



**REPUBLIC OF ZAMBIA**

**REPORT**

**OF THE**

**COMMITTEE ON DELEGATED LEGISLATION**

**ON THE**

**ROAD TRAFFIC (AMENDMENT) BILL, N.A.B. NO. 47 OF 2021**

**FOR THE**

**FIRST SESSION OF THE THIRTEENTH NATIONAL ASSEMBLY**

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# **REPORT OF THE COMMITTEE ON DELEGATED LEGISLATION ON THE ROAD TRAFFIC (AMENDMENT) BILL, N.A.B. NO. 47 OF 2021 FOR THE FIRST SESSION OF THE THIRTEENTH NATIONAL ASSEMBLY**

## **1.0 MEMBERSHIP OF THE COMMITTEE**

The Committee consisted of Mr R C Mutale, MP (Chairperson); Ms E Munashabantu, MP (Vice Chairperson); Mr J Mulebwa, MP; Mr K Siachisumo, MP; Mr G Ngowani, MP; Mr P Twasa, MP; Mr S Hlazo, MP and Mr M Nyambose, MP.

The Honourable Madam Speaker  
National Assembly  
Parliament Buildings  
**LUSAKA**

Madam,

The Committee has the honour to present its Report on the Road Traffic (Amendment) Bill, N.A.B. No. 47 of 2021, for the First Session of the Thirteenth National Assembly referred to it by the House on Friday, 10<sup>th</sup> December, 2021.

## **2.0 FUNCTIONS OF THE COMMITTEE**

The functions of the Committee are as set out under Standing Order 193 and, among the functions, the Committee is mandated to consider Bills that may be referred to it by the House.

## **3.0 MEETINGS OF THE COMMITTEE**

The Committee held five meetings to consider the Road Traffic (Amendment) Bill, N.A.B. No.47 of 2021.

## **4.0 PROCEDURE ADOPTED BY THE COMMITTEE**

In order to acquaint itself with the ramifications of the Bill, the Committee sought both written and oral submissions from the stakeholders listed at Appendix II.

## **5.0 BACKGROUND TO THE BILL**

The Minister of Finance and National Planning, Dr Situmbeko Musokotwane, MP, delivered the 2022 Budget Address on 29<sup>th</sup> October, 2021, to the National Assembly. In his Address, the Minister outlined the aspirations of the Government for the 2022 fiscal year as well as the measures to be implemented in order to grow the economy and raise revenue.

To achieve its aspirations, the Government anticipated raising a total of K173.0 billion. Out of which K77.9 billion would come from taxes, K20.7 billion from non-tax revenue and K343.8 million from other revenues. The other revenue sources included motor vehicle fees which were estimated would contribute K77,669,476.

In view of the foregoing, the Government introduced the Road Traffic (Amendment) Bill, N.A.B. No. 47 of 2021, so as to review the taxes payable for motor vehicles and trailers.

## **6.0 OBJECT OF THE BILL**

The object of the Bill was to amend the *Road Traffic Act, No. 11 of 2002*, so as to review the taxes payable for motor vehicles and trailers.

## **7.0 SALIENT PROVISIONS OF THE BILL**

The salient provisions of the Road Traffic (Amendment) Bill, N.A.B. No. 47 of 2021, were as set out below.

### **PART I – PRELIMINARY PROVISIONS**

#### **Clause 1- Short title and commencement**

This clause provided for the short title of the Bill and the commencement date of the Bill.

#### **Clause 2 – Repeal and replacement of the Second Schedule**

The clause sought to amend the current Second Schedule of the Road Traffic Act, No. 11 of 2002, so as to revise the taxes payable for motor vehicles and trailers upwards by 10 per cent from what was currently payable.

## **8.0 STAKEHOLDERS COMMENTS**

All stakeholders who appeared before the Committee supported the proposal to amend the *Road Traffic Act, No. 11 of 2002*.

## **9.0 COMMITTEE’S OBSERVATIONS AND RECOMMENDATIONS**

Having considered the submissions from stakeholders, the Committee makes the observations and recommendations as outlined below.

- (i) The Committee observes that the proposed upward adjustment of taxes payable for motor vehicles and trailers will maintain the real value of revenue, which has been eroded by inflation since the last adjustment in 2010. The Committee, therefore, supports the proposed upward adjustment of taxes on vehicles and trailers by 10 percent.
- (ii) The Committee observes that the taxes payable on annual licences are contained in the schedule to the Principal Act, as such any adjustments to the taxes entail subjecting the Act to a rigorous legislative process akin to Bills. In this regard, the Committee recommends that the taxes should be placed in a Statutory Instrument, which offers a much easier and efficient amendment process.

## **10.0. CONCLUSION**

The Committee is of the view that once the Road Traffic (Amendment) Bill, N.A.B. No. 47 of 2021, is enacted, it will ensure that the Government raises the anticipated revenue from taxes related to motor vehicles and trailers. The Bill is, therefore, progressive.

The Committee wishes to express its gratitude to all stakeholders who appeared before it and tendered both oral and written submissions. The Committee also thanks the Honourable Madam Speaker, for affording it an opportunity to scrutinise the Bill. The Committee also appreciates the services rendered by the Office of the Clerk of the National Assembly and the permanent witness from the Ministry of Justice.

We have the Honour to be, Madam, the Committee on Delegated Legislation mandated to consider the Road Traffic (Amendment) Bill, N.A.B. No. 47 of 2021, for the First Session of the Thirteenth National Assembly.

Mr R C Mutale MP,  
**(Chairperson)**

Ms E Munashabantu, MP  
**(Vice-Chairperson)**

Mr J Mulebwa, MP  
**(Member)**

Mr K Siachisumo, MP  
**(Member)**

Mr G Ngowani, MP  
**(Member)**

Mr P Twasa, MP  
**(Member)**

Mr S Hlazo, MP  
**(Member)**

Mr M Nyambose  
**(Member)**

Mr R C Mutale  
**(Chairperson)**

December, 2021  
**LUSAKA**

## **APPENDIX I – National Assembly Officials**

Mr H Mulenga, Deputy Principal Clerk of Committees (FC)  
Mr F Nabulyato, Deputy Principal Clerk of Committees (SC)  
Mr C K Mumba, Senior Committee Clerk (FC)  
Mrs A M Banda, Senior Committee Clerk (SC)  
Ms C R Mulenga, Committee Clerk  
Mr G Zulu, Committee Clerk  
Mrs R Kanyumbu, Typist  
Ms E Njovu, Typist  
Mr D Lupiya, Committee Assistant

## **APPENDIX II – List of Witnesses**

### **MINISTRY OF JUSTICE**

Mr L Banda, Senior Parliamentary Counsel

### **MINISTRY OF TRANSPORT AND LOGISTICS**

Mr F Mwalusaka, Permanent Secretary

Mr S Mbewe, Director – Planning

Ms I B M Tembo, Chief Planner

Mr J Mumba, Deputy Director – Transport

Mr G Banda, Chief Executive Officer – Road Traffic and Safety Agency (RTSA)

Mr C Kanchele, Head Research and Planning – RTSA

Mr A Tembo, Legal Counsel – RTSA

### **MINISTRY OF FINANCE AND NATIONAL PLANNING**

Dr S Musokotwane – Minister of Finance

Mr M Chikuba – Permanent Secretary

Mr M Chikuba, Permanent Secretary – Economic Management and Finance

Mr J Nonde, Director – Budget, Economic Management Department

Mr J Phiri, Assistant Director IT – Economic Management Department

Mr J Sakala, Assistant Director - DIT Senior Economist - Economic Management Department

Mr K Chimfwembe – Assistant Director

Mr B Chinombwe, Principal Economist

Mr S Phiri, Principal Economist

Ms C Namonga, Senior Economist

Mr D Luneta, Senior Economist

### **ZAMBIA REVENUE AUTHORITY**

Mr D Banda, Commissioner General

Mr P Phiri, Commissioner, Direct Taxes Research

Mr Y G Shamabobo, Senior Economist

### **BANK OF ZAMBIA**

Dr D Kalyalya, Governor

Mrs R C Mhango, Deputy Governor – Administration

Ms N Ndhlovu, - General Counsel and Bank Secretary

Mr I Muhanga, Director – Financial Markets

Mr J Chipili, Director - Economics

Ms G Mposha, Director – Bank Supervision

Ms F Tamba, Director – Non Bank Financial Institutions Supervision

Ms B Mwanza, Assistant Director – Communications

Dr J Lungu, Assistant Director – Governor’s Office

Ms P Sinkamba, Executive Assistant – Deputy Governor - Administration

### **TRUCKERS ASSOCIATION OF ZAMBIA**

Mr M C Kuntawala, Chairperson

Mr P Malindi, Vice Chairperson

Ms A Z Kosor, Secretary