REPUBLIC OF ZAMBIA

TRANSPORT POLICY

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FOREWORD

The Government recognises the fact that lack of an efficient transport system impacts negatively on the performance of the economy.

To this effect Government is committed to ensuring that the transport sector performs its role as a catalyst in the social and economic development process of the country. Accordingly, therefore, the Government has been injecting requisite investments into the sector in an effort to rehabilitate and recapitalise the entire transport system in the country.

Although investments were injected in the sector soon after independence, subsequent investments over the years have not been able to sustain the existing infrastructure resulting in its deterioration. Lack of a comprehensive policy framework to provide the necessary guidance in investment programmes for the sector has contributed to its poor performance in the economy.

Recognising the investment requirements for the transport sector, the Government has taken specific measures to address the needs of the sector with the assistance of co-operating partners and the participation of private sector.

Policy guidelines for the transport sector designed to effectively contribute to the growth of the Zambian economy are now outlined in this policy document. These policy guidelines are in line with the economic measures currently being pursued by Government to resuscitate the economy. These include the liberalisation of all sectors and privatisation or commercialisation of state owned enterprises.

For implementing agencies in the transport sector, the document shall serve as a framework and provide guidelines for the implementation of policy actions of respective sub-sectors. Each implementing agency will be expected to translate this policy statement into elaborate strategies and action plans to guide their operations.

This transport policy document will facilitate sustainable growth and development of the transport sector, in order to ensure the provision of efficient, safe, gender and environmentally friendly, quality and adequate services, for the benefit of the people of Zambia

This document will serve both as a guide for monitoring and evaluating the implementation of different policy statements and as a basis for reviewing the required follow-up action in the implementation process by the Ministry of Communications and Transport and other stakeholders.

The document will serve as a blueprint regarding the general development direction of the transport sector as intended by Government in partnership with stakeholders.

Hon. L.A.F. Mwape, MP
Minister
Ministry of Communications and Transport

ACKNOWLEDGEMENTS

This policy document is a product of contributions and consultation with various stakeholders. The consultation process took various forms mostly through the three workshops that were conducted to accommodate the views from a varied spectrum of the stakeholder base. The first workshop was held from 17th to 19th May, 1995 at Andrews Motel, Lusaka. The second was held from 18th to 20th November 1998 at Mulungushi International Conference Centre, Lusaka. The Third was held at Mulungushi International Conference Centre from 19th to 21st January 2000. The objectives of these workshops were to extensively solicit for views and ideas from a cross section of society which provided input into the transport policy as it related to economic development of the country.

The views were drawn through a further process of extensive consultation and consensus at provincial level to a point where these were formulated as sets of intentions within which a given vision of what was needed to be done to achieve certain goals and objective.

Although it may not be possible to mention all the stakeholders who made valuable contributions to the formulation of this document, special mention is made of the following organisations: the World Bank for financially supporting the process of articulating the policy framework, the Committee of Permanent Secretaries and Ministers on RMI, Southern Africa Transport and Communication Commission (SATCC), Economic Commission for Africa (ECA) and the Common Market for Eastern and Southern Africa (COMESA) for their valuable inputs into the policy formulation process.

The National Task Force appointed for this exercise and other stakeholders too numerous to mention equally deserve special acknowledgement for the tireless work they put in to review, refine and finalise this document to its present form.

Finally the staff at the Ministry of Communications and Transport should be commended for their invaluable contributions towards the realisation of this milestone achievement in policy making.

Dr. H.C. Mpuku
Permanent Secretary
Ministry of Communications and Transport

ABBREVIATIONS

BOT	Build Operate and Transfer
CIT	Chartered Institute of Transport
COMESA	Common Market for Eastern and Southern Africa
CSO	Central Statistics Office
DCA	Department of Civil Aviation
DMIW	Department of Maritime and Inland Waterways
DRT	Department of Road Transport
ECA	Economic Commission of Africa
GCF	Government Communications Flight
GDP	Gross Domestic Product
MAC	Ministry of Agriculture and Co-operatives
MCT	Ministry of Communications and Transport
MLGH	Ministry of Local Government and Housing
MOFNP	Ministry of Finance and National Planning
MTNR	Ministry of Tourism Environment and Natural Resources
MWS	Ministry of Works and Supply
NACL	National Airports Corporation Limited
NRB	National Roads Board
NRSC	National Road Safety Council
PRSP	Poverty Reduction Strategy Paper
PSRP	Public Sector Restructuring Programme
ROADSIP	Road Sector Investment Programme
RD	Roads Department
RMI	Road Maintenance Initiative
SADC	Southern African Development Community
SATCC	Southern African Transport and Communications Commission
SRP	Social Recovery Programme
TAZARA	Tanzania Zambia Railway Authority
ZRL	Zambia Railways Limited
ZAMSIF	Zambia Social Investment Fund

Chapter 1

1.0 INTRODUCTION

Transport is the movement of people, goods and services. In Zambia the available modes of transport are road, rail, water, air and pipeline. About 80% of people, goods and services are transported by road followed by the Railways, which account for a significant percentage of the movement of the country's bulk cargo. As regards air transport, very little investment has been made and there is need to improve this sector to complement other modes of transport. The contribution of water transport is currently insignificant and could be developed.

One of the most striking aspects of the Zambian transport situation is lack of a coherent policy framework to assess its requirements so that the development of the transport sector proceeds in tandem with the needs of other sectors of the economy. In view of the fact that Zambia is a landlocked country and depends mainly on road and rail transit routes through neighboring countries for external trade, the importance of an efficient transport system cannot be over emphasized.

This document outlines transport policy and comprises ten chapters. Chapter 1 is on introduction, mostly outlining the general sector policies concerning the optimal mix of transport modes and pricing of transport services. Chapter 2 is on Situational Analysis and deals with issues and problems in the transport sector. Chapter 3 deals with vision, goals and objectives. Chapter 4, 5, 6, and 7 deal with goal, policy objectives and strategies of various modes of transport namely roads and road transport, rail transport, air transport and maritime and inland water transport to provide a comprehensive vision and policy directions. Chapters 8 is on Geographical Position – Hub for Economic Development, chapter 9 is on training and research, and finally Chapter 10 is on Institutional and Legal Framework.

1.2 General Overview of the Economy

Zambia is a land locked country with a land area of 752,614 square kilometres and a population of 10 million (CSO 2001). The annual population growth rate is about 3.2%. It is estimated that 46% of the population lives in urban centres and 54% in rural areas. The average population density is about 12 inhabitants per square kilometre.

Zambia reverted to a multi - party system of government in November 1991. A development towards a market economy started with a number of liberalization measures aimed at creating conditions for sustainable economic growth. The major initiative was the opening up of the domestic market to foreign investments to allow competitive trade and to encourage private sector participation in all aspects of the economy. Further, the Government has put in place legislative measures aimed at removing obstacles to promote and enhance private sector participation in the economy. These include the Investment Act of 1993 and the Competition and Fair Trading Act of 1994. The Investment Act aims at attracting private investment whereas the Competition and Fair Trading Act sets the rules under which business may be conducted in a liberalized political, social, and economic environment.

Zambia has also entered into bilateral and multilateral arrangements in the region to ensure that her interests are well represented. Other measures to revamp the economy include the following:

(a) introducing a flexible exchange rate;

(b) liberalising of trade;

(c) removing subsidies on production and consumption;

(d) reforming the public sector;

(e) privatising state owned enterprise;

(f) liberalising agricultural marketing supply and inputs; and

(g) introducing sharing schemes in the provision of public health services.

In 1995, Zambia's GDP recorded a negative growth rate of 2.27%. In 1996 and 1997 there was an increase in the GDP growth rate of 6.6% and 3.3%, respectively. This was followed by a negative growth rate of 2.0% in 1998. The fluctuations in GDP were mainly due to declining world prices for Zambia's exports, particularly copper and to relatively high levels of external debt servicing which negatively impacted on resource flows.

The value added originating from the transport sector registered a negative growth rate of 2.8% in 1995. This value added subsequently increased to 6.0% in 1996 and to 8.3% in 1998. It is important to mention that the road transport sub-sector significantly contributed to an increase of value added for the transport sector since 1996 to-date. These increases are generally attributed to the liberalisation of the economy.

The rail sub-sector, on the other hand, performed unsatisfactorily on account of reduced activities in freight and in uneconomical passenger movements, the direct and immediate consequences of economic liberalisation.

1.3 The role of Transport in development

Transport is critical to development. Inappropriately designed transport strategies and programmes result in networks and services that are not responsive to the needs of the poor, harm the environment, ignore the changing needs of users, and exceed the capacity of public finances. The world-over, transport is acknowledged as capable of generating growth by facilitating trade both nationally and internationally, and by increasing access to health and education facilities, as well as to local and national amenities. At the macroeconomic level, investment in transport raises growth by increasing the social return to private investment without crowding out other productive investment. Inadequate transport infrastructure is a major constraint on aggregate agricultural productivity. Similarly, at the microeconomic level, improvements in transport often lower agricultural input prices and hence the costs of production. Such improvements equally increase access to markets and hence diversification of output and, indirectly, facilitates the development of the non-agricultural rural economy and tourism.

In the urban setting, the quality of transport infrastructure and public transport service influence the location of firms and individuals. The efficiency of the labour market and the costs at which it is obtained are also factors affected by quality transport infrastructure and service.

1.4 Inter-Linkages in Transport

1.4.1 Transport and Tourism

The development of tourism requires an integrated approach in which the transport potential is exploited. This calls for development of transport infrastructure to tourist resorts.

1.4.2 Transport and Agriculture

The development of agriculture in Zambia has assumed increasing importance since the mid-1970s. Zambia has great potential to be self-sufficient in food provided timely delivery of input and marketing of agriculture produce is undertaken through development of transport. In order for the transport sector to effectively support the agriculture sector and improve crop collection in rural areas, feeder roads leading to productive areas and holding depots shall be rehabilitated and maintained; the operation of rail and road transport modes shall be properly coordinated so that rail transport is used as much as possible to carry agricultural produce; and stakeholders will be consulted in the process of identification and selection process of feeder roads to be rehabilitated.

1.4.3 Transport and Energy

Transport consumes nearly half of Zambia's oil supply and a substantial portion of the diesel supply. In the determination of an optimal modal mix in Zambia's future transport system, energy conservation should be one of the most important guiding principles. To this end increased use of rail transport and public transport in general will be encouraged. The use of alternative sources of energy for transportation shall also be encouraged.

1.4.4 Transport and Mining

Zambia is endowed with rich mineral deposits, which have not been fully exploited. This can be attributed to poor road infrastructure. The development and maintenance of the road network will promote the opening up of new mines to exploit and facilitate the marketing of mineral deposits in the country.

Well-maintained roads are critical to reduce vehicle-operating costs and attract investors to contribute to the development of the mining sector as the backbone of Zambian economy.

1.4.5 Transport and Trade

In the COMESA Treaty, Article 84, the member states have undertaken to evolve co-ordinated and complementary transport policies to facilitate inter-state traffic and to promote greater movement of persons, goods and services within the common market.

In order to ensure that transport contributes effectively to the development of trade in the country and the region as a whole, appropriate measures shall be put in place to ensure that transport infrastructure and services are efficient and of good quality.

CHAPTER 2

2.0. SITUATION ANALYSIS

The key issues in the transport sector are to determine the level of sustainable investment, to distribute investment between competing transport modes, to offer fair pricing and creation of infrastructure for the services offered, to develop appropriate infrastructure and to regulate the industry.

Whereas an enabling environment to attract private investment in the sector has been created, the level of such investment is still inadequate to meet and sustain the demand for both goods and services. The rural areas are the worst affected parts of the country in this case.

The inequitable distribution of investment especially in the transport sector is a concern. Investments should address the problems associated with modes at minimum cost to the economy.

With regard to pricing of goods and services in this sector, the principle in the long run is to cover the full resource cost for creating and providing goods and services to avoid mis-allocation of resources.

2.1 Roads and Road Transport

Following the deregulation of the transport industry, a number of service providers have joined the market. To ensure that the quality of service being provided meets the expectations of users there is need for a very effective regulatory regime.

Road transport covers the most extensive area in Zambia since the railway network covers only a small portion of the country. Currently it is the fastest and most reliable mode of transportation in Zambia for the movement of freight and passenger traffic. It complements rail transport for long distance territorial and inter-territorial haulage. In terms of the transport and communications sector, in 1990 the road transport sub - sector contributed 36 per cent to GDP as compared to 24 per cent for the railways.

In 1994 approximately 2.2 million tons of imports and exports were transported by roads as compared to only 400,000 tons by rail. The road transport sub-sector registered an increase in real output of 18.2 per cent in 1998. The value added increased from K63.1 billion in 1997 to 74.6 in 1998. Despite the poor performance of the state owned enterprises, the freight industry performed fairly well with the participation of the private sector. This indicates that the sub-sector is an engine of growth and the key to increased production and incomes in the country.

It is estimated that vehicle usage per day has doubled. The majority of these are passenger vehicles followed by vanettes and trucks, respectively. The road transport sub-

sector has over the last decade suffered on account of several constraints such as not having a policy for investment. The poor state of the Zambian economy and the poor state of road infrastructure for many years also impinged on the growth of the road transport sub-sector. As a result, the performance of the sector has over the years declined thus affecting other sectors of the economy.

However, following the Government's tax concessions on the import of passenger vehicles in 1994 and 1995, in particular buses, the supply of vehicles has drastically improved. Complimentary to the tax concessions on motor vehicle imports the Government relaxed the control on rates and tariffs on passenger fares and freight transport rates to enable operators charge economic rates. This has made the sub-sector attractive to private investment. Government will therefore focus on the following issues:-

(a) safety of equipment used in road transport;

(b) the quality of service being provided by road transport operators;

(c) development of appropriate legislation and strict law enforcement related to permits, overloading and road worthiness; and

(d) improved competitiveness of indigenous operators in the road transport sector

Zambia has a gazetted road network of approximately 37,000 km of which 6,476 km are bituminous and surfaced to Class 1 standard. Gravel and earth roads account for 8,478 km and 21,967 km respectively. In addition there are about 30,000 km of ungazetted community roads comprising tracks, trails and footpaths. A large part of the main road network was constructed between 1965 and 1975 and was not designed to take advantage of the strategic location of Zambia in the sub-region, particularly with regard to regional transportation and the need to tap and harness the country's resources for economic development. The Geography of Zambia is such that access to many areas of the country and neighbouring countries is dependent on the crossings of major rivers. In cases where bridges have not been constructed, pontoons and ferries are used. Most pontoons in Zambia are more than 40 years old and their tonnage ranges from 12 to 100 tonnes.

Over the years the country's investment in road infrastructure has been eroded through lack of proper maintenance. The main problems have been institutional and financial which relate to:

(a) the inadequacy of the institutional framework within which roads are managed;

(b) inadequate and erratic flow of funding;

(c) poor terms and conditions of employment for those who are charged with roads management;

(d) lack of clearly defined responsibilities among road management actors exacerbated by the weak management systems; and

(e) lack of managerial accountability.

The above root causes of poor maintenance consequently led to:-

(a) undue emphasis on force account work with much reliance placed on plant and equipment provided from Government plant pools, free of cost, since road expenditures have always been financed through budget allocations determined as part of the annual budgetary process;

(b) ineffective use of plant and equipment;

(c) the failure to use labour-based work methods as a cost – effective method of road construction and maintenance; and

(d) lack of motivation and incentive to use resources efficiently.

The problems of lack of an adequate institutional framework as well as lack of clearly defined responsibilities are manifested in the present arrangement. The responsibilities for planning, preparing design standards, construction and maintenance of roads are fragmented among the various Government institutions charged with road infrastructure development and management. These are the Ministry of Communications and Transport; the Roads Department in the Ministry of Works and Supply; Department of Infrastructure and Support Services in the Ministry of Local Government and Housing; Department of National Parks and Wildlife Services in the Ministry of Tourism, Environment and Natural Resources and to some extent the Ministry of Agriculture and Co-operative and the Ministry of Finance and National Planning for the Social Recovery Project dealing with rehabilitation of community roads.

The difficulties arising from poor co-ordination among various highway authorities in the management of roads has negatively affected the performance of the sector. In the reform process, Government will direct its efforts at ensuring that these problems are resolved by focusing on the following issues:-

(a) institutional reform and human resources development;

(b) improving management and systems of road agencies;

(c) establishing a sustainable and sound financial base for the provision and maintenance of road infrastructure;

(d) moving away from the management of roads as a social service to a fee for service; and

(e) provision of an acceptable, transparent structure for the management of funds collected for the construction and maintenance of road infrastructure.

Road traffic accidents still pose a big danger to the lives of many road users. In addition, road accidents have a negative impact on the economies of any country. For example, in Zambia road traffic accidents cost about 2.3% of the Gross Domestic Product (GDP). By 1997, it was estimated that an average 1000 people die from road traffic accidents in Zambia each year. Another 5,000 people are injured of whom more than half are

seriously injured and require hospitalisation. These accident statistics are among the highest in the region. The main causal factors relate to incompetent driving exacerbated by inadequate traffic signs and faulty vehicles. Further, roads in poor state have contributed to accidents, especially on busy urban roads. There is therefore need to actively promote road safety and road user etiquette.

2.2. Rail Transport

Railways are the backbone of the Zambian transport system, accounting for a significant percentage of the movement of the country's foreign trade. Historically, being the major carrier of minerals, the country's main export, the railways have continued to play a dominant role in the nation's economic development and conveniently the major carrier of bulk cargo.

Zambia's railway network consists of two main systems namely, Zambia Railways and the Tanzania Zambia Railways. Other railway systems include the Mulobezi Railway line and the Chipata- Mchinji Railway Project.

The Zambia Railways system has a total track length of about 1,266 km out of which 948 is the main line, and runs from the border with Zimbabwe in Livingstone in the south up to the border with the Democratic Republic of Congo, with branch lines on the Copperbelt.

The Tanzania-Zambia Railway system which is jointly owned by the Governments of Zambia and Tanzania connects Zambia to the great lakes region and the sea port of Dar-es- Salaam in Tanzania. The track has a total length of about 1,700 km from Kapiri-Mposhi to Dar- es- Salaam connecting to the Zambia Railways system at Kapiri Mposhi.

The Mulobezi Railway Line stretches from Livingstone to Mulobezi, south west of Zambia. This line is managed by Zambia Railways on behalf of the Government. The railway line provides a social service to the local community.

The Chipata- Mchinji Railway Project is meant to connect Zambia to the seaport of Nacala in Mozambique through Malawi. Plans are underway to connect the railway line to the Zambia Railways and or the TAZARA systems.

Zambia's railway system suffers from two main operational constraints: historically, poor track maintenance in respect of Zambia Railways and low availability of main line locomotives and wagons in the case of TAZARA. The problems being faced by the railway systems have reduced their service capacity considerably and hence their present inability to attract traffic. There is need to concession railways to meet the challenges of Zambia as a hub destination.

In the recent past, however, there has been a downward slide of railway transport and this has happened in parallel with increasing pressure on national finances. The railways are losing billions of kwacha as a result of inefficiency, competition from other transport modes, weak management and inadequate investment. Given these perennial problems, therefore, the Government can no longer afford bad rail services.

2.3. AIR TRANSPORT

Since 1991, the Zambian Government has pursued a policy of liberalisation of the economy. Air transport has not been an exception. Liberalisation has resulted in the formation of private local airlines. The slow growth in the industry can be attributed to factors such as unattractiveness of the Zambian market caused by poor infrastructure, small passenger loads, and lack of properly managed tourist destinations.

There is great potential for private investment in the domestic air services arising from the abundance of tourist attractions in the country and increasing economic activity across Zambia‘s many borders. However, very little investment has been made in the sector. As a result many tourist attractions are not easily accessible by air. With regard to aerodromes, the Government is still the main provider of this service and due to poor funding the majority of these facilities are in a poor state of repair.

Currently, there are 144 airports/aerodromes in the country of which National Airports Corporation manages the four major airports. The rest are either managed by Government or individuals and private sector organisations. Air Navigation Services are provided throughout the country by National Airports Corporation Limited.

Air transport has not achieved the highest degree of efficiency partly due to shortcomings in the existing legal framework. There is need therefore to formulate policies and regulations that should improve the performance of the sub-sector and maximise economic benefits to Zambia.

There is need to improve air services to complement other transport modes and to make Zambia a regional air transport hub.

2.4 MARITIME AND INLAND WATER TRANSPORT

The contribution of inland water transport to the movement of goods and passengers in Zambia is presently not significant. The country has abundant navigable lakes and rivers but the development of the sector has been inhibited by lack of technical know-how in the management of inland waterways. The situation has been exacerbated by lack of handling equipment at harbours and inadequate dredging facilities particularly for canals and rivers. There is need to develop Zambia‘s lakes, rivers, ports, and harbours to increase alternate use of transport modes and improve trade with neighbouring countries.

Over the years most canals have not been maintained due to lack of funding. The prolonged neglect of these canals, waterways and harbours have had an adverse effect on the operation of water transport companies. Due to problems such as lack of dredging and clearing of weeds and mud all waterways have come to a halt. This has made the remote rural areas, which depend on water transport inaccessible and undeveloped. For sustainable national development there is need for a national transport policy that requires the development of a comprehensive inland waterways development and maintenance programme.

Recognizing that Maritime Transport plays a vital role in the development of foreign trade, Zambia actively involved itself in shipping and became a member of regional and international shipping organizations.

After the liquidation of the Zambia National Shipping Line the country now depends on foreign shipping lines for the transportation of her imports and exports. The Ministry of Communications and Transport through the Department of Maritime and Inland waterways monitors Zambia's involvement in deep sea or ocean shipping activities as provided for in the Merchant Shipping Act.

The issue to be tackled under Maritime is for the Government to come up with a comprehensive maritime policy that will promote private investment in maritime transport to stimulate trade.

The price and quality of shipping services can also have a critical effect upon the Zambian industry particularly on upcoming manufacturing industries. Quiet apart from the effect of shipping upon trade and industry, Zambia has ground for concern about the level of freight rates, because they have a direct bearing on costs of both imports and exports.

Currently the port of Mpulungu is the only major inland transit port, which enables Zambia to trade with other countries bordering lake Tanganyika on the one hand and other SADC states on the other. Facilities at the port are inadequate to meet the cargo throughput demand.

There are other inland harbours along the inland waterways, which are still undeveloped and are merely landing stages for passengers and goods. The lack of development has been inhibited by lack of investment in the infrastructure. There is therefore need to develop these harbours to the international standard and improve trade with neighbouring countries.

2.5. Spatial Development

Most of the country's transport development has centred around the north-south rail and road axis, with the peripheral areas remaining relatively underdeveloped. It is imperative that future development of the transport system addresses this problem by paying more attention to the development of economically backward areas of the country. Development of transport is critical to poverty reduction as it provides access to opportunities, resources and markets. There is therefore great need to develop transport in rural areas to develop the enabling environment for self-development as a sustainable approach to poverty reduction and economic growth. Development of transport is therefore an important strategy to poverty reduction. No sector whether it be agriculture, education, health, energy, mining, tourism, industry and governance can deliver without transport. The balanced development of the country therefore hinges on transport. The focus shall be on planning for transport and spatial development in key strategic areas to optimise economic activity and growth;

2.5.1 Optimal Modal Mix in integrated Transport.

2.5.1.1 Integrated Transport strategy

The issue of integrated transport is new in Zambia and the implications and implementation of the concept needs clear understanding. The issues to be tackled under integrated transport shall include:-

(i) optimising the movement of goods and people internally and across borders through:

(a) improving the efficiency of cross-border formalities to facilitate cross-border movements through harmonised documentation and procedure;

(b) standardising documentation and regulatory procedures;

(c) upgrading border post infrastructure to take advantage of one-stop facilities;

(ii) promoting fair competition between the different modes of transport;

(iii) harmonising standards, road signs, legal axle limits and axle load enforcement;

(iv) developing reliable data to facilitate integrated transport operations and decision making;

(v) encouraging and facilitating joint ventures and inter-modal alliances to improve competitiveness;

(vi) ensuring security and safety of passengers and goods in transit;

(vii) harmonising among countries, road user charges, licensing/ permits, fines, insurance, registration procedures;

(viii) optimising regional resources which includes training and access to finance, through specific training in business management related to integration of transport operations;

(ix) developing infrastructure to facilitate efficient inter-modal linkages and transfer facilities between modes;

(x) participating in corridor development by different modes of transport in Zambia;

(xi) developing an integrated regulatory framework for transport in Zambia; and

(xii) establishing equitable cross-border capacity of infrastructure through the promotion of regional projects.

2.6. Pricing and the role of the market forces

An important issue for transport policy is the necessary regime to be adopted in setting prices for transport services and infrastructure provision. Currently, there is no level playing field in the provision of infrastructure for different mode of transport such as rail, road, water and pipeline. Whilst rail and pipeline have to provide their own infrastructure namely the way, the road and air transport do not meet the cost of providing the infrastructure. In principle, prices must, in the long run, cover the full resource cost of creating and providing transport services in all modes of transport. Pricing in passenger and freight operations will have to be regulated by market forces.

2.7. Environmental Issues

Zambia's environmental policy is founded on three fundamental principles:

(a) the right of citizens to a clean and healthy environment,

(b) the participation of local communities and the private sector in natural resources management, and

(c) mandatory environmental impact assessment of major development projects in all sectors.

There is a general lack of concern about the environmental impact in regard to growth of transport, especially road traffic. The problem is acute in cities where moving vehicles generate noise, fumes and often-hideous visual intrusion resulting in accidents, personal stress and physical damage to the fabric of urban society.

Appropriate regulatory measures on vehicle size, weight, noise and fumes can be an effective protection against environmental pollution. Similarly, effective traffic management can reduce traffic congestion in the urban areas and bring about significant environmental gains.

In the development and maintenance of roads, measures are being taken to minimise environmental impact such as water pollution, soil erosion, fauna and flora deterioration and disruption of traditional lifestyles.

2.8. Gender Issues

In the past the transport sector has pursued non-gender responsive development strategies, which led to the majority of women, especially those in farming communities, have very little access to transport facilities. In this regard the government shall institute measures to correct and facilitate the process of removing existing gender barriers by integrating the transport needs of women into the mainstream of transport policy and planning. Such efforts shall also include other disadvantaged groups. Women, children

and handicapped persons have not been catered for in the provision of transport, which result in disadvantaging them in contributing to development.

2.9. Disabled and Aged Persons

Disabled and aged persons encounter many practical problems when using different transport modes. Very few attempts have been made to address this issue. It is Government's intention to take measures within the different transport modes to better facilitate the movement of disabled and aged persons.

CHAPTER 3

3.0 VISION, RATIONALE AND OBJECTIVES

The central role of transport in Zambia's national development has been well recognised and outlined in previous national development plans.

However, experience has long since undermined the rosy optimism of aid financed, government led, accumulationist strategies for development. Rapid development is possible, and should be based on markets with the state playing an effective, economically important facilitating, but not dominant, role.

The need for an efficient transport system to stimulate production and development by linking production to demand, employment generation and income creation has always been appreciated. However, in determining sector allocations in national development plans, the transport sector has never received a matching priority in comparison with other sectors.

The major reason has always been a lack of appreciation of the need for ensuring macro economic efficiency through the allocation of sufficient resources to the sector. Consequently, the transport sector has not done well in benefiting from resources and projects aimed at enhancing productivity and increased level and quality of services.

In order to address the above problems Government is committed to invigorate the transport sector and will strive to:

(a) strengthen the Ministry responsible for transport to ensure that it plays its role of effective coordination and regulation in the transport sector;

(b) create capacity commensurate with the transport requirements of the economy by ensuring that sufficient resources are invested in the transport sector;

(c) allocate available resources among the various transport modes so that the resultant modal mix meets transport requirements at optimum cost to both the provider and the user;

(d) promote transport pricing that will ensure a reasonable return on transport investments;

(e) improve mobility in rural areas through the promotion of the use of appropriate means and modes of transport;

(f) encourage and promote increased private sector participation in the provision management and maintenance of transport infrastructure and services;

(g) provide equal opportunities for men and women in transport,

(h) recognise and account for environmental concerns within the transport sector in line with the National Environmental Action Plan;

(i) ensure safety standards in all modes of transport by enforcing appropriate safety measures under an improved management regime;

(j) ensure co-ordinated disaster management in all modes of transport by enforcing appropriate protective and control measures; and

(k) introduce sound management through appropriate policies and institutions in the transport sector that will lead to rapid sustainable development and poverty reduction.

CHAPTER 4

4.0 ROADS AND ROAD TRANSPORT

The goals, policy objectives and strategies of roads and road transport are detailed below:

4.1 Road Transport

4.1.1 Goal

The Government has set itself to achieve the following goals as part of its road transport development process:-

(a) provide adequate, financially and economically sustainable road transport infrastructure able to facilitate domestic, regional and international trade.

(b) improve access to jobs as a means of poverty reduction, through increased economic activity in the road transport industry.

(c) ensure the provision of a safe, efficient, integrated and environmentally friendly road transport system which meets the needs of road users and which supports regional road transport strategies, for sustainable development;

(d) ensure that gender equity and the special needs of the disadvantaged persons in society are taken into consideration.

4.1.2 Policy Objectives

The objectives of road transport are as follows:-

(a) to create an enabling environment to attract both local and foreign private investment aimed at developing the road transport industry.

(b) to create capacity commensurate with the transport requirements of the economy by allocation of sufficient resources in the road transport sector.

(c) to ensure the rational allocation of available resources among the various transport modes so that the resultant modal mix meets transport requirements at optimum cost to both the provider and the user.

(d) to ensure that road transport-pricing system is determined by market forces.

(e) to foster human resource development in the road transport industry through the design and implementation of appropriate road transport training programmes;

(f) to create an enabling environment for protection of the environment and road infrastructure; and

(g) to ensure compliance to existing regulations with regard to licences.

4.1.3 Strategies

In order to achieve the policy goals and objectives the following strategies shall be implemented:-

4.1.3.1 Licensing

The Government shall:-

(a) require all vehicles plying for hire and reward to be licensed;

(b) require that before all transport operators are issued with licences they should be in possession of insurance cover and tax clearance certificate;

(c) encourage *quality* licensing;

(d) require the use of meters in all taxis;

(e) introduce an operator's licence in both freight and passenger road transport;

(f) introduce appropriate measures to ensure balanced distribution of transport services;

(g) introduce a road service licence for own account operators for light commercial vehicles;

(h) require all non-commercial vehicles to be registered and licensed;

(i) concession to the private sector motor vehicle examination and testing in accordance with regionally accepted standards;

(j) introduce appropriate incentives to local investors to encourage them invest in the sector;

(k) improve linkages between implementing agencies in the road transport sector;

(l) ensure effective enforcement of road traffic laws and regulations; and

(m) introduce modern systems for efficient licensing and revenue collection.

4.1.3.2 Regional Road Transport

In order to promote the growth of the road transport industry in the region, Government shall:-

(a) make efforts to enter into bilateral and multilateral agreements with neighbouring countries based on non-discrimination, reciprocity and extra-territorial jurisdiction;

(b) ensure that, through international agreements and protocols, Zambian transport operators are allowed to compete on equal terms in cross border movements;

(c) ensure that traffic handling and management systems at border posts are improved to facilitate increased and smooth flow of cross border transportation and trade;

(d) introduce relevant legislation in order to harmonise the road traffic and safety standards in conformity with regional and international protocols;

(e) phase out the registration of left hand vehicles;

(f) improve road traffic control and policing systems and the process of adjudication of offences in order to enhance law and order on the roads; and

(g) facilitate the development of the domestic road transport industry in order to level the playing field at the regional level.

4.1.3.3 Overload control

Government shall introduce stringent control measures to deter overloading and protect investment in the road infrastructure

4.1.3.4 Land Use and Urban Road Transport:-

In order to promote land use and urban road transport the following strategies shall be implemented:-

(a) undertake co-ordinated land-use and road transport planning to ensure efficient urban road transport operations;

(b) carry out environmental impact assessments in the operation and planning of urban road transport to ensure the provision of environmentally friendly transport services;

(c) facilitate the introduction of mass transit transport systems in the major urban areas;

(d) introduce traffic management schemes in towns to facilitate easy movement of traffic; and

(e) ensure that urban transport planning is carried out in local authorities.

4.1.3.5 Rural Travel and Transport

In order to promote the rural travel and transport the following strategies shall be implemented:-

(a) establish an institutional framework for the development and management of rural transport and travel in the country;

(b) improve the planning, management and financing of rural road transport as well as upgrading the road infrastructure such as community roads, paths, tracks, trails and footbridges through community participation;

(c) facilitate the rural communities with establishment of sustainable approaches to the construction and maintenance of rural transport infrastructure;

(d) facilitate the introduction and promotion of appropriate motorised and non-motorised means of transport aimed at improved mobility in rural areas;

(e) encourage the development of industries for the design, manufacture, repair and maintenance of intermediate motorised and non-motorised means of transport for rural areas,

(n) introduce appropriate incentives to local investors to encourage them invest in the sector;

(o) introduce attractive incentives for rural transport operators;

(f) ensure that gender issues are considered in rural travel and transport.

4.2 Road Infrastructure

The goals, policy objectives and strategies of road infrastructure are detailed below:

4.2.1 Goal

For sustainable national development there is need for a national transport policy that requires the development of a comprehensive road programme, which is divided into three priority categories. These categories are:-

(a) roads which aid economic recovery and development;

(b) roads which bring environmental and social benefits; and

(c) preserving investment already made in roads through maintenance.

This would satisfy the national goal of working constantly to reduce transportation problems through planned programmes.

The goals are:-

(a) to provide a nation-wide, well-maintained, safe and sustainable road network in order to promote national socio-economic development;

(b) to develop an institutional framework able to offer competitive terms and conditions of employment; and

(c) to develop an appropriate organisational structure for efficient management of the road sector.

4.2.2. Policy Objectives

Government shall adopt the following policy objectives:

(a) provide, maintain and improve roads in order to ensure improved accessibility and minimise road transport costs;

(b) preserve investments through sustainable maintenance management of road network and efficient axle load control;

(c) streamline and build an appropriate institutional framework and capacity to ensure sustainability of management of roads;

(d) create a sustainable system for domestic financing and management of the road network that will reduce dependence on external financing for maintenance and rehabilitation;

(e) take measures to develop the domestic consulting and contracting industry;

(f) improve accessibility in the rural areas with emphasis on feeder roads leading to productive areas;

(g) upgrade and construct roads to open up agricultural areas and promote national and regional transportation exploiting the strategic geographical positioning of Zambia in the region;

(h) ensure that environmental and safety concerns are adequately addressed in the design, rehabilitation and maintenance of roads; and

(i) streamline the institutional arrangements for the management of the road sector by setting up a road development agency through an Act of Parliament.

4.2.3 Strategies

Based on the policy objectives, Government shall pursue the following strategies:

(a) involve the private sector in road construction, rehabilitation and maintenance;

(b) increase gradually resources to the road fund to enable it become self-financing in the maintenance and rehabilitation of the road network;

(c) institute the direct channelling of all road user charges to the Road Fund;

(d) facilitate access to equipment for local road contractors through leasing arrangements in order to develop local small-scale contractors particularly in rural areas;

(e) facilitate provision of credit financing to small and medium scale road contractors through the financial system;

(f) Introduce commercial management practices to foster institutional, economic and technical efficiency in the road infrastructure sub sector;

(g) Involve local communities in the management of roads;

(h) Develop capacities of local consultants and contractors by encouraging joint ventures between local and foreign consultant and contractors to ensure sustainable road management;

(i) carry out environmental impact assessment in order to address environmental concerns;

(j) incorporate lay-bys, cycle tracks, pavements, road furniture, distance markers, road markings, traffic signs and parking areas, in the design, construction and maintenance along the roads to ensure safety in conjunction with local communities;

(k) establish and update regularly proper maintenance standards in order to promote quality of road maintenance;

(l) provide weigh-bridge facilities through increased private sector participation as part of road infrastructure management and development;

(m) standardise contract documentation procedures including general conditions of contract, specifications, and methods of measurements;

(n) give weightage in favour of the local contractor and consulting industry in evaluation of tenders in order to promote and develop local capacity;

(o) ensure that packaging of contracts is designed in such a manner as to encourage the participation of local contractors;

(p) ensure that economic and social rates of return are applied for trunk, main and urban roads in the selection of roads for improvements;

(q) ensure that multi-criteria ranking is applied in the selection of strategic main roads, feeder, district, tourist and community roads for improvement in order to take into consideration social, political and strategic development needs;

(r) ensure high quality in the development of new roads in the country through the adoption of following criteria:-

i) opening up of new areas with good economic potential to facilitate development;
ii) provision of reliable and efficient road links between agricultural producing areas and the market centres or rail heads;
iii) connection of villages to district administration centres to enhance social, economic and political integration;
iv) provision of road links to promote specific economic ventures driven by market forces; and
v) provision of safe, efficient and reliable routes to neighbouring countries and seaports to facilitate regional transport, exploiting the strategic position of Zambia in regional trade and transport;

(s) institute measures for sustainable management of community roads, bridges, culverts, canals, pontoons, tracks and trails in order to improve accessibility of rural communities;

(t) promotion of public awareness on road maintenance and encourage community participation in the management of roads;

(u) ensure adequate maintenance of rural road infrastructure for ease of access;

(v) ensure the identification of road capacities, and mapping of the strategic core road network;

(w) ensure that the strategic core road network is of adequate design and capacity and maintained in good order all year round; and

(x) protect the core network against natural and man-made disasters.

4.3 Road Safety

The goals, policy objectives and strategies of road safety are detailed below:

4.3.1 Goal

To protect the lives of road users and property through the introduction of appropriate road safety measures and enforcement of regulations.

4.3.2 Policy Objectives

In order to achieve the stated goal Government shall pursue the following policy objectives:

(a) ensure road safety engineering aspects are compulsory in the construction, rehabilitation and maintenance of roads;

(b) improve the awareness of the need for better road safety behaviour among the road users through publicity and training; and

(c) improve the enforcement of traffic laws and regulations.

4.3.3 Strategies

Based on the policy objectives the Government shall:-

(a) institute safety engineering within the present and future institutional arrangements in the road sector;

(b) improve the reporting and analysis of road accident data in order to better target actions towards priority road safety measures;

(c) ensure that the lives of all road users are protected through the introduction of appropriate road safety measures with strict enforcement of road traffic laws and regulations;

(d) improve the co-ordination between institutions involved in road safety activities at national and regional level.

(e) institute arrangements for a more efficient and effective enforcement of traffic regulations; and

(f) introduce an insurance safety levy to finance road safety programmes.

CHAPTER 5

5.0 RAIL TRANSPORT

In order to address the problems of rail transport the Government shall focus on the following issues:-

(a) streamlining of the railway organisation, reforming management and upgrading essential railway labour to improve labour productivity;

(b) encouraging private sector involvement in rail management through concessioning in order to improve railway efficiency;

(c) ensuring that the bulk of cargo transportation is carried by rail in order to reduce pressure on the road network;

(d) ensuring the preservation of investment and the continuous improvement of rail infrastructure;

(e) expanding and strengthening of government capacity to develop supportive regulatory and investor-friendly legislation, monitor compliance with policies and legislation; and

(f) standardising practices and procedures in line with SADC member states to provide seamless and predictable service throughout the region.

For this purpose the goals, policy objectives and strategies of rail transport are detailed below:

5.1 Goal

To provide a competitive, cost- effective, commercial, efficient and market-driven railway transport system.

5.2 Policy Objectives

In order to meet the above stated goal, the policy objective shall be to:

(a) maximise railway capacity;

(b) reduce railway deficits and government funding burdens;

(c) encourage the functioning of railways as a market-sensitive commercial enterprise;

(d) enhance inter-modal transport competition; and

(e) ensure private sector participation.

5.3 Strategies

In order to achieve the above policy objectives, the Government shall implement the following strategies:

(a) encourage passenger services and the transport of bulk cargo by rail, in order to ease the burden on the roads;

(b) create a level playing field between the competing modes of road and rail by, among other things, applying the "user pay principle" in the provision and maintenance of infrastructure;

(c) support strategic transport investment and rehabilitation with duty and other tax concessions. In particular this will apply to railways for so long as the railways are required to fully fund their own infrastructure maintenance;

(d) introduce appropriate measures to ensure balanced distribution of railway transport services.

(e) facilitate private sector participation through concessioning and joint ventures in the management and provision of railway infrastructure and operations in order to improve the commercial viability of railways;

(f) review the regulatory structure to facilitate appropriate concessioning of railways;

(g) develop an integrated railway transport system, which will support competition among the various modes of transport;

(h) foster inter-modal co-operation between road and rail, especially for the movement of international freight and passengers;

(i) promote co-operation with regional railways in order to ensure undisrupted movement of cargo at interchange points, through- running of locomotives, as well as other rolling stock and other measures to improve customer satisfaction.

(j) promote collaboration between Zambia Railways Limited and TAZARA in the operations;

(k) concentrate on the core railway business of providing freight and passenger services;

(l) extending the Zambian railway network such as Chipata-Mchinji rail link and the Kasama-Mpulungu rail link as part of railway network development strategy;

(m) enhance railway operations and safety through modernisation and strict enforcement of railway safety regulations;

(n) continue to maintain the policy of exempting public passenger transport fares from Value Added Tax with the objective of encouraging private sector technology

transfer and investment in track development, rolling stock provision and maintenance;

(o) ensure the identification of rail capacities, and mapping of the strategic core rail network;

(p) ensure the strategic core railway network is of adequate design and capacity and maintained in good order, and

(q) protect the railway network against natural and man-made disasters.

CHAPTER 6

6.0 AIR TRANSPORT

In order to address the problems of air transport the Government shall focus on the following issues:-

(a) pursuing legal and institutional reforms aimed at revamping the industry to meet the challenges of a liberalised environment;

(b) promoting civil aviation in accordance with the Convention on International Civil Aviation;

(c) ensuring compliance with regional and international agreements;

(d) encourage, training and professional development of human resources in the aviation industry; and

(e) attracting both national and international carriers to stimulate tourism and trade.

For this purpose the goals, policy objectives and strategies of air transport are detailed below:

6.2 Goal

To attain a safe, efficient, developed and sustainable private sector driven air transport industry, which ensures customer needs and local participation.

6.3 Policy Objectives

To improve the performance of the air transport sector, the Government shall carry out institutional reforms to provide for an efficient regulatory framework to ensure compliance in the industry.

To achieve the above stated goal, the Government shall;

(a) create a competitive environment in line with liberalised economy;

(b) ensure effective regulation of the *air* transport industry;

(c) ensure environmentally friendly air transport industry;

(d) ensure safe, efficient and cost effective services;

(e) ensure safe and efficient air navigation services in accordance with international civil aviation standards;

(f) promote the development of air transport through trade and tourism;

(g) attract private investment in airports/aerodromes and airline operations;

(h) contribute to the overall development of the air transport industry and the economy;

(i) not permit foreign international air carriers to operate on domestic routes;

(j) promote co-operation and achieve sustainable operations of world standard, particularly in the region;

(k) encourage public investment in air navigation services with possible private partnership participation;

(l) encourage consultation between airports and air navigation services providers and users of services;

(m) ensure Zambian air service providers are placed on an equal footing in the region and internationally; encourage joint ventures between local and international air transport operators; and

(n) encourage partnerships between local and foreign airlines.

6.4 Strategies

Based on the policy objectives, Government shall:

(a) carry out institutional reforms to provide for an efficient regulatory framework in order to ensure compliance in the industry;

(b) ensure that assigned traffic rights are not reassigned by the recipient to another airline or operator.

(c) promote private operation of airports and aerodromes;

(d) encourage private investment in the air industry;

(e) ensure that air operations are in accordance with the International Civil Aviation Organisation standards and recommended practices;

(f) regulate all air services;

(g) introduce multiple designation of Zambian registered airlines on domestic and international route networks;

(h) encourage civil and military liaison;

(i) set regulations for micro-light and home built aircraft;

(j) carry out surveys to assess the adequacy and utilisation of the existing airport/aerodromes infrastructure;

(k) provide incentives for start up Zambian entrepreneurs in order to encourage practical and equitable participation of local investors in the air industry by provision of incentives such as tax relief for a specified period;

(l) ensure that all air service providers in Zambia comply with provision of services that are gender friendly and conducive to the disabled; and

(m) ensure that air service providers provide safe, efficient, environmentally friendly and cost effective air services.

CHAPTER 7

7.0 MARITIME AND INLAND WATER TRANSPORT

The goals, policy objectives and strategies of maritime and inland water transport is detailed below:

7.1 Goal

To attain a developed, safe, efficient and sustainable maritime and inland waterways transport system in order to promote national economic development and regional co-operation.

7.2 Policy Objectives

In order to achieve the above stated goal, Government shall:-

(a) improve the safety and efficiency of inland water transport system and shipping;

(b) promotion of regional co-operation;

(c) achieve greater participation in international and inland waters shipping activities and thus contribute to the economic growth and development of the country; and

(d) promote a safe and clean marine and inland waterways environment.

7.3 Strategies

Based on the above policy objectives, Government shall:-

(a) facilitate the establishment of commercial shipping lines at national, regional and international levels;

(b) prepare a comprehensive plan for ensuring proper navigability on all designated waterways in the country;

(c) develop and improve infrastructure at the existing ports to the standards of regional ports through private sector participation;

(d) encourage private sector participation in the provision of water transport services;

(e) facilitate the development and provision of:

i) terminal facilities;
ii) navigational aids on navigable waterways;
iii) marine communication; and
iv) improved low cost water transport services.

(f) facilitate the commercialisation of selected harbours and dry ports to enhance rapid movement of goods and passenger traffic;

(g) provide incentives such as tax relief on imported water craft, spare parts, navigation equipment and boat building materials to encourage investment in water transport and leisure tourism;

(h) promote freight and forwarding agents as a vital link in the transport chain;

(i) establish search and rescue centres in conjunction with appropriate institutions;

(j) create an enabling environment for local and international investment in marine infrastructure development;

(k) encourage cross-border marine traffic;

(l) ensure compliance with regulations on installation of marine communication facilities on board water vessels and base stations;

(m) review the regulatory structure to facilitate appropriate concessioning of inland water transport; and

(n) introduce appropriate measures to ensure balanced distribution of inland water transport services.

CHAPTER 8

8.0 GEOGRAPHICAL POSITION - HUB FOR ECONOMIC DEVELOPMENT

Zambia is a landlocked country covering an area of 752,614 sq.km. It shares borders with Malawi, Zimbabwe, Tanzania, Mozambique, Botswana, Namibia, Democratic Republic of Congo and Angola. The colonial Government constructed main roads and railways from the north to the south passing through neighbouring countries in order to transport copper to the sea ports in South Africa, Angola and Mozambique. Thus, construction of international links was export oriented as opposed to one of creating Zambia as an economic hub in the region. Apart from locally administered roads, principal communication in all modes was directed towards Europe. Additional functions of an improved transport network were the movement of food to the Copperbelt area with a high population of people working in the mines. During the post independence era Zambia continued to use the same network for its imports and exports.

The historical pattern of transport development has influenced the development of the current transport system in the country. Zambia continues to use the road and railway network as the main modes of transport for its imports and exports through neighbouring countries to the ports of Dar Es Salaam, Durban and to a lesser extent Walvis Bay and others. Despite the country's geographical position, the government has realised that its position can serve as a hub of economic development in the region as most of its neighbours transit through it. Unlike in the past, Government has realised that transport plays a key role in the development of a modern industrial society, through a multi-modal transportation system operated through various infrastructure including roads, railways, airways, inland waterways and pipelines. The Government has also realised that lack of well organised and coordinated transport in a land-locked country can be a retarding factor to development.

In an effort to make Zambia, a hub of economic development in the region, Government has taken steps to reform the transport sector which includes liberalisation. The sector is private sector driven and Government's role is to facilitate private investment in the sector. Most rehabilitation and road maintenance work is being contracted out in order to further increase private sector involvement. Top priority is being given to rehabilitation of the existing infrastructure and opening up of other areas in order to have links with neighbouring countries through public-private sector participation.

8.1 Goal

To develop existing, and construct new infrastructure to link neighbouring countries so that Zambia could be used as a transit country in the region.

8.2 Policy Objectives

The above stated goal is intended to achieve the following objective:-

(a) to promote economic and social growth based on development of road, air, pipeline, water and rail transport.

8.3 Strategies

Based on the above policy objective Government shall pursue the following strategies:

(a) develop road, waterways and railway corridors leading to sea ports in neighbouring countries through joint projects and regional initiatives;

(b) develop aerodromes and airports to international standards through private sector participation;

(c) develop and encourage the use of private contractors, participation of the community and use of labour-based methods in the maintenance of transport infrastructure;

(d) develop ports and harbours infrastructure through private sector participation; and

(e) encourage private sector participation in the development of the transport industry.

CHAPTER 9

9.0 TRAINING AND RESEARCH

9.1 Goal

The goal of training and research is to attain national self sufficiency in human resources through Training, Research and Development in order to facilitate sustainable growth and development of transport sector.

9.2 Objective

In order to achieve the stated goal, the Government 's Policy Objective shall be to make Training, Research and Development interventions compulsory in all modes of transport in order to keep abreast with technological developments and upgrade capacity and capability of human resources to deliver competitive services.

9.3 Strategies

In order to achieve the objective, the Government shall adopt the following strategies;

(a) allocate a percentage of budget by each mode of transport for Training, Research and Development;

(b) encourage Institutions of higher learning to include the Science and Art of transport in their curricular;

(c) encourage Research and Development in appropriate means of transport to meet the emerging needs of people especially in rural accessibility and mobility;

(d) cooperate with other SADC and COMESA members states in the establishment of regional centers of excellence in transport training;

(e) recognize the primacy of the professional bodies in transport for the industry and put in place measures to recognise and encourage there development to promote professionalism in the industry;

(f) establish training programmes in transport planning, research and management;

(g) make provisions for ensuring professionalism within the transport industry by supporting training initiatives at recognised institutions; and

(h) introduce specialised training programmes for officers involved in regulation and law enforcement and transport operators and their employees.

CHAPTER 10

10.0 THE INSTITUTIONAL AND LEGAL FRAMEWORK

10.1 Institutional Framework

The Ministry of Communications and Transport is responsible for overall policy-formulation and monitoring of the transport sector. The Ministry has the following departments charged with various responsibilities: Departments of Road Transport, Civil Aviation, Maritime and Inland Waterways, and Government Communication Flight. In addition, the Ministry oversees the operations of the following corporate bodies and institutions on behalf of the Government:

(a) National Roads Board;
(b) National Road Safety Council;
(c) National Airports Corporation Limited;
(d) Contract Haulage Limited;
(e) Zambia Railways Ltd;
(f) Tanzania-Zambia Railway Authority;
(g) Mpulungu Harbour Corporation;
(h) Bangweulu Water Transport; and
(i) Mweru Water Transport.

In the road sector, however, there are many players involved in the construction, rehabilitation and maintenance of the roads as outlined below.

(a) Ministry of Works and Supply

Responsible for construction and maintenance of trunk, main, and district roads.

(b) Ministry of Local Government and Housing

Responsible for construction and maintenance of urban and Feeder roads.

(c) Ministry of Agriculture and Cooperatives

Responsible for construction and maintenance of agriculture roads.

(d) **Ministry of Tourism Environment and Natural Resources**

Responsible for construction and maintenance of game park roads.

(e) Ministry of Finance and National Planning

Responsible for construction and maintenance of community roads through the Zambia Sector Investment Fund (ZAMSIF).

In addition, there are a number of non-government institutions which are also working on roads. There is fragmentation of responsibilities in the road sector and at times roads are left unattended to because it is not clear which institution does what. In order to address this problem and those mentioned in Chapters 2 there is need to improve on the following three key issues:

(a) Coordination of the programmes,
(b) Mobilization of resources and
(c) Disbursement and utilization of funds.

10.1.1 Coordination of the road sector programmes;

In order to introduce a co-ordinated approach to development of roads, road transport and safety in the country, Government shall pursue the following:

(a) Road Infrastructure

The Government shall bring all roads under the Ministry of Works and Supply and managed through a Road Development Agency. This will overcome the problem of roads being developed in isolation without any connectivity through all types of road network namely rural, feeder, district, main, trunk and urban roads.

The Agency shall be charged with the responsibility of developing the entire road network in the country through implementation of programmes approved by the Committee of Ministers on Road Maintainace Intiative. This will institute a co-ordinated and integrated road development in the country in order to enable the movement of goods and services cost effectively from the farm to the market and vice versa.

There shall be only one integrated programme in the road sector funded through the Road Development Agency approved by the Committee of Ministers.

Mechanism shall be devised to encourage private sector investment in the road sector through commercialization of roads, build operate and transfer concepts and other forms of direct investment of road development such as the introduction of toll roads.

In this case the functions of Roads Department under the Ministry of Works and Supply and Department of Infrastructure and Support Services under Ministry of Local Government and Housing shall be under this Agency. There shall be two departments under a Chief Executive Officer, one responsible for Trunk, Main and District roads and another for Urban and Feeder Roads. This Agency shall undertake programming,

procurement, monitoring and overall supervision of all road works in the country undertaken through Contract Account.

(b) Road Transport and Safety

The Department of Road Transport and National Road Safety Council shall be merged to constitute a Road Transport and Safety Agency. This Agency shall be under the Ministry of Communications and Transport. The Agency shall be responsible for implementation of policy on road transport and traffic management, road safety and enforcement of laws regulating road transport and safety in the country. In addition this Agency, shall be responsible for programming, procurement, monitoring and evaluation of road transport regulations and safety programmes approved by the Committee of Ministers on RMI.

10.1.2 Mobilisation of road sector resources

In order to co-ordinate all funding to the road sector, Government shall establish a national road fund agency. This means that whatever resources are meant for the road sector from the Government, cooperating partners or private sector should be channelled to the National Road Fund. The National Road Fund Agency shall be responsible for collection, disbursement, management and accounting of the National Road Fund, reporting through Ministry of Finance and National Planning, to the Committee of Ministers on RMI. This will imply that the National Roads Board shall be replaced with a proposed National Road Fund Agency. The National Road Fund shall comprise fuel levy, road user charges, Government funding to Road and Road Transport Sector, donor funding and credits secured for the Road and Road Transport Sector. All funding to the Road and Road Transport Sector shall be channeled and managed through this agency.

All funding to the road and road transport sector whether from Government, donors, road user charges or private sector investment in the road sector shall be channelled through the National Road Fund. This will enable effective coordination of road and road transport sector programmes and investment in the road and road transport sector. The Road Fund Agency shall commercialise its functions.

This arrangement of integrated financing of the road and road transport sector and channelling funding to road and road transport sector directly to the Road Fund will attract private sector investment and funding from co-operating partners. The agency will be able to attract foreign investment through concessioning of roads, tolling of roads and introduction of other forms of direct investment like Build Operate and Transfer (BOT). This integrated funding will enable cost effective maintenance of road network and promote national development through a balanced development of all types of roads where it be rural, feeder, tourist, agriculture, district, main, trunk and urban roads. It will help to overcome the problem of isolated development of roads without any linkage with other road network.

10.1.3 Disbursement and utilization of road funds.

Currently, the MWS and the MLGH receive funding from GRZ, Donors and Road Fund. Consequently, there is parallel funding and several programmes in the road sector without co-ordination. This is further complicated by other Ministries and non-Governmental Organisations undertaking road projects through Government, Donor and private players and funding agencies resulting in fragmentation, duplication, competition and wastage of resources. It has become difficult to monitor the progress of the road sector, as there is no integrated programme and financing of the road sector.

In order to co-ordinate financing the road sector through an integrated financing of the road sector, a national road fund agency shall be established as stated under section 10.1.2. This integrated approach shall also address the possibility of budgeting all road works under the road fund in the Yellow Book, whilst implementation shall be carried out by a road development agency.

10.1.4 The Agencies

Three agencies (The Road Development Agency, The National Road Fund Agency, and The Road Transport and Safety Agency) shall have Board of Directors comprising private and public sector membership. These agencies shall report to a Committee of Ministers on RMI for approval of programmes, policy, funding, monitoring progress, accountability and transparency. The Committee of Ministers on RMI shall also evaluate their effectiveness.

The Committee of Minister on RMI shall comprise Ministers of Communications and Transport (Chairman), Works and Supply, Finance and National Planning, Local Government and Housing, Energy and Water Development, Agriculture and Co-operatives, Tourism, Environment and Natural Resources and Legal Affairs.

The treasury shall not be required to fund administrative costs of these agencies as these shall be self financing through the National Road Fund Agency provided the road user charges are channelled directly to this fund. The total administrative cost of all Agencies shall be a percentage of the total annual programme approved by the Committee of Ministers.

(a) Role of the Private sector

The private sector shall begin to play a more critical role in the development of the transport sector. The delivery of quality transport services and the provision to the customer of value for money shall be the main responsibilities of the private sector. Government shall remain committed to the provision of an enabling environment to promote growth, development and profitability of the transport sector. The role of the private sector shall be to:-

a) ensure compliance with Government requirements;

b) to make appropriate investments in the transport sector so as to stimulate economic growth;

c) operate and manage transport plant and equipment both efficiently and profitably;

d) upgrade skills continuously in the workforce by regularly providing training and advanced education;

e) satisfy customer needs by providing quality products and services;

f) develop and promote socially and environmentally friendly service;

g) ensure that standards of the highest integrity are set by representative industry bodies upon entry into the sector by both foreign and local players;

h) meet the challenges set out in the transport policy and attendant strategies so as to ensure an increasing role for Zambia entrepreneurs in regional trade and development under SADC and COMESA; and

i) establish comprehensive disaster management involving representative industry bodies and stakeholders.

(b) Role of the Government

The Ministry responsible for transport is to be charged with the responsibility for the successful implementation of the foregoing strategies and for overseeing policy formulation and guidance in the sector. Government shall require to focus on:-

(a) facilitation and implementation;

(b) co-ordination and control;

(c) planning and policy making;

(d) regulation and monitoring;

(e) development promotion;

(f) quality assurance and safety;

(g) enforcement and revenue collection; and

(h) disaster management in the transport sector.

This is intended to provide the way forward for the Ministry to effectively manage sector expectations. To this effect, the functional relationships and structures of the Ministry will thus be restructured in such a way that its role reflects the aspirations of the changed political, social and economic aspirations of the nation.

In this context, therefore, the Ministry shall aim at carrying out the following broader functions:

(a) formulate appropriate policies that would guide and foster the development of the industry;

(b) develop and monitor the implementation of the short, medium and long term strategies to guide the development of the industry;

(c) initiate and update laws and regulations relating to the industry;

(d) promote bilateral and multilateral co-operation in the sector;

(e) provide and disseminate accurate and up to date information on the sector;

(f) effectively manage and develop human resources for efficient and effective performance of the Ministry;

(g) effectively co-ordinate and monitor the activities of the sector to ensure the provision of quality, safe and efficient services; and

(h) effectively provide internal administrative and logistical support services to the sector.

To execute the above stated functions the Ministry shall be restructured with a view to enhance its capacity to effectively manage the transport sector. The Government shall undertake the following:-

(a) activate the functions of the Government Inspector of Railways to oversee the operations of railways to ensure that they operate according to required expectations;

(b) establish a road development agency for the management of the road infrastructure under the Ministry of Works and Supply;

(c) establish a road transport and safety agency for the management of road transport and safety industry under the Ministry of Communications and Transport;

(d) establish a national road fund agency with the responsibility to manage the road fund under the Ministry of Finance and National Planning;

(e) strengthen the Department of Civil Aviation through the PSRP in order to monitor compliance with aviation regulations and rules; and

(f) strengthen the Department of Maritime and Inland Water Transport in order to monitor compliance with maritime and inland water transport rules and regulations.

10.2 Legal Framework

In accordance with the proposed institutional framework Government shall review the various pieces of legislation relating to the transport sector in order to develop a supportive and investor friendly regulatory framework.

Among the pieces of legislation, which require reviewing, are;

(a) **Roads and Road Transport**

The Roads and Road Traffic Act, CAP 464 of the Laws of Zambia to create the following:

i. Road Development Agency;
ii. Road Transport and Safety Agency; and
iii. National Road Fund Agency.

(b) Air Transport

The Civil Aviation Act, CAP 444 and the Central African Civil Aviation Act, CAP 451 of the laws of Zambia to provide for the creation of the civil aviation authority and the regulatory framework for air transport in the near future after studies have been carried out to determine its usefulness;

Safety of Civil Aviation Act, CAP 445

(a) Air Services Act, CAP 446
(b) Carriage by Air, CAP 447
(c) Limitation of liability (Passenger in Government Aircraft) Act, CAP 448
(d) Air Passenger Service Charge Act, CAP 450

© **Railways**

The Railways Act CAP 453 and TAZARA Act, CAP 454, of the Laws of Zambia to facilitate the concessioning of railways and activating the Government Inspector of railways.

Nkana-Nchanga Branch Railway Act, CAP 457,
Rhodesia Railways Act, CAP 458;
Mashonaland Railway Company Limited Act, CAP 459
Rhodesia Railways Act (1949) Act, CAP 463;
Roan- Antelope Branch Railway Act, CAP 460
Mufilira – Mokambo Railway Act, CAP 461; and
Railways Transfer of Statutory powers Act, CAP 462;

(d) Maritime and Inland Water Transport

The Inland Water Shipping Act, CAP 466 and the Merchant Shipping (Temporary Provisions) Act, CAP 468 in order to keep them in line with policy of liberalisation of the economy.