



REPORT

OF THE

COMMITTEE ON ENERGY, WATER DEVELOPMENT AND TOURISM

FOR THE

THIRD SESSION OF THE TWELFTH NATIONAL ASSEMBLY

Printed by the National Assembly of Zambia

REPORT

OF THE

COMMITTEE ON ENERGY, WATER DEVELOPMENT AND TOURISM

FOR THE

THIRD SESSION OF THE TWELFTH NATIONAL ASSEMBLY

TABLE OF CONTENTS

Item	Page
1.0 Membership of the Committee	1
2.0 Functions of the Committee	1
3.0 Meetings of the Committee	2
4.0 Arrangement of the Report	2
5.0 Procedure Adopted by the Report	2
6.0 List of witnesses	2

PART I

REVIEW OF THE RURAL ELECTRIFICATION PROGRAMME IN ZAMBIA

7.0 Background	3
7.1 Summary of submissions from stakeholders	4
7.2 Policy and Legal Framework	4
7.2.1 Policy Framework	4
7.2.2 Legal Framework	5
7.2.3 Adequacy of the Policy and Legal Framework	6
7.3 Strategies to accelerate Rural Electrification in Zambia	6
7.4 Progress recorded towards the electrification of rural areas	7
7.5 Challenges faced in the electrification of rural areas in Zambia	7
7.6 Report on the Local Tour	12
7.7 Committee's Observations and Recommendations	15

MANAGEMENT OF NATIONAL PARKS AND GAME MANAGEMENT AREAS IN ZAMBIA

8.0 Synopsis of National Parks and Game Management Areas in Zambia	22
8.1 Summary of submissions from stakeholders	22
8.1.1 Policy and Legal Framework	23
8.1.2 Adequacy of Policy and Legal Framework	23
8.2 Challenges faced in the management of National Parks and Game Management Areas	25
8.3 Report on Local tour	30
8.4 Committee's Observations and Recommendations	32

PART II

CONSIDERATION OF THE ACTION-TAKEN REPORT

9.0 Consideration of the Action Taken Report on the Report of the Committee on Energy, Water Development and Tourism for the Second Session of the Twelfth National Assembly	39
--	----

10.0	Examination of the Energy Regulation Board 2016 Annual Report	47
11.0	Review of the Operations of the Zambezi River Authority	52
12.0	The contribution of the tourism sector to Socio-Economic Development	55
13.0	Conclusion	61
	Appendix – List of National Assembly Officials	63

REPORT OF THE COMMITTEE ON ENERGY, WATER DEVELOPMENT AND TOURISM FOR THE THIRD SESSION OF THE TWELFTH NATIONAL ASSEMBLY, APPOINTED ON WEDNESDAY, 20TH SEPTEMBER, 2017

1.0 Membership of the Committee

The Committee consisted of Mr E K Belemu, MP (Chairperson); Mrs M C Chonya, MP (Vice Chairperson); Mr C M Zulu, MP; Mr F S Kufakwandi, MP; Mr D Mung'andu, MP; Mr M Jamba, MP; Mr J Chabi, MP; Mr K Mbangweta, MP; Mr S Mulusa, MP; and Mrs J Mumbi-Phiri, MP.

The Membership of the Committee changed following the demise of Mr F Kufakwandi, MP. He was replaced by Mr Romeo Kangombe, MP.

The Honourable Mr Speaker
National Assembly
Parliament Buildings
LUSAKA

Sir,

The Committee has the honour to present its Report for the Third Session of the Twelfth National Assembly.

2.0 Functions of the Committee

The functions of the Committee on Energy, Water Development and Tourism, as set out in Standing Order No. 157 (2), are to:

- (i) study, report and make the appropriate recommendations to the Government through the House on the mandate, management and operations of the Government ministries, departments and agencies under its portfolio;
- (ii) carry out detailed scrutiny of certain activities being undertaken by the Government ministries, departments and/or agencies under its portfolio and make appropriate recommendations to the House for ultimate consideration by the Government;
- (iii) make, if considered necessary, recommendations to the Government on the need to review certain policies and existing legislation;
- (iv) examine annual reports of Government ministries and departments under its portfolio in the context of the autonomy and efficiency of Government ministries and departments and determine whether the affairs of the said bodies are being managed according to relevant Acts of Parliament, established regulations, rules and general orders;
- (v) consider any Bills that may be referred to it by the House;

- (vi) consider International agreements and treaties in accordance with Article 63 of the Constitution;
- (vii) consider special audit reports referred to it by the Speaker or an Order of the House;
- (viii) where appropriate, hold public hearings on a matter under its consideration; and
- (ix) consider any matter referred to it by the Speaker on an order of the House.

3.0 Meetings of the Committee

The Committee held fifteen meetings during the year under review to consider submissions from various witnesses on two topical issues: 'Review of the Rural Electrification Programme in Zambia'; and 'The Management of National Parks and Game Management Areas in Zambia.' The Committee also considered the Action-Taken-Report on the Report of the Committee on Energy, Water Development and Tourism for the Second Session of the Twelfth National Assembly.

4.0 Arrangement of the Report

The Committee's Report is organised in two parts. Part I deals with the consideration of the two topical issues. Part II speaks to the Committee's consideration of the Action-Taken Report on the Report of the Committee on Energy, Water Development and Tourism for the Second Session of the Twelfth National Assembly.

5.0 Procedure Adopted by the Committee

In order to have a better understanding of the topical issues under its consideration, the Committee requested detailed memoranda from relevant stakeholders on the two topical issues. In this vein, the Committee received both written and oral submissions from stakeholders on the topical issues.

6.0 List of Witnesses

The stakeholders who interacted with the Committee are listed below.

6.1 Review of the Rural Electrification Programme in Zambia

- (i) Muhanya Solar
- (ii) Zambia Renewable Energy Agency
- (iii) Centre for Energy, Environment and Engineering
- (iv) Citizens Economic Empowerment Commission
- (v) Energy Regulation Board
- (vi) World Vision
- (vii) Zesco Limited
- (viii) European Union
- (ix) Energy and Climate Change Association of Zambia

- (x) European Union
- (xi) World Bank
- (xii) Swedish International Development Cooperation Agency
- (xiii) Ministry of National Development Planning
- (xiv) Ministry of Finance
- (xv) Rural Electrification Authority
- (xvi) Ministry of Energy

6.2 The Management of National Parks and Game Management Areas

- (i) Bird Watch Zambia
- (ii) The Nature Conservancy Zambia
- (iii) Game Rangers International
- (iv) Frankfurt Zoological Society of Zambia
- (v) Zambia National Community Resources Board Association
- (vi) Zambia Community Based Natural Resources Management Forum
- (vii) Wildlife and Environmental Conservation Society of Zambia
- (viii) Worldwide Fund for Nature
- (ix) Zambia Tourism Agency
- (x) Ministry of Tourism and Arts

PART I

REVIEW OF THE RURAL ELECTRIFICATION PROGRAMME IN ZAMBIA

7.0 Background

Prior to the formulation of the Rural Electrification Programme, rural electrification was implemented by the Department of Energy under the then Ministry of Energy and Water Development. The Department of Energy provided electricity mainly through expansion of transmission lines, which were constructed by ZESCO Limited. However, rural electrification projects did not progress smoothly because of limited capacity in the Department of Energy. Overtime, the Government recognised the importance of rural electrification in accelerating economic development and improvement of livelihoods of the rural population and created the Rural Electrification Authority (REA) through the *Rural Electrification Act, No. 20 of 2003*. Accordingly, the Act provided for the establishment of the Rural Electrification Fund. REA's primary aim was to provide electricity infrastructure in rural areas using appropriate technologies in order to increase access to electricity in rural areas. In 2010, the Government developed a Rural Electrification Master Plan to provide a roadmap for the rural electrification programme, for the period 2008 to 2030. The Plan was meant to, among other things, strengthen policies and regulations related to rural electrification. At the time of formulating the Plan, the electrification access rates were approximately 22 per cent and 3 per cent in urban and rural areas, respectively.

Despite the above highlighted measures, the electrification rate in rural areas still remained low. According to the 2015 Living Conditions Monitoring Survey undertaken

by the Central Statistical Office, the overall national electricity access rate, defined as connection to the national grid, was at 31 per cent, whereas urban and rural electrification rates stood at 67.7 per cent and 4.4 per cent, respectively. Based on these statistics, the aspiration to attain the 51 per cent rural electrification access rate as envisioned in the Rural Electrification Master Plan by 2030, appeared to be impossible.

Premised on the above, the Committee resolved to undertake a review of the Rural Electrification Programme in Zambia. The objectives of the study were to:

- (i) ascertain the policy and legal framework within which the rural electrification programme was being implemented and its adequacy;
- (ii) learn the strategies being employed to accelerate the rural electrification programme in Zambia;
- (iii) find out the progress made towards the electrification of rural areas;
- (iv) ascertain the challenges, if any, faced in the implementation of the Rural Electrification Programme; and
- (v) make recommendations to the Executive on the way forward.

7.1 SUMMARY OF SUBMISSIONS FROM STAKEHOLDERS

A summary of the findings of the Committee on this topical issue are presented below.

7.2 POLICY AND LEGAL FRAMEWORK GUIDING THE RURAL ELECTRIFICATION PROGRAMME IN ZAMBIA

7.2.1 Policy Framework

The Committee was informed that the energy sector was guided by the National Energy Policy of 2008. The first National Energy Policy, formulated in 1994, sought to promote optimal supply and utilisation of energy, especially indigenous energy forms, for socio-economic development in a safe and healthy environment. At the time of its formulation, the 1994 National Energy Policy addressed the needs of the energy sector. However, over time, the social, political, environmental and economic situation underwent significant changes which necessitated the review of the 1994 National Energy Policy, and the subsequent development of the 2008 National Energy Policy.

7.2.2 Legal Framework

The Committee was informed that REA was mandated to manage the Rural Electrification Programme, as empowered by the *Rural Electrification Act, No. 20 of 2003*. Further, the Committee learnt that REA administered the Rural

Electrification Fund and used it to implement the Rural Electrification Programme in Zambia. The functions of REA as stipulated in the Act were to:

- (a) administer and manage the Rural Electrification Fund;
- (b) develop, implement and update the Rural Electrification Master Plan;
- (c) promote the utilisation of available rural electrification technology options to enhance the contribution of energy to the development of agriculture, mining, industry and other economic activities in rural areas;
- (d) mobilise funds within and from outside Zambia in order to carry out rural electrification projects;
- (e) offer, on a competitive basis, the construction of rural electrification projects;
- (f) design and offer, on a competitive basis to developers or operators, smart subsidies for capital costs on rural electrification projects that are designed to supply energy for development in the rural areas;
- (g) in conjunction with stakeholders, develop mechanisms for the operation of grid extension networks for rural energy supply systems;
- (h) finance project preparation studies for rural electrification projects;
- (i) recommend to Government, policies for enhancement of access to electricity by the rural populace; and
- (j) undertake such other activities as are conducive or incidental to the performance of its function under the Act.

The Committee was informed that, given the cross-cutting nature of energy issues, rural electrification was also anchored on other pieces of legislation such as the: the *Energy Regulation Act, Chapter 436 of the Laws of Zambia* and the *Electricity Act, Chapter 433 of the Laws of Zambia*. Further, implementation of rural electrification was guided by the Rural Electrification Master Plan of 2008.

7.2.3. Adequacy of the Policy and Legal Framework

The Committee was informed that the current policy and legal framework guiding rural electrification was not adequate because there was limited regulation in the renewable energy sub sector, which impeded active participation by the private sector in electrification projects. Further, the Rural Electrification Act had gaps that encumbered the regulatory role of the Rural Electrification Authority. In this regard, it was noted that the regulatory oversight of REA with respect to coordination of electrification was not expressly stated in the Act, despite REA being an authority. Consequently, rural electrification projects were being undertaken by various stakeholders and this presented a problem to the Rural Electrification Authority to supervise such projects. Owing to the gaps in the *Rural Electrification Act*, there was urgent need to review the law in order to provide for regulation in the renewable energy space and thereby reduce the uncertainties that prevent the participation of the private sector. The proliferation of the renewable energy sub sector would help accelerate the rural electrification programme as it tends to be cheaper than the traditional national grid extension

method predominantly used by the Rural Electrification Authority. The law also needs to be amended to strengthen REA's regulatory function with respect to supervision of rural electrification projects. Further, the National Energy Policy of 2008 would need to be reviewed so as to explicitly provide direction for the development and expansion of the renewable energy sub-sector.

7.3 STRATEGIES TO ACCELERATE RURAL ELECTRIFICATION IN ZAMBIA

The Committee heard that the Government recognised renewable energy technologies as the most effective and affordable approach to accelerate electrification of rural areas in Zambia. In this regard, the Zambian Government had directed its efforts towards the promotion of renewable systems in order to achieve its electrification goals as espoused in the Rural Electrification Master Plan. Some of the programmes aimed at increasing electricity access in the rural areas were the following:.

- (a) National Electrification Programme;
- (b) Electricity Services Access Project (ESAP);
- (c) Increased Access to Electricity and Renewable Energy Programme (IAEREP);
- (d) The Global Energy Transfer Feed-in Tariff (GET FiT) Programme;
- (e) The South to South Zambia-China Renewable Energy Transfer Project;
- (f) Beyond the Grid;
- (g) Sustainable Energy for All (SEA4ALL) Programme; and
- (h) EU Electrify: Capacity Building for Renewable Energy Transfer Project.

The following mini hydro projects were also being implemented:

- (i) Kasanjiku Mini Hydro Project (0.64MW) in North Western Province;
- (ii) Solar Min Grid Project (0.2MWp) in Mumbwa Central Province; and
- (iii) Lunga Solar Mini Grid Project (0.3MWp) in Luapula.

The Committee was further informed that in addition to the above efforts aimed at accelerating rural electrification, the Government was promoting renewable energies by implementing various renewable energy projects. The renewable energy technologies were intensified to provide alternatives to hydro power energy that was the dominant source of energy in the country. In addition, other sources of energy such as biomass, solar and gas were being explored. In terms of attracting private sector participation, the Government was making efforts to promote private sector partnerships by creating an enabling environment for the participation of the private sector in the renewable energies sub sector. In order to attract more finance to the rural electrification programme, the Government was fostering partnerships with cooperating partners, commercial and financial entities to create stronger access to funds such as the Green Climate Fund, bilateral grants and other favourable funding mechanisms.

7.4 PROGRESS RECORDED TOWARDS THE ELECTRIFICATION OF RURAL AREAS

The Committee was informed that the Government had realised that there was need to enhance existing efforts if the 51 per cent target set in the Rural Electrification Master Plan was to be achieved. Government had been undertaking and promoting renewable energies by implementing various renewable energy projects through strategies such as the Renewable Energy Feed in Tarrif (REFit). The renewable energy projects were being intensified in an effort to reduce reliance on hydro energy.

The Committee further learnt that since inception, REA had covered at least all the ten provinces of Zambia through its Rural Electrification Programme by implementing grid extensions and renewable energy projects. The table below outlines, by province, the projects undertaken by REA since 2006.

No.	Province	Grid Extension Project	Solar Projects	Number of Projects
1	Central	19	64	83
2	Copperbelt	14	76	90
3	Eastern	22	154	176
4	Luapula	19	95	114
5	Lusaka	6	41	47
6	Muchinga	7	58	65
7	North Western	20	162	182
8	Northern	23	65	88
9	Southern	16	178	194
10	Western	16	128	144
	Total	162	1,021	1,183

During the period 2006 to 2018, a total number of 678 rural growth centres had been electrified which translated into 6,392 household electrifications. In the same period, 527 rural schools, 166 health centres, twenty seven local courts, 512 business premises and over forty two chiefs' palaces were electrified.

7.5 CHALLENGES FACED IN THE ELECTRIFICATION OF RURAL AREAS IN ZAMBIA

The Committee was informed that rural electrification in Zambia was marred with a number of challenges which had stalled the progress on the Rural Electrification Programme. These included the ones set out below.

7.5.1 Weak Regulatory Function

The Committee was informed that at national level, the REA was responsible for the overall coordination and implementation of rural electrification programmes in Zambia.

However, the Committee heard that rural electrification programmes in Zambia were developed and implemented across various sectors such as health, education and non-government organisations. This was because the regulatory oversight of REA with regard to coordination of electrification activities in the rural areas was not expressly stated in the *Rural Electrification Act* despite REA being an authority.

7.5.2 Insufficient Funding

The Committee was informed that rural electrification required massive investments in terms of infrastructure, implementation and maintenance. However, the Rural Electrification Programme was hampered by low disbursements of funds from the Treasury, which resulted in slow progress on most of the activities. This problem was further exacerbated by the condition that once projects were completed, REA was required to hand over the project assets to ZESCO Limited, which meant that REA was deprived of the financial benefits flowing from the projects.

7.5.3 Sparsely Populated Areas

The Committee learnt that electrification of rural areas in Zambia was costly owing to the sparsely distributed population in most rural areas. The costs mainly arose from connecting areas which were far from the national distribution network. This resulted in REA undertaking very expensive projects which benefitted only a few people.

7.5.4 Non-Remittance of Electricity Levy

The Committee was informed that the Treasury did not remit the 3 per cent Electricity levy on time and in full, as stipulated in the *Rural Electrification Act, No. 30 of 2003 Section 18.3*. This has negatively affected the achievement of the rural electrification targets.

7.5.5 Non-segregation of Funds

The Committee was informed that funds were not segregated to depict the three principal sources of funding, namely: monies appropriated by Parliament for the purposes of the Fund, electricity levy, and monies by way of loans, grants or donations. This had resulted in REA having difficulties in distinguishing the funds.

7.5.6 Unviable Rural Electrification Projects

The Committee learnt that most rural areas targeted for electrification had very little economic activity and most beneficiaries had little or no income. Coupled with other competing needs such as health and education, paying for electricity was difficult. Further, factors such as the long distances from the nearest ZESCO centres and poor communication coverage in these areas made it impossible for the beneficiaries to pay for the electricity.

7.5.7 Dependence on Grid Extensions

The Committee was informed that REA was mandated to provide electricity infrastructure to all rural areas of Zambia using various appropriate technology options such as grid extension, solar energy, mini-hydro power, wind energy and other renewable energy technologies. However, REA had concentrated on the grid extension which involved the construction of new electricity lines from the existing national transmission network into rural areas. The Committee was informed that the use of grid extensions as a means to electrify rural areas was costly, owing to the distances between the national grid and the target locations. Some areas that were serviced by such projects were very far from established districts, and the prospective customers were usually very few. This resulted in REA undertaking very expensive projects with minimal benefits to the people.

7.5.8 Effect of Decentralisation Programme on the Rural Electrification Programme

The Committee learnt that as a result of the Decentralisation Programme, new districts had been created and this had led to an increase in the rural electrification programme scope. With REA's already constrained budget line, the inclusion of new districts in the rural electrification plan meant that projects would take longer to complete. This called for additional budgetary allocations to REA, to enable it take on board the new districts.

7.5.9 Off and Mini Grid Systems

The Committee was informed that the two most competitive and effective approaches to rural electrification were through mini-grid and stand-alone systems. Both systems operated independently of the national electricity grid and were thus known as off-grid systems. The Committee was informed that based on evidence from other countries, it had been proven that off-grid and mini-grid solutions that deployed renewable energy technologies had scored the greatest successes in accelerating rural electrification programmes. The rationale behind was that off-grid and mini grid solutions tended to be more affordable than the traditional approach of grid extension, especially in sparsely populated areas. Regrettably, the rural electrification projects in Zambia were heavily skewed towards grid extension.

7.5.10 Low Population Density

The Committee was informed that the large size of the country, coupled with a low population density in rural areas (approximately at 18.7 per square kilometre) had led to very high connection costs. The Committee was further informed that REA's main method of electrifying rural areas involved the construction of new electricity lines emanating from the existing national transmission network. However, most of the targeted areas were far from the main electricity grid. This predicament necessitated the need for Government to consider low-cost technologies, and to weigh grid expansion against off-grid solutions.

7.5.11 Failure to Retain Grid Extension Assets

The Committee learnt that upon completion of projects, REA was required to hand over the project assets to ZESCO Limited, without retaining any of the infrastructure. This practice deprived REA of any form of compensation for the works undertaken. The Committee was informed that since 2007, REA had handed over one hundred and twenty-three projects to ZESCO Limited, valued at approximately K550,759,368.

7.5.12 Low Private Sector Participation

The Committee was informed that there was low participation of private players in the energy sub sector. Potential investors were apprehensive to participate in the sector especially in rural areas, because of the many uncertainties in rural electrification projects such as the unclear licensing regime, lack of clear regulatory framework, national grid encroachments and non-cost reflective electricity tariffs, among other issues. An additional impediment to participation of private players in the sector was the involvement of the Rural Electrification Authority in the procurement process of contract equipment. It was the view of stakeholders that the procurement of project equipment was supposed to be the responsibility of the contractors.

7.5.13 High incidence of poverty among the rural population

The Committee was informed that in spite of high economic growth recorded in the country in the last ten years, poverty remained persistently high at 76.6 per cent in rural areas where the main economic activity was agriculture, compared to 24.3 per cent in urban areas. With this high incidence of poverty in rural areas, the majority of the people had a low ability to pay for electricity. The Committee further learnt that the unaffordability of the connection fees remained a major barrier to access electrification for the rural and urban poor population in Zambia. With almost 77 per cent of the rural population in Zambia living below the poverty line, the current grid connection fee and the requirement that the fee be paid up front presented a significant hindrance to access even in the areas where the grid existed.

7.5.13 Inadequate Rural Electrification Financing

The Committee was informed that REA's sources of funding were in three categories, namely: funds appropriated by Parliament through the national budget; electricity levy which was pegged at 3 per cent for domestic consumers; and financial assistance from cooperating partners. The Committee, however, learnt that the Treasury did not transfer the electricity levy into the Rural Electrification Fund within twenty one days as stipulated in the *Rural Electrification Act*. Further, the Committee was informed that the Treasury treated the levy as part of its capital grant.

Further, the Committee was also informed that the REA was poorly funded, hence its inability to execute most of its planned projects. The Committee further learnt that according to the estimates envisioned in the Rural Electrification Master Plan, an

investment of US\$50 million towards rural electrification was required on an annual basis in order to reach the target of 51 per cent electrification rate by 2030. However, only US\$25 million was made available yearly. Further, the disbursement of funds from the Treasury in 2018 was K67 million, which was only 27 per cent of the K251 million allocated by Parliament in October, 2018. This underfunding had contributed to the low success levels of the Programme.

SUBMISSION BY THE MINISTER OF FINANCE ON THE OPERATIONS AND MANAGEMENT OF THE RURAL ELECTRIFICATION FUND

Following submissions from various stakeholders on the financing mechanisms for the rural electrification programme in Zambia, the Committee sought further clarity from the Minister of Finance in order to fully appreciate how the Rural Electrification Fund was administered.

The Minister submitted that the Ministry strove to ensure that all monies appropriated by Parliament, including the Electricity Levy were remitted to the Rural Electrification Authority in time. However, the Minister informed the Committee that since the enactment of the *Public Finance Management Act, No. 1 of 2018*, it was a requirement that all monies collected on behalf of the Government were to be deposited into the Treasury Single Account before being disbursed to respective beneficiaries. Further, the Minister informed the Committee that there were some administrative challenges which resulted in delays to remit the monies to the Rural Electrification Authority. The Minister stressed that rural electrification projects required huge capital investments. In this regard, the Minister stated that in order to accelerate the electrification of rural areas, more funding needed to be provided to the Rural Electrification Authority.

7.6 REPORT ON THE LOCAL TOUR

In order to consolidate its findings from the Committee's long meetings with what was obtaining on the ground, the Committee undertook local tours to Eastern Province.

During the tour, the Committee had an opportunity to appreciate both the national grid extension and solar photovoltaic home system projects. Specifically, the Committee toured the following rural electrification projects:

- (i) Luembe in Nyimba;
- (ii) Luangeni, in Chipata; and
- (iii) Solar Photovoltaic Home Systems in Lundazi.

The key findings of the Committee during the local tour on rural electrification are summarised below.

LUEMBE ELECTRIFICATION PROJECT

The Committee was informed that the Luembe Electrification Project was commissioned in May, 2018 and was supposed to be completed in May, 2019. The project works involved a grid extension line of about 37.5 kilometers from Nyimba to Luembe. The project was to be wholly funded by the Government, and it was valued at a total cost of K4.2 million, under the partial labour contract agreement. This entailed that the Rural Electrification Authority (REA) was expected to procure some contract materials and the contractor was also expected to procure other equipment and provide labour services. The Committee learnt that the Authority had made a saving as a result of employing the partial labour contract mechanism. Further, the Committee learnt that once completed, eleven public institutions and some surrounding areas in Chief Luembe's area were expected to benefit from the project. In addition, the project would result in increased job creation for the local people through small business activities dependant on electricity. In terms of education, provision of electricity in rural schools would enhance the learning process, as pupils would be able to study even at night. Rural Health Centres would also benefit from the electrification project in Luembe.

In terms of challenges, the Committee learnt that one of the major challenges faced was limited funding. The Luembe Electrification Project was not likely to be completed as scheduled because of the challenge of funding. The contractor engaged for the project could not pay workers and failed to procure contractor materials in time. The Committee learnt that REA had applied to the Zambia Public Procurement Authority to extend the project period. Thus, the project had been extended to October, 2019. Besides the problem of funding, the Committee was informed that the Luembe Electrification Project did not include the aspect of internal wiring for public institutions. The provision of grid extension lines without providing for internal wiring would, therefore, result in non-connectivity to power.

SOLAR HOME SYSTEMS PROJECT IN LUNDAZI

The Committee was informed that the contract for the supply, delivery, installation and commissioning of Solar Home Systems was executed under the Sustainable Solar Market Packages Phase II. The Project was awarded to Trans Africa Supply Services Limited of Uganda following an international open tender process. The Project involved works in Lundazi District in Eastern Province, Ikelengi District in North Western Province and Chama District in Muchinga Province. The Project involved three components namely: installation of Solar Home Systems (SHS) on public facilities; maintenance of the SHS on public facilities for a duration of five years; and sales and marketing of Solar home kits to private players on a subsidised basis. However, following the termination of funding from the World Bank on 30th June, 2015, only the installation component of the Project had been undertaken. The Committee learnt that Semphe Primary School in Lundazi was one of the beneficiaries of the Solar Home Systems. Unfortunately, owing to lack of funding, the project had not been fully implemented.

The Committee was informed that training was conducted for the end users of the Solar Home Systems. The beneficiaries were provided with basic knowledge of the solar systems, including operation guidelines and care for the infrastructure. The Committee also learnt that in order to accelerate electrification of rural areas, it was imperative that the use of energy mix is taken into account. This would involve both the use of solar or grid extension depending on the appropriateness of a particular technology to an area.

LUANGENI PROJECT

The Committee was informed that the Luangeni Grid Extension Project was initially commissioned as a pilot project, and was fully funded by the Government. The project involved grid extension works covering a distance of 11.2 kilometers. The total cost for grid and intensification works was K2.7 million. The aim of the Project was to electrify grass thatched houses in Luangeni Village, but the service was also extended to concrete built houses. Further, the Committee was informed that the project resulted into the electrification of a total of 166 houses. The Project was extended to schools and rural health centres including staff houses. The Committee was informed that the electricity infrastructure installed in the houses was secure, as there was no contact between the wall or roof with any of the cables. Further, an earth mat had been installed to prevent lightning. The Committee also learnt that REA had executed the pre and post project sensitisation on the community. Upon completion, the project was handed over to Zesco Limited.

The Committee learnt that the electrification of the grass thatched houses was at no cost to the beneficiaries. The residents of Luangeni village were only required to pay for electricity units once connected to power. However, those with concrete built houses had to bear the cost of internal wiring. The Committee learnt that based on the success recorded in Luangeni, the Project was replicated in Mwense, Mukambo, Chavuma and Mwenzo Districts.

The Committee learnt that Nthombimbi and Jerusalem Primary Schools were part of the beneficiaries of the electrification programme in Luangeni. The Committee was informed that the electrification package for Nthombimbi Primary School included internal wiring, however this was not the case for Jerusalem Primary School. As a result of the provision of the electricity connection, teachers were able to prepare lesson plans in the night and were kept abreast with current affairs. Further, the provision of electricity had enhanced the security at both schools and enabled the use of modern mass media tools in the classroom such as computers. The community was also able to engage in income generating activities such as running of barber shops, salons, and also use of electric hammer mills.

The Committee heard that REA was requested by the community in Luangeni to carry out rehabilitation works on the vandalised solar water pump. As part of its social corporate responsibility, REA supplied solar panels and poles to restore the pump to its original state. The Committee also learnt that in order to prevent the pump being vandalised in future, REA had carried out sensitisation campaigns to educate the community on the importance of safeguarding the infrastructure.

COMMITTEE'S OBSERVATIONS AND RECOMMENDATIONS

7.7 The Committee notes that the Rural Electrification Programme is far from reaching the targets set in the Rural Electrification Master Plan. The Committee is concerned that the rate at which the programme is progressing does not give hope for electrification in the near future to the rural population. Taking into account the findings from its meetings with various stakeholders and the local tour, the Committee presents its observations and recommendations as set out below.

7.7.1 Policy and Regulatory Framework

The Committee observes that while the core objectives of the 2008 National Energy Policy remain valid and relevant, there is need to review the policy in order to take into account the social, legal, political, environmental and economic changes that have taken place since its formulation. Notably, the emergence of renewable energies which were not very prominent at the time the policy was formulated ought to be incorporated in the policy. The Committee is specifically concerned that there is no dedicated policy for the integration, development and implementation of off and mini-grid systems in Zambia.

In light of this concern, the Committee strongly urges Government to expedite the review of the 2008 National Energy Policy to address emerging issues in the energy sector such as the renewable energy technologies. The Committee requests a progress report on the review of the National Energy Policy.

7.7.2 Legal Framework

The Committee observes that there is no specific legal framework for mini-grid systems in Zambia. The guiding legal provisions pertinent to the development of mini-grids are found in the following instruments: the *Rural Electrification Act, No. 20 of 2003*, *Electricity Act, Chapter 433 of the Laws of Zambia* and the *Energy Regulation Act, Chapter 436 of the Laws of Zambia*, the Rural Electrification Master Plan of 2008, and the National Energy Policy of 2008. Although there is rigorous effort to pursue alternatives to the national grid, none of the policy and legal instruments listed above makes an explicit decision to integrate mini-grids into the rural electrification programme.

Given the above challenges, the Committee recommends that the Government should enact specific legislation to integrate renewable energy technologies. Further, the Committee urges the Government to harmonise other pieces of legislation and regulatory frameworks that impact on the Rural Electrification Programme such as the *Electricity Act, Chapter 433 of the Laws of Zambia* and the *Energy Regulation Act, Chapter 436 of the Laws of Zambia*.

7.7.3 Irregular Remittances of Electricity Levy

The Committee observes that the Treasury does not remit the 3 per cent electricity levy to the Rural Electrification Fund to REA within the stipulated twenty-one days in accordance with the *Rural Electrification Act*. In this regard, the Committee strongly urges Government to comply with the provisions of the law by remitting the 3 per cent Electricity Levy into the Rural Electrification Fund within the twenty one days requirement forthwith.

7.7.4 Failure to Segregate Funds

The Committee also observes that the Treasury consolidates all the funds into one category, as opposed to clearly disaggregating them to reflect the three different types of funding to the Rural Electrification Authority as provided for by law.

The Committee, therefore, recommends that the funds from the Treasury should be distinctly separated to reflect the three categories of funding prescribed by law, namely: monies appropriated by Parliament for the purposes of the Fund, electricity levy, and monies by way of loans, grants or donations.

7.7.5 Cost of Service Study

The Committee observes that one of the impediments to private sector participation is that there is no information on the cost of electricity. This arises because the cost of providing electricity has not been established owing to the Government's inability to conduct the electricity Cost of Service Study. A Cost of Service Study would result in a more transparent mechanism to cost electricity and ultimately consumers will be charged cost reflective tariffs. Once completed, the Study will therefore, play a critical role in attracting private sector participation.

The Committee, therefore, recommends that Government expedites the process of conducting the electricity Cost of Service Study as a matter of urgency.

7.7.6 Management and Operations of the Rural Electrification Fund

The Committee observes that the provision of Section 25(1) of the *Public Finance Management Act, No. 1 of 2018*, has made it difficult for the Rural Electrification Authority to manage and administer the Fund, as all Government revenue, including monies received by public bodies, are now required to be deposited into the Single Treasury Account.

In light of the above, the Committee recommends that the *Rural Electrification Act, No. 20 of 2003* should be reviewed in order to bring it in tandem with the provisions of the *Public Management Act, No. 1 of 2018* and any other existing policy guidelines. Further, the Committee recommends that the Government should review the operations

of the Rural Electrification Fund to ensure that it responds to the reason for which it was created.

7.7.7 Inadequate and Unpredictable Funding to the Rural Electrification Authority

The Committee observes that REA requires huge capital investments in order to meet its rural electrification targets as set out in the Rural Electrification Master Plan. However, REA is currently underfunded, and even this funding is unpredictable. This makes it difficult for REA to plan and execute its mandate efficiently and effectively.

The Committee urges the Government to allocate adequate financial resources to REA, to enable the Authority implement sustainable rural electrification projects using appropriate technologies, and to meet its set rural electrification targets.

7.7.8 Electrifying Rural Areas by Grid Extension

The Committee observes that the rural electrification targets in the Rural Electrification Master Plan will be difficult to achieve with the current model of electrifying rural areas using grid extensions.

The Committee, therefore, recommends that the Government should channel more investments into the development of off grid and mini grid systems and develop regulatory mechanisms and create an enabling environment for research and development into off grid technology so as to attract and leverage resources from the private sector.

7.7.9 Over dependence on Funding from the Government

The Committee observes that the over dependence on funding from the Treasury for rural electrification is unhealthy and untenable, given the country's competing needs and constrained resource envelope.

The Committee urges the Government to establish a transparent and sustainable financing model, which will allow for cross-financing of rural electrification programmes with the private sector.

7.7.10 Poor Multi Sectoral Coordination

The Committee observes with concern that poor coordination of the various players in the sector has resulted into duplication of efforts in the implementation of rural electrification projects.

The Committee, therefore, urges Government to strengthen REA's regulatory role, and empower it to be the overall coordinator of all rural electrification activities. The Authority should also be responsible for establishing partnerships and linkages among

the various stakeholders implementing rural electrification projects to avoid duplication of efforts.

7.7.11 Electrification of new Districts

The Committee observes that there is no deliberate effort to electrify newly created districts. Further, the Committee notes that the 20 per cent provision for electrification projects outside the Rural Electrification Master Plan is inadequate to meet the electrification demands of the new districts.

The Committee recommends that the Government should develop a long term strategic plan, including a financing mechanism, to electrify new districts. The Committee, therefore, urges the Government to devise an implementable strategic plan for rural electrification in new districts.

7.7.12 Electricity Levy

The Committee observes with serious concern that the 3 per cent electricity levy is exclusively charged on domestic consumers and the mines which are the largest energy consumers, in the country are exempted.

The Committee strongly recommends that the Government should review the *Electricity Act, Chapter 433 of the Laws of Zambia* so as to ensure that bulk energy consumers are also required to pay electricity levy. This will enhance revenue to the energy sector and ultimately improve REA's financial standing.

7.7.13 Compensation for Transfer of Assets

The Committee observes that REA is not compensated for the transfer of assets to ZESCO Limited upon completion of electrification projects. This deprives REA of the financial benefits that flow from these assets and can be quite de-motivating for the Authority.

The Committee recommends that the Government should come up with a deliberate policy and amend the law to ensure that REA is compensated by retaining some of the project assets, once the projects are completed. This will motivate the Authority in its work. The Committee requests for a progress report on the matter.

7.7.14 Boost Economic Activity in Rural Areas

The Committee notes with concern that most rural dwellers cannot afford to pay for electricity due to very low incomes. The Committee further observes that most rural people are dependent on agriculture for their livelihood. However, due to many socioeconomic as well as environmental factors, the yields are usually poor and they can barely eke out a living from farming. After paying the initial connection charges, they are unable to sustain the regular electricity charges, and they revert to traditional

forms of energy sources in no time. Therefore, the infrastructure which is installed at very high cost is not fully utilised by the intended beneficiaries.

The Committee, therefore, recommends that the Government should, for purposes of tackling rural poverty, provide funding to the Citizens Economic Empowerment Commission to ensure that it implements its Value Chain Development Programme so as to promote rural development through value chain development. This will enable rural communities diversify their economic activities and earn better incomes which would enhance their ability to pay for electricity and use it for both productive and household use. The Committee requests a progress report on the matter.

7.7.15 Completion of Luangeni Electrification Project

The Committee observes that the electrification project in Luangeni Village has been successfully completed. The Committee further observes that the electrification model employed in Luangeni has the potential to accelerate the electrification of rural areas in Zambia.

The Committee, therefore, strongly urges Government to consider replicating the model used in Luangeni to electrify other rural parts of the country.

7.7.16 Failure to Launch New Projects

The Committee is greatly concerned that most of the projects earmarked to be completed in 2019, will not be possible due to poor funding. Because of poor funding, the projects that were scheduled to be completed in 2019 had been put on hold. Failure to complete projects as scheduled would in turn affect the electrification targets set out in the Rural Electrification Master Plan.

The Committee, therefore, strongly recommends that the Government should consider funding the Rural Electrification Authority according to the budget estimates enshrined in the Rural Electrification Master Plan, so that the Rural Electrification Programme is executed without further delay. The Committee further recommends that all the monies collected as Electricity Levy should be remitted to the Rural Authority.

7.7.17 Lack of Internal Wiring Services to Public Institutions

The Committee observes that the Rural Electrification Authority has not factored in the aspect of internal wiring services for some public institutions in Eastern Province. The Committee notes that provision of grid extension lines without providing internal wiring will result in most people not being connected to power.

The Committee recommends that, henceforth, the Government should consider including the component of internal wiring to ensure that the process translates into actual electricity access for public institutions.

7.7.18 Inability by Public Institutions to Pay Connection Fees

The Committee observes that public institutions such as schools and rural health centres do not have the capacity to pay for connection fees.

The Committee urges Government to subsidise the cost of electricity connections to public institutions in order to ensure that the process of electrifying rural areas is complete, and that electricity access is enhanced.

7.7.19 Failure to Complete Solar Home System Project in Lundazi

The Committee is concerned that the Solar Home System Project in Lundazi has not been fully implemented. Further, the Committee notes that Semphe Primary School in Lundazi has only been partially electrified.

The Committee strongly recommends that the Government should allocate financial resources to the Rural Electrification Authority to enable it complete the Solar Home System Project in Lundazi, and to fully electrify Semphe Primary School.

7.7.20 Solar Home System Sensitisation Programmes

The Committee observes that people have not received adequate sensitisation on the maintenance of the installed Solar Home Systems.

The Committee, therefore, recommends that the Government should ensure that more sensitisation programmes on the maintenance of the Solar Home Systems are conducted. This will help to prolong the lifespan of the Solar Home Systems.

7.7.21 Widen Scope of the Rural Electrification Programme

The Committee notes with concern that REA's approach of limiting its target to public institutions for electrification had resulted in failure for most people in rural areas to benefit from the programme.

The Committee recommends that the Government should consider increasing the scope of electrification beyond public institutions, to ensure so that people who do not fall in the category of public institutions also benefit from the programme.

7.7.22 Lack of Knowledge of Renewable Energies

The Committee observes that there is lack of knowledge and awareness of renewable energy technologies such as solar among the rural population, as a result some beneficiaries of solar power abandoned the technology once connected to the national grid.

The Committee, therefore, recommends that the Government should dedicate more efforts towards sensitising the public in order for them to adopt and embrace renewable energy technologies.

MANAGEMENT OF NATIONAL PARKS AND GAME MANAGEMENT AREAS IN ZAMBIA

8.0 Synopsis of National Parks and Game Management Areas in Zambia

Zambia was endowed with a diversity of ecosystems which was home to a variety of fauna and flora. In order to protect its prized ecological wealth, the country conserved its wildlife through protected areas in the form of National Parks and Game Management Areas. Zambia had a total of twenty National Parks and thirty six Game Management Areas, which covered about 8 per cent and twenty four per cent respectively, of the country's surface area. Zambia had one of the largest protected areas in Southern Africa.

The ecological assets found in these protected areas had the potential to improve people's livelihoods, and contribute to the country's overall development agenda through tourism. This could only be achieved if these resources were sustainably managed. In addition, adopting a holistic approach to the conservation of all the ecological products in National Parks and Game Management Areas could go a long way in ensuring the protection of these natural resources. However, the future of these protected areas was uncertain owing to the multiple threats that National Parks and Game Management Areas faced. Some of the direct threats included widespread poaching, rampant wildfires, deforestation fueled by subsistence and commercial farming, charcoal production, human-animal conflict, unplanned human settlements and mining activities.

The above threats stemmed from increasing poverty levels among the local communities, low institutional management capacity, inadequate socio-economic incentives, and lack of enabling conditions to support sustainable wildlife conservation.

Given the above highlighted challenges and recognising the importance of protecting wildlife and the environment in general, the Committee undertook to take a study of the management of National Parks and Game Management Areas in Zambia.

The objectives of the study were to:

- (i) ascertain the adequacy of the policy and legal framework governing the management of National Parks and Game Management Areas in Zambia;
- (ii) appreciate the challenges faced in the management of National Parks and Game Management Areas in Zambia; and
- (iii) make recommendations on the way forward.

8.1 SUMMARY OF SUBMISSIONS FROM STAKEHOLDERS

The findings of the Committee on this topical issue are presented below.

8.1.1 Policy and Legal Framework

The Committee was informed that the wildlife sector was guided by the National Parks and Wildlife Policy of 1998. However, the Committee learnt that the revised National Parks and Wildlife Policy was approved by Cabinet in June, 2018. Once operationalised, the Policy would address issues that have made the wildlife sector not to perform as expected. Further, the new policy framework had incorporated the Government's aspirations for both the tourism and environmental sectors as outlined in Vision 2030.

The Committee was informed that wildlife conservation and management of National Parks and Game Management Areas in Zambia was implemented in accordance with the *Zambia Wildlife Act, No. 14 of 2015*. The Act mandated the Department of National Parks and Wildlife under the Ministry of Tourism and Arts to control, manage, protect and coordinate the activities of National Parks, Community Partnership Parks, Bird and Wildlife Sanctuaries and Game Management Areas. The Act also allowed for the co-management of Game Management Areas between the Department of National Parks and Wildlife and Community Resource Boards. The functions of Community Resource Boards as provided for under the *Zambia Wildlife Act No. 14 of 2015 Section 33* were to promote and develop an integrated approach to the management of human and natural resources in Community Partnership Parks, Game Management Areas, or an open area that fell under the jurisdiction of the Community Resource Board.

8.1.2 Adequacy of the Policy and Legal Framework

The Committee was informed that the *Zambia Wildlife Act, No. 14 of 2015* did not protect the rights of customary residents in Game Management Areas and open areas by requiring that they conform to provisions of a management plan, in which the local people had no input. The Committee was informed that although the current Wildlife Policy provided for the participation of local communities in the management of natural resources in Game Management Areas, it did not make adequate provisions for ownership, rights to wildlife resources and the autonomy of the Community Resource Boards. For example, the Community Resource Boards could not demand rentals or concession fees from lodges or based in a Game Management Area. Further, the Community Resource Boards did not have the autonomy to enter into concessions with hunting outfitters.

The Committee was also informed that while the Zambian Government had accepted Community Based Natural Resource Management approaches in the management of Game Management Areas, the commitment to develop appropriate supporting legislation and technical capacity had been lacking. Moreover, even where legislation was in place, rights of access to, and use of natural resources had not been clearly defined. As a result of these lacunas in the law, communities were unable to realise the optimal benefits from the wealth of resources on their land. Stakeholders submitted that the policy and legal

framework needed to be amended for the wildlife sector to attain the desired National Parks and Game Management Areas management model.

The Committee was informed that the current governance model of Game Management Area in Zambia was outdated and did not provide communities with rights to be able to truly and fully participate in the management of Game Management Areas. The policy did not adequately support community ownership, resource use rights and decision making. The Committee learnt that while the Act provided for Community Partnership Parks, where safari hunting was allowed, the communities in these protected areas did not earn a share of the income derived from these activities and had very few essential services.

8.2 CHALLENGES FACED IN THE MANAGEMENT OF NATIONAL PARKS AND GAME MANAGEMENT AREAS

The Committee was informed that the wildlife sector was facing a lot challenges. These included the ones set out below.

8.2.1 Poor Implementation of General Management Plans

The Committee was informed that there was poor implementation of General Management Plans and Land Use Plans in most Game Management Areas. This was mainly attributed to the fact that Community Resource Boards did not have the capacity or resources to implement their General Management Plans. Consequently, Game Management Areas experienced high levels of encroachment, loss of biodiversity, poor maintenance of fire breaks and inadequate fire management. The problem was further compounded by the fact that local communities were not fully involved in the formulation of the General Management Plans, despite them being the implementing agents. This led to poor or lack of implementation of the General Management Plans.

8.2.2 Conflicting Legislation and mandates

The Committee was informed that while the Department of National Parks and Wildlife was charged with the responsibility of managing National Parks and Game Management Areas, there were other Government ministries and departments that were also mandated by law to undertake other activities within the protected areas. For instance, *Section 30* of the *Zambia Wildlife Act* provides that “A person who holds any mining rights in, over, under or in respect of any land comprised in a Game Management Area may enter and exercise the mining right within the Game Management Area upon that person giving prior written notice to the Director of the person’s intention to enter the Game Management Area and to exercise that person’s right upon compliance with any conditions which the Minister may impose.” The effect of such a provision was that in as much as the Department of National Parks and Wildlife was the authority with respect to activities undertaken in Game Management Areas, with respect to mining activities in the protected areas there was no provision in the Act providing for the Department of National Parks and Wildlife to decline a mining prospect application. Similarly, pursuant to *Section 15 and 22* of the *Forestry Act, No. 4 of 2015*, the Forestry Department was allowed to issue logging permits in a Game Management Area without consideration to the conservation zone as laid down in the Game Management Plan. This had led to conflicts of activities which consequently affected the management of Game Management Areas by the Department of National Parks and Wildlife.

8.2.3 Human Animal Conflict

The Committee was informed that one of the major challenges in the Wildlife Sector was that of human-animal conflict. The problem mainly emanated from illegal

settlements, especially within the elephant corridors. The absence of a clear policy on how to deal with the problem made it difficult to address human-animal conflict.

8.2.4 Outdated and Lack of Game Management Plans

The Committee was informed that the management and day-to-day operations of Game Management Areas was guided by General Management Plans. Lamentably, most Game Management Areas did not have these vital documents in place. The few that were being implemented had not been revised for a long time, and had become obsolete. The Committee learnt that the Department of National Park and Wildlife was unable to develop General Management Plans for all Game Management Areas, as it was costly to develop the Plan. As a result, the Plans had to be developed with the assistance of cooperating partners.

8.2.5 Hunting concessions

The Committee learnt that if properly managed, the wildlife sector had the potential to ameliorate Government's conservation efforts through the generation of income from activities such as safari hunting. The Committee learnt that very little revenue was realised from hunting concessions due to the low fees that the Department of National Parks and Wildlife charged. Further, the Committee was informed that very few local people were involved in safari hunting and that the beneficiaries of these concessions were mostly foreign nationals operating as single tenants with large tracks of land. The system excluded local communities because they did not have capacity and necessary skills to participate in such undertakings.

8.2.6 Inadequate, patrol uniforms, patrol equipment and gear

8.2.6.1 Uniforms

The Committee was informed that wildlife police officers did not have adequate combat uniforms, and had resorted to wearing jungle green uniform or green overalls whilst on patrol, instead of the Department of National Park and Wildlife zebra strip camouflage uniform. As a result, these officers were not easily identified and ran the risk of being injured, or killed by friendly forces due to mistaken identity.

8.2.6.2 Firearms

The Committee was informed that the Department National Parks and Wildlife did not have enough firearms. The few that were available were those that had been confiscated from poachers by the wildlife police officers over the years. These firearms were either highly modified or obsolete, making them unreliable, and posing a danger to the officers. This situation put the officers at risk during patrols.

8.2.6.3 Camping Gear

The Committee was informed that patrol teams did not have ideal camping gear and were forced to use polythene sheets as tents during patrols. This was very uncomfortable for officers especially when they were deployed for long periods of time. As a result, most wildlife police officers were demotivated.

8.2.7 Inadequate Transportation and Poor Radio Communication

8.2.6.4 Lack of Transportation

The Committee was informed that the Department of National Parks and Wildlife had a serious challenge in terms of transportation. The current transport fleet consisted of old vehicles which were obsolete and/or defective. This resulted in delayed response to reports of human-wildlife conflict, and the Department could not undertake other intelligence activities or inspections. The Committee further learnt that patrol teams could not be deployed to some areas during the rainy season, because of lack of marine transportation.

8.2.6.5 Poor Radio Communication

The Committee was informed that the Department did not have adequate communication equipment. The digital radios that had been installed in some strategic stations fell short of requirements. Patrol teams that were deployed in the field did not have radio communication, making it difficult to communicate. When patrol teams apprehended poachers, they had to travel long distances with the suspects to find mobile networks to request for transport. This raised the risk of the poachers re-organising, retaliating, or escaping from custody.

The lack of transportation coupled with poor radio communication meant that the Department was unable to evacuate officers who had been injured in the field during operations.

8.2.8 Inadequate infrastructure

The Committee was informed that most protected areas were inaccessible during the wet season due to poor road network, bad bridges, and lack of or poorly maintained airstrips. This limited the tourism season, and complicated management operations in the rainy season.

8.2.9 Encroachments

The Committee was informed that most protected areas were highly encroached. This was mainly attributed to poorly defined boundaries, and illegal settlements. The problem was further exacerbated by interference from the traditional and political leadership, with regard to allocating land in the protected areas. This hindered the effective management of National Parks and Game Management Areas by the Department of National Parks and Wildlife. The Committee was informed that the Department of National Parks and Wildlife had been carrying out some evictions of

persons from the protected areas which had clearly marked boundaries. However, it faced challenges given the complex nature of the problem. Some cases had resulted into litigation.

8.2.10 Inadequate Funding

The Committee was informed that the wildlife sector was poorly funded and this had an adverse effect on the overall management of National Parks and Game Management Areas. Consequently, Community Resource Boards had been experiencing erratic funding and this had prevented them from executing their functions effectively. The problem of poor funding had also resulted in community scouts receiving their salaries late.

8.2.11 Co-Management Model

The Committee was informed that the current policy and legal framework as articulated in the *Zambia Wildlife Act, No. 14 of 2015* placed the Government through the Department of National Parks and Wildlife at the forefront of managing Game Management Areas in partnership with Community Resource Boards. This governance arrangement and resource allocations meant that local communities received minimal if any meaningful benefits from the protected areas. Local communities had no mandate to make their own management decisions.

8.2.12 Revenue Collection

The Committee was informed that the Department of National Parks and Wildlife was mandated to collect revenue from protected areas in the form of entry fees, bed levies, game drives, camping, filming fees, vehicle fees and fees on walking safaris. However, the Committee learnt that all the fees in the wildlife sector had not been revised for over ten years. The last revision was carried out through the *Statutory Instrument No. 60 of 2007-Zambia Wildlife (Licences and Fees) Regulations, 2007* under the repealed *Zambia wildlife Act No. 12 of 1998*. Further, the Committee was informed that because of non-revision of the fees upwards, the Department pegged the price of wild animals as prescribed under the Statutory Instrument, while the hunting outfitters were at liberty to set their own prices, which in some instances, were very high.

8.2.13 Severe Manpower Deficiency

The Committee was informed that according to the International Union for the Conservation of Nature, the recommended ratio of officers required for effective conservation of the protected areas was one officer per 50 square kilometres. Zambia had over 225,000 square kilometres of conservation land, meaning that to effectively police such a vast area, the Department of National Parks and Wildlife needed about 5000 wildlife police officers. However, the Department of National Parks and Wildlife had 1200 active wildlife police officers which translated into a ratio of one officer per 210

square kilometres. The available human resource, therefore, fell far below the International Union for the Conservation of Nature recommendation.

Further, the Committee learnt that because of lack of personnel, policing of National Parks such as the Kafue National Park, with a vast land area, depended on external support. In the absence of wildlife police officers, the Department of National Parks and Wildlife relied on community village scouts whose original jurisdiction was to work in Game Management Areas. These scouts were not well trained and had low salary levels.

8.2.14 Restrictive Procedures for Local Communities to Participate in Game Ranching

The Committee was informed that game ranching was a lucrative business in the wildlife sector. However, very few local people were involved in game ranching due to cumbersome and restrictive procedures to be complied with before one could engage in this business. The Committee learnt that in other countries where local communities were involved in income generating activities in the protected areas such as game ranching, there was an enhanced desire and willingness to protect the wildlife because the community had a sense of ownership of the resources.

8.2.15 Poaching and Wildlife Trafficking

The Committee was informed that there was a decline in the general conditions of National Parks and Game Management Areas due to encroachments, poaching and wildlife trafficking. The operational effectiveness of the Department of National Parks and Wildlife was very low, hence there was an increase in illegal wildlife activities which were not compatible with conservation. Unfortunately, law enforcement and defence force personnel and other public servants were also involved in these nefarious acts. This was evidenced by the arrest of four soldiers, two state police officers, and four judicial officers who were for poaching and trafficking in wildlife products since January, 2016. This made the work of wildlife police officers difficult and dangerous, as they had to deal with poachers who were armed.

8.2.16 Extinction of Bird Species

The Committee was informed that National Parks and Game Management Areas were home to a variety of bird species. Some bird species such as the protea bird was unique to Zambia. Some species, both fauna and flora, were at risk of extinction due to the problem of invasive species in most National Parks and Game Management Areas. Some exotic species were so aggressive that they altered the physical environment in a way that sometimes caused competitive exclusion of native species.

8.3 REPORT ON THE LOCAL TOUR

With regard the topic on the management of Game Management Areas and National Parks in Zambia, the Committee undertook tours to Eastern Province in order to appreciate the challenges faced in some selected protected areas. Specifically, the Committee toured the following areas:

- (i) West Petauke Game Management Area;
- (ii) Sandwe Game Management Area;
- (iii) Lupande Game Management Area;
- (iv) Lumimba Game Management Areas; and
- (v) South Luangwa National Park.

The findings of the Committee during the tours are presented below.

WEST PETAUKE GAME MANAGEMENT AREA

The Committee was informed that the West Petauke Game Management Area was situated in the Luembe Hunting Block. It is located 75 kilometers away from Nyimba across the Luangwa River with a total surface area of 4130 square kilometres. The Game Management Area was home to the big four namely: lion, buffalo, Elephant and leopard. Safari outfitters bid for hunting concessions to allow them to hunt in the area. The revenue generated from the hunting activities in the areas was shared between the Government and the community.

The Committee learnt that the company operating in the West Petauke Game Management Area was Mopani Safaris, and specialised in consumptive tourism. As part of its social corporate responsibility, the company collaborated with schools in the area to promote conservation education and anti-poaching campaigns. The Committee was informed that as a result of the conservation interventions, wildlife population had increased in the West Petauke Game Management Area.

Mopani Safaris also provided extra-curricular equipment such as netballs and footballs to the schools. The Committee was informed that Mopani Safaris was managing four scout camps and paid salaries for the officers employed in the camps. The Committee was informed that the lease tenure for Mopani Safaris was seven years. The Committee learnt that the lease was too short for long term planning, if the tenure was longer more investments would flow to the area.

The Committee was informed that the Luembe hunting block had thirty two Wildlife Police Officers and twenty three Community Village Scouts to police the protected area. The Committee learnt that the Department of National Parks and Wildlife was understaffed. The Department also faced accommodation challenges, where in some camps officers were housed in grass thatched houses. Further, the officers did not have adequate protective gear and uniforms. The Committee was informed that the Department was marred with transport problems and this prevented it to effectively

carry out its duties. Because of lack of transportation, officers were meant to use canoes, which was not safe. The only available pontoon was unreliable and not in good condition. Further, there was rampant poaching and illegal killing of animals in the West Petauke Game Management Area.

The Committee was also informed that Wildlife Police Officers and Community Village Scouts encountered poachers in the field. When officers exhausted all means to apprehend the poachers, they were forced to shoot at the poachers. Unfortunately, the officers were apprehended and locked up until all investigations were concluded. This meant that officers were incarcerated for the entire duration of the trial.

SANDWE GAME MANAGEMENT AREA

The Committee was informed that the Kananji Camp was situated in the heart of the Sandwe Game Management Area. The Committee learnt that two houses were built by the Safari Outfitter resident in the area. However, the camp faced serious water challenges, as officers including their families had to walk a distance of about 2.5 kilometres to fetch water. The camp had no transport facilities and this resulted in failure to deliver reports in time to the regional office in Nyimba. The Committee further learnt that Community Village Scouts employed at the camp had not received training despite being in employment for over three years. Further, the untrained scouts were allowed to use fire arms.

The Committee was informed that Kantanta Hunting Safari had been operating in Sandwe General Management Area since 2017 and the main activity was consumptive tourism. Sandwe Game Management Area was classified as a secondary area. The company had set up three camps to ensure sustainable hunting in the area and reduce poaching activities.

SOUTH LUANGWA NATIONAL PARK, LUPANDE AND LUMIMBA GAME MANAGEMENT AREAS

The Committee was informed that there were two Game Management Areas surrounding the South Luangwa and Luambe National Parks, namely the Lupande and Lumimba Game Management Areas. The Committee learnt that all the protected areas fell under the jurisdiction of the Department of National Parks and Wildlife, Chinzombo Office in Mfuwe. The Office also managed three hunting companies in the area. The Department worked closely with the community and institutions through community resource boards. The Department of National Parks and Wildlife interacted with the community resource boards on issues of management of wildlife resources in the Game Management Areas. The Committee was informed that the Department had conducted a countrywide wildlife survey in 2015.

The Committee was informed that the major income generating activity was hunting. The revenue derived from these hunting activities was shared equally between the Government and community resource boards for community projects. Chiefs resident in

the area received five per cent of the community resource board allocation. The Committee learnt that the area was popular for non-consumptive tourism due to the abundance of wildlife. Unfortunately, there was no mechanism for the local community to benefit from non-consumptive tourism.

The Committee was informed that due to anti-poaching activities by the Safari Hunting companies, there was an increase in the number of wildlife. The Committee learnt that the Lupande and Lumimba Game Management Areas were classified as prime areas and hence had a lease of seven years. The Committee was informed that in order for the safari companies to carry out long term investment plans in the area, there was need to increase the lease tenure.

The Committee was informed that one of the major challenges faced by the Department was human-animal conflict. With the increase in human population, the wildlife habitat was shrinking, thereby presenting a case of competing for space. The problem of human-animal conflict was further compounded by unsustainable land use activities. The Committee learnt that there was no law or policy for compensation of the affected people. The victims of human-animal conflict received help through the Office of the Vice President, under the Department of Disaster Management and Mitigation Unit.

The Committee was informed that the 100 Wildlife Police Officers recruited in Mfuwe in 2018 were all from Lusaka. The Committee learnt that this had demotivated the local community, as they felt that they were not given an opportunity to be employed despite being in possession of the necessary requisite qualifications.

The Committee was informed that the Lupande Game Management Area had no General Management Plan. The process of implementing the Plan was not finalised because two Chiefs had not ratified the document. As a result, the Department was unable to carry out evictions without the Plan.

COMMITTEE'S OBSERVATIONS AND RECOMMENDATIONS

8.4 Arising from its interactions during the Committee's long meetings with stakeholders in the wildlife sector and the findings from the local tour, the Committee makes the following observations and recommendations.

8.4.1 Harmonisation of legislation

The Committee observes that the *Zambia Wildlife Authority Act No. 14 of 2015* is not adequate for the effective management of laws in National Parks and Game Managements, owing to the fact that other activities such as timber logging and mining are allowed in the protected areas. For instance, the Forestry Department is allowed under the Section 15 of the *Forestry Act, No. 4 of 2015* to issue logging permits in a Game Management Area, similarly the *Mines and Minerals Development Act, No. 11 of 2015 Section 30* allows a mining prospect holder in a Game Management provided they

give prior notice to the Director of the Department of National Parks and Wildlife. As a result of these conflicting mandates, the Department of National Parks and Wildlife fails to effectively enforce its mandate.

The Committee urges the Government to strengthen the *Zambia Wildlife Authority Act, No. 14 of 2015* in order to make it more forceful to regulate activities such as mining and logging, which have an adverse effect on protected areas such as pollution and loss of natural habitat for wildlife. Further, the Committee urges Government to harmonise the *Forestry Act, No. 4 of 2015* and *Mines and Minerals Development Act, No. 11 of 2015* which impact the wildlife sector and in turn create a more conducive environment for the various players.

8.4.2 Human Resource and Poor Conditions of Service for Wildlife Police Officers

The Committee observes that the Department of National Parks and Wildlife does not have adequate human resources to effectively carry out its conservation mandate in the National Parks and Game Management Areas. Further, the Committee observes that the wildlife police officers do not enjoy the same conditions of service and salaries as those enjoyed by similar ranking law enforcement officers in the country.

In the light of the above, the Committee urges Government to expedite the process of recruiting more Wildlife Police Officers in order to meet the international standards as guided by the International Union for the Conservation of Nature. The Committee also recommends that the Government harmonises the conditions of service for wildlife police officers, to bring them in tandem with prevailing conditions for other law enforcement officers in the country.

8.4.3 General Management Plans

The Committee observes that although every Game Management Area is supposed to be guided by a General Management Plan in its operations, only a few are being implemented due to inadequate funding to actualise the Plans. Further, the Committee observes that some General Management Plans are outdated, having been in existence for over ten years and have, therefore, ceased to respond to the needs of the Game Management Area.

The Committee, therefore, urges the Government to ensure that the necessary financial resources are channelled to the Department of National Parks and Wildlife, to enable it formulate and update General Management Plans that are in tandem with new challenges in the wildlife sector. The Committee further recommends that the Government through the Department of National Parks and Wildlife ensures that General Management Plans are implemented in all Game Management Areas. This will enable the Department of National Parks and Wildlife to control encroachments and illegal settlements in the Game Management Areas.

8.4.4 Encroachments

The Committee observes that most protected areas are highly encroached, and this has led to loss of natural habitats and depletion of wildlife due to unclear boundaries. The Committee further observes with concern that some traditional and political leaders have continued to allocate and/or influence the issuance of land in protected areas.

The Committee, therefore, recommends that the Government should carry out a nation-wide audit to verify all the boundaries for National Parks and Game Management Areas. It further urges Government to ensure that it secures these protected areas by clearly demarcating the boundaries and by and strengthen the law to prevent illegal settlements and other activities such as mining, logging and deforestation.

The Committee further recommends that the Government should apply the law fairly and firmly in order to prevent illegal allocation of land in protected areas.

8.4.5 Relaxing Procedure for Participation in Game Ranching

The Committee observes that the restrictive procedures required to set up a game ranch were depriving local communities of an opportunity to engage in this lucrative business venture, which has the potential to transform the livelihoods of people in these communities. The Committee urges the Government to revise *Zambia Wildlife Act, No. 14 of 2015* so as to allow communities in Game Management Areas to partner with the private investors in game ranching activities.

8.4.6 Review of Licence Fees

The Committee observes that the fees for licences and permits for various services in the wildlife sector have not been reviewed in the last ten years, this has deprived the sector of much needed revenue.

The Committee urges Government as a matter of urgent to review the fees in order to raise revenue for the wildlife sector.

8.4.7 Governance of the Wildlife Sector

The Committee observes that the current co-management model between the Government and Community Resource Boards has not yielded the desired result as the Community Resource Boards are not benefitting from the revenue derived from Game Management Areas.

In this regard, the Committee recommends that the Government should enact a Community Based Natural Resources Management policy and enact necessary legislation that will transform Game Management Areas into natural resource community conservation areas with powers to generate income from the protected areas.

8.4.8 Tenure of office for Community Resource Board

The Committee observes that the current policy provision of a three year term for Community Resource Boards office bearers was too short and constrained capacity development in Community Resource Boards.

The Committee, therefore, urges the Government to amend Section 32(3) of the *Zambia Wildlife Act, No. 14 of 2015* in order to increase the tenure of office for Community Resource Boards to five years to allow them complete their programmes. This will provide more time for Community Resource Boards to develop and implement their programmes of work and execute all the planned activities.

8.4.9 Increase Budgetary Allocation to the Department of National Parks and Wildlife

The Committee observes that the Department of National Parks and Wildlife is poorly funded and this hampers the operations of the Department. The low funding levels poses a challenge to the Department as it fails to sufficiently carry out its operations.

The Committee recommends that the Government should improve funding to the Department of National Parks and Wildlife to enable it fulfill planned activities, particularly with respect to enforcement of laws which is a critical aspect of conservation in protected areas.

8.4.10 Untimely Disbursements to Community Resource Boards

The Committee notes with concern that failure to adequately fund the Department of National Parks and Wildlife has also affected the disbursement of funds to the Community Resource Boards. Consequently, Community Resource Boards fail to pay salaries for community scouts in time.

The Committee, therefore, urges Government to ensure that Community Resource Boards are funded in time to enable them pay salaries for community scouts time and implement other development projects in their respective communities. Further, the Committee urges Government to explore other sources of funding besides the Treasury.

8.4.11 Lack of Infrastructure

The Committee observes that the general state of infrastructure in National Parks and Game Management Areas is poor. The Committee notes that most protected areas are inaccessible due to poor road network. Further, the Committee observes that some areas are only accessible by crossing rivers. However, there were either no bridges or were in a deplorable state.

The Committee urges Government to urgently carry out rehabilitation works on all the roads and bridges leading to National Parks and Game Management Areas. This will enhance and attract private sector investment and domestic tourism.

8.3.12 Avert High Levels of Poaching and Wildlife Trafficking in Protected Areas

The Committee observes with concern the high levels of poaching and wildlife trafficking in most protected areas. This has contributed to the decline of wildlife species. The Committee notes that protecting Zambia's wildlife is critical for the growth of Zambia's economy through tourism.

The Committee, therefore, urges the Government to review *the Zambia Wildlife Act, No. 14 of 2015* in order to stiffen the penalties for poaching and illegal trafficking. Further, the Committee urges the Government to adequately fund the Department of National Parks and Wildlife to enable it implement anti-poaching and wildlife trafficking enforcement programmes in all protected areas.

8.3.13 Financial Mismanagement by Community Resource Boards

The Committee observes that some Community Resource Boards mismanages funds allocated to them as part of their share from hunting activities in the Game Management Areas. This has resulted in communities not to see any benefit from the wildlife resource and fail to execute agreed upon developmental plans in the Game Managements.

The Committee recommends that the Government, through the Department of National Parks and Wildlife, should ensure that Community Resource Boards are audited periodically. The Committee further urges Government to provide capacity building platforms in financial management for Community Resource Boards.

8.3.14 Lack of Sustainable Land Use in Game Management Areas

The Committee notes that there is no proper land use plan management in most Game Management Areas. Some residents in the Lupande Game Management Area engage in pastoral and agriculture activities which are not in conformity with wildlife management. This has exacerbated the problem of human–animal conflict.

The Committee urges Government to intensify awareness campaigns and education provision to all villagers in and around Game Management Areas so as to build their capacity to enable them make informed decisions in sustainable land use in protected areas.

8.4.15 Raise Visibility of South Luangwa National Park

The Committee observes that there is inadequate marketing of the South Luangwa National Park, despite it being one of the best Parks in Africa endowed with abundant

world-class nature-based assets such as rivers, wetlands, bird species and wildlife among many other ecological wealth found in the protected area.

The Committee urges Government to come up with a robust marketing strategy to attract both local and foreign tourists to the South Luangwa National Park.

8.4.16 Unaffordable Accommodation Facilities in Protected Areas

The Committee notes that most of the accommodation facilities in the National Parks are packaged and marketed as high value destination areas.

The Committee urges Government to promote low cost accommodation that will be affordable for local tourists. This will enhance citizen exposure to wildlife in National Parks and Game Management Areas, and ultimately generate revenue for the sector.

8.5.17 Need to Train Community Village Scouts

The Committee observes that about 50 per cent of community village scouts employed in the Lupande Game Management Area are not trained. Further, the Committee notes that the untrained scouts are allowed to use firearms, which poses a danger to the scouts and members of the community.

The Committee urges Government to ensure that Community Resource Boards receive their share of revenue from hunting activities in good time to enable them train community village scouts and implement other developmental community programmes.

8.4.18 Improve Living Conditions in the Department of National Parks and Wildlife Camps

The Committee notes that the living conditions in most of the camps were poor. Particularly, the Committee notes that there are no water facilities at the Kananji Camp in Sandwe Game Management Area. The nearest water point is about 2.5 kilometres away from the camp.

The Committee recommends that the Government should ensure that basic services and facilities such as shelter, water and sanitation, education and health are provided in all the camps. Once these facilities are provided, wildlife police officers will be motivated to work in the camps.

8.4.19 Need to Benefit from Non-Consumptive Tourism

The Committee observes that there is no deliberate policy for local communities to benefit from revenue generated from non-consumptive tourism, which includes activities such as running of lodges and hotels in protected areas and wildlife photography.

The Committee urges Government to review the *Wildlife Act No. 14 of 2015* to enable communities benefit from the revenue flow from non-consumptive tourism.

8.4.20 Human-Wildlife Conflict

The Committee observes that the country does not have a policy to guide how to deal with the problem of human-animal conflict. Further, the Committee observes that the problem partly emanates from the fact that most protected areas lack General Management Plans and hence people have taken advantage to encroach on the areas.

The Committee strongly urges Government to come with clear guidelines on how to deal with the problem of human-animal conflict. The Committee further recommends that the Government should ensure that all stakeholders actualise and adhere to the prescribed rules outlined in General Management Plans of respective Game Management Areas.

8.4.21 Need to Employ Local People

The Committee observes that of the one hundred Wildlife Police Officers employed and deployed to the Lupande and Lumimba Game Management Areas in 2018, none of the officers came from Eastern Province.

The Committee urges Government to ensure that it takes into consideration local people who possess the necessary qualifications whenever there are vacancies in the Department of National Parks and Wildlife.

8.4.22 Lack of Patrol Vehicles, Firearms, Uniforms, Protective Gear and Equipment

The Committee observes that the Department of National Parks and Wildlife lacks adequate patrol vehicles, camping gear, firearms and uniforms to enable it conduct patrols in the protected areas.

The Committee strongly urges the Government to procure patrol vehicles, camping gear, firearms and uniforms to enable the Department of National Parks and Wildlife carry out law enforcement operations.

PART II

9.0 CONSIDERATION OF THE ACTION TAKEN REPORT ON THE REPORT OF COMMITTEE ON ENERGY, WATER DEVELOPMENT AND TOURISM FOR THE SECOND SESSION OF THE TWELFTH NATIONAL ASSEMBLY

9.1 Need to review the National Water Policy

The Committee recommended that in order to give the water supply and sanitation sector a clear direction, there was an urgent need to develop a comprehensive water supply and sanitation policy which would address the many problems that the sector faced.

Executive's Response

The Executive responded that the process of developing the National Water Supply, Sanitation and Solid Waste Management Policy had reached an advanced stage. The National Water Policy and its implementation plan were subjected to a final stakeholder validation and would be submitted to Cabinet for consideration. The Policy was expected to be approved and launched before or by fourth quarter of 2018.

Committee's Observations and Recommendations

The Committee awaits a progress report on the launch of the National Water Supply, Sanitation and Solid Waste Management Policy.

9.2 Need to enhance Corporate Governance

The Committee recommended that the Government should put in place measures to enhance good corporate governance and ensure that Boards of Directors are appointed in all commercial utilities. The appointment of Directors to the Boards needed to meet the qualifications enshrined in the Companies Act and respective Articles of Association for commercial utilities. The Committee further recommended that Government should ensure that no Chief Executive Officer was subjected to working without a contract.

Executive's Response

The Executive responded that the process of re-constituting Boards of Directors was on-going and that the Boards of Directors were expected to be appointed before the end of 2018 in line with the principles of good corporate governance. The Executive further responded that in the absence of the Boards, the Permanent Secretary, Ministry of Water Development, Sanitation and Environmental Protection had been the interim Board Chairperson in line with the Articles of Association and therefore, there was no complete vacuum during the absence of some of the Boards, even as Government was putting measures in place to have all the Boards in the remaining commercial utility companies.

Committee's Observations and Recommendations

The Committee requests an update on the appointment of Boards of Directors for those commercial utility companies without Boards.

9.3 Inadequate Water and Sanitation Investment

The Committee recommended that Government needed to increase financial support to enable commercial utilities to expand water and sanitation coverage to urban and peri urban areas. The Committee further recommended that the Government should consider entering into public-private partnerships (PPPs) in order to leverage additional investment into the sector.

Executive's Response

The Executive responded that in order to improve exploration and access to groundwater, the Government through the Ministry of Water Development, Sanitation and Environmental Protection procured four rigs in addition to the six drilling rigs, which were procured in 2014. These new drilling rigs procured by the Ministry had been made available to the commercial utilities in order to drill boreholes to help mitigate the water problems.

During the fourth quarter of 2017, the Ministry of Finance, through Public-Private Partnership Unit conducted sensitisation workshops in the ten provinces of the country on PPPs. This sensitisation resulted in the Unit and Provincial Heads of Government identifying projects that they felt were of importance for development through PPP arrangement. Water and sanitation projects were among the projects identified.

As a way to leverage additional capital investment into the sub-sector, the above cited projects were included on the database as potential PPP projects. The PPP Unit had since embarked on the process of developing concept notes for such projects with a view to undertake feasibility studies and develop bankable business plans that would attract private sector investment into water and sanitation projects through PPP arrangements.

Committee's Observations and Recommendations

The Committee requests for information on the targeted beneficiaries (Districts) of the water projects. The Committee also resolves to seek a progress report on the efforts to enter into PPPs for water and sanitation projects.

9.4 Outstanding Water and Sanitation Bills

The Committee recommended that the Government should settle all outstanding arrears that it owed water utility companies. The Committee further recommended that the Government should consider debt swapping against the statutory dues that commercial

utilities owed institutions such as ZESCO Limited, Zambia Revenue Authority (ZRA) and National Pension Scheme Authority.

The Committee further recommended that in order prevent the accumulation of bills by Government departments and institutions, commercial utilities should consider installing prepaid metres in all Government departments and institutions.

Executive's Response

The Executive responded that the Government had undertaken a debt swap involving ZRA and Kafubu Water and Sewerage Company, dismantling a total of K12, 253,083.00 arrears that the Government owed to Kafubu Water and Sewerage Company. Other debt swaps were in the pipeline as Government was finalising the verification of actual arrears owed to respective utility companies. Government was also earmarking funds through budgetary allocations to ministries, provinces and other spending agencies specifically for dismantling domestic arrears.

Further, the Government through the Ministry of Water Development, Sanitation and Environmental Protection, provided support to the utility companies in procuring metres in order to increase the metering ratio. In addition, the Government had put in place cost saving measures aimed at reducing inactive accounts and increasing revenue through growing the customer base. The Government had also been exploring the possibility of recovering outstanding amounts from defaulting Government institutions at source through the Ministry of Finance.

Furthermore, all utility companies had been urged to start the process of installing prepaid metres in all Government institutions to increase collections, which would help recover the costs and reduce unsustainable debt.

Committee's Observations and Recommendations

The Committee notes the response and requests an update on the progress made towards dismantling the remaining outstanding debt. Further, the Committee requests an update on the progress regarding the installation of pre-paid metres in Government institutions.

9.5 Non-Revenue Water (NRW)

The Committee recommended that the Government needed to channel the necessary financial support towards rehabilitation and upgrade of water and sanitation infrastructure in order to curb the problem of non revenue water and consequently improve the efficiency of commercial utilities.

Executive's Response

The Executive responded that non-revenue water (NRW) was closely monitored by the National Water Supply and Sanitation Council (NWASCO) as an indicator for improved efficiency. To ensure national intervention, concerted and coordinated efforts in the reduction of NRW which still remained high, the Ministry of Water Development, Sanitation and Environmental Protection had established the NRW National Technical Task Force. The Task force had developed plans and tools aimed at helping commercial utilities reduce NRW.

Further, the Ministry had assisted the water supply and sanitation sub sector to mobilise resources mainly for infrastructure development to a tune of about US\$1.5 billion. All the efforts were aimed at addressing high levels of NRW.

Committee's Observations and Recommendations

The Committee notes the response on the efforts made in securing finances for water and sanitation infrastructure. However, the Committee requests an update on the actual strategies employed to reduce NRW.

9.6 Uncoordinated City Planning and Weak Regulation

The Committee recommended that in order to ensure that there was planned water and sanitation services in newly established residential areas, the Government should operationalise the Integrated Development Plans as enshrined in the *Urban and Regional Planning Act No. 3 of 2015*.

Executive's Response

The *Urban and Regional Planning Act No. 3 of 2015* had made the preparation of Integrated Development Plans (IDPs) mandatory to local authorities. In order to operationalise and ensure a well coordinated and cost-effective process of IDP preparation, the Ministry of Local Government had provided new IDP preparation Guidelines in line with the Urban and Regional Planning Act, which were being used. The guidelines provided methodological guidance in process, content and format.

Committee's Observations and Recommendations

The Committee requests an update on the matter.

9.7 Uncoordinated and weak collaboration

The Committee recommended that in order to foster a well coordinated and integrated system, there was need to undertake a comprehensive review of the *Water Supply and Sanitation Act, No. 28 of 1997* and finalise the development of the water supply and sanitation policy.

Executive's Response

The Executive responded that in 2014 the Government, through the Ministry of Water Development, Sanitation and Environmental Protection, began the revision of the *Water Supply and Sanitation Act, No. 28 of 1997* alongside the development of regulations for the sector and was awaiting process for enactment. The draft Water Supply and Sanitation Bill was ready and awaiting clearance by the Ministry of Justice.

Committee's Observations and Recommendations

The Committee awaits a progress report on the amendment of the *Water Supply and Sanitation Act, No. 28 of 1997*.

9.8 Improve Water and Sanitation Infrastructure

The Committee recommended that the Government should finance the rehabilitation of water supply and sanitation infrastructure. The Committee further recommended that Government should explore avenues for alternative reliable sources of funding for the water and sanitation sector in order to have a continuous flow of funds to the sector. In this regard, Government was urged to create a basket fund for the sector.

Executive's Response

The Executive responded that Government had noted with concern the inadequate investment in dilapidated infrastructure, resulting in non-revenue water. In this regard, the Government through the Ministry of Water Development, Sanitation and Environmental Protection, had developed the National Urban and Rural Water and Sanitation Programme (2011 - 2030) to achieve the targets for the Vision 2030. The National Urban Water and Sanitation Programme required a minimum of US\$4.081 billion for infrastructural investment, which translated into US\$200 million per year. This was prior to the establishment of the new districts, which required piped water and sanitation services.

Committee's Observations and Recommendations

The Committee requests an update on the tangible measures being implemented in the quest to mobilise funding for the improvement of water and sanitation infrastructure. Further, the Committee requests an update on specific plans that have been devised for resource mobilisation for water reticulation in the newly created districts.

9.9 Financial Mismanagement

The Committee recommended that stringent measures should be put in place to ensure that resources meant for improvement of the water supply and sanitation sector were used only for the intended purpose. The Committee further recommended that

disciplinary action should be meted out against all officers involved in the mismanagement of funds. If necessary, the culprits in the matter should be prosecuted.

Executive's Response

The Executive responded that in order to ensure that resources meant for improvement of water supply and sanitation sector were used only for the intended purpose, the Government, through the Ministry of Water Development, Sanitation and Environmental Protection, had assigned specific accounting officers to handle funds for water supply and sanitation programmes.

The Executive further responded that all payments were processed through the Integrated Financial Management Information Systems (IFMIS) and that for the payments to be processed, the activities had to be in line with the work plans and budget provisions. In an event that the activities were not in line with the provisions of the work plan and budget, payments were not processed. In addition, the Ministry had strengthened its internal auditing in terms of capacity and numbers so that screening of manually processed payments was adequately done.

In terms of dealing with all officers involved in the mismanagement of funds, Government had written to the Accountant General to study the matter and appropriate disciplinary action would be taken against the officers involved and the committee would be updated at an appropriate time on the action that the Accountant General would take.

Committee's Observations and Recommendations

The Committee notes the response and expresses disappointment over the inordinately long time it has taken to institute disciplinary action against the concerned officers. In this vein, the Committee calls upon the Secretary to Treasury, as Chief Controlling Officer, to ensure that disciplinary action is instituted without any further delay. The Committee will await a progress report on the matter.

9.10 Widespread Encroachments of Water and Sewerage Plants

The Committee recommended that in order to protect the facilities and stop any further encroachments on water and sanitation plants, there was need to expedite the process of securing title deeds for all properties owned by commercial utilities.

Executive's Response

The Executive responded that it took cognisance of the fact that one of the major causes of encroachment was the lack of title deeds for the water supply and sanitation facilities. The commercial utilities had applied for title deeds but the process of issuance took longer than required. The Executive further responded that the Government through the Ministry of Lands and Natural Resources, had commenced the National

Titling Programme and the affected commercial utility companies needed to take advantage of the programme to secure Certificates of Title for their properties.

Committee's Observations and Recommendations

The Committee requests a comprehensive status report on the acquisition of Certificate of Titles by the commercial utility companies.

9.11 Rural Water Supply and Sanitation

The Committee recommended that the Government should expedite the process of approving the National Rural Water Supply and Sanitation Programme for the period 2016 to 2030 in order to increase access to safe, reliable water and access to proper sanitation.

Executive's Response

The Executive responded that the Government through the Ministry of Water Development, Sanitation and Environmental Protection, had completed the development of the 2016 – 2030 National Rural Water Supply and Sanitation Programme which ran parallel with the National Urban Water Supply and Sanitation Programme. The two programmes were aimed at ensuring universal coverage for water supply and sanitation (WSS) as enshrined in the Zambia Vision 2030 and the Sustainable Development Goals.

Further, in June 2018, the Ministry launched the regulatory frameworks for Rural Water Supply and Sanitation. The frameworks entailed that the commercial utilities would be issued a license to cover the entire district under the general regulation of NWASCO. All other service providers would operate under the licensed CU with a permit issued by NWASCO to ensure that the enhanced information management, NWASCO National Information System and the District Health Information System were being linked.

Committee's Observations and Recommendations

The Committee requests an update on what strategies are being employed to improve rural water supply and sanitation in light of the completion of the development of the National Rural Water Supply and Sanitation Programme.

9.12 High Cost of Water from Communal Taps

The Committee recommended that commercial utilities that provided water through communal taps should consider reducing the cost in order to attract a wide customer base and prevent people from resorting to sourcing water from shallow wells.

Executive's Response

The Executive responded that the pricing principle by NWASCO was cost plus; meaning that the tariff covered the cost of providing water and sanitation services (WSS). However, the cross subsidy principle was applied among districts and customer categories. Customers in the urban poor paid the least, which was at or below the cost of providing the service. The maximum tariff that NWASCO had approved for communal or public taps was K5/m³ which translated to 10 ngwee per 20-litre container of water. By Zambian standards, this was affordable. There was need for more sensitisation on traditional myths that chlorinated water had an effect on health/potency and generally on the importance of safe water.

Committee's Observations and Recommendations

The Committee notes the response and requests for a schedule of tariffs charged by all commercial utilities for the water from communal taps.

10.0 EXAMINATION OF THE ENERGY REGULATION BOARD 2016 ANNUAL REPORT

10.1 Energy Regulation Legislation

The Committee recommended that the Executive should make amendments to the *Energy Regulation Act* to take into account the new developments in the energy sector. The Committee had further recommended that Government should seriously consider promulgating legislation to govern the electricity sub-sector.

Executive's Response

The Executive responded that a number of pieces of legislations in the energy sector were being considered by the Government, through the Ministry of Energy, that would respond to the various developments in the sector. These included: the Energy Regulation Bill; the Electricity Bill; Petroleum Management Bill; and the Rural Electrification Bill, which were undergoing drafting with the Ministry of Justice before presentation to the National Assembly.

Committee's Observations and Recommendations

The Committee requests an update on the review of the Energy Regulation Act and other relevant statutes

10.2 Status of the Electricity Cost of Service Study

The previous Committee had observed that there was no conclusive information on the cost of producing electricity in Zambia and was, therefore, concerned that the ERB approved electricity tariff hikes without any real understanding as to what constituted cost reflective tariffs in Zambia. In the regard, the Committee had recommended that the results of the Cost of Service Study should be released to stakeholders as a matter of urgency.

Executive's Response

The Executive responded as set out below.

The consultant engaged to undertake the study had withdrawn from the study. The details of the developments and the proposed way forward were presented as follows:

10.2.1 Objectives and Terms of Reference of the Study

The ERB launched the Cost of Service Study (CoSS) in April 2017. The general purpose of the study was to determine the full cost of generating and providing electricity to various customer categories, at different points in the supply chain and within different geographical areas.

10.2.2 Timeline

The contract to undertake the study was awarded to Economic Consulting Associates of the United Kingdom (ECA) at a cost of US\$ 636,130.00. The study was being funded by the African Development Bank (AfDB), and it was a follow up to a similar study done 2006 by another consultant, IPA Energy Consulting.

The contract was signed in April 2017 and was set to be completed within a period of twelve months. However, during the contract negotiations the Consultant agreed to undertake the study within nine months.

10.2.3. Governance of the Study

In order to conduct the study in a structured manner, ERB established three governance committees, namely: the Steering Committee; the Management Committee; and the Technical Committee. The purpose of the Steering Committee was to provide policy direction and facilitate stakeholder buy-in and implementation of the study outcomes. The Management Committee's role was to provide implementation oversight. The Technical Committee's role was to provide technical and analytical oversight and ensure that the study outcomes were consistent with the analytical approach presented in the bid documents. The Technical Committee thus comprised policy, legal, technical, financial and economic experts drawn from Government; ERB, ZESCO Limited and Copperbelt Energy Corporation Plc.

10.2.4 Inception visit and Report

The consultant undertook an inception visit to Zambia in May 2017. During the inception visit, the ERB introduced the consultant to strategic institutions that were to provide data required for the successful execution of the study. During that visit, ERB and ECA agreed on the methodology for each of the Terms of Reference (ToRs), including the data needs and sources. In June 2017, the consultant submitted the Inception Report and the requisite payment (10 per cent of contract price) was made.

10.2.5 The Load Forecast Report and the subsequent Technical Reviews of the Report

As at July, 2018, the consultant had submitted a total of five versions of the Load Forecast Report. The Load Forecast Report was one of the key deliverables of the study. A total of five revisions of the report were made between September 2017 and June, 2018. In all instances, the Technical Committee rejected the Report on account of it being poorly written and shallow analysis. It was observed that the consultant had not made serious effort to improve the quality of the report and the comments raised on all drafts of the Report were not fully addressed.

- The consultant did not take kindly to the comments made by the Technical Committee. After several attempts to provide technical guidance, it became increasingly doubtful as to whether the consultant was willing to work on the report and improve on its quality.
- Meanwhile, all the versions of the report were submitted to AfDB who also rejected the report on account of poor quality and lack of depth in its analytical framework. Further, any payments towards the same outputs were withheld on the basis of poor quality. Meanwhile, the ERB emphasised that it would not compromise on the quality of the Report.

10.2.6 Reviews of the Benchmarking Report

The task required the consultant to carry out a detailed review of ZESCO's cost structure, benchmarking with cost structures of efficient utilities of similar technical structure as ZESCO, indicating areas of improvement to acceptable efficient utility performance standards, and recommending a realistic time frame for reaching the performance standards.

In June, 2018 the Technical Committee reviewed the Benchmarking Report and found it to have had no analytical framework that it and was poorly written. The benchmarking analysis did not present a detailed analysis of ZESCO's operations and financial status in comparison to a select utility or group of utilities of similar standing but considered more efficient. This report was also rejected.

10.3 Revised Work Schedule and Timeline for Completion of Study

In June, 2018, the AfDB and ERB held a meeting to discuss the revised project timelines. To facilitate the extension, ERB requested for a contract extension, for which there was a No Objection from the AfDB and from the Attorney General of Zambia. The extension was premised on the belief that there was sufficient time for the consultant to conclude the study, especially if they had in place a study team that was working on various task orders simultaneously.

The ERB informed the AfDB that the capacity of the consultant was in serious doubt based on the experience with the load forecast and the benchmarking reports. Therefore, the ERB was seriously considering the option of terminating the contract because it was increasingly becoming clear that ECA was not capable of undertaking the study. The AfDB echoed the ERB's observation and advised that the sooner the termination of the contract took place, the better, so that the Government could be informed in good time and begin to exploit the available options about the completion of the study.

10.4 Cost of Service Study Results Dissemination and Migration to Cost Reflective Levels

One of the objectives of the study was to prepare a comprehensive roll out plan for communicating the outcomes and the proposed strategy to all stakeholders. Through this process and once the study was completed, the ERB would share the results with all stakeholders in a timely and structured manner. The ERB would also embark on a phased tariff migration path to ensure there was no tariff shock to the economy.

10.5 ECA's Proposal to Withdraw from the Study

On 20th June, 2018, ECA officially communicated to the ERB insisting that their submissions were of high professional standard and if no express approvals were guaranteed for the current and subsequent outputs, then the study would not be completed by end of September, 2018. ECA further proposed to terminate the contract (withdraw from the contract) and opted for it to be handed over to another consultant.

10.6 Technical Committee's observations on ECA's Approach to the Study

Having interacted with the consultant and reviewed the Reports that had been drafted and submitted by the consultant, the Technical Committee had made the following observations that could negatively impact the results of the study:

10.6.1 the consulting firm appeared to be heavily constrained in terms of resource capacity to comprehensively undertake the study. The consultant had indicated to the ERB that some of the key experts had since left and were no longer available to work on the study;

10.6.2 The lack of response on comments made by the Technical Committee had been exacerbated by the fact that the consultant was working remotely from the United Kingdom,

10.6.3 It was the wish of the Technical Committee and that of the AfDB's to salvage the situation despite the poor quality of works. However, the work would not be accepted by most stakeholders; and

10.6.4 Both the ERB and AfDB were convinced that ECA was not capable of undertaking the study based on the work that had been done thus far.

10.7 Study Steering Committee Meeting held of 12th July 2018

The Steering Committee held a meeting on 12th July 2018 at the ERB Head Office. The meeting was chaired by the Permanent Secretary of the Ministry of Energy. Also in attendance was the Co-Chairperson of the Steering Committee, the Permanent Secretary in charge of the national budget from the Ministry of Finance. Other members present included the Board Chairpersons of the ERB and ZESCO as well as the

President of the Chamber of Mines. Others were the Chief Executive Officers from the Copperbelt Energy Corporation (CEC), ERB and the Industrial Development Corporation (IDC), Zambia Association of Manufacturers (ZAM), Consumer Unity Trust International (CUTS). The African Development Bank was also in attendance as an observer.

The consultant, ECA, made a verbal presentation to the Steering Committee reiterating their decision to withdraw from the study and offered to smoothly handover to the ERB.

The Study Technical Committee made a presentation to the Steering Committee and recommended that the Steering Committee accepts ECA's proposal to withdraw from the study on account of the poor quality of the Load Forecast Report and inability to deliver on the pending task orders.

The Steering Committee resolved to accept ECA's withdrawal from the study and requested the ERB to officially engage the AfDB with the view to procuring another consultant to undertake the study.

Following ECA's withdrawal from the Study, the ERB had since written, via letter of 13th July, 2018 to the AfDB on the availability of the funds and to formally inquire on the willingness of the Bank to continue funding the Study since only 10 per cent of the contract sum was paid to the consultant. Further, the ERB had also requested for possible options to be considered on the procurement of a new consultant to undertake and complete the Study. The ERB was, therefore, awaiting a response from the Bank.

Committee's Observations and Recommendations

The Committee notes the response and awaits a progress report on the commencement of the Cost of Service Study.

11. REVIEW OF THE OPERATIONS OF THE ZAMBEZI RIVER AUTHORITY

11.1 Tour of the Batoka Gorge Hydro-Electric Scheme and the Kariba Dam Rehabilitation Project

The Committee observed that the completion of the Batoka Gorge Hydro–Electric Scheme (BGHES), would ensure more stable and reliable power supply for the country. It further observed that the anticipated competitive cost of electricity which was estimated at 3.2c/kWh would not only improve the competitiveness of the country's electricity products but also provide scope for new energy intensive investments. In that regard, the previous Committee recommended that there should be no delays in implementing and completing the BGHES.

Executive's Response

The Executive responded that the preparatory studies for the implementation of the BGHES project were being undertaken by the Authority and financed through a multi-donor trust fund known as the Cooperation in International Waters in Africa (CIWA) which was managed by the World Bank. Being a large and complex project with a multitude of considerations to take into account, there was need to ensure project environmental, technical and social-economic sustainability among other parameters. The preparatory studies which included engineering feasibility studies, environmental and social impact assessment studies were the responsibility of the Authority, while the legal and financial transaction advisory services were being undertaken by independent consultants from Italy and South Africa, contracted by the Authority. It was anticipated that the bulk of the consultancy scope of works would be completed within the year 2018 while the remainder would be completed within the first half of 2019.

Committee's Observations and Recommendations

The Committee requests a progress report on the completion of the Batoka Gorge Hydro-Electric Scheme, and the Kariba Dam Rehabilitation Project.

11.2 Employment equity between the contracting states and the Office of Chief Executive

The Committee observed that the 50-50 basis on which Zambia and Zimbabwe owned the Zambezi River Authority (ZRA) had not translated into tangible benefits to Zambia as evident from the employment of more Zimbabweans than Zambians at ZRA. In addition, the agreement that the Chief Executive Officer would perpetually be a Zimbabwean national due to the fact that the Head Office was located in Zambia needed to be reviewed.

The Committee recommended that there was need to ensure that the 50-50 employment basis was attained without undue delay. In addition, the agreement that a national of the country hosting the Head Office could not hold the position of Chief

Executive Officer should be revoked as a matter of urgency.

Executive's Response

The Executive responded that the Authority's employee establishment was 163. However, the employee complement as at 17th July 2018 was 153 of which seventy three employees were Zambian nationals while eighty were Zimbabwean nationals representing 48 per cent and 52 per cent for the two contracting states, respectively. In a quest to ensure that the Authority achieved the requirement of maintaining an equitable distribution of appointments between the contracting states, the Authority had formulated a policy on employment equity between the contracting states.

Committee's Observations and Recommendations

The Committee requests an update on the actual recruitments that have taken place following the formulation of the Employment Equity Policy. The Committee further requests an update on the issue of the Chief Executive Officer not coming from the country hosting the Authority.

11.3 Harmonisation of pieces of legislation guiding the two contracting states

The Committee observed that there were gaps in the pieces of legislation on water for both Zambia and Zimbabwe namely the *Zambezi River Authority Act*, Chapter 467 of the Laws of Zambia and *Zambezi River Authority Act, No. 19 of 1987* of Zimbabwe. Therefore, the Committee recommended that the Zambian Government should prevail on its counterpart to initiate the review of the Acts of the two countries.

Executive's Response

The Executive responded that the matter was being considered by the Authority's Council of Ministers. The Council of Ministers had noted the position of Zimbabwe regarding the above matter that the issue of the location of the Head Office and that of the appointment of the Chief Executive could not be de-linked without considering the issue of equity in terms of accruing benefits to the individual contracting states and the inherent trade-offs therefrom. In that regard, a matrix depicting trade-offs between the contracting states with respect to what would accrue to the two contracting states was in the process of being developed and would be considered by the Council of Ministers at the next meeting.

Committee's Observations and Recommendations

The Committee requests an update on the matter.

11.4 Zambezi Valley Development Fund

The Committee observed that the Zambezi Valley Development Fund was a

progressive initiative that was helping to address the needs of vulnerable and displaced communities. In that regard, the Committee recommended that initiatives under the Zambezi Valley Development Fund should continue and where possible should be enhanced.

Executive's Response

The Executive responded that the Zambezi Valley Development Fund (ZVDF) relied on the 1 per cent contribution from the Authority's annual revenue together with another 1 per cent contribution from the two power utilities of ZESCO Limited and the Zimbabwe Power Company (Pvt) Limited. It was apparent that the contribution was not sufficient to address all the needs of the vulnerable people who were displaced after the construction of the Kariba Dam. The ZVDF's initiatives could be enhanced by the following proposed interventions:

- increasing the current contribution from 1 percent to some reasonable percentage.
- allowing the ZVDF to access grants offered by external donors. The grants could be accessed through the parent Ministry of Energy or the Ministry of Finance.

Further, efforts were being made by the ZVDF Trustees to access donor funding.

Committee's Observations and Recommendations

The Committee requests further update on the matter.

12. THE CONTRIBUTION OF THE TOURISM SECTOR TO SOCIO-ECONOMIC DEVELOPMENT

12.1 Development of a National Tourism Master Plan

The previous Committee recommended that in order to give the Tourism sector a clear direction, there was need for a National Tourism Master Plan to guide the development of tourism in Zambia. The Master Plan should be derived from a consultative process involving the Government, private sector operators and other stakeholders. Such a Plan would help to eliminate policy inconsistencies in the sector.

Executive's Response

The Executive responded that the Ministry of Tourism and Arts had finalised the preparation of the Zambia Tourism Master Plan 2018 – 2038. The draft plan was validated and adopted by the national stakeholders comprising Permanent Secretaries from both sector ministries and provinces, cooperating partners, non-governmental organisations and operators in the tourism industry. The draft Plan awaited the approval of Cabinet before operationalisation.

Committee's Observations and Recommendations

The Committee notes the response and awaits a progress report on the operationalisation of the Zambia Tourism Master Plan.

12.2 Improve data collection and provisions of statistics

The previous Committee had recommended that the Tourism Satellite Account should be operationalised.

Executive's Response

The Executive responded that the Tourism Satellite Account (TSA) Technical Committee was unable to mobilise resources to carry out the planned domestic survey. The TSA had, therefore, not yet been operationalised.

Committee's Observations and Recommendations

The Committee notes the response and requests a status report on the operationalisation of the Tourism Satellite Account.

12.3 Improve Air Travel

The previous Committee had recommended that the Government should put in place strategies to improve Zambia's aviation industry. This could include finding ways of increasing the number of airlines operating in the country; attracting airlines that would

operate direct flights to and from Zambia's main tourist markets, both domestic and foreign; reducing the cost of domestic air travel; and reviving the drive to have a national airline.

Executive's Response

The Executive responded as set out below.

- (i) The Ethiopian and Zambian Governments had completed the negotiation of a shareholders' agreement; and
- (ii) Ethiopian Airlines had submitted the Lease and Maintenance Agreement to the Industrial Development Corporation (IDC). The IDC was still in the process of reviewing the Agreement.

Committee's Observations and Recommendations

The Committee takes note of the response and requests an update on the matter.

12.4 Support to Local Entrepreneurs

The previous Committee had observed that the tourism sector was dominated by foreign tour operators and had recommended that the Government needed to step up efforts to incentivise local operators as this was a vital ingredient in spurring the growth of the sector. The Committee strongly urged the Government to ensure that the Tourism Development Fund was correctly utilised.

Executive's Response

The Executive responded that the Government, through the Ministry of Tourism and Arts, in an attempt to enhance and increase the involvement of the majority of Zambians in tourism, initiated the Tourism Development Credit Facility (TDCF) programme under the Ministry of Tourism. This intervention was aimed at providing affordable finance for micro, small and medium tourism enterprises for the majority of Zambians to participate in tourism. Through the TDCF, it was envisaged that many economically disadvantaged Zambians who wished to participate in the tourism sector could be reached and financially empowered, thereby contributing to poverty reduction as well as economic growth.

The TDCF was meant to address the challenge of limited access to financing for the local people to participate in the sector in view of the fact that very few financial institutions were willing to finance tourism projects because of the perceived risk in not only the nature of the projects but also the credit worthiness of the local people. The TDCF was transferred to the Citizens' Economic Empowerment Fund to allow Zambians access low cost finance for tourism projects among others. The Tourism Development Credit Facility was active and funds had continued to be disbursed and successful applicants were offered loans specifically to invest in the tourism sector. The

Committee was informed that, as at 30th July, 2018, the Government through CEEC had disbursed K40, 172,591.35 to eighty six projects under the tourism sector.

Committee's Observations and Recommendations

The Committee resolves to request an update on the actual beneficiaries of the funds from CEEC.

12.5 Lusaka National Park and Mosi-oa-Tunya National Park

The previous Committee had observed that Zambia's tourism was highly dependent on wildlife and that there was need to ensure that the wildlife sector was well managed. The Committee had, in this regard, recommended that the Department of National Parks and Wildlife should develop, implement and enforce management plans for all national parks and game management areas in order to eliminate unsustainable practices.

Executive's Response

The Executive responded that the Ministry of Tourism and Arts through the DNPW, had planned to develop a Wildlife Strategic Plan after Cabinet approved the National Parks and Wildlife Policy. The Wildlife Strategic Plan was to be based on the National Parks and Wildlife Policy. Further, the Executive responded that the DNPW had been developing management plans for Wildlife Protected Areas, but inadequate funds had hindered progress on the matter. However, the DNPW was working with cooperating partners who were supporting the development of management plans for protected areas such as North Luangwa, Liuwa and Sioma Ngwezi National Parks and some Game Management Areas.

Committee's Observations and Recommendations

The Committee notes that the National Parks and Wildlife Policy has since been launched. However, the Committee awaits a progress report on the development of the Wildlife Strategic Plan. Further, the Committee requests an update on the status of implementation of the General Management Plans.

12.6 Increased Funding to the Department of National Parks and Wildlife

The previous Committee had recommended that Government should strengthen the protection of wildlife and habitat through increased budgets so that all necessary equipment for the Department of National Parks Wildlife officers could be procured.

Executive's Response

The Executive responded that approval was granted for the procurement of uniforms for all field staff, procurement of twenty 4x4 motor vehicles, four banana boats, forty semi-

automatic rifles and various quantities of assorted ammunition for operations and control of problematic animals. The procurements were to be concluded before the end of 2018.

Committee's Observations and Recommendations

The Committee takes note of the response and request an update on whether the budget for the DNPW had been increased.

12.7 Recruitment of Wildlife Officers

The previous Committee had recommended that more wildlife officers should be employed as a matter of urgency.

Executive's Response

The Executive responded that the DNPW under the Ministry of Tourism and Arts was given Treasury Authority to employ 600 wildlife police officers every year for the next three years. However, due to budgetary constraints, DNPW had only recruited 183 officers who were undergoing training at Chunga and Nyamaluma. The duration of the training was six months. Cooperating partners in conservation sponsored the training.

Committee's Observations and Recommendations

The Committee resolves to request an update on the employment of the balance of 417 police officers as per Treasury Authority.

12.8 Lusaka National Museum and Livingstone Museum

The previous Committee had recommended that the Government should find concrete solutions to the problems faced by the Lusaka National Museum and the Livingstone Museum, as outlined below:

- (a) the poor state of the buildings;
- (b) the shortage of specialised staff;
- (c) the poor funding to the institutions; and
- (d) the lack of adequate and appropriate storage facilities for various artefacts

Executive's Response

The Executive responded as set out below.

- (a) Poor state of the building - the Ministry of Tourism and Arts, would endeavour to undertake the following:
 - (i) major renovation works to be done to the building;
 - (ii) leaking roof should be replaced with a false roof;
 - (iii) plumbing works be overhauled;

- (iv) water reticulation improved; and
 - (v) installation of a power generator.
- (b) Shortage of specialised staff - the Ministry of Tourism and Arts would endeavour to undertake the following:
- (i) sending staff for specialised training abroad; and
 - (ii) encouraging local universities to introduce courses that could address the needs of museums in the country.
- (c) Poor funding to the institutions - the Ministry of Tourism and Arts would endeavour to undertake the following:
- (i) improve grants; and
 - (ii) introduce of field research fund.
- (d) Lack of appropriate storage facilities for various artefacts - the Ministry of Tourism and Arts would endeavour to do the following:
- (i) provide funds for upgrading of current storage facilities;
 - (ii) build specially designed buildings for storage according to the artefacts; and
 - (iii) introduce intangible heritage storage facilities.

Committee's Observations and Recommendations

The Committee requests an update on the measures taken to address the challenges faced at the Lusaka National Museum and Livingstone Museum.

12.9 Development of Infrastructure

The previous Committee had recommended that infrastructure such as roads, the airstrip and the water reticulation system in Siavonga District should be improved as a matter of urgency so that investors could be attracted to the district to invest in other tourism related activities away from Lake Kariba such as game farming.

Executive's Response

The Executive responded that there were no immediate plans to work on township roads in Siavonga District due to budgetary limitations. However, the Government would consider working on roads in the District in future, funds permitting. With regard construction of an airstrip, the Executive responded that the Government had allocated funds in 2001 and constructed an airstrip in Siavonga District as part of the development plan of the Tourism Circuit around Chirundu-Siavonga-Kafue areas. However, the airstrip had not been fully utilised for landing and take-off of small aircrafts due to flooding during the rainy season and encroachment by squatters as it was not fenced. Due to these challenges, the Government, in collaboration with Siavonga District Council, had since identified land in Chief Simaamba's Chieftdom where a new

airstrip would be constructed. Actual construction would commence once funds had been approved and made available.

Committee's Observations and Recommendations

The Committee notes the response and awaits a progress report on the construction of the airstrip in Siavonga District.

12.10 Livingstone Bus Terminus

The previous Committee had observed that the Livingstone Bus Terminus was supposed to have been completed by the time the 20th Session of the United Nations World Tourism Organisation General Assembly was held in 2013, but four years later, the structure was not yet complete. The previous Committee had urged the Government to ensure that adequate funding was provided so that the building could be completed without any further delay.

Executive's Response

The Executive responded that unfortunately the K14 million allocation that was earmarked for the bus stations in Livingstone in 2017 was not disbursed to the Ministry of Local Government due to financial constraints. However, the Ministry had closed the contract with the consultant/contractor for the project in order to curb the escalating project costs, and was in discussions with Zambia National Service (ZNS) to complete the remaining works.

Committee's Observations and Recommendations

The Committee requests a progress report on the construction of the Livingstone Bus Terminus.

13. Conclusion

The Committee acknowledged the Government's efforts towards electrification of rural areas in Zambia, through the creation of the Rural Electrification Authority (REA). The Authority was mandated to implement the Rural Electrification Programme, which was guided by the Rural Electrification Master Plan (REMP). The REMP had set the target to reach 50 per cent electrification rate for rural areas by year 2030. However, since inception in 2003, REA has only managed to raise the electricity access rate from 3 per cent to 4.4 per cent which translated into 1.4 per cent increase, due to funding challenges, which made it difficult to meet the targets set in the Plan. According to the REMP, the programme required an average of US\$50, equivalent to K500 million, annually, if the Plan was to be implemented on schedule. The problem of funding was further compounded by failure by the Treasury to release electricity levy to REA in full and on time, and the fact that population growth in these areas had been rapid and surpassed the rate of electricity connections. The Committee calls upon the Government to urgently enhance funding to REA.

Another major problem in rural electrification was the inability by most rural dwellers to pay for electricity, owing to the poor economic status of these areas. In this regard, the Government should as a matter of urgency, stimulate economic activities in these areas so as to empower people to be able to meet the cost of electricity once connected.

The cost of electricity is not known in Zambia. Therefore, there was need to migrate to cost reflective tariffs in order to settle the uncertainties surrounding electricity tariffs in Zambia. This calls for the Government to ensure that the electricity Cost of Service Study is undertaken and it would then be the basis of setting electricity tariffs.

With regard the management of National Parks and Game Management Areas, the Committee noted that the sector as a whole has huge potential to contribute to the country's economic development if properly harnessed. However, the sector was beset with a number of challenges such as massive encroachments in most protected areas coupled with inadequate budgetary allocations which made it difficult for the Department of National Parks and Wildlife to execute its mandate efficiently. Further, the Committee noted that most Game Management Areas did not have General Management Plans to guide them in conservation and management of Game Management Areas. This had resulted in high levels of encroachments in most protected areas. Therefore, the committee called for an urgent intervention so as to ensure that all Game Management Areas have General Management Plans in place. It would also be helpful to ensure that all the boundaries of National Parks and Game Management Areas are secured. The Committee noted that the welfare of Wildlife Police Officers was also of great importance, given that they were the first line of defence in these protected areas. To achieve this, there was need for the Department of National Parks and Wildlife to be adequately funded.

The Committee also noted that some of the challenges experienced in the wildlife sector emanate from conflicting mandates of various Ministries and Government Departments.

To address this challenge, it was necessary that a review of various pieces of legislation and policies which impact the wildlife sector and other natural resources be undertaken so that a holistic and integrated legal and policy environment in the sector could be attained.

Finally, the Committee wishes to pay tribute to all the stakeholders who appeared before it and tendered both oral and written submission. The Committee also wishes to thank you, Mr Speaker, for the guidance rendered to it throughout the Session. The

Committee further extends its gratitude to the office of the Clerk of the National Assembly for the service rendered to it.

E K Belemu
CHAIRPERSON

June, 2019
LUSAKA

APPENDIX

List of National Assembly Officials

Ms C Musonda, Principal Clerk of Committees

Mr H Mulenga, Deputy Principal Clerk of Committees (FC)

Mrs C K Mumba, Acting Senior Committee Clerk (FC)

Mrs S B M Nyirongo, Committee Clerk

Ms S Phiri, Typist

Mr M Chikome, Committee Assistant

Mr D Lupiya, Committee Assistant