



**REPUBLIC OF ZAMBIA**

**REPORT**

**OF THE**

**COMMITTEE ON NATIONAL ECONOMY, TRADE AND LABOUR  
MATTERS**

**ON THE**

**NATIONAL ROAD FUND (AMENDMENT) BILL, N.A.B. NO. 2 OF 2025**

**FOR THE**

**FOURTH SESSION OF THE THIRTEENTH NATIONAL ASSEMBLY**

*Published by the National Assembly of Zambia*

## FOREWORD

Honourable Madam Speaker, the Committee on National Economy, Trade and Labour Matters has the honour to present its Report on the National Road Fund (Amendment) Bill, N.A.B. No. 2 of 2025, for the Fourth Session of the Thirteenth National Assembly. The functions of the Committee are set out under Standing Orders 206 (j) and 207 of the National Assembly of Zambia Standing Orders, 2024. Specifically, Standing Order 207(j) provides that Portfolio Committees shall study and review Bills referred to them by the House.

The Committee held nine meetings to consider the Bill. In order to gain insight into the ramifications of the Bill, the Committee sought both written and oral submissions from various stakeholders. The list of the stakeholders is at Appendix II of the Report.

The Report is in three Parts. Part I contains the salient provisions of the Bill. Part II highlights concerns raised by stakeholders, while Part III contains the Committee's observations and recommendations.

The Committee wishes to pay tribute to all stakeholders who appeared before it and tendered both oral and written submissions. It further wishes to thank you, Madam Speaker, for affording it an opportunity to consider the National Road Fund (Amendment) Bill, N.A.B. No.2 of 2025. The Committee also appreciates the services rendered by the Office of the Clerk of the National Assembly during its deliberations.



Ms Sibeso K Sefulo, MP  
**CHAIRPERSON**

July, 2025  
**LUSAKA**

## TABLE OF CONTENTS

Foreword.....	i
1.0 Membership of the Committee.....	1
2.0 Background .....	1
3.0 Object of the Bill.....	1
4.0 Salient Provisions of the Bill.....	1
5.0 Concerns Raised by Stakeholders.....	2
6.0 Committee’s Observations and Recommendations.....	3
7.0 Conclusion.....	3
Appendix I.....	4
Appendix II.....	5

## **1.0 MEMBERSHIP OF THE COMMITTEE**

The Committee consisted of Ms Sibeso K Sefulo, MP (Chairperson); Mr Joel Chibuye, MP (Vice-Chairperson); Mr Gary Nkombo, MP; Mr Kabwe T Chewe, MP; Mr Davison Mung'andu, MP; Mr Derricky Chilundika, MP; Dr Simon Mwale, MP; Mr Simon Banda, MP; Mr Walusa Mulaliki, MP; and Mr Wesley Kolala, MP.

## **2.0 BACKGROUND**

The *National Road Fund Act, No. 13 of 2002* was enacted to establish the National Road Fund Agency (NRFA), define its functions, establish the National Road Fund, and provide for related matters, aimed at mobilising and managing resources for good and safe roads. The Agency was a body corporate with perpetual succession, capable of suing and being sued in its corporate name and empowered to perform acts typical of a body corporate. Legal actions could be commenced against the Agency as outlined in section 26 of the principal Act and because the Agency possessed corporate personality, judgments could be made against it and enforced accordingly.

The Government realised that the existing regulatory framework in the principal Act did not include an exemption from execution of judgments against the Agency. Additionally, it did not provide for the Director of the Agency to make payments to the judgment creditor, from the Agency's revenue.

In view of the foregoing, the Government introduced the National Road Fund (Amendment) Bill, N.A.B No. 2 of 2025, to amend the *National Road Fund Act, No.13 of 2002* to provide the Agency or its property with immunity from the execution of judgments or court orders.

## **3.0 OBJECTIVES OF THE BILL**

The object of the Bill was to amend the *National Road Fund Act, No.13 of 2002*, so as to:

- i. provide for immunity of the Agency or property of the Agency from execution, attachment or other proceedings arising from a judgment or order of a court; and
- ii. provide for matters connected with, or incidental, to the foregoing.

## **PART I**

## **4.0 SALIENT PROVISIONS OF THE BILL**

The salient provisions of the Bill were as set out hereunder.

### **Clause 1 – Short Title**

This clause provided for the short title, which was the name of the Act.

### **Clause 2 – Insertion of Section 21A**

The clause amended the principal Act by inserting a new, section 21A, immediately after section 21.

The section granted immunity to the Agency from execution, attachment of its property or any other legal proceedings arising from a judgment or court order. The immunity did not prevent the Agency from fulfilling a judgment against it. Instead, the Director of the Agency would ensure that any amounts owed in a judgment were paid from the revenue of the Agency.

## **PART II**

### **5.0 CONCERNS RAISED BY STAKEHOLDERS**

Stakeholders who appeared before the Committee supported the Bill. However, in doing so, they raised concerns outlined below.

#### **Reduced Creditor Confidence**

Stakeholders submitted that suppliers, contractors, and financiers might view the immunity clause in the Bill as diminishing their security. Furthermore, banks and financiers might reconsider lending terms to projects involving the NRFA, by possibly raising interest rates to cover potential payment risks. Stakeholders contended that this could lead to higher costs of contracting or reluctance to engage with the Agency.

Notwithstanding the concern, other stakeholders welcomed the amendment because it shielded the NRFA's infrastructure, property, and financial resources from seizure, by ensuring that critical public services and road infrastructure projects continued without disruption.

Stakeholders also submitted that immunity from execution proceedings guaranteed uninterrupted operation of the NRFA, even if adverse legal judgments occurred. This stability was vital for long-term planning and the execution of Zambia's road development agenda.

They further submitted that the amendment was in line with global practices where Government agencies enjoyed certain protections to prevent interference with the delivery of essential services. By placing the obligation of payment on the Director to settle debts from the Agency revenue, the Bill allowed for structured financial planning without sudden asset seizures that could destabilise operations.

## PART III

### 6.0 COMMITTEE'S OBSERVATIONS AND RECOMMENDATIONS

Based on the concerns raised by stakeholders, the Committee makes the observations and recommendations outlined below.

#### **Establishment of Payment Timelines**

The Committee observes that there is need to establish clear payment timelines to mitigate creditor concerns. The Committee, therefore, recommends that the amendment should be accompanied by regulations requiring the NRFA Director to settle judgements within a specific time frame.

The Committee also recommends that the Bill should provide for safeguard clauses, which will allow exceptions where non-payment poses serious economic harm to creditors, thereby balancing public interest with private rights.

The Committee further recommends that a mandatory review of the impact of this amendment be undertaken every two years to assess its effectiveness and address emerging issues.

### 7.0 CONCLUSION

The National Road Fund (Amendment) Bill, N.A.B. No.2 of 2025, offers important protections to ensure the continuity of public road infrastructure services. It also presents risks that could affect creditor confidence, financial discipline, and broader economic outcomes. Therefore, the Committee is confident that taking into consideration its recommendations as the principal Act is being amended will help to balance the need for immunity, with transparency, accountability as well as the interest of stakeholders.



Ms Sibeso K Sefulo, MP  
CHAIRPERSON

July, 2025  
LUSAKA

## **APPENDIX I**

## **LIST OF NATIONAL ASSEMBLY OFFICIALS**

Mr Stephen Chiwota, Director (Financial Committees)  
Mrs Angela M Banda, Deputy Director (Financial Committees)  
Ms Chitalu R Mulenga, Senior Committee Clerk (FC2)  
Mr Moses Chuba, Committee Clerk  
Mrs Racheal M Kanyumbu, Administrative Assistant  
Mr Daniel Lupiya, Committee Assistant  
Mr Muyembi Kantumoya, Parliamentary Messenger  
Mr Mitchell Fwanyanga, Intern

## **APPENDIX II**

## **LIST OF WITNESSES**

Ministry of Finance and National Planning

Ministry of Justice

National Economic Advisory Council

Bank of Zambia

Zambia Institute for Policy Analysis and Research

Zambia Chamber of Commerce and Industry

National Road Fund Agency

Ministry of Infrastructure, Housing and Urban Development

Ministry of Transport and Logistics