REPUBLIC OF ZAMBIA

Ministry Transport and Logistics

With support from

TONY BLAIR INSTITUTE FOR GLOBAL CHANGE

DRAFT

TERMS OF REFERENCE

FOR THE UPDATE OF THE DRAFT NATIONAL TRANSPORT MASTER PLAN AND THE DEVELOPMENT OF THE LOGISTICS MASTER PLAN TO COMBINE AND PRODUCE

THE NATIONAL TRANSPORT AND LOGISTICS MASTER PLAN (2024-2044)

MAY 2024

1. Introduction

A Transport and Logistics Master Plan (TLMP) integrates broader transportation planning with specific logistics considerations to enhance the efficiency and sustainability of moving goods, people and services. It aims to support economic growth, improve connectivity, and reduce transportation costs whilst considering environmental and social impacts. Currently Zambia lacks a Transport and Logistics Master Plan to guide its holistic development of transport and logistics infrastructure and services. This has led to deficiencies in the development of required infrastructure and services in the country. The absence of a master plan has significantly contributed to the failure to attract investment required to finance the transport and logistics network needed to meet the country's national and geopolitical imperatives. In addition, it has led to poor planning and deployment of public resources and investments in developing a fit-for-purpose and future-looking transport and logistics network that meets the growing economic needs and opportunities of the country. While the Government developed, with support from the African Development Bank, a National Transport Infrastructure Master Plan in 2018 under the supervision of by then the Ministry of Transport and Communications, it does not represent the current and emerging realities in the transport and logistics sector in the country. With passage of time and emergent global and economic challenges such as the national debt, the COVID-19 Pandemic and shifting global geopolitical alignments, and exclusion of logistics in the 2018 master plan, there is recognition of a need for an updated and holistic TLMP.

It is in this context that the Government wants to put in place an effective TLMP to facilitate efficient and sustainable growth in the key economic sectors of agriculture, mining, manufacturing, and services. Transport and logistics will therefore play a significant role in ensuring that Zambia's growth path, trade, job creation and overall citizen's economic wellbeing is achieved. It is with this in mind that the government aims to develop the TLMP with support from the Tony Blair Institute (TBI). The TLMP will provide a strategic roadmap for the development of transport and logistics infrastructure over a period of 20 years (2024-2044), including responding to the development objectives of the Government as stipulated in the Vision 2030 and the 8th National Development Plan (8NDP). The transport and logistics masterplan will also address the aspirations of Government to develop public infrastructure through Public Private Partnerships (PPP). Therefore, policy around PPP framework will also be analysed to ensure alignment with current Government strategic plans and appropriate recommendations to enhance the framework shall be made.

2. Context and Challenges

Zambia's economy rebounded in 2021, with real GDP growing at 4.6%, from a contraction of 2.8% in 2020, supported by firmer Copper prices, favourable external demand, good rainfall, and post-election market confidence. In 2022, challenges in agriculture, mining, and construction slowed down the pace of post-pandemic recovery. Real GDP grew by 3.7%, year-on-year, in Q1–Q3, driven by services. The current account surplus narrowed to 2.3% of GDP in 2022 as spillovers from the war in Ukraine raised Zambia's import bill while falling copper prices and output slowed growth in nominal export revenue. Uncertainty about debt restructuring has eased as the Government negotiated a successful debt restructuring plan for Zambia in March 2024, creating greater confidence in the local currency, the Zambian Kwacha.

Zambia's recovery is expected to strengthen, with GDP growing by around 4.5% annually over 2023–2025. Firmer copper demand from China and commencement of fertilizer production at a newly established domestic plant will broaden the base of GDP growth. Completion of reforms in agricultural policies, business regulations, and the energy sector will boost fiscal sustainability and promote private sector-led growth. However, the Bank of Zambia expects inflation to rise and remain above its target band of 6–8% over the next two years on account of inflationary pressure from sustained exchange rate depreciation, increase in energy costs, and lingering external headwinds.

In addition, Zambia is experiencing a large demographic shift and is one of the world's youngest countries by median age. Its population, much of it urban, is estimated at about 19.6 million (2021) with a rapid growth rate of 2.7% per year, reflecting the high fertility rate. As the large youth population attains reproductive age, the population is anticipated to double in the next 25 years, resulting in additional pressure on the demand for jobs, health care, and other social services.

Within this context of economic growth prospectives and demographic challenges, the country has a massive transport and logistics infrastructure, services, and facilities deficit. The public debt that has accrued due to efforts to reduce the deficit has become unsustainable. Even with recent investments by the government, demand for quality transport and logistics infrastructure, services and facilities still outstrip supply. In the past years development and investments in the sectors has been slow and uncoordinated; most of the time being responses to impromptu demand from the various economic and social sectors. With this approach, the country will not achieve its targeted growth objectives. In addition, the previous year's plans and investments in improving urban-to-urban and rural-to-urban connectivity did not achieve desired outcomes, and where projects were implemented, maintenance and sustainability have been key challenges, resulting in dilapidated infrastructure. For instance, waterways have disappeared or remain disused and the railway network, with lack of sustained investment, is in a state of disrepair. Aviation transport infrastructure is basic and is out of reach for many Zambians. This leaves road transport as the main mode of transport and provision of logistics and services. Reliance on road transport has led to an exponential growth of traffic, resulting in increased road transit times between urban centres but also within urban centres. Illustratively, at independence the vehicle population was only 3000 vehicles nationwide compared to 960,237 registered by December 2022. In the last decade the country has been registering up to 50,000 vehicle units annually. This growth in the vehicle

population has not been matched with growth in the road network. Between 2002 and 2022, the network has grown by less than 5% - 40,113Km in 2002 and 40, 454Km in 2022. What more, the alternative transport mode - railways are also underdeveloped with the mass rail commuter transport system completely dysfunctional at present.

In the rural areas, Zambia still experiences the challenge of connectivity and accessibility to public facilities like markets, health care and education services, inclusive of clean water. This narrative is slowly improving owing to the Improved Rural Connectivity Project. However, there are various parts of the country which are not accessible by surface transport. In such instances, water transport would be appropriate, however the infrastructure is not of passable standards. Access bridges and alternative routes are not just available. In this regard, the Zambians domiciled in rural areas have to put up with communication and transport challenges on a daily basis.

With such a high infrastructure deficit, unstainable public investment in transport and logistics development – for example, the road sub sector is struggling with a huge debt amounting to US$ 400 million of outstanding overdue invoices – and uncoordinated planning and investment by government, coupled with non-aligned policy priorities, the country's growth opportunities and strategic vision will be stifled. Therefore, there is an urgent need to develop a master plan for the future that provides Zambians with the needed transport and logistics infrastructure, services and facilities, including those required to transform the country into a regional transport and logistics hub of choice.

3. Purpose of the Consultancy

The purpose of this consultancy is to produce the Zambia National Transport and Logistics Master Plan (TLMP). The TLMP scope of work will be delivered in three parts components – first, development of the logistics master plan and second, reviewing and providing guidelines to be considered in updating the current draft of the National Transport Master Plan. With the two sectors being under the Ministry of Transport and Logistics, it is important to ensure that the two components of the master plan are integrated in a single master plan with consideration that in case there is a separation between the two dockets of the ministry in future, the components of the master plan can be easily decoupled.

The aim of the TLMP is to provide a strong strategy and implementation plan to guide Government and private sector investment into key policy and investment projects to strategically position Zambia as a regional transport and logistics hub, while reducing the country's high costs of trading with her regional and global partners. The consultancy will first, identify key value chains in agriculture, mining, and manufacturing, that the Government and private sector would like to prioritise, including determining their domestic and regional/international trade lanes and trade flows. Building on this analysis, the consultancy will then review which domestic and regional/international markets Zambia intends to either buy from or sell to, including markets that Zambia can position itself as a value addition or transit hub, and in which import, export and transit routes are most important. This analysis will include an assessment of the existing transport and logistics infrastructure and services. The consultancy will identify key logistics routes and modalities of transport that are most realistic and viable (based on cost estimates, reliability, and

investment), thus allowing Zambian import, export, and transit trade to be competitive on the regional and international markets. The consultancy will use these analyses and assessments to develop a list of priority transport and infrastructure projects pipeline that inform the Government's engagement with investors and the private sector. While the host ministry will be the Ministry of Transport and Logistics, the consultancy will bring together economic sectors subject matter experts from other ministries, including, but not limited to Agriculture, Mining, Trade, Information Technology, Finance, among others.

This consultancy requires an in-depth understanding of challenges and opportunities to Zambia's national and regional aspirations, as well as regional geo-political and wider political economy issues. It also requires an ability to work and build relationships with multiple ministries, agencies, and counterparts from both central and local governments. There has been renewed interest in supporting the development of Zambia's key transport and trade logistics corridors – for example the renewed focus on the Lobito Corridor and the country's transport network and connectivity. In addition, there is heightened interest in pushing forward on value addition and electric vehicle battery manufacturing in Zambia. This consultancy will therefore play a key role in bringing together thinking and planning across the Government of Zambia and the private sector on a prioritised strategy to link together these different strands within a transport and logistics architecture and master plan.

4. Breakdown of the TLMP Scope of Work

The TLMP scope of work will constitute the following components to be delivered through this consultancy as explained below:

a) The logistics component: this will cover the cross-border or regional logistics network and connectivity, and the domestic distribution network and connectivity.
b) The freight transport component: Building on the logistics component, it will cover the transport infrastructure requirements and needs at a regional/international and domestic level.
c) The urban/rural transport component: Catering specifically to the needs of urban and rural commuting, and rural-urban connectivity, and general passenger transport infrastructure.

Under this consultancy, components a) and b) shall be delivered as per the TORs' deliverables, while component c) shall be delivered first through the formulation of its scope of work and draft TORs, then a follow-up deliverable to be undertaken as a second phase of the consultancy that will be funded separately.

5. Objectives of the Assignment

a) Main Objective:

To develop an integrated Transport and Logistics Master Plan (TLMP), taking into consideration the existing strategies and plans that have been developed in the recent past including the National Transport Master Plan, the Trade Logistics Strategy, the 8th National Development Plan, National Transport Policy, Ministerial Strategic Plan (2022-2026) and other relevant national strategic

documents. The TLMP will address the country's transport and logistics requirements in the short term, medium term, and long-term periods of 2024 – 2044 to align with the aspirations of the new dawn Government of developing public infrastructure leveraging on private sector financing.

b) Specific Objectives:

- To articulate a clear national vision for the future of transport and logistics in the region, aligned with broader economic and environmental goals. This will entail designing and developing an outward focused futuristic National Transport and Logistics Master Plan which is aligned to the SADC Infrastructure Master Plan with due consideration of the COMESA transport policy.
- To provide comprehensive analysis of the existing transport and logistics networks, including infrastructure (roads, rail, maritime, aviation), services (freight forwarding, warehousing), regulations and technologies – considering and assessing current capacity, performance, and bottlenecks or gaps in the networks and systems.
- To identify and map key stakeholders in the transport and logistics sectors, including government agencies, private sector players, and users of logistics systems. It will also include analysis of market demand and supply dynamics, competitive landscape, and future trends affecting logistics and transportation.
- To evaluate existing policies, laws and regulations affecting transport and logistics, identifying areas for reforms to facilitate smoother investments, operations, enhance safety and security, and promote green logistics practices.
- To outline specific projects and initiatives to improve and expand transport and logistics infrastructure and services, including new transport corridors, logistics hubs, intermodal facilities, technological upgrades, and service enhancements.
- To identify and recommend measures to streamline supply chains, improve warehousing and distribution strategies, enhance cross-border procedures, including adoption of digital and information technologies for transparency, predictability and efficiency of transport and logistics networks.
- To propose strategies to reduce the environmental impact of transport and logistics operations, including measures to lower emissions, promote energy efficiency, and shift towards cleaner modes of transportation.
- To address the needs for skilled personnel in the transport and logistics sectors, proposing education, training, and professional development programmes.
- To propose prioritized projects, including general action plans and timelines and responsible parties, cost estimates, and potential funding sources. In addition, outline the governance structure for overseeing the plan's implementation.

6. Scope of the Consultancy

To deliver on the objectives defined above and considering the components of the TLMP as described in section 4 of these TORs, the consultancy will cover the following scope of works in three (3) phases:

a) Phase I: (3 months): Develop the National Logistics Master Plan (NLMP)

- Review relevant and related studies, reports and strategies on logistics and transport, and their relationship to national and regional macroeconomic data on trade flows in agriculture, mining, and manufacturing.
- Undertake a stocktaking of the current state of logistics and transport supporting trade in and through Zambia, examining different trade routes with their associated transport modes (airways, waterways, roadways, railways, and pipelines.
- Review and classify the current logistics and transport network inventory, indicating metrics such as general condition, distance, capacity of the infrastructure, facilities, and associated equipment.
- Review government and regional policies that relates to trade such as trade policy, industrial policy, trade facilitation, transport policy and infrastructure policy.
- Review and make recommendations to improve the current institutional arrangements and relationships between Ministries, Departments and Agencies (MDAs) in relation to development and implementation of transport and logistics infrastructure and services, particularly those anchored to support movement of goods and services within and through Zambia.
- Map the current transport and logistics projects landscape, including identifying current and planned government and development partners' projects and initiatives in the sectors. This should be categorised along transport modes, corridors, funding arrangements and funders.
- Conduct desk analysis to identify list of priority tradables (goods and services) across priority sectors and validate them with the MTL and the aligned MDAs. The analysis shall focus on priority sectors such as agriculture exports, processed metals and minerals, manufactured goods, electric vehicle batteries, tourism, transport, and logistics.
- Undertake market demand-supply analytics in relation to the transport and logistics networks capacity, performance, and bottlenecks. This will include a desk analysis of selected key value chains that are imported, exported or transit through Zambia and these include agriculture, mining, manufacturing, and services (e.g. tourism) sectors.
- Carry out freight volume projections and cost trends along Zambia's international corridors via key regional ports (Walvis Bay, Nacala, Lobito, Durban, Beira, and Dar es Salaam), including airfreight, to assess optimal routes in terms of cost, time, and reliability.
- Review and recommend organizational and institutional arrangements necessary to operate and maintain, in a cost-effective and sustainable manner, infrastructure to be developed under the master plan with a focus on PPP but including self-help and community-based programmes for operation and maintenance, especially in the rural areas.
- Prepare the prerequisites, requirements, and framework for the development of a medium and long term TLMP investment programme including a review of the current donor,

private-public sector funded projects (PPP) and works in Zambia around transport and logistics. The framework should include a systematic criterion setting mechanism for prioritising project selection in Government. Furthermore, recommend and establish a formal format for selecting investment projects in the transport sector.
- Engage with transport and logistics stakeholders (particularly in the private sector) to document challenges, and gaps, and make recommendations for areas of improvement.

b) Phase II (3 months): Review the National Transport Master Plan

- Review the current draft of the NTMP and update the sections related to freight transport and logistics, ensuring that the updated components can be integrated with the logistics components delivered in Phase I.
- Review and classify the current transport network inventory, indicating metrics such as general condition, distance, capacity of the infrastructure, facilities, and associated equipment.
- Prepare a phased investment programme for transport facilities that is affordable and sustainable. These profiles should be divided into short-term five (5) year and medium-term, ten (10) year, and long-term (20) years programmes.
- Map the current transport projects landscape aimed at addressing the regional and domestic freight transportation needs, including identifying current and planned government and development partners' projects and initiatives in the sectors. This should be categorised along transport modes, funding arrangements and funders.
- Carry out freight volume projections and cost trends along Zambia's transport corridors taking into consideration critical corridor nodes such as border crossing, logistics hubs, inland waterways landing sites and airports and to assess optimal routes in terms of cost, time and reliability.
- Establish freight traffic levels on all modes of transport over recent years, and their trends forecasting into the future, up to 2044.
- Engage with transport stakeholders (particularly in the private sector) to document challenges, and gaps, and make recommendations for areas of improvement.

c) Phase III (2 Months): Scoping the Urban/Rural Transport Component

- Develop the scope of work document for the last component of the TLMP.
- Engage with stakeholders to document challenges and gaps related to passenger transport, urban transport, and rural-urban connectivity.
- Review relevant documents and reports related to the subject area.
- Develop TORs to be used to deliver the last component of the TLMP.

7. Stakeholder Consultations

The objective of undertaking stakeholder consultations during the preparation of the Master Plan is to create ownership in the communities and localities where the proposed projects have been identified. The consultant will therefore be required to undertake holistic consultations at all levels of the country's administrative structure, commencing from the lowest level. The consultant will undertake the following activities under this theme:

a) Consultative workshops in proposed project areas.
b) Group focused discussions with community leaders and general populace.
c) Procure working suggestions from the key stakeholders in project sites (public and government agencies).
d) Obtain community feedback.
e) Disseminate the results of the study finding within communities.

This activity will depend on the availability of resources especially noting that this activity was extensively conducted when coming up with the first draft.

8. Environmental and Social Economic Impact Assessments

The Transport and Logistics Master Plan Projects shall be subjected to cursory ESIA assessments. Detailed assessments will be undertaken at project implementation stage.

9. MASTER PLAN DELIVERABLES / STUDY OUTPUTS

The deliverables for these ToRs shall be completed in three (3) phases and within a period of 8 months, from the time the consultants and the consultancy management team agree on the scope and nature of works as per these TORs. These are further outlined in the table below. The consultant will report bi-weekly to the consultancy management team that will be made up of Ministry of Transport and Logistics, Trade, ICT, Agriculture, Tourism, Mining and TBI. All outputs will need to be provided in English. Milestone workshops will be flagged by the consultants as part of their proposal. The time allocation for main milestones identified will be as follows:

	Deliverables & Timing	**Outputs**
Phase I – Logistics Master Plan (LMP): (3 months)		
1.	**Alignment + Inception Report** - **½ month**	• Kick-off meeting with the MOTL, TBI and PDU teams • Agreed proposed workplan and inception report for the assignment to be submitted with 14 days of agreement on scope, phases, and nature of works
2.	**Data Collection**	• Data Collection • Focus Group Discussions • Stakeholder consultation workshops

	1 month	
3.	**1st Draft NTMP** **½ months**	• A stock take report with progress of activities undertaken by consultants. • All analytical and assessment works undertaken summarizing findings and insights made. • Summary of data collected from stakeholder engagements
4.	**Final Draft LMP Report** - **½ month**	• Updated version of the report incorporating feedback and comments from the government, the review committee, and other stakeholders
5.	**Final Validated LMP Document** **½ month**	Same as draft with final comments and updated version of the document.
Phase II – National Transport Master Plan Review (NTMP): (3 months)		
1.	**Inception Report** **½ month**	Agreed proposed workplan for phase II and inception report to be submitted within 14 days of agreement on scope and nature of works for this phase
2.	**Data Collection and Stakeholder Engagement** - **1 month**	• Data Collection • Focus Group Discussions • Stakeholder consultation workshops
3.	**Draft NTLMP Document** **1 month**	• Same as draft with final comments and updated version of the document.
4.	**Final Validated NTLMP Document** **½ month**	• Document with the following core sections: o Executive Summary o Introduction o Vision, Goals and Objectives o Current State Analysis o Stakeholder and Market Analysis o Legal and Regulatory Framework Review o Infrastructure and Services Development Plan o Logistics and Supply Chain Efficiency o Sustainability and Environmental Management

		○ Human Resources and Capacity Building ○ Implementation Strategy ○ M&E, and Feedback Mechanism ○ Public Engagement and Stakeholder Collaboration ○ Risk Management and Contingency Planning
Phase III – National Transport and Logistics Master Plan (TLMP): (Immediately after Phase II)		
1.	**TORs for Component c) of the TLMP**	○ Stakeholder engagements ○ Review of relevant urban transport and passenger transportation documents and reports ○ Scope of work definition ○ TORs for component c) validated.
2	**Final Validated TLMP Document covering Phase I and II**	TLMP draft with complete logistics components (component a)) and updated freight transport infrastructure component (component b)) delivered.

As stated above, the delivery dates shall be agreed between the consultant(s) and the consultancy management team during the agreement on the scope of work; and shall not exceed 8 months from the time of validation of the inception report.

a) Working Modalities and deliverables:

The consultants shall from time to time submit reports and working papers to MTL TBI and the Presidential Delivery Unit (PDU). The Assignment Review Committee will review the same and convey its comments, proposed modifications/amendments and suggestions which shall be recorded, reported, and incorporated in subsequent reports. The study outputs and deliverables expected from the consultants are as follows:

(i) Inception report by the end of 1st month which will essentially review data and confirm / amend the work plan, bringing out the study focus/locus, proposed methodology/tools, and time schedules etc.

(ii) Short Technical notes on all Activities and respective tasks;(iii) Reports on following topics should be submitted/delivered.
Data compilation and statistical analysis of HH survey.

Baseline survey results for modes.
Methodology for TLIMP model development, calibration, and validation.
Alternatives Analysis for Short- and Medium-Term investment strategy.
Report on Long Term Strategy for the Transport Sector

(iv) Draft final reports for each task under item (iii) should include key tables, development scenarios, network options and travel demand forecasts.
(v) Final report
(vi) A flush disc with raw and processed data and tables and report
(vii) Proper documentation for operation of the model
(viii) Delineation of Traffic zones and base year planning parameters, base year transport network (Road / rail / Water) including maps to appropriate scale in consultation with MTL.

b) Reporting Arrangements

The consultancy will be managed by the established consultancy management team that will be led by the MTL, incorporating other ministries and critical agencies from the government side and TBI. There will be fortnightly meetings to discuss progress of the assignment with key deliverables presented as shall be agreed and instructed by the head of the consultancy management team.

The Office of the Director Transport or any other officer appointed by the Director will work with the team. MTL will be available for the study on a full-time basis and will act as a Liaison Officer between the consultant and various agencies and organisations. Additionally, the Director Transport shall consider allocating an appropriate office space to the Consultants for the duration of the assignment to allow them to have easy access to the MTL team for consultations and other MTL resources.

The Consultancy Management Team will be made up of senior officers from key sector ministries and institutions and will be play the role of guiding the consultant(s). The team will also include representatives of the private sector who are interested in the planning and implementation of better transportation and logistics for the country. This team will review, examine, and monitor the work of the consultants and recommend the actions / decisions on the issues that will arise during the course of the study.

10. STUDY ADMINISTRATION AND STAFFING REQUIREMENTS

a) Composition of the Consulting Team

The lead consultant should propose a team for this assignment covering skills in the required areas of export generation, trade facilitation, trade policy, logistics, transport systems and cross border infrastructure. The Team Leader should have the following level of experience:

- Excellent (15 years) experience of customs and border operations, trade facilitation, trade policy, transport logistics and infrastructure in Zambia and in Africa.

- In depth (15 years) knowledge of Zambia's transport and trade corridors and trade dynamics and linkages across Southern Africa and the Continent.
- Strong knowledge of the key ministries, departments and agencies in Government of Zambia and the Zambia Revenue Authority related to trade, border operations, logistics and infrastructure development.
- Excellent experience (15 years) of working with the relevant regional economic communities involved with this assignment, especially SADC (and SACU), EAC, and COMESA.
- Excellent personal engagement skills: ability to present information in a concise, insightful, and structured manner.
- Problem-solving and analytical skills, including sound knowledge of data analysis, strategic planning, and project management practices.
- High quality communication, drafting and presentational skills are key in English.
- Excellent in building and managing effective relationships including the ability to navigate complex political environments.

It is recommended that the consultant(s) engage or incorporate the following set of expertise in undertaking this assignment: railway expert, aviation expert, transport safety expert, marine and inland waterways expert, transport economist, financial analyst, environmental specialist, institutional expert, urban planning expert, business development expert, strategic management expert; and/or transport corridor development expert.

11. RESPONSIBILITY FOR ASSIGNMENT FINDINGS AND PRODUCTS

All data accomplished by the consultants during the assignment shall be the property of the client. The data collected, computer software purchased for and / or modified, during the consultancy assignment should be handed over to MTL by the consultant free of charge. Similarly, the consultant shall hand over raw data, analysed data as soft copy to MTL.

All the study reports shall be prepared in English and shall use SI units. The consultants will operate principally from Lusaka.

12. MTL SUPPORT

a) Assignment of Contract Manager

The Office of the Director Transport or any other officer appointed by the Director will work with the team. MTL will be available for the study on a full-time basis and will act as a Liaison Officer between the consultant and various agencies and organisations.

b) Technical Review Committee (TRC)

A Technical Review Committee (TRC) with senior officers from Key Transport Sector Institutions will be set up to guide the consultants. The committee will also include representatives of the private sector who are interested in the planning and implementation of better transportation for

the country. This committee will review, examine, and monitor the work of the consultants and also recommend the actions / decisions on the issues that will arise during the course of the study.

Annex: Overview of the Transport Sector in Zambia

1.0 The Transport Sector

The transport sector in Zambia comprises five modes of transport, namely, road, rail, water, pipeline and aviation subsectors.

1.1 The Road Subsector

The road sub-sector is the most used mode of transport in Zambia. Infrastructure development in the Road subsector has been managed through the ROADSIP I, II and III programmes. Both RoadSIP I and II were implemented and focused on the principles of the Road Management Initiative as a sector coordination vehicle under the World Bank sector support framework. It is worth noting that the RoadSIP III document has not been tabled for Cabinet approval and GRZ intends to incorporate PPP interventions as part of the RoadSIP III to leverage private sector finance. In this regard, the document is currently undergoing a review and updating to align it to the aspirations of the new dawn Government. The Core Road Network has been identified considering such aspects as connectivity (international or provincial linkages), poverty alleviation and agriculture/marketing activities.

Table 1 below, shows the combined total Core Road Network for Zambia:

Table 1: Summary of the Core Road Network

Road Type/Class	**Length (Km)**		
	Total	**Paved**	**Unpaved**
Core Road Network (CRN)			
Trunk (T)	3,116	3,024	92
Main (M)	3,701	2,885	816
District (D)	13,707	2,111	11,596
Urban	5,597	2,055	3,542
Primary Feeder Roads PFR	14,333	32	14,301
Sub-total	**40,454**	**10,106**	30,348
Non-CRN (Estimate)			
Secondary Feeder Roads (SFR)	10,060	0	10,060
Tertiary Feeder Roads (TFR)	4,424	0	4,424
Park Roads	6,607	0	6,607
Community Roads	5,000	0	5,000

Not properly documented Roads	1,126	0	1,126
Sub-total	27,217	0	27,217
Total	**67,671**	**10,106**	**57,565**

Source: RDA

1.1.1 Institutional reforms in the road sector

In 2002 the government created three road sector Agencies by Acts of Parliament namely:

(a) The National Road Fund Agency (NRFA) Act 13 of 2002;
(b) The Road Development Agency (RDA) Act No. 12 of 2002; and
(c) The Road Transport and Safety Agency (RTSA) Act No. 11 of 2002

The reforms in the road sector resulted in the establishment of the Road Development Agency (RDA) with a mandate to oversee road construction; the National Road Fund Agency (NRFA) with a mandate to raise and manage and disburse funds for road projects; the Road Transport and Safety Agency (RTSA) to oversee road safety issues.

1.1.2 The National Road Fund Agency (NRFA)

The National Road Fund Agency (NRFA) took over responsibilities previously assigned to the National Roads Board and has the task of managing the road user charging system and administering the Road Fund *"with a view to achieving a safe and economically efficient road sector"*. It must apply user pay, equity and pricing efficiency principles in setting the level of charges so that enough revenue is raised for the road sector.

The National Road Fund Agency (NRFA) is mandated by Act 13 of 2002 to:

i) Administer and manage the Road Fund ii) Prepare and publish audited annual accounts of the Road Fund
iii) Recommend to government fuel levy and other road user charges and tariffs as required.
iv) Make recommendations to government of projects that need funding v) Allocate resources.
vi) In conjunction with the Road Development Agency recommend funding for development of new roads.

1.1.3 The Road Development Agency (RDA)

The Road Development Agency (RDA) was established by the Public Roads Act No. 12 of 2002. The function of the RDA is to plan, manage and co-ordinate the entire road network in Zambia. Such functions include routine and emergency maintenance of public roads; recommend in consultation with the National Road Fund Agency (NRFA) to the Minister, funding for development of new roads as well as plan and co-ordinate the road network in Zambia.

The Minister may in terms of the Public Roads Act, on the recommendation of the RDA appoint any person or institution as a road authority in respect of any public road. Such appointed road authority shall be responsible for the construction, care and maintenance of the relevant roads. All expenses incurred by the road authority shall be paid by NRFA from funds received into the road fund.

The RDA may appoint private contractors to perform any of its functions as a road authority.

1.1.4 The Road Transport and Safety Agency (RTSA)

The Road Transport and Safety Agency (RTSA) was established by the Road Traffic Act No. 11 of 2002 under the Ministry of Communications and Transport. RTSA became operational in 2006 and took over the functions previously performed by the Road Traffic Commission and the National Road Safety Council. The main functions of RTSA as provided for in the Act are to:

- regulate traffic.
- manage road transport through regulation.
- manage road safety engineering.
- conduct road safety campaigns through education and publicity.
- register and license drivers, motor vehicles and commercial vehicles operators.
- license and register driving schools and driver instructors.
- conduct physical and technical examination on motor vehicles to ascertain their physical details and road worthiness.
- implement international treaties and protocols on road transportation within Zambia and across its territories.
- Regulate cross boarder transportation.

1.1.5 The Ministry of Transport and Logistics

Working through the recently created Transport Department, the Ministry retains responsibility of the road, rail, water and aviation sub-sectors in policy oversight monitoring and evaluation.

1.2 Railway Transport Sub-Sector

The performance of the Railway Sector has continued to be a concern despite the existing potential especially with the ever-increasing demand from the mining sector. The state of the infrastructure remains dilapidated for both Tanzania-Zambia Railways Authority (TAZARA) from New Kapiri Mposhi to Dar Es Salaam and the Zambia Railways Limited (ZRL) from Livingstone to Chingola. The sector also includes the Chipata - Mchinji railway spur into Malawi and the Mulobezi Railway spur into the Centre of Southern province.

In September 2012, Government terminated the Railway Systems of Zambia (RSZ) Concession. The termination was necessitated by mismanagement of Zambia Railways infrastructure and rolling stock, leading to deterioration of assets. Consequently, Government took over the management of ZRL and all the networks.

Government is in the process of recapitalizing TAZARA through concession of railway assets to a Chinese based firm. On the other hand, discussions with European Union to recapitalize ZRL have advanced. Further, the Government is also reviewing the legislative instruments in the sector to align to the current market conditions.

1.2.1 Greenfield Railway Project Lines

Government intends to develop new railway spurs to enhance inter-land connectivity and promote transport efficient regional trade routes and corridors in line the sub–regional Transport Master Plans:

(i) The Chingola to Jimbe Line in the northwestern province, will connect the country to Angola and the DRC. The trade potential from these two countries is immense. When opened, the Jimbe line could become the shortest export route to the western coast of Africa.

(ii) The Nseluka to Mpulungu line in the northern province is intended to open up markets in the great lakes region. The line will provide a very cost effective and competitive surface route for traders in the region.

(iii) The Chipata to Mpika line located in the central eastern part of the country will also become an opportune route for business through the Mchinji line on the Nacala corridor.

(iv) The Kafue Lion Den line will link the country to the Beira Development Corridor which route also shall provide significant transport savings for bulk export business; and

(v) Livingstone-Kazungula-Sesheke line along the Walvis Bay Ndola Lubumbashi Corridor will facilitate the transportation of heavy and bulk cargo to the port of Walvis Bay. This link also provides a strategic location of linking Botswana Railways to Zambia Railways Limited via Kazungula Bridge railway component. To this effect, the Republic of Zambia and Botswana have signed a Railway Bilateral Agreement to facilitate rail connectivity from Motsetse in Botswana to Livingstone in Zambia via Kazungula Bridge.

1.3The Water Transport Sub Sector

Under the water subsector the main activities include the development and maintenance of Canals and Waterways**.** Zambia has approximately 2700kms of canals and waterways infrastructure, much of which has not been regularly and systematically maintained for a long time. Most canals and waterways are in a deplorable condition mainly due to lack of funding for maintenance. This

situation has rendered canals and waterways impassable by motorized boats and big vessels due to poor conditions, over-gown vegetation and shallow waters, thereby seriously impeding the socio-economic development of the approximately 1 million people that live in areas that are only accessible through water transport.

The Ministry through the Department of Maritime and Inland Waterways and the Provincial Administration in the affected areas periodically clears the waterways using manual methods. The major problem for this activity is the lack of dredgers for clearing the canals especially following the devolution policy.

Currently, the country does not have adequate dredgers to maintain the entire canal network. The sector has great potential to become a significant mode of transport, especially if the country is to invest in the development of waterways on major transport corridors. There is need to develop the following water ways: Shangombo through Angola to the west coast, and the Shire Zambezi water ways, connecting Lake Tanganyika to Lake Mweru through canal to link up with Great Lakes region and others in line with the SADC Transport Regional Master Plan.

1.4 The Aviation Sub Sector

In the Aviation Sector, Government has continued to upgrade and rehabilitate the international airports and provincial and/or eight (8) district aerodromes to modern standards. Kenneth Kaunda International Airport in Lusaka and Simon Mwansa Kapwepwe International Airport in Ndola have been upgraded to international standards.

The Government has further embarked on the journey to upgrade all provincial aerodromes with the view of improving air connectivity. To this effect, rehabilitation and upgrade of Kasama Airport has been concluded. Procurement of works for other airports such as Kasaba Bay, Choma, Mansa and Chinsali airports have commenced.