

**REPUBLIC OF ZAMBIA**

**MINISTERIAL STATEMENT ON THE DISBURSEMENT OF THE  
2014 ALLOCATION FOR THE CONSTITUENCY DEVELOPMENT  
FUND**

**BY**

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**MINISTER OF FINANCE**

**22<sup>ND</sup> JULY, 2014**



MR. SPEAKER, I WISH TO THANK YOU FOR AFFORDING ME THIS CHANCE TO RESPOND TO THE ISSUE THAT AROSE ON THE FLOOR OF THE HOUSE ON FRIDAY 18<sup>TH</sup> JULY, 2014 IN RELATION TO THE DISBURSEMENT OF THE CONSTITUENCY DEVELOPMENT FUND ALLOCATION IN THE 2014 BUDGET.

MR. SPEAKER, THE CONSTITUENCY DEVELOPMENT FUND (CDF) HAS ALWAYS GENERATED HEATED DISCUSSIONS IN THIS HOUSE BECAUSE IT IS INDISPUTABLE THAT THE CDF IS ONE OF THE MOST EFFECTIVE AND DIRECT DELIVERY VEHICLES OF DEVELOPMENT. GOVERNMENT IS NOT AMBIVALENT ABOUT THE IMPORTANCE OF THE CDF, ESPECIALLY IN THE REMOTE PARTS OF FARFLUNG CONSTITUENCIES, DESPITE WHAT HAS BEEN SAID ABOUT THE USAGE OF THESE FUNDS IN CERTAIN CONSTITUENCIES.

FOR THE BENEFIT OF THIS AUGUST HOUSE, I WISH TO FIRST INDICATE THAT A KEY PART OF THIS GOVERNMENT'S AGENDA IS TO ENSURE INCLUSIVE ECONOMIC GROWTH FOR ALL, AND ONE OF THE ELEMENTS THROUGH WHICH THIS CAN BE ACHIEVED IS BY ENHANCING CITIZEN PARTICIPATION IN THE DEVELOPMENT AGENDA OF THIS COUNTRY. THE CONSTITUENCY DEVELOPMENT FUND, THEREFORE, PROVIDES AN IMMEDIATE AVENUE THROUGH WHICH THIS CAN BE ACHIEVED, BEFORE GOVERNMENT COMPLETES THE NECESSARY MODALITIES TO FACILITATE THE EFFECTIVE DECENTRALISATION OF FUNCTIONS FROM CENTRAL TO LOCAL GOVERNMENT.

AS SUCH, THE PATRIOTIC FRONT GOVERNMENT HAS IN THE LAST THREE YEARS OF ITS EXISTENCE INCREASED THE ALLOCATION FOR THE CONSTITUENCY DEVELOPMENT FUND BY AN UNPRECEDENTED **94.4 PERCENT**. THAT IS, FROM **K108 MILLION** ALLOCATED IN 2011 TO **K210 MILLION** ALLOCATED IN 2014.

MR. SPEAKER, I FURTHER WISH TO INDICATE THAT, AS AT END JUNE 2014, THE MINISTRY OF FINANCE HAD RELEASED A TOTAL OF **K87.3 MILLION** OR **42 PERCENT** OF THE K210 MILLION ALLOCATED TO THE FUND. THIS LEAVES A BALANCE OF **K122.6 MILLION** WHICH HAS BEEN PROGRAMMED TO BE RELEASED IN FULL BY END OF SEPTEMBER, 2014, TO ENSURE THAT THE MICRO-COMMUNITY PROJECTS IN VARIOUS CONSTITUENCIES ARE UNDERTAKEN PRIOR TO THE COMMENCEMENT OF THE RAINY SEASON.

IN ADDITION, MR. SPEAKER, ALLOW ME TO TAKE THIS OPPORTUNITY TO ALSO INDICATE TO MY COLLEAGUES THAT THE PRINCIPLE UNDER WHICH THE CDF IS PREMISED IS FIRMLY IMBEDDED IN THE WIDER NATIONAL DECENTRALISATION POLICY, AND THAT THE MANAGEMENT OF THIS FUND IS A RESPONSIBILITY PLACED UNDER THE MINISTER RESPONSIBLE FOR LOCAL GOVERNMENT. THIS RESPONSIBILITY INCLUDES AUDITING THE USE OF THE DISBURSED FUNDS AND WITHHOLDING ADDITIONAL DISBURSEMENTS TO CONSTITUENCIES WHEN THE MANAGEMENT OR USAGE OF THE PREVIOUSLY DISBURSED FUNDS IS IN QUESTION. THEREFORE, SIR, ALTHOUGH THE TREASURY PLANS TO AVAIL FUNDS BY END OF SEPTEMBER THIS YEAR, THE



ACTUAL DISBURSEMENT TO INDIVIDUAL CONSTITUENCIES WILL DEPEND ON THE OUTCOME OF THESE CONTITUENCY AUDIT REPORTS.

SIR, WITH THAT MENTIONED, I CAN ONLY URGE MY COMPATRIOTS IN THIS AUGUST HOUSE TO ENSURE THAT WE LIVE TO OUR OBLIGATION AND MORAL RESPONSIBILITY TO ENSURE THAT THESE FUNDS ARE UTILISED IN LINE WITH THE RELEVANT REGULATIONS GOVERNING PUBLIC FINANCE MANAGEMENT; AND THAT, AS MUCH AS POSSIBLE, OUR CITIZENS SHOULD EFFECTIVELY BENEFIT FROM THE UTILISATION OF THESE FUNDS. MISUSE OF THESE FUNDS IS A NEGATION OF THE ESSENCE AND LEGITIMACY OF THE CONSTITUENCY DEVELOPMENT FUND.

MR. SPEAKER, I THANK YOU.