design of appropriate employment promotion programmes and design and implement policies that address inequalities.
- Enact policies targeted at easing supply-side constraints, such as transportation, storage, communication and access to markets.

Objective 3: To Strengthen Policies, Delivery Mechanisms and Outcomes in Key Social Development Areas, Including Providing Education for All and Combating HIV/AIDS and Other Communicable Diseases

- Address the issue of teacher training to limit the number of untrained teachers in the education system, and strengthened instruments of planning and initiatives to enhance transparency and accountability in both public and private institutions.
- Using the Sixth National Development Plan as a good starting point, develop a long-term plan to grow the entire infrastructure in Zambia using both public and private capital.
- Land policies should be modernized as an empowerment tool. The ascending price of private real estate should be countered by government policies to afford its citizens housing.
- Consider entering into Private Public Partnerships in the tertiary education sector to increase the number of universities and help address the limited number of universities.
- Enhance and Strengthen at the District and sub-district levels, especially in both the education and health sectors, managerial capacity to facilitate the effective (utilisation of allocated funds).
- Collaborate with and mobilise Traditional and Religious Leaders for a sustained sensitisation campaign to abolish the practice of early marriages.

Objective 4: Ensure Affordable Access to Water, Sanitation, Energy, Finance, Markets, ICT, Shelter and Land to All Citizens, Especially the Rural Poor

- Zambia should consider entering into Private Public Partnership agreements, including twinning with mining companies to complement Government efforts in the housing sector to increase the housing stock in the country.
- Review the current tax regime on Information and Communication Technology equipment and other peripherals and perhaps offer tax holidays based on laid down benchmarks as measures of success.
- Examine the modalities of the solar powered internet service at Macha to establish its possible adoption and diffusion in the country. It appears to be cost effective as far as rural ICT is concerned. It could therefore be adopted and diffused in the country.
- Develop policies and strategies to make entry into the internet sub-sector more attractive and increase the number of investors in order to diffuse the current potential oligopolistic source of power in the sub-sector.
- Urgently undertake consultations on the land question and the passing of the proposed land bill and establish a defined procedure and fee structure for the process of investors seeking permission from chiefs and put in place a reliable and electronic land registry.

- Assiduously implement the rural infrastructure programme outline in the Sixth National Development Plan to create an efficient transport and communication system to promote economic growth and poverty reduction.

Objective 5: Progress towards gender equality, particularly equal access to education for girls at all levels

- Ensure that the gender action plan on gender equality is updated and its costs adequately estimated to respond to the evolving context and lives of Zambian women and men.
- Enhance gender mainstreaming programmes and policies to promote and engrain a genuine understanding of the role of gender equality in socio-economic development.
- Intensify awareness creation efforts for the promotion of gender equality and women’s empowerment.
- Create a well resourced Ministry of gender to sustain gender equality actions and with clear reporting guidelines for gender focal points, clarity of roles for gender focal points and also for all government officers to be guided by a vision of gender mainstreaming that seeks to strengthen governance for gender equality.

Objective 6: Encourage broad based participation in development by all stakeholders at all levels

- Fully implement the decentralisation reforms to foster sufficient budgetary and fiscal policy decentralisation that gives stakeholders a real say in their own development and ensures more transparency and equitable distribution of national resources.
- Given the critical role of the traditional leadership in people’s lives, explore how their political, economic and social functions are to be more effectively incorporated into socio-economic development agenda.
- Enable broad based participation by seeking to ensure equal representation of women, people with disabilities, youth and the vulnerable poor in their respective committees to voice their concerns and participate in advancing and implementing development priorities for their communities.
- Utilise a variety of communication channels to keep citizens informed about development initiatives, their rights and benefits, and legislative changes underway and to encourage citizens to become involved with broad-based participation platforms in order to help define, plan, implement, monitor and hold government accountable for sustainable socio-economic development outcomes.

National Programme of Action (NPOA)

The Country has also drawn up a National Programme of Action (NPOA) worthy of support by all. The budget for the implementation of the current Programme of Action is estimated at:

Democracy and Political Governance	US\$ 80.1 Billion
Economic Governance and Management	US\$ 540,000 Million
Corporate Governance	US\$ 231,500 Million
Socio-Economic Development	US\$ 30.4 Million
Grand Total (Billions)	US\$ 80.2 Billion

