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BEST PRACTICES IN CDF IMPLEMENTATION IN ZAMBIA

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PREFACE

This publication has been produced by the Local Government Association of Zambia (LGAZ) with support from GIZ. The Association is committed to generate information on good practices which could be replicated by other local authorities to improve on their operations. This publication highlights some of the best practices in the implementation of the Constituency Development Fund (CDF) in Zambia.

The Zambian government has adopted CDF as its flagship policy for social and economic development. To this end, a significant proportion of national resources are now being channelled to constituencies so that local communities can identify their priorities and meet developmental needs of their communities. Considering the increased stakes in CDF - government funding towards community development, social protection, health, education and economic empowerment among others has been incorporate in CDF - it is imperative to take stock of how project implementation is being undertaken in order to identify nuanced approaches which could be replicated.

Major strategies highlighted in the implementation of Secondary Boarding School and Skills Development Bursaries include muti-stakeholder beneficiary identification, collaboration with tertiary institutions and prioritisation of deficit skills. On community projects, strategies highlighted include comprehensive infrastructure package, local economic development, prioritisation of service delivery equipment, district projects and resource sharing. While on economic empowerment, entrepreneurship training taskforce and multi cooperative projects constitute the major implementation strategies.

We hope you will find the publication useful.

Mpatanji Namumba
Executive Director

1.0 INTRODUCTION

The Constituency Development Fund (CDF) is used by several developing countries as a type of decentralised government funding that is supposed to deliver goods and services directly to constituents by providing additional funds for local community development. The fund is a policy tool and development initiative public funds are dedicated to benefiting specific political subdivisions (Centre for International Development, 2009). Several developing countries have adopted CDF and in Zambia, the Fund has been used since 1995 to implement community-based projects which would in the long term improve the socio-economic well-being of people. Central Government disburses the Fund to each constituency to spend on local needs.

1.1 Legal and Policy Framework of CDF in Zambia

The Constitution of Zambia (Amendment) Act No. 2 of 2016 provides for the establishment of CDF. It is operationalised by the Constituency Development Fund Act No. 11 of 2018 which provides for the management, disbursement, utilisation, and accountability of the fund. The Local Government Act No.2 of 2019 is also key to CDF as it creates Ward Development Committees (WDCs) which have the primary responsibility for preparing project lists. Further, the Public Finance Management Act No. 1 of 2018 and the Public Procurement Act No. 8 of 2020 provide guidelines on the utilisation of the fund. Other statutes relevant to CDF implementation include the Urban and Regional Planning Act No. 3 of 2015, the National Planning and Budgeting Act No. 1 of 2020 and the Treasury and Financial Management Circular No. 15 of 2022 which guides the engagement of financial institutions by local authorities for the provisions of banking services for the management of loans under CDF empowerment programme. Further, the CDF guidelines, circulars, memos and Statutory Instruments (SIs) issued by the government from time to time constitute the policy framework for the Fund.

2.0 Background

The evolution of CDF as a developmental tool for constituencies in Zambia has been reflected in its increase from ZMK 60, 000 (K60,000,000 old currency) in 1996 to ZMK 25.7 million in 2022. The most dramatic increase in the fund occurred when it was increased from ZMK 1.6 million in 2021 to ZMK 25.7 in 2022 (Musokotwane, 2021). This came against the backdrop of the government adopting CDF as its flagship policy for social and economic development. The increase in the fund has been accompanied by an expansion in the scope to support community-centred development using the bottom-up approach where project identification is done by WDCs. The expanded CDF has three (3) main components namely: community-based projects; youth, women and community Empowerment; and secondary boarding school and skills development bursaries.

The increase in CDF offers immense opportunities for communities to champion their development aspirations. Resources allocated for this purpose must be efficiently and effectively utilized to achieve the objective of promoting development. However, the government acknowledged that implementation has been derailed by several challenges. During the 2023 National Budget presentation, Government announced that CDF implementation has been marred by low utilisation of disbursed funds such that only ten 10% of the K3 billion which had been released for CDF between January and October 2022 had been utilised (Musokotwane, 2022). Several reasons were cited for this with the major one being centralised approval of CDF projects. Notwithstanding the bottlenecks identified thus far, there is need to identify best practices in the implementation of CDF as different communities adopted different approaches, these could reflect differently on project outcomes and impacts. This would provide insights into CDF implementation which could be replicated.

3.0 Best practices in Secondary Boarding and Skills Development Bursaries Implementation

3.1 Beneficiary Identification

Ward Development Committees (WDCs) used distinct approaches to ensure those most in need of support were reached. Different initiatives were used and those which proved to be effective in the wards visited are:

a. *The Church*

Identification of beneficiaries for education support was effectively done by WDCs which adopted a multi-stakeholder approach as opposed to solely relying on zonal meetings. Cognisant of the role played by the church in promoting people's welfare, WDCs in Mufulira wrote letters to all churches in the district to submit names of possible beneficiaries for consideration by the WDC. The vast network of churches in communities and their intimate connection with their members allowed them to effectively connect with the underprivileged and those most in need of education support.

b. *Traditional Leaders*

The community in Lufwanaya was at first sceptical about the Government providing education bursaries and thought it would be a waste of time to apply as politicians are "liars". The programme was deemed to be mere political rhetoric. To rally community support, WDC engaged *"bafilolo"* (headmen) who through their village structures allayed these misconceptions. This intervention helped to stimulate interest in the programme.

c. *Councillors*

To enable WDCs effectively undertake community outreach, the Councillor for Kantanshi ward in Mufulira together with the area Member of Parliament (MP) provided logistical support to WDCs to undertake community mobilisation akin to the approach used when canvassing for votes during campaigns. To this effect, vehicles, public address systems and fuel were provided to conduct mass sensations in markets, bus stations, schools and other public places.

d. *Schools*

For Itezhi tezhi and Zambezi districts, schools were engaged through their career and guidance teachers to identify local pupils who were struggling to pay their fees. The schools in turn contacted parents/guardians of potential beneficiaries and advised them to contact the Council or their WDCs for bursary consideration. This proved to be a more efficient way of identifying pupils deserving sponsorship.

e. *Community Volunteers*

In the Namatama ward of Livingstone, the WDC worked with community volunteers who were interested in reforming youths engaged in vices such as alcohol abuse, drugs ("junkies") and commercial sex work, among others. Volunteers would go to bars in the night and talk to the youth about the opportunity to improve their lives through skills development bursaries. Once identified, the youth were linked to the WDCs for assessment and consideration for sponsorhip. Consequently, fifty (50) youths identified through this process have been sponsored for skills development training.

f. *Social Cash Transfer Beneficiaries*

In Kanchibiya and Mansa districts, WDCs identified beneficiaries for secondary boarding school and skills development bursaries by targeting households headed by social cash transfer beneficiaries. To accomplish this, WDCs first collected names of social cash transfer beneficiaries from District Community Development Officers. The WDCs then followed social cash transfer beneficiaries to ascertain whether they had children or dependents who were eligible for support. This approach of linking households on social cash transfers to education support enabled those in need of social protection to receive wholistic support.

3.2 Enhancing Skill Training

There are nuanced efforts some WDCs have made to ensure effective implementation of youth empowerment through skills training. Worth noting are the following:

a. ***Linking Youth to Tertiary Institutions***

To enhance the integration of youths into skills training, Dr. Mubitana, Chairperson WDC of Livingstone district formed a WhatsApp group for youths in the ward. The WDC reached out to youths on skills training information as well to enable the youth to share information among themselves. The essence of the youth group was underscored by the WDC chairperson who said:

> *"When we want to have a meeting with the youth, we communicate through their WhatsApp groups This has helped us to ensure our meetings have the targeted audience."*

Further, the WDC also invites Technical Education, Vocational and Entrepreneurship Training Authority (TEVETA) affiliated institutions to come and talk to the youths about training opportunities, process on-site applications and award acceptance letters on the spot. Consequently, this initiative enabled a lot more youths to secure places at training institutions as the process was made convenient for them.

b. ***Prioritising training to meet local skills demand***

Shilende ward in Kalumbila district, the ward where Kalumbila Mine is located, took advantage of the skills training programme to enhance the chances of local youths getting employed by the mine. According to WDC chairperson, Mr Cryver Konde, it was observed that most local youths were not being absorbed into the mine labour force due to lack of skills. As a result, local youths who managed to get employed in the mine working as unskilled labourers. Consequently, wrer WDC engaged the mine to seek guidance on courses local youths could pursue to increase their chances of getting jobs at the mine. The response by the mine was positive, a list of artisanal skills which have the most opening in the mine was shared. Due to this collaboration, one hundred and seventeen (117) beneficiaries of the skills development bursary are training in heavy-duty equipment-related skills.

c. ***Collaboration with Tertiary Institutions***

The rollout of skills development bursaries has caused a drastic increase in enrolments at tertiary institutions. This has created an accommodation crisis as available space cannot cope with the increase in enrolments. This has culminated in students having to make alternative accommodation arrangements. However, expenses outside school fees are not permissible under CDF. As a result, most beneficiaries were not able to meet such financial demands thereby putting them on the brink of dropping out. To remedy this challenge, Solwezi Trades Training Institute is renting boarding houses to cater for students on CDF bursary so that students pay accommodation fees to the institute instead of them paying directly to boarding houses as such payments are not allowed under CDF.

d. ***Verification of pupils' and students' status with learning institutions***

To ensure prudence and avoid wastage of resources in the implementation of education support, Livingstone City Council has streamlined the payment process to ensure only students who have reported in school or college are paid. The sponsorship list for pupils/students is sent to respective institutions for them to confirm whether the pupils/students have reported and it is only upon confirmation that payments are made. According to the Social Economic Planner Mr. Willima Chifunilo, it was discovered that over twenty-two (22) students who were on the College sponsorship list and ten (10) secondary boarding school beneficiaries did not report. Therefore, payment for these students was withheld.

4.0 Best practices in the Implementation of Community Projects

4.1 Local Economic Development

In a bid to stimulate local economic development through CDF-driven community projects, some constituencies have tailored community projects to harness the potential of their local economy. In the case of Itezhi tezhi, whose local economy is based on cattle raring, all wards in the constituency have prioritised construction of dip tanks. This will significantly contribute to promoting the mainstay of the majority of households through improved control of livestock diseases. Similarly, Zambezi West Constituency has procured modern machinery, tractors and a combine harvester, to support rice growing. This will transform the production capability of small-scale farmers as the lack of such equipment is a major barrier to mass production.

In Kalumbila district, Kalumbila ward has embarked on a community project to put up highway amenities in form of ablution blocks at the junction of M5 and M7 highways leading to Zambezi and Mwinilunga respectively. The location where the amenities are being constructed has a security checkpoint which operates 24 hours and a market nearby. Besides serving the needs of commuters, these amenities will be a catalyst for stimulating local business development for local artisans by promoting their craft as well as selling agricultural produce. The setting up and enhancement of highway amenities have the potential to increase the market for local produce which would in turn boost the local economy.

4.2 Comprehensive Infrastructure Package

In the construction of service delivery infrastructures like schools and clinics, Itezhi tezhi is using a comprehensive package approach. The scope of projects for clinic and school infrastructure was expanded to ensure all the requisite components were incorporated. The standard package for a school infrastructure project includes classrooms, 1 x 2 semidetached flats, flushable toilets, a 10,000 litres water tank and solar panels. While the package for a clinic includes a mothers' shelter, incinerator, 1 x 2 semi-detached flats, a 10,000-liter water tank, and flushable toilets. Such an approach is critical for effective operation of the facilities when complete and having a standard package ensures the standardization of development projects thereby promoting uniform development.

4.3 Service Delivery Equipment

Equipment plays a paramount role in service delivery as it facilitates provisions of service to the community. In this regard, CDF is being utilised to enhance the capacity of local authorities to deliver community services through the procurement of equipment. For example, Mazabuka Central Constituency has channelled the entire allocation for community projects for the 2022 CDF towards procurement of earth-moving equipment to support road infrastructure as well as solid waste management. The is because the problem of roads and solid waste management are the most preeminent challenges faced by the district.

4.4 Prioritisation of stalled projects

The inordinate delays in funding community projects experienced in the past culminated in a lot of stalled or incomplete projects. To effectively address this scenario and minimise white elephant projects, Zambezi East Constituency has not approved new community projects but has instead priorities completion of old ones. This will ensure prudence as a lot of resources have been expended on incomplete projects but the community is not deriving any benefit. The Council advised WDCs to focus on the completion of old projects. This was revealed by Zambezi District Planning Officer Mr. Killian Milambo who said, "We have a lot of projects from Zambezi East constituency which were not completed and the Council advised communities to focus on completion of old projects."

4.5 District Projects

Although it is incumbent on the government through the Ministry of Local Government and Rural Development to construct infrastructure such as civic centres, most newly created districts do not have civic centres long after their establishment. However, Kanchibiya Constituency has allocated part of the 2022 CDF towards the construction of a civic centre. The community stands to benefit in that people can easily access the Council as opposed to covering long distances in instances where the Council is operating from a neighbouring district for CDF to be effectively managed, Councils need to have sufficient operating space. Equally unprecedented is the establishment of a community radio station among the community projects to be undertaken using the 2022 CDF in Kanchibiya. The radio station will be an effective tool for promoting community participation which is paramount to fostering social and economic development.

4.6 Resource sharing

In Mufulira, the three constituencies in the district, Mufulira central, Kankoyo and Kantanshi have each contributed funds under their community projects for purchase of capital equipment for the district. The Town Clerk for Mufulira Municipal Council, Mr. Moses Mwelwa, disclosed that the capital equipment being procured was earth moving equipment consisting of one bulldozer, one skip truck, fifteen skip beans, one water bowser, one cherry picker and two tractors. The process of arriving at this decision involved engagement with the three Members of Parliament, Constituency Development Fund Committees (CDFCs) and ward Councillors. The cost for the equipment was equitably shared by the three (3). He further explained that the council intended to use the same approach with the wards because there was a tendency by wards to focus on individual projects instead of having a joint project to benefit more than one ward in a constituency.

5.0 Implementation of Economic Empowerment Projects

5.1 Entrepreneurship Training

To ensure effective implementation of economic empowerment projects, Livingstone City Council has formed a task team which trains beneficiaries before funds are disbursed. The task team comprises officers from the Ministry of Small and Medium Enterprises, Ministry of Community Development, and the Council. The training focuses on basic business management, financial literacy, corruption and auditing.

Some WDCs are also collaborating with NGOs to train cooperatives and clubs in entrepreneurship. For example, Dr Mubitana WDC of Livingstone Central Constituency has collaborated with the Healing Palm Foundation to form women empowerment groups. The women are being trained in financial literacy and business skills such that by the time they apply for CDF, they have a sufficient understanding of entrepreneurship. Further, the WDC invites accomplished business individuals to inspire the women. This is helping to sufficiently prepare women to competently manage empowerment projects under CDF.

Further, relevant line ministries are providing direct support to cooperatives to ensure effective implementation of empowerment projects. The District Planning Officer for Livingstone Mr. Willima Chifunilo put it this way:

> *"Extension officers from community development are the ones checking on cooperatives. The Town Clerk wrote to community development because it has a track record of managing grants. And whenever the Ministry of Agriculture calls for a meeting, we extend the invitation to cooperatives because most of them are involved in agriculture related activities."*

5.2 Multi-cooperative Project

There has been a proliferation of cooperatives on the backdrop of the increased CDF. However, the multiplicity of cooperatives has created acute demand for resources making it difficult to effectively fund them. On this basis, Kanchibiya has coalesced a number of cooperatives to venture into rice farming to maximise on economies of scale. Eighty-five (85) cooperatives have been supported to grow rice, with each cooperative cultivating a hector thereby translating into a total of eight five (85) hectares of rice to be cultivated in the district. With many cooperatives involved in the same activity, the Constituency has found it cheaper to procure inputs, easier to provide technical support and establish market linkages.

6.0 Challenges

6.1 The bid validity of some community projects elapses before the approval is granted by Central Government (CG).

6.2 Some projects which are prioritised by the WDCs are left out by the CDFC. This has been frustrating for WDCs.

6.3 Induction of WDCs was done after implementation had begun and even after that, the Ministry of Local Government & Rural Development continued to give fresh directives on implementation. For example, the latest circular on Treasury and Financial Management No. 15 of 2022. Further, most WDC have not been trained.

6.4 Most districts do not have IDPs and yet this is mandatory according to the Urban and

Regional Planning Act No. 3 of 2015, Section 19.

6.5 Bureaucrats who are members (Ex-officials) of WDC's rarely attend meetings. This has posed a challenge to holding meetings as the WDC, which only has two (2) wards rarely forms a quorum.

6.6 WDCs are sometimes sidelined when it comes to the distribution of grants to cooperatives. Therefore, cooperatives get funding without WDCs knowing. This makes it difficult for them to monitor such projects.

6.7 WDCs sign approval of funding but do not have the ability and resources to track the funds.

6.8 Grants amounts are in most cases reduced from a maximum of K40,000 to as low as K13,000 per cooperative. This has hampered effective implementation of empowerment projects by cooperatives.

6.9 There are no specific guidelines to handle disaster contingency components.

6.10 Some districts have no boarding schools, this has hampered implementation of secondary boarding school bursaries as some parents still struggle to pay for transport monies to send learners to schools outside the district.

6.11 There is politicisation of CDF as committees are influenced by MPs who champion their political interests. For example, the distribution of cheques to CDF beneficiaries cannot be done unless the MP is there to officiate. In the case of the Kapiri Mposhi Constituency, the first distribution of cheques to beneficiaries under the 2022 CDF was done on 12th October 2022 due to the busy schedule of the MP and yet this is a function that can officted by the Mayor or Council Chairperson.

6.12 WDCs lack resources to effectively undertake their activities.

6.13 Resources are being fought for by some Councillors who demand that funds should be evenly distributed to each ward in the constituency thereby fragmenting development efforts.

7.0 Conclusion

There are novel strategies which have been adopted by some constituencies to ensure the effective implementation of CDF. These seem to offer good prospects for uplifting social and economic conditions in communities. However, since implementation of the expanded CDF is still in its inception phase, it will be prudent to follow up on the outcome and impact of different approaches used.

8.0 Recommendations

Based on the findings, the following are the recommendations to enhance implementation of CDF:

8.1 The Ministry of Local Government and Rural Development working in conjunction with the Decentralization Secretariat, Local Government Service Commission and Cabinet Office (Organization Structure) should work on enhancing the district planning department by increasing the number of Socio-Economic Planners to cope with increased CDF. Alternatively, the Socio-Economic Section can be turned into a separate department to exclusively focus on CDF and Local Economic Development.

8.2 The Ministry of Local Government and Rural Development working in conjunction with the Ministry of Justice and Ministry of Finance and National Planning should decentralise the approval processes to the province and have the Attorney General (AG) chambers at the provincial level, this will reduce the long approval process and quicken the CDF implementation.

8.3 There is urgent need to build the capacity of WDCs in community mobilisation, minute taking, project proposal writing, records management, civic engagement, financial literacy, accountability, needs assessment, budget tracking, project identification as well as monitoring and evaluation.

8.4 The Ministry of Local Government and Rural Development should work on a mechanism to financially support the WDCs, this will be good motivation for the WDCs. in some cases, some WDC members have since resigned because of lack of motivation and increased workload.

8.5 The Government through the Ministry of Local Government and Rural Development, other Ministries and stakeholders involved in the implementation of the CDF should put in measures to improve coordination mechanisms to avoid conflicting instructions to the Councils.

8.6 Councils with community structures should consider providing office space for WDCs' effective operations. The current scenario is that WDCs operate in their homes in some cases.

8.7 CDFC should consider engaging WDC's on a quarterly basis to provide feedback on the implementation of CDF.

8.8 The Ministry of Local Government and Rural Development should consider translating CDF guidelines into local languages. This will help the local communities to fully understand the guidelines.

8.9 Monitoring of CDF projects to be extended to skills development training to ensure quality assurance.

8.10 There is a need for the Ministry of Local Government and Rural Development to provide clarity on what constitutes a community disaster.

8.11 There is need to formulate a template for minute-taking and report writing to standardise operations of WDCs.

8.12 CDFCs should follow project rankings by WDCs when selecting projects.

8.13 Councils should endeavour to approve projects on an annual basis as opposed to quarterly.

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