

# Zambia Development Agency (ZDA)

# CLIENT CHARTER

## OUR VISION

To become a world class Agency for promotion and facilitation of economic development.

## OUR MISSION - Investment, Promotion and Privatization

Foster economic development through a whole-Zambia strategic view that will increase and sustain investment levels across the nation, by attracting and facilitating local and foreign investments to create a dynamic business environment.

## OUR MISSION – Micro, Small, Medium Enterprises Division

To facilitate the provision of efficient, effective and sustainable demand driven entrepreneurship and business development services to Micro, Small and Medium Enterprises in Zambia in order to enhance employment and wealth creation.

## OUR MISSION – Export Promotion and Market Development Division

To Facilitate the Production And Promotion Of Demand Driven Value Added Competitive Export Goods And Services For Target Markets.

## CORE VALUES

Our customers have the right to expect that our services embody:

- Integrity
- Dynamism
- Professionalism.
- Passion
- Team Spirit
- Accountability

**COMMENTS AND COMPLAINTS** - We are constantly striving to improve our service and welcome your comments, complaints and suggestions with the option of anonymity or in person to: **Privatisation House, Nasser Road, P.O. Box 30819, LUSAKA**, or you can contact: The Public Relations Manager

Phone Number: (00 260) 211 220177 / 222858 Fax: (00 260) 211 225270

E-mail: [mchimanse@zda.org.zm](mailto:mchimanse@zda.org.zm) / [zda@zda.org.zm](mailto:zda@zda.org.zm)

## CHARTER REVIEW

Striving for service excellence, ZDA will continually seek to obtain the views of our clients through comment channels, regular one-to-one meetings and annual investor events. This input, together with internal reviews, will be used to revise our client charter accordingly.

SERVICES - Investment – Promotion - Privatization	TIMEFRAME	COST
For Local and Foreign Investors		
Phone calls	Instant	Free
Walk-ins	Instant	Free
E-mail	1 day	Free
Letters/faxes	2 days	Free
Arrange hotel bookings and airport pick-up	1day	Free
Arrange meetings with authorities	1-2 days	Free
Arrange meetings with prospective investors	1-2 days	Free
Facilitate meetings with foreign business delegations	5 days	Free
Facilitate site visits (with prior notification)	5 days	Free
Processing of applications from date of receipt of completed application form to date of approval	4 weeks	K 1,280,000
Issuance of the investment licence/MFEZ License from date of approval	1 day	K 7,670,000
Recommend duties and tax exemptions for qualifying investors	1 day	Free
Issuance of a rebate letter	1 day	K 70,000
Revision of schedule	1 day	K 650,000
Facilitation of the work and self-employment permits	1 day	Free
Facilitation for acquisition of the secondary licenses	1 day	Free
Facilitation of acquisition of land	1 day	Free
Facilitation of acquisition of utilities	1 day	Free
Conducting Aftercare services	On-going	Free
<b>PRIVATISATION</b>		
Advertise after approval of mode of sale	At least 3 weeks	Fee (TBA)
Due Diligence	4-8 weeks	Free
Inform the Preferred bidder	6 weeks	Free
Constitute Negotiating team plus negotiations	4-8 weeks	Free
Prepare transaction documents and get approval from Ministry of Justice	5-8 weeks	Free
Confirmation by Minister of Finance	1-2 weeks	Free
ZDA's Information Resource Center	Monday to Friday (09hrs to 16hrs)	Free

SERVICES – Micro, Small, Medium Enterprises	TIMEFRAME	COST	SERVICES - Export Promotion and Market Development	TIMEFRAME	COST
Answering response to general enquiring			<b>Trade Information</b>		
- E-mail	2 days	Free	Answering requests for general information		
- Telephone	Instant	Free	Phone calls	Instant	Free
- Letter	3 days	Free	Walk-ins (a) with appointment	Instant	Free
- walking – ins (a) with appointment	Instant	Free	(b) without appointment	30 minutes	Free
- (b) without appointment	30 minutes	Free	E-mail	1 day	Free
- Application for certification of registration with ZDA (Including from regions)	Within 20 days	K200,000 (micro) K300,000 small	Letters/faxes	3 days	Free
MSMEs Registration			Specialized Trade Information	7 Days	Free
Application: - processing fee		K20,000	Policy advocacy	Ongoing	Free
Request for Training ( Notice required)	1 month	K50,000 – K100,000	Membership		
			(a)Processing	7 days	K50,000.00
			(b)Certificate	1 day	K400,000.00
			Purchase of export and sector audit reports	Upon Payment	Main K150,000.00 Sector K 50,000.00
Linking MSMEs to financing institutions	7 days	Free	At least 5 Export Promotion Activities	Every 6 Months	Variable
Advisory and counseling services	7 days	Free	Information conveyed to clients	3 months before event	
Research	On going	Free	ZDA's Information Resource Center	Monday to Friday (09hrs to 16hrs)	Free
Dissemination of research findings	On going	Free	Specialized Training for exporters	Minimum of One Month	Variable
Monitoring and evaluation	On going	Free			
ZDA's Information Resource Center	Monday to Friday (09hrs to 16hrs)	Free			

(Exchange Rate:- USD 1 – Kwacha 3850) as of November 2008

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## Zambia Development Agency INVESTMENT, PROMOTION and PRIVATISATION

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Advertise after approval of mode of sale	At least 3 weeks	Fee (To Be Advised)
Due Diligence	4-8 weeks	Free
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# CLIENT CHARTER

## Zambia Development Agency (ZDA) MICRO, SMALL, MEDIUM ENTERPRISES

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## CORE VALUES

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- Integrity
- Dynamism
- Professionalism.
- Passion
- Team Spirit
- Accountability

## COMMENTS AND COMPLAINTS

We are committed to continuous review and improvement of all service delivery and welcome client involvement through comments to The Manager Communications and Public Relations.

Phone Number: (00 260) 211 220177 / 222858

Fax : (00 260) 211 225270

E-mail: [mchimanse@zda.org.zm](mailto:mchimanse@zda.org.zm) / [zda@zda.org.zm](mailto:zda@zda.org.zm)

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(b) with appointment	instant	Free
E-mail	1 day	Free
Letters/faxes	3 days	Free
Specialized Trade Information	7 Days	Free
Policy advocacy	Ongoing	Free
Membership		
(a) Processing	7 days	K50,000.00
(b) Certificate	1 day	K400,000.00
Purchase of export and sector audit reports	Upon Payment	Main K150,000.00 Sector K 50,000.00
At least 5 Export Promotion Activities	Every 6 Months	Variable
Information conveyed to clients	3 months before event	
ZDA's Information Resource Center	Monday to Friday (09hrs to 16hrs)	Free
Specialized Training for exporters	Minimum of One Month	Variable

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**An Example of how the FORMAT for the  
“POTENTIAL SECTORS FOR INVESTMENT AND  
PROFITS FOR FOREIGN INVESTORS IN ZAMBIA”  
can be completed**

**I) Name of Sector :**

**MEDICAL & HEALTH**

**II) The potential that this sector offers.**

**It is the intention of the Govt. of Zambia to create a dynamic Private Sector driven Medical & Health (M&H) sector (\*M&H includes Dental and pharmaceutical)**

***In this context it is the intention to make the Zambian M&H sector a major 3rd wave Industry and a Center of Excellence in the Region (SADC, COMESA), providing world class Medical & Health facilities and thereby:***

- a. Creating high value employment**
- b. Creating Medical & Health clusters**
- c. Savings and Earning in FOREX**
- d. *THE POTENTIAL FOR INVESTMENTS IN THIS NEW ECONOMIC SECTOR IN ZAMBIA CAN BE SEEN IN THE FOLLOWING:***

- 1) Government spends annually K6 billion (US\$..???) for  
Zambian citizens seeking specialist treatment abroad.**
- 2) Currently 120 cancer patients per year awaiting  
overseas treatment (USD20,000 per case: Thus total  
\$ ???). Also, 110 Zambians awaiting open heart  
surgery per year at USD30,000 per case. (Total \$???)**
- 3. South Africa, with the best medical / health facilities /  
services in the region, is an expensive provider.**

4. **There are many Zambian medical practitioners working abroad because the local environment does not provide opportunities.**
5. **There are only 7 pharmaceutical companies producing 5% of the essential drugs locally. 50 trading companies import 95%.**
6. **Most of the essential drugs are still imported.**
7. **Making the Health sector a major industry, will help reduce the doctor patient ratio in Zambia (at present it is 1:15,000 as opposed to WHO recommended ratio of 1:5000).**
8. **University Teaching Hospital is overburdened with problems, overcrowded & is poorly funded. However it has the potential to become a Center of Excellence in certain areas.**
9. **There is limited availability of Medical Health and Dental Lab Equipment and spare parts. There are no established Industry to service M&H Equipment. Over 90% of M&H equipment worth Millions of Dollars are lying idle in health institutions due to lack of maintenance and repair facilities.**
- 10) **The Government of Zambia wishes to welcome Investors for the growing of medicinal plants (Quinine, Artemisian derivatives etc.) which are potential employment creators and Foreign exchange earners.**
- 11) **Unique opportunity:-**
  - a) **All neighbouring countries except South Africa do not have Medical & Health sectors as Centers of Excellence**
  - b) **Zambia is centrally placed with political and economic stability which favours the country to establish centers of excellence**



**III) Existing major Private Foreign or Domestic investors in this sector (if any) and what portion of market share do they occupy.**

(To be completed by relevant Ministry and ZIC/ZDA)

**IV) The rules, regulations, restrictions (of ownership, Expatriate employment, ease of FOREX if any) that apply to foreign investors in this sector.**

(To be completed by relevant Ministry and ZIC/ZDA)

**V) The Incentives (tax holidays), land, buildings and other facilities that the Govt. of Zambia offers to investors OR that can be obtained with Govt. help from domestic Private Sector.**

(To be completed by relevant Ministry and ZIC/ZDA)

**VI) Are reliable Domestic investors available for JVs in case the foreign investor seeks such JV partners?**

(To be completed by relevant Ministry and ZIC/ZDA)

## JOINT VENTURE FORMAT

### **For Existing Zambian Companies Seeking Joint venture Partners**

**NOTE 1:** This format is to be used by companies seeking Partners (Domestic or Foreign) for EXPANSION/ DIVERSIFICATION / NEW PROJECTS through:

- (a) Equity Participation in a JV or
- (b) Technology Transfer or Management and or Marketing Agreements

**NOTE 2:** Please note this is not a form, but a Format which should be used and answers provided as accurately as possible. The more details that are provided the better the ability to interest a foreign investor to want to pursue the project further.

### **SECTION I: Basic Information On Company seeking Partner:**

- (a) Name of Company, Address, Telephone, Fax, e mail, web site address.
- (b) Name of CEO & telephone contact and e mail.
- (c) Name of person who will be chief liaison/ responsible for this project, if not the CEO. Telephone and e-mail.
- (d) What is the nature of your existing Project(s): (If manufacturing or Services etc. please provide details of activity undertaken at present. If more than one project, please give some information.)
- (e) Vital Statistics of company: Size in terms of Investments (US\$), number of full time employees, annual production (Value US\$), Markets (exports or local), if exports please give Value of annual exports and to which destinations.

## **SECTION II: Proposed Project**

- 1) What is the proposed Project? (Please give as much details as possible, including its proposed location, total Investments (Equity & Loan))**
- 2) Why have you chosen this project (i.e. why do you feel it is viable? Has there been any study done on this and can a copy be given or an Executive Summary?)**
- 3) Is this for Domestic Market or for Exports (what % exports?)**
- 4) What are you seeking from the new partner?**
  - (a) Equity Investments? If so what is quantum in US\$? What will be the % of the foreign Equity to total equity?**
  - (b) Technology Transfer / Management/ International Marketing?**
  - (c) Both (a) and (b) (Give details)**
  - (d) Any other arrangements?**
- 5) What will be your contribution to the project**

## **SECTION III: Government Issues.**

- 1) Is this Project already approved by Government? Location?**
- 2) Has the Government given any Tax incentives for Project? (Details please)**
- 3) If the specific project has not been approved by the Government than please indicate:**
  - (a) Is this a sector that Government encourages? How?**

- (b) What Incentives will the Government provide?**
- (c) If a JV arrangement is made how long will it take to get Govt. approval if this is necessary?**
- (d) Are there any restrictions relating to foreign participation in this project?**

## ToH 12 Policy Recommendations (Summary)

Sector	Responsible Ministry	Summary	Cabinet Approval
Mining	Ministry of Mines and Mineral Development	<ul style="list-style-type: none"> <li>➤ Recommendations included that through tax incentives encourage mining companies to increase value adding and give shareholding to Zambians as well as motivate private sector to set up precious metal refinery plants and value adding facilities for gemstones, industrial minerals and dimension stone through a graduated tax regime.</li> <li>➤ To further support local business development the recommendation was to establish a Vendor Development Scheme.</li> <li>➤ With regard to gemstone the recommendation was to classify the exports as Non Traditional Exports (NTE's) (to allow for a lower cooperate tax rate at 15% for five years), lower royalties and limit gemstone sales certificate to legal entities not individuals.</li> <li>➤ To support the development of Small Scale Mining (SSM), it was recommended to increase access to finance by making 20 % of all loan portfolios available to SSM at lower interest rates, to lower corporate tax rates to banks which offer loans to SSM and encourage establishment of plant hire schemes through removal of duties on all machinery.</li> <li>➤ Further recommendations were to carry out geological mapping for the remaining 45 % of the country, for Zambia Revenue Authority (ZRA) to give one year amnesty SSM to phase in tax clearance certificates (requirements for Mining and prospecting licenses), for The Government of the Republic of Zambia (GRZ), to improve and develop infrastructure in mining areas, to harmonize different incentives offered by Zambia</li> </ul>	<p>Not Approved. *It was agreed that this recommendation would be implemented without cabinet approval, because a number of individual agreements had already been made between the Government and Private Companies.)</p>

Small Medium Enterprises (SMEs) Development	Ministry of Commerce Trade and Industry	<p>Investment Centre (ZIC) now ZDA, Ministry of Mines and Mineral Development for recognition by ZRA, to restructure ZIC (ZDA) into One Stop Shop and package all necessary mining material including land areas for Investment promotion</p> <p>➤Recommendations included that Bank of Zambia should direct commercial banks to apportion 15 % of their lending portfolio to SME's, setting up K 100 billion entrepreneurship Development Fund, hastening the implementation of the Credit Reference Bureau, develop Small Medium Development Board (SEDB,now ZDA) industrial plots for SME work sheds, establish multi sectoral and sector incubation centers (IC's) as well as non physical ICT based IC's.</p> <p>➤Further it was recommended to construct Micro Sector Business Centers (MSBCs) under BT (Build-Transfer), BOT (Build-Operate-Transfer) or BOO (Build Own Operate) schemes and provide them with Business development Services, to promote establishment of Small Aggregate Initiatives, vendor development Schemes and strengthen intermediary institutions through a K 10 billion fund.</p> <p>➤To support planning for the sector collect disaggregated information and data on MSME's and also strengthen policy framework by including these recommendations into the final MSME's policy.</p> <p>➤In support of speedy settlement of commercial cases the recommendation was to speed up the operationalization of the Small Claims Court.</p> <p>➤The task force recommended, two priority areas be for production and</p>	Approved
Multi-Facility	Ministry of		Approved

Economic Zone(MFEZ)	Commerce Trade and Industry	<p>three areas for Export Trade; A minimum investment requirement of US\$ 100 million for locals, US\$ 500 million for Foreign and US\$ 300 million for joint ventures; that GRZ and/or private sector provide standard facilities in the areas including cleared land; water; power; factory buildings; telecommunications; staff housing schools and health clinics.</p> <p>➤With regard to incentives it was recommended that they will be sector and product specific but investments have to bring in fresh capital, modern equipment and technologies, must earn or save foreign exchange, utilize local raw materials and labor.</p> <p>➤Further investments must develop new markets for Zambian exports and produce new products to meet new demand and consumption patterns. Incentives would include, a zero corporate tax for five years, Zero duty on machinery spares, intermediate and capital goods and raw materials.</p> <p>➤Zero tax on dividends for five years, no VAT on domestic or imports, no excise duty, 100% repatriation of profits and dividends, an automatic self employment permit/permanent residence and entitlement to employ five expatriates.</p> <p>➤In addition, MFEZ is to operate as a directorate under ZDA, and carry out country/region targeted investment promotion activities.</p>	
Information and Communication Technology	Ministry of Communication and Transport	<p>➤Task force recommended the following; That all forms of tax duties or VAT on Information Technology (IT) and telecommunication devices be removed and to improve ICT literacy levels ICT education be introduced in the curriculum from primary school but training institutions offering</p>	Approved.

(ICT)		<p>ICT be exempt from paying tax for five years or more.</p> <ul style="list-style-type: none"> <li>➤To address current high costs of telecommunication, it was recommended to access the intercontinental sub marine optical fiber and embrace new IT like VOIP (Voice over Internet Protocol).</li> <li>➤Further the task force recommended encouragement of private sector investment in software development and manufacture /assembling of IT and telecommunication devises and that companies in this area be exempt from paying tax for up to five years but GRZ need to guarantee purchase of these devises. Establish an ICT Virtual Zone.</li> </ul>	
Air Cargo Hub and Inland Port	Ministry of Communication and Transport	<ul style="list-style-type: none"> <li>➤The task force recommended that GRZ should review; VAT on passenger and ramp handling services to enhance competitiveness of exports put on passenger airlines, air navigation regulation requirements to incorporate international procedures and keep airport operational on 24 hour basis.</li> <li>➤Regarding police road blocks the recommendation was to minimize them to facilitate free inflow of goods but put in place high technology security systems and utilize private security firms to man Air Cargo hub.</li> <li>➤To address the issue of relatively high cost of Jet A1 fuel GRZ was urged to consider reviewing taxation on fuel and building a new refinery to process pure crude oil.</li> <li>➤In terms of location, it was suggested to consider turning Lusaka International Airport into a regional Air Cargo Logistic centre and in the long term consider developing Ndola and Kapiri Mposhi Air cargo hubs.</li> <li>➤To attract more airlines flying into Zambia GRZ was to; put in place competitive handling and fuel through put charges, rentals and tenancy</li> </ul>	Approved.



Agriculture	Ministry of Agriculture and Cooperatives.	<p>levies, promote investments into creation of subsidiary infrastructure (in-flight kitchens, hotels etc.) and facilitate putting in place electronic information interchange between Airlines and customs, ZRA and other stakeholders.</p> <p>➤Regarding Inland Dry Port, the task force recommended that GRZ should develop a policy, provide infrastructure and VAT exemptions on transport from port to exit border.</p>	Approved.
Cotton	Ministry of Agriculture and Cooperatives.	<p>➤The Task force recognized that investment in Agriculture involves high capital costs and is long term in nature, and that the sector is also regionally uncompetitive because most agriculture output is not Zero rated for VAT purposes.</p> <p>➤Further small scale farmers do not receive customs duty suspension in inputs.</p> <p>➤To address the above the task force recommended to zero rate all agriculture and irrigation equipment, all output and introduce voluntary VAT registration schemes for bona fide farmers to claim VAT on inputs.</p> <p>➤In addition to encourage small scale sector growth the proposal was to reduce customs duty to nil for five years on all farming inputs.</p>	Approved

Health	Ministry of Health	<p>equipment and all raw material imports.</p> <ul style="list-style-type: none"> <li>➤ To discourage second hand clothing, increase duty and issue restrictive importation quotas.</li> <li>➤ With reference to the low skills base, industry and training institutions should design curriculum but industry should train the master trainer.</li> <li>➤ Offer capital tax incentive and ensure fast track approval of all projects in the sector to address the constraint of obsolete technology and poor infrastructure.</li> <li>➤ Regarding high energy and transport costs on account of geographical location, it was recommended that a preferential tariff be given if cost is over 5% of total costs and allow a five year double deduction of transport costs.</li> <li>➤ Lastly, regarding the significant regional and international competition, renegotiating Zambia's quota for yarn and later for other products was recommended.</li> </ul>	
Health	Ministry of Health	<ul style="list-style-type: none"> <li>➤ Recommendations included that: To encourage dynamic growth of private health facilities the medical and health sector should be declared a priority sector and tax incentives available for other sectors provided to it.</li> <li>➤ Cumbersome VISA/work permits procedures for specialist and licensing procedures for private business and introducing new products be streamlined and promote service industry for the sector to repair and maintain equipment.</li> <li>➤ Further, GRZ should enter into agreement with specified approved</li> </ul>	Approved

Banking and Finance	Ministry of Finance and National Planning	<p>countries so that if a product is registered in those countries, it is automatically registered in Zambia.</p> <p>➤To promote first wave of investors, identify land and building and building space. That at present the growing of medicinal plants has potential for job creation and foreign exchange earning, but in Zambia this is not a priority economic activity.</p> <p>➤To this end the recommendation was to identify land for growing the same and encourage and give incentives to farmers growing/processing medicinal plants.</p> <p>➤To answer to the issue of current situation of insufficient medical professionals and promote Zambia as a centre of regional excellence for Medical &amp;Health. GRZ should also enter into agreement with specified approved countries, so that, if medical personnel is registered in those countries, the candidate gets automatically registered in Zambia.</p> <p>➤The task force recognized three constraints (i) Ineffective utilization of internally generated financial resources (ii) Limited linkages among financial service providers (iii) limited internally generated financial resources.</p> <p>➤With respect to the first one, the recommendation was to adopt and implement the institutional investor guidelines so that funds like pension funds can be used for productive purposes, to effectively enforce commercial contracts, to enact legislation for establishing the Credit Reference Bureau and modernizing the mortgage lending regime, to review taxation of the sector to bring it to line with other cooperate entities, to encourage development of the capital market, for GRZ to</p>	
			<p>Not Approved.</p> <p>* Without cabinet approval, this recommendation has been already implemented and monitored.</p>

Education	Ministry of Education	<p>honor its obligations to local suppliers, and reinvigorate Small Enterprise Development. Regarding the latter constraints, it was recommended to criminalize bouncing cheques, to enact the National Payment Systems Act and to enhance foreign investment into the sector.</p> <p>➤The task force on education identified lack of information on opportunities, incentives and cumbersome and lengthy registration procedures for private sector investment as constraints to the sector.</p> <p>➤To this end, they recommended that information on opportunities should be published, the taxation act should be reviewed to include incentives for the sector as those offered to the mines and the registration procedures for private sector institutions should be streamlined.</p> <p>➤Other constraints identified related to lack of (i) Accreditation Board and Higher Education Commission to regulate standards for private colleges and universities (ii) guidelines for twinning/joint venture relationship between local and foreign institutions.</p> <p>➤In this regard it was recommended to establish Accreditation Board and Higher Education Authority as well as to amend the education and the University Act to provide for twinning/JV relationships.</p> <p>➤In addition there were land issues identified as constraints. These related to lack of information on what is available, non transparent land allocation procedures and violation of country and town plans through illegal plot allocation.</p> <p>➤To this end, recommendations included, advertising available land, revising the 1995 Land Act to include transparent system for land</p>	Approved
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Tourism	Ministry of Tourism, Environment and Natural Resources	<p>allocation and adherence to the Town and Country planning regulations.</p> <p>➤ Constraints identified included; Numerous cumbersome and costly licensing procedures including that for obtaining visas, high duty and taxation rates, inadequate tourist products, accommodation, direct flights into Zambia, professionally trained human resource as well as promotion and marketing of Zambia.</p> <p>➤ In this respect it was recommended to establish one window facility to consolidate and reduce number of licenses, to reclassify sector as non traditional export to benefit from low tax (15%), Reduce VAT from 17 to 14 %, Zero rate duty on imported equipment, relax visa entry requirements for target countries, encourage development of new products including film making, introduce three years tax free on rental income for tourist accommodation, double deduction of training expenses for approved training and domestic tour operators should be allowed a tax free income.</p> <p>➤ Difficulties in accessing development land for tourism were also identified. Recommendation in this regard was to create Tourism Land Banks (TLB) (with essential infrastructure) in eight areas, fast track acquisition of Title Deeds and package TLB incentives according to investment levels.</p> <p>➤ In addition it was recommended that export proceeds must be repatriated in full to Zambia in foreign currency. This was in order to minimize leakages of foreign exchange earnings.</p>	Approved
Government Streamlining	Cabinet Office	<p>Below are the constraint areas and recommendations made:</p> <p>➤ VISA and permit Issuance- Reduce time to 7 days, computerize</p>	Not Approved * Without

		<p>immigration department and liberalize VISA requirement.</p> <ul style="list-style-type: none"> <li>➤ Company registration issuance- computerize company registration office PACRO (The Patents and Companies Registration Office) to reduce time to 7 days and decentralize registration</li> <li>➤ One window investment centre with adequate investment promotions locally and abroad- Transform ZIC (ZDA) into one window facility and second officers from ZRA, Immigration Office, Ministry of Lands, Environment Council of Zambia and company registration.</li> <li>➤ VAT issues- reduce period for registration to 14 days, refund in 30 days as per law and speed up securing duty drawback</li> <li>➤ Environment- Amend the law to address complex procedures, reduce cost of Environmental Impact Assessment (EIA), and develop standard check list for EIA</li> <li>➤ Land issues- Make available information on serviced land, reduce processing period for applications to 30 days and decentralize land administration</li> <li>➤ TAX Issues- Negotiate sign and ratify more double taxation agreements with countries of strategic interest</li> <li>➤ Conflict resolution- Establish independent commercial courts separate from criminal courts to speed up process</li> <li>➤ Reliable and cost effective power and fuel supply- Liberalize distribution, increase speed for customer response and establish strategic fuel storage reserves</li> <li>➤ High transportation costs due to poor infrastructure- Speed up BOT (Build-Operate-Transfer system) for infrastructure development.</li> </ul>	<p>cabinet approval, this recommendation has been already implemented and monitored.</p>
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		<p>➤Tourism issues- Rationalize and consolidate licenses, computerize Tourist Board of Zambia to reduce license processing period from 90 to 14 days. Cooperate with other nations for promoting tourism.</p> <p>➤Investment promotion and international markets- Launch awareness campaign on availability of markets and sign more investment promotion and protection agreements with strategic countries.</p> <p>➤Cross cutting issues related to corruption, state institution levies, information availability and poor mindset of Zambians- recommendations included Clients' Charters, E- Governance and reduction of GRZ institutions collecting levies and put up a deliberate policy to encourage positive change of mindset.</p>
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## GOVERNMENT OF THE REPUBLIC OF ZAMBIA TRIANGLE OF HOPE INITIATIVE (TOH)

### Color Designations

**Green**

**Yellow**

**Brown**

**Red**

Activity has been completed or the Output has been realized.

Activity has started and has registered significant progress or Output is near realization.

Activity has started but with little progress or Output is far from realization.

Activity has not been started or Output is very far from realization.

### Information and Communication Technology Framework

**Objective:** To make Zambia a Centre of Excellence in Information and Communication Technology (ICT) in the Region

Item	Recommendation	Activities	Status	Expected Output	Status	Activity Period	Responsibility	Monitoring Indicator
1	Introduce ICT education in the curriculum at an early stage of the education system e.g. in primary schools	1. Development of ICT Curriculum for primary, secondary and tertiary education 2. Development of teaching material to match the curriculum 3. Installation of ICT/Computer labs in primary & secondary schools; Teacher Colleges	Yellow	ICT Curriculum	Yellow	Oct- Dec 2006 Jan - April 2007 Jan - Dec 2007	Ministry of Communication and Transport (MCT) and Ministry of Education(MOE)	Monthly Reports
	<p>&lt;Comment&gt; Development of ICT Curriculum for grade 1 up to 9 and tertiary have been developed. However, grade 10 to 12 is yet to be finalized. The development of Teaching material awaits the approval of the ICT curriculum. With regard to installation of ICT/Computer labs, so far, most High Schools have received 5 computers each for the purpose of establishing computer labs. MoE is currently in the process of building capacity for teachers to ensure that the computers are fully utilized.</p>							
2	E-Governance must immediately be implemented in all Government institutions.	1. Establish the Zambia Electronic Information Centre 2. Development of the Zambia Web Portal 3. Pilot E-Governance Project monitoring System	Green	ZEIC Centre Web Portal E governance tracking system	Green	Dec 2006 Dec 2006 July 2007	Cabinet Office (MDD); MCT	Monthly Reports



Item	Recommendation	Activities	Status	Expected Output	Status	Activity Period	Responsibility	Monitoring Indicator
	<p>&lt;Comment&gt; The process of engaging the consultant for the implementation of e-Government project, which includes the Establishment of the Zambia Electronic Information Centre, Development of the Zambia Web Portal, Pilot E-Government Project monitoring has now reached a stage where the Zambia Procurement Authority has granted authority to the Ministry of Communications and Transport to and negotiate the terms of the contract with the contractor. It is envisaged that negotiation process will be concluded by November 2009.</p>							
3	Appropriate ICT training must be made compulsory for all Public Servants (Centres of Excellence in ICT Training).	<ol style="list-style-type: none"> <li>Design minimum ICT Skills Training program for Public sector</li> <li>Implement phased Training programme. * develop program; outsource from training colleges through open tender</li> </ol>		<ol style="list-style-type: none"> <li>Training Manuals</li> <li>Trained public officers</li> </ol>		2007 – 2010	Cabinet Office, MCT	Monthly Reports
	<p>&lt;Comment&gt; Suitable list of institutions to be engaged in the ICT training of public workers is yet to be finalized by MCT in collaboration with Cabinet Office.</p>							
4	ICT activities (including software development, Assembly/manufacture of ICT equipment e.g. computers) must be categorised as a priority economic sector as qualifying for appropriate incentives.	<ol style="list-style-type: none"> <li>Develop Statutory Instrument categorising ICT as a priority sector - prepare list of products &amp; services and appropriate incentives</li> <li>Develop Regulations, rules &amp; guidelines</li> </ol>		<p>Statutory Instrument declaring ICT as priority sector</p> <p>Rules, regulations and incentives included in the ZDA schedule</p>		Nov 2006	Ministry of Finance and National Planning (MoFNP) and Ministry of Commerce Trade and Industry(MCTI)	Monthly Reports
	<p>&lt;Comment&gt; ICT was categorised as a priority economic sector through the amendment of IS MCTI/71/72C, for development of Computer Software and manufacture/assembly of ICT equipment. To this effect, M-mobile Zambia started assembling mobile phones in 2008. However, there is still need for further liaison between ZDA and MoFNP on the modalities in order to attract more investors in this regard.</p>							
5	Zero- Zero-rate VAT and Import Duty on all ICT software, hardware and components (including telecommunication devices) for the period of one year.	<ol style="list-style-type: none"> <li>Present ICT tax incentives to MoFNP</li> <li>Develop Statutory Instrument declaring Zero-rate VAT and Import Duty on all ICT software, hardware and components (including telecommunication devices) for a period of one year</li> </ol>		<ol style="list-style-type: none"> <li>ICT Tax Proposal to MoFNP</li> <li>Statutory Instrument and provision in 2007 Budget</li> </ol>		Sep 2006	MCT MoFNP	Monthly Report

Item	Recommendation	Activities	Status	Expected Output	Status	Activity Period	Responsibility	Monitoring Indicator
	<Comment> ZDA incentives are in place.							
6	Institutions offering ICT training and education must be offered incentives viz. Capital Tax, Employment Tax and General Tax incentives. (Incentives under the ZDA Act for priority sectors to be applied to this sector.	Identify and approve Institutions offering ICT Training/Education as per Statutory Instrument in 4 above		List of approved Institutions		January 2007	MoFNP, MCT, MOE, MCTI, Ministry of Science, Technology and Vocational Training(MSTVT)	Monthly Reports
	<Comment> ZDA incentives are in place.							
7	Creation of an inclusive consortium, which must be led by Zamtel in collaboration with ZESCO and other interested stakeholders to install optic fibre backbone linking Zambia to the world communication system. This system should be operated by an independent manager (wholesaler/special purpose vehicle) on an open access basis.	<ol style="list-style-type: none"> <li>Study to identify business structure and legality of the Consortium</li> <li>Formation of the Consortium</li> <li>Appoint Manager to operate the Consortium Fibre Optic Network</li> </ol>		Business Plan  Company Registration and Incorporation  Operating Company		Jan 2007  Apr 2007  Oct 2007	Cabinet Office, MoFNP, MCTI, MCT, Ministry of Energy and Water Development(M EWD)	Monthly Reports
	<Comment> Although a Consortium has not yet been established, at policy, Zamtel and ZESCO have agreed to share (collocate) infrastructure where necessary to ensure that there is no duplication.							
8	Government must clarify with relevant agencies on the legality of the use of Voice Over Internet Protocol (VoIP) immediately and authority with a view to ensuring that this technology becomes universally available to all citizens. This will reduce the cost of telecommunication.	<ol style="list-style-type: none"> <li>Public Policy Announcement that VoIP is legal based on input from Communications Authority</li> <li>Develop Statutory Instrument to legalise VoIP in Zambia</li> </ol>		Govt Gazette  Statutory Instrument		Nov 2006  Dec 2006	MCT	Monthly Reports  Monthly Reports
	<Comment>							

Item	Recommendation	Activities	Status	Expected Output	Status	Activity Period	Responsibility	Monitoring Indicator
	Although Communication Authority of Zambia issued a public statement in print media to clarify the use of VOIP in Zambia, there is need to issue an SI over the same. There appears to be a lot of anxieties surround the use of VOIP.							
9	Implement Power Line Carrier technology where communication and data can use existing electricity cable should be encouraged and made a priority economic activity under ZDA ACT.	Select and authorise institutions or organisations to Pilot PLC technology for communications. Facilitate Supply of the equipment		Selected list of organisations Monthly bills of PLC expenses from Pilot organisations		Jan 2007	MCT	Monthly Reports
	<p>&lt;Comment&gt; MCT to formally request Communications Authority of Zambia, University of Zambia and ZESCO to undertake research on the use of Power line Internet Carrier Technology and carry out a pilot project.</p>							
10	Government to institute a policy of purchasing locally produced ICT equipment that meets international standards for all its needs.	Public Policy Announcement on procurement of locally assembled/manufactured ICT equipment		Insert clause in ZNTB regulations; Govt Gazette		Nov 2006	Cabinet Office, MoFNP, MCT, MCTI	Monthly Reports
	<p>&lt;Comment&gt; Protective tariffs for local assembly/manufacturing are provided for. M-Mobile is such an example.</p>							
11	Declare as an economic activity development of ICT technology hubs where software applications and other facilities will be available at an affordable price to all citizens. (*details in the main report)	1. Study to identify and establish the ICT Technology Hubs (industrial park) 2. Construction of the ICT Hubs through PPP mechanism		Study Recommendations ICT Hubs		Jan 2007 Jun 2007-Dec 2008	MCT, MCTI, MSTVT, MOE MCT, Private Sector	Monthly Reports Monthly Reports
	<p>&lt;Comment&gt; Need for MCT in consultation with MCTI, MSTVT, MOE and Private Sector to pursue the issue by engaging a consultant to design the specification for ICT parks.</p>							