

WEDNESDAY, 21 MARCH, 2018

MINISTERIAL STATEMENT

**ALLEGED SALE OF SOME NATIONAL PARKS AND GOVERNMENT-OWNED
LODGES IN NATIONAL PARKS IN ZAMBIA**

The Minister of Tourism and Arts (Mr C. Banda)

Madam Speaker, I wish to thank you for this opportunity for giving me this opportunity to render a ministerial statement.

Madam, I wish to thank you most sincerely for this opportunity to you have allowed to address the House and the nation at large on the alleged sale of some National Parks and Government-owned lodges in the National Parks in Zambia.

Madam Speaker, this statement is in response to reports from some sections of the media, which have alleged that the Zambian Government through the Ministry of Tourism and Arts has sold Kafue National Park, Luangwa National Park and Chichele Presidential Lodge. This section of the media include *Mwebantu*, 20th January of 2018, *Lusaka Voice*, 28th January, 2018, *The Mast*, 8th February of 2018, *Lusaka Voice*, 8th February, 2018, *Zambian Watchdog* of 7th February, 2018, *Zambian Observer*, 3rd February, 2018, *Lusaka Voice*, 7th February, 2018 and *Lusaka Times*, 8th February, 2018.

Madam Speaker, these media outlets reported that the United Party for National Development (UPND) Leader, Mr Hakainde Hichilema, alleged that His Excellency the President of the Republic of Zambia, Mr Edgar Chagwa Luangwa had started the process of privatising part of the Luangwa and Kafue National parks in order to amass personal wealth.

Madam, these sections of the media further alleged that His Excellency, the President of the Republic of Zambia, Mr Edgar Chagwa Lungu had sold Chichele Presidential Lodge to his friends of Asian origin, who already had a number of hunting licences they were operating in Zambia. These media outlets also reported that Chichele Presidential Lodge was mostly used

WEDNESDAY, 21 MARCH, 2018

by the Republican Presidents for holidays to reduce costs on State House in terms of booking lodges and that the deal concerning the sale was concluded when His Excellency, the President of the Republic of Zambia, Mr Edgar Chagwa Lungu went on holiday in Nyimba, where he was accompanied by the Tourism Minister, Hon. Charles Banda, who is myself.

Madam Speaker, the official position is that these reports are merely erroneous and misleading allegations by some sections of the media since it is not the policy of the Zambian Government through the Ministry of Tourism and Arts to sell National Parks, Government owned lodges or sites in National Parks.

This is because the ministry considers National Parks as National assets with God given resources that should be accessed and enjoyed by all Zambians and foreign tourists. In addition, the ministry is alive to the fact that tourism in Zambia is largely nature-based and as such, National Parks are critical to tourism development as they are reservoirs of nature-based tourism products. Therefore, the ministry considers that National Parks will best serve the country's interests of benefitting all Zambians and realising the much needed foreign exchange earnings from foreign tourists if the Government owns these assets.

Madam Speaker, it is not possible to sell National Parks because the legislation for administering National Parks in Zambia under the Zambian wildlife Act No. 14 of 2015, does not provide for selling of any National Park, which is established by the Presidential declaration order. Therefore, there has been no sell of National Parks in Zambia from time immemorial to date.

Madam, further, Part II, Section 5(1) of the Zambia Wildlife Act No. 14 of 2015, provides that there is an established Department of National Parks and Wildlife in the ministry, which shall be responsible for the administration of this Act under the General direction of the Permanent Secretary (PS) of the Ministry. In addition, Part II, Section 5(2) (c) and (d) of the Zambia Wildlife Act No. 14 of 2015, provides that the ministry through the Department of National Parks and wildlife shall adopt methods to ensure the sustainability, conservation and preservation in the natural state of eco-systems and biological diversity in the National Parks,

WEDNESDAY, 21 MARCH, 2018

community partnerships parks, birds and wildlife sanctuaries and game management areas and encourage the general development of National Parks community partnership parks, birds and wildlife sanctuaries and game management including the development of facilities and amenities within these areas in accordance with the management plans for those areas.

Madam Speaker, in line with these provisions, the Ministry of Tourism and Arts has adopted collaborative methods of managing National Parks through partnership arrangement in line with the Private Public Partnership (PPPs). The PPPs approach to the development of tourism-related infrastructure, diversification of products and the management of National Parks is a strategy provided in the Seventh National Development Plan (SNDP), 2017 to 2021. This is intended as a means for mobilising resources for managing National Parks and thereby, alleviating the problem of limited resources on the part of the Zambian Government. It is these collaborative management arrangements that may have been misconstrued to suggest that the National Parks were sold.

Currently, the ministry has a management partnership arrangement in North Luangwa National Park with the Frankfurt Zoological Society. The Frankfurt Zoological Society, which provides technical and financial support that supplement Government efforts in the Management of North Luangwa National Park. This arrangement has been going on for over thirty-two years now and has resulted in North Luangwa being one of the most effectively managed National Parks in Zambia. The ministry intended to renew the memorandum of understanding (MOU) in relations to this partnership agreement in North Luangwa in 2018. The renewal of the MOU should not be misunderstood as selling the parks by the Zambian Government.

Madam Speaker, the Kafue National Park does not have a partnership arrangement like that of North Luangwa National Park.

It only has smaller arrangements that are specific in operations such as supporting anti-poaching operations. In 2016, the Ministry of Tourism and Arts received a Joint application from African Parks Network (APN) and The Nature Conservancy (TNC) for the strategic

WEDNESDAY, 21 MARCH, 2018

management partnership arrangement that is similar to the in North Luangwa National Park in terms of size.

Madam, the ministry has not fully responded to the application as it is in the process of assessing and conducting a due diligence on the application to ascertain the managerial capacity and benefits to the Zambian Government in the event that a PPPs was signed on the management of the Kafue National Park.

Madam Speaker, another matter that could have been misconstrued as selling National Parks is the granting of tourism lease concessions to capable operators to construct and operate tourist facilities on suitable sites in National Parks. Tourist sites in National Parks are not sold, but offered on lease or rent basis to capable operators, who bring in tourists and manage tourist facilities. The tourism leaseholder pays applicable fees to the Department of National Parks and Wildlife, which is part of the revenue generated by the National Treasury.

Madam Speaker, in the case of the Chichele Presidential Lodge, the facts are that the Zambia Government has not sold the lodge, which property is situated in the South Luangwa National Park. The Chichele Presidential Lodge is still government property. It was initially leased out on 23rd March, 1999, to Star of Africa by the Zambian Government through the Zambia Privatisation Agency (ZPA) on account that the Zambian Government was unable to run this lodge and, therefore, signed a lease tenure agreement with Star of Africa, which expires in 2023.

However, Star of Africa lost interest in running Chichele Presidential Lodge and requested the then Zambia Wildlife Authority (ZAWA), now Department of National Parks and Wildlife, to allow the company transfer the remaining period on the lease to Abercrombie and Kent Zambia Limited in 2005. Authority to transfer the lease by Star of Africa to Abercrombie and Kent Zambia Limited was granted in 2006. On 1st April, 2007, Abercrombie and Kent Zambia Limited obtained the lease for the lodge and this lease is due to expire in 2023. However, Abercrombie and Kent Zambia Limited lost interest to continue leasing the lodge as well and handed the lease to the Ministry of Tourism and Arts.

WEDNESDAY, 21 MARCH, 2018

Madam Speaker, the ministry decided to discuss and agree with Abercrombie and Kent Zambia Limited to hold on to the lease up to 16th October, 2016, to avoid loss of revenue due to the Zambian Government and protect the interest of the workers employed by the company at Chichele President Lodge, to which Abercrombie and Kent Zambia Limited agreed on specific terms and conditions.

Madam Speaker, the transfer of the remaining period on the lease to the new operator was rigorous and three companies attempted to obtain the lease and associated movable assets at Chichele Presidential Lodge. These included Puku Chichele Safaris Limited, Chichele Estates Limited and Chichele Safaris Limited.

Madam Speaker, Puku Chichele Safaris Limited was the first company that expressed interest in taking over of the remaining interest and movable assets from Abercrombie and Kent Zambia Limited. However, due to the perceived delay in the conclusion of the due diligence exercise by the investigative wings of the Government and assumed frustration by Chichele Estates Limited, this company withdrew its interest.

Madam Speaker, Chichele Estates Limited, the second company to express intent to obtain this lease, was denied approval by the ministry due to the fact that Mfuwe Lodge Limited, a sister company to Chichele Estates Limited, already had two concessions in relation to Mfuwe Lodge and seven bush camps in the South Luangwa National Park. The ministry was of the view that allowing this company to proceed and obtain the lease was more likely to stifle competition and create a monopoly.

Madam Speaker, Chichele Safaris Limited was the third company to express intent to Abercrombie and Kent Zambia Limited to obtain the lease on the Chichele Presidential Lodge. Since the other two companies did not obtain the lease and the grace period for the conclusion of the transfer of the lease had come to an end on 16th October, 2016, the ministry applied the rule of next to be considered in order of application to advise Abercrombie and

WEDNESDAY, 21 MARCH, 2018

Kent Zambia Limited to consider negotiating transfer modalities with Chichele Safaris Limited.

Madam Speaker, Abercrombie and Kent Zambia Limited and Chichele Safaris Limited negotiated the price for the transfer of the remaining interest on the lease for the Chichele Presidential Lodge. However, the ministry provided the necessary guidance to ensure that the transfer was within the interest of the Government in relation to ensuring that the Government realised the appropriate lease fees, variable charges and that the employees at the lodge did not lose employment arising from change of companies leasing the said lodge.

Madam Speaker, the two companies are yet to communicate on the outcome of the transfer modalities before the ministry through the Department of National Parks and Wildlife signs a tourism concession agreement with Chichele Safaris Limited.

Madam Speaker, I thank you.