



NATIONAL ROADS BOARD OF ZAMBIA



Origin of the Board and involvement
of Road Users in decision making
Process



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Problems Identification

- Ran down infrastructures
- Inadequate sustainable financing arrangements
- Lack of political will
- Weak management systems
- Fragmentation – Too many players
- Accountability and transparency
- Lack of Transport Policy

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Genesis of the Board

- Watershed at Mulungushi Int. Conference – Road Maintenance Policy Reform seminar was held on 16-19 February 1993
- All stakeholders and key players attended
- Outcome – Recommendation to establish a Road Fund and create a Board
- They agreed to pay the Government tax and extra money as Fuel Levy, dedicated to road maintenance

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Genesis of the Board (contd)

- Fuel Levy to be remitted every 10 days
- Private sectors involvement
- Staff incentives and training
- Creation of Autonomous Highway Authority

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Genesis of the Board (contd)

- Government established a Road Fund and NRB was “borne” through a Statutory Instrument No. 42 of 1994
- NRB is a Private – Public Organisation – 7 Private and 5 Public members
- It is not a legal Entity – Cannot sue or sued
- Has small but efficient secretariat- 6 Professionals and 5 support staff
- It works with and through the existing organizational framework

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Policy Guidelines Created

- After creating the Board, the following guidelines were put in place:
 - A) Fuel Levy shall be disbursed on recommendation from Technical and Finance committees, ratified by the Board
 - B) First priority is routine maintenance, then periodic
 - C) Banking mix put in place

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Policy Guidelines Created (Contd)

- D) Funds split – Trunk, Main and District roads 40%, Feeder roads 40% and Urban roads 20%
- E) Cheques to be signed by 2 signatories
- F) Books of accounts to be audited on Quarterly basis and published in media
- G) Transparency and accountability be in place

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Mandate

- Administer and manage the Road Fund
- Prepare and publish audited annual accounts of the Road Fund
- Recommend funding for maintenance
- Provide guidance and technical assistance to various road agencies
- Coordination of Road Sector Investment Programme (ROADSIP)

SENSE OF OWNERSHIP AND RESPONSIBILITY

- Was done by establishing the following task forces or committees:
 - Committee of Ministers on RMI
 - committee of Permanent Secretaries on RMI
 - Donor Forum
 - ROADSIP Steering Committee
 - Technical Committee
 - Finance Committee

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SENSE OF OWNERSHIP AND RESPONSIBILITY (Cntd)

- National Task Force on ROADSIP
- Transport Economics Committee
- Procurement Committee
- Committee on Weighbridges

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ANNUAL WORK PLAN

- This is a Road User driven National Plan
- Road Agencies submit project and procurement plans to NRB for consolidation
- Seminar is held every year in about October to disseminate the plan
- Issues affecting ROADSIP are discussed

IMPLEMENTATION AND MONITORING

- Contract document to be approved by NRB
- Contracts are signed by Road Agencies
- Quality of work is monitored by consultants and indirectly by Road Users and Board
- Substandard work is reported to the consultant for action

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EVALUATION AND REPORTING

- Premature failure of any road is subjected to technical audit
- Contractors/ Consultants “found wanting” will not get work from ROADSIP
- Legal proceedings for professional negligence is instituted thru the Attorney General

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ADDITIONAL RESPONSIBILITY

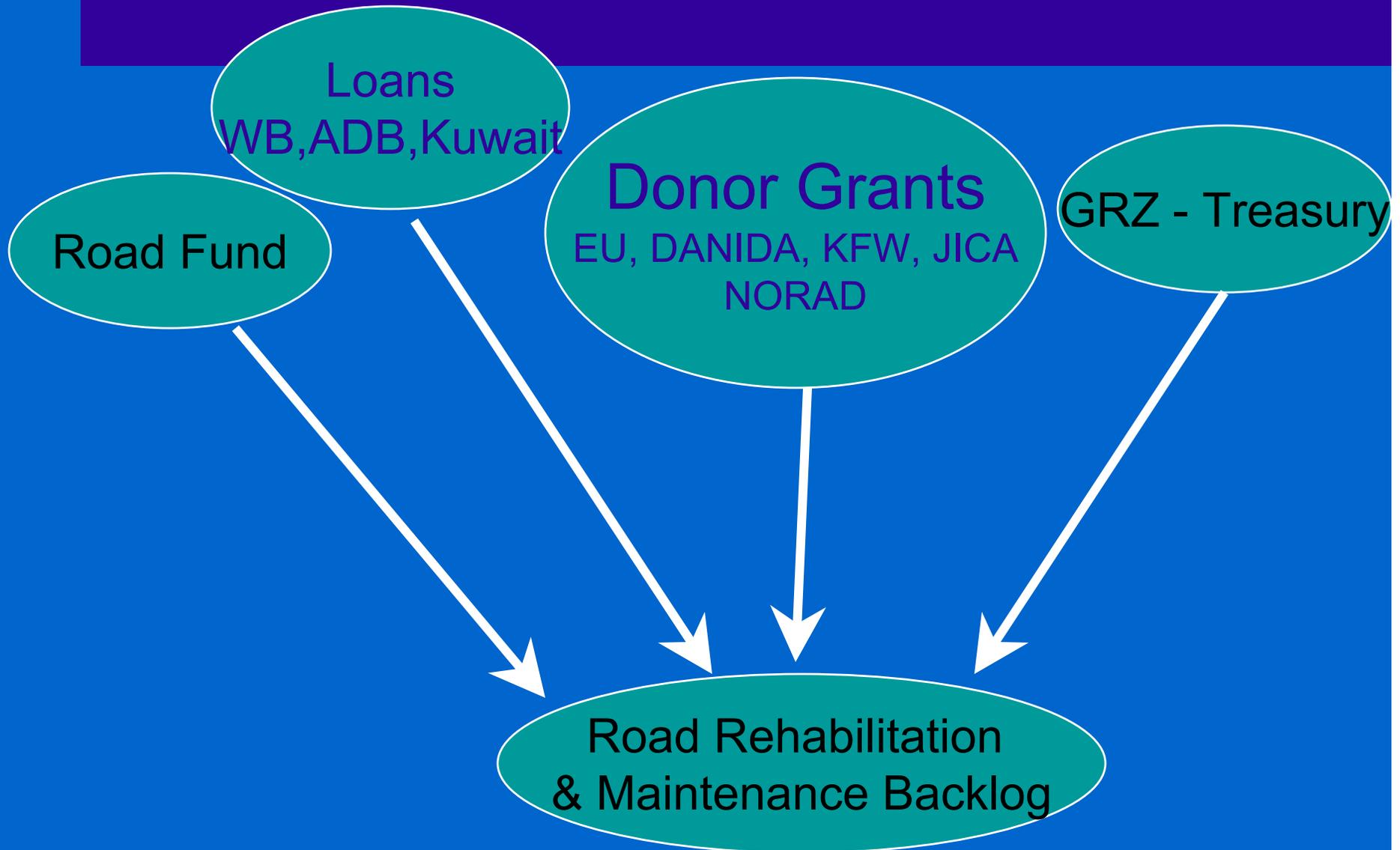
- Due to successes in managing the Fuel Levy, the Committee of Ministers appointed NRB to coordinate Donors and World Bank funds – Creation of Road Sector Investment Programme (ROADSIP)
- ROADSIP is driven by Road Users and Cooperating Partners

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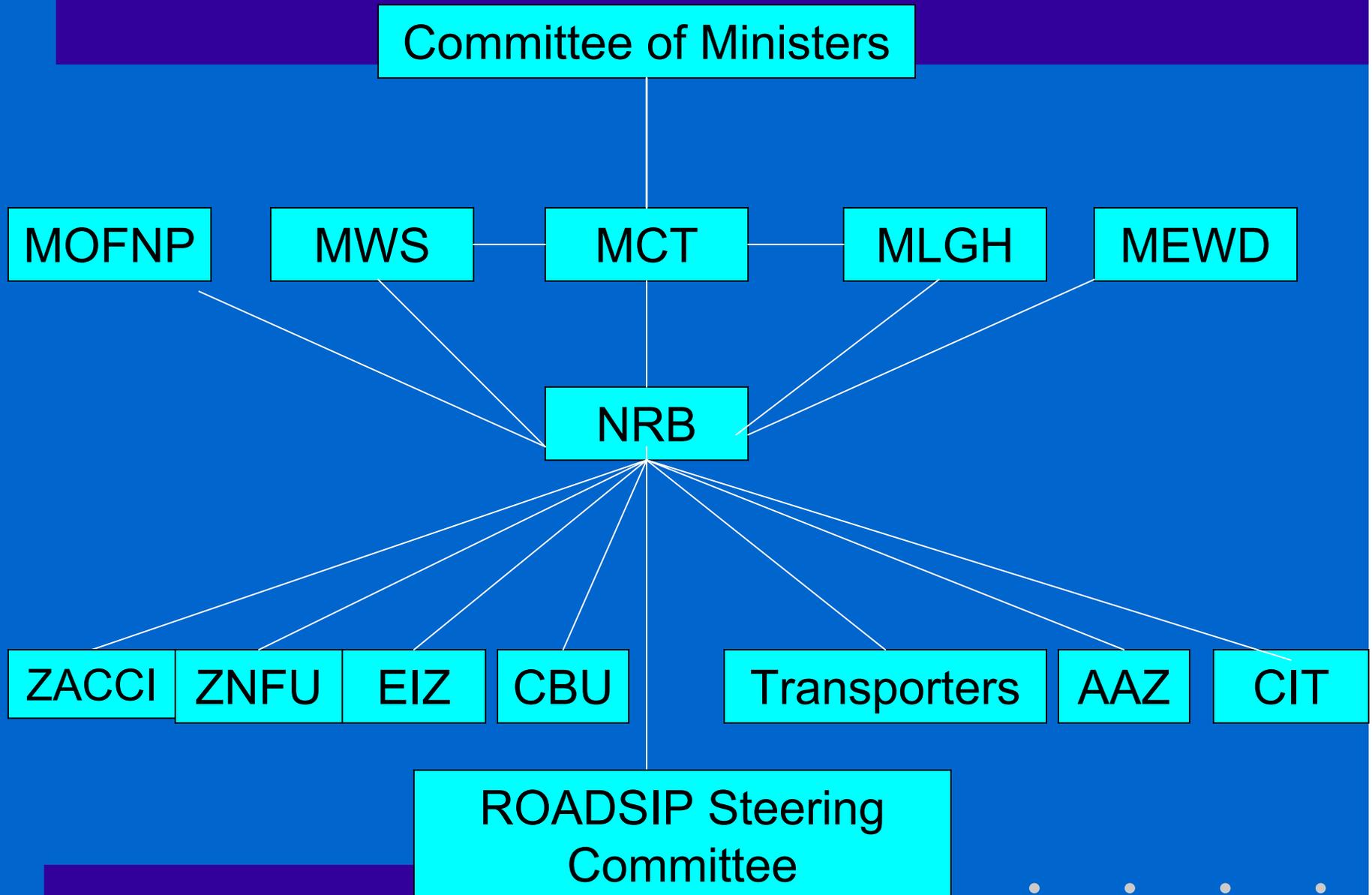
ROADSIP

- Goal – To facilitate economic growth and diversification (particularly in the agriculture sector) through a sustainable system for the financing and management of the road network
- Phase I – 1998 –2002 (US\$500m)
- Phase II – 2002 –2007 (US\$800 m)
- NRB mandated by cabinet to coordinate the implementation of ROADSIP
- NRB mandated to manage world Bank and some donor funds

SOURCES OF FINANCE FOR ROADSIP



ROADSIP Co-ordination



Objectives of ROADSIP

- 1 Bring core network to maintainable condition
- 2 Improve road conditions
- 3 Build capacity of road authorities
- 4 Employment creation for poverty alleviation
- 5 Improve road safety
- 6 Improve environmental management
- 7 Improve rural transport services

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- Bring Core Network to a Maintainable Condition

Progress made to date.....

- 33,500 km of core network identified
- Phase I of ROADSIP launched 1998 -2002 -
Over US \$ 500 M of Road works completed
- Financing of ROADSIP increased from low case
to medium case -\$372 m to \$500m +
- Bankable document to Launch Phase II worth
US\$800 million prepared
- All roads in good and fair conditions put on 3-
year performance contracts

Improve Road Condition

Target: >50% Good, <10% Poor

- % of paved roads in good condition risen from 21% in 1995 to 60% by 2002
- % of roads in good condition is improving and could reach 70% if Fuel Levy is remitted in full

• Build capacity of road authorities

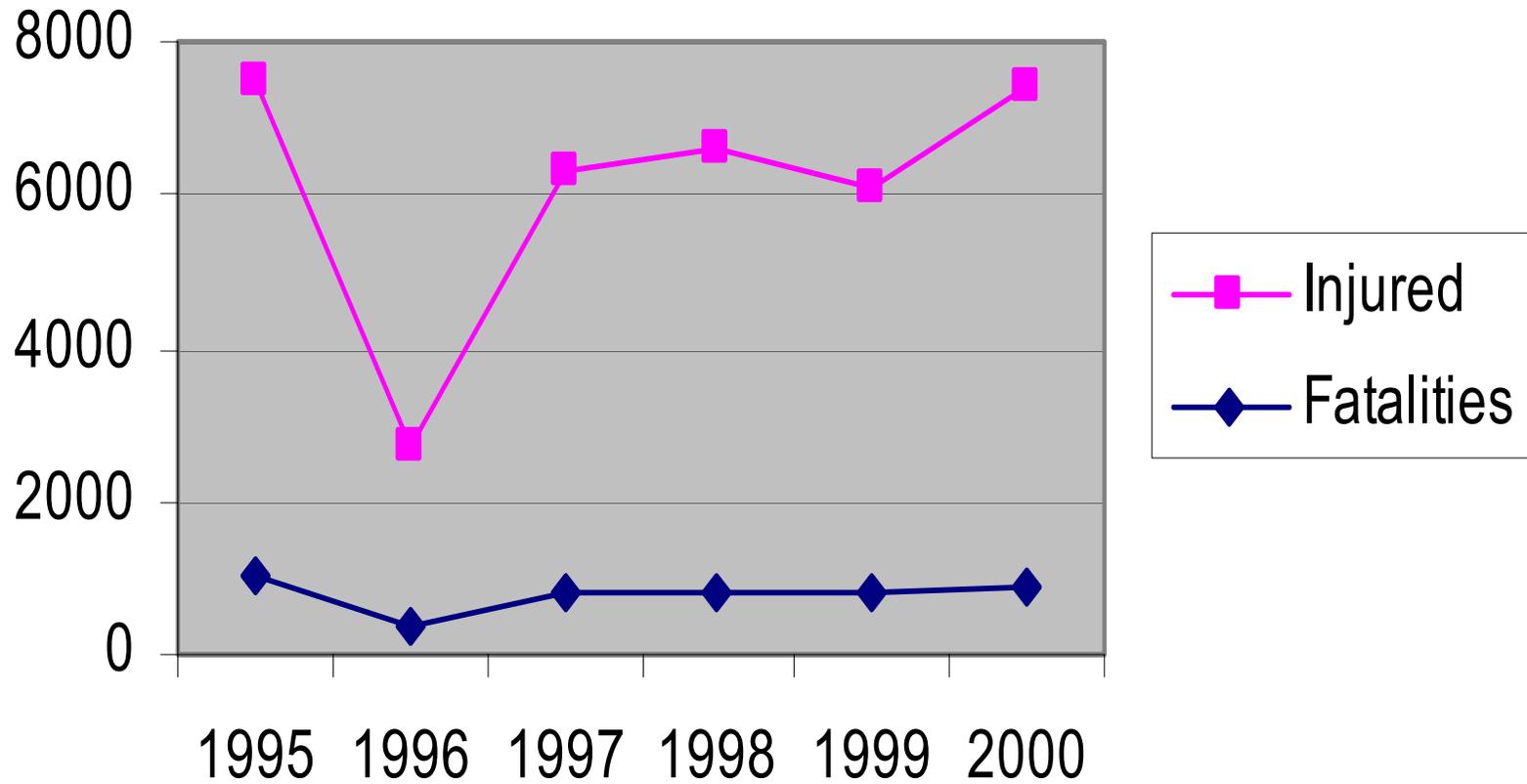
- Technical Assistance in all Road Authorities funded by Co-operating Partners because of confidence in the Board

Improve Road Safety

Target: Reduction of accident rate by 20 %

- Autonomous NRSC established.
- Action plan formulated and is being implemented.
- Accident rate not reduced – Good roads are promoting over speeding

Road Accident Statistics 1995-2000



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Improve Environmental Management

- Unit set up in Roads Department
- Action plan formulated including action on prevention of HIV/AIDS
- Environmental Impact Assessment carried out on all road projects

Rural Transport

- Framework developed to improve rural accessibility and mobility
- ZAMSIF in charge of community road improvement
- Intermediate Means of Transport Unit in charge of rural mobility
- Pilot projects launched in Mpongwe and has produced tangible results

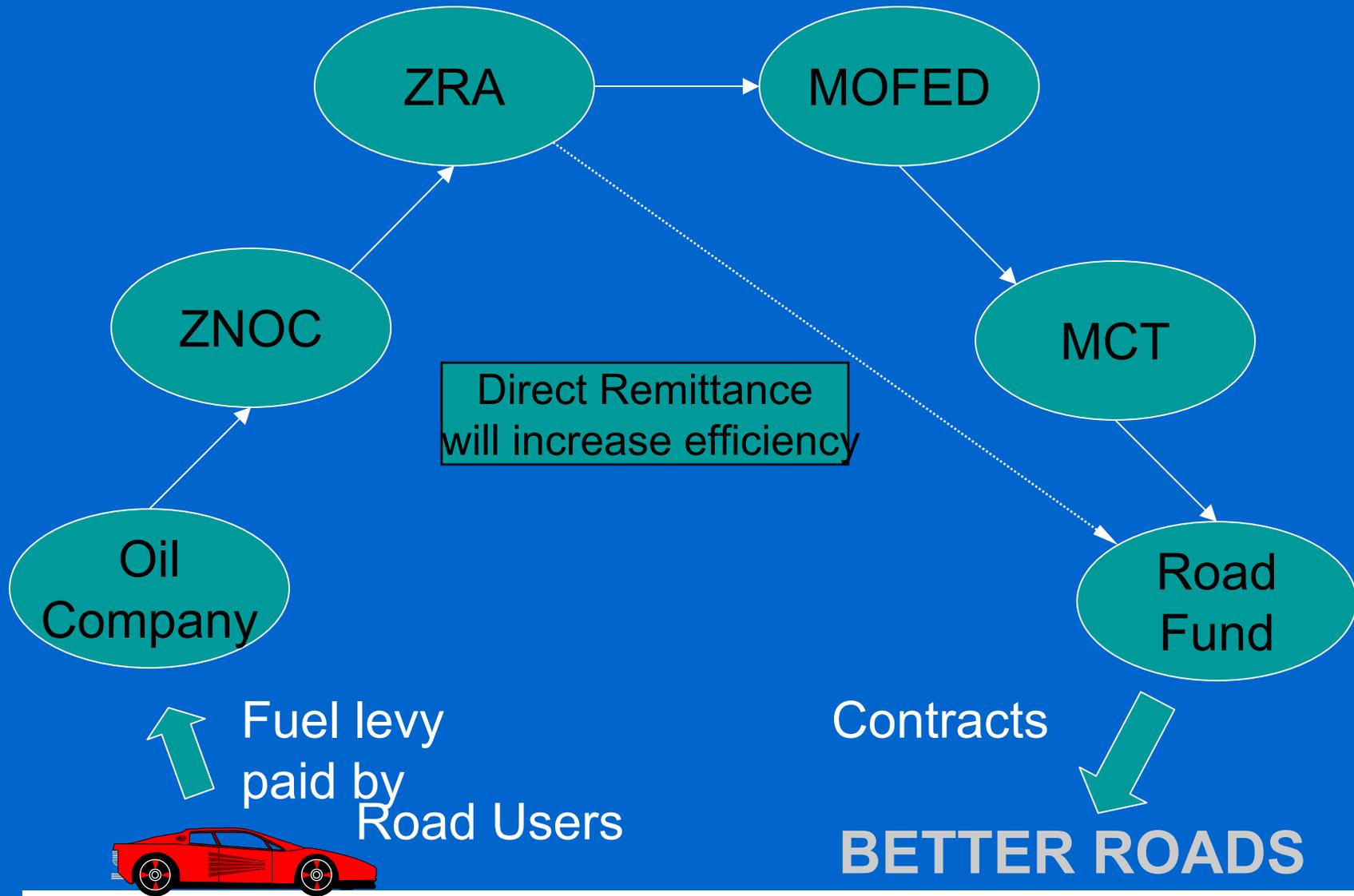
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Policy Reform

Transport policy formulated to:

- rationalise and strengthen Road Sector institutions for efficient management (currently 6 ministries & 81 road agencies involved)
- institute integrated and coordinated financing to avoid duplication and wastage of resources

Fuel Levy Remittance



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- ## Strengthen Local Construction Industry

- NCC established to promote local construction industry
- Training & development ongoing
- Weightage to local firms in evaluation
- Collaborative ventures encouraged
- Equipment Hire and Leasing Cos.' estd.
- Job creation on-going through contracted works- Force account discouraged
- Small scale contractors and supervising Engineers increased from 4 and 6 to over 450 and 60 respectively.
- Partnership between Local and Foreign firms has produced positive results

BUILDING PUBLIC SUPPORT

- Disseminated through Print and electronic media as well as through workshops
- Web site has been redesigned and re launched with new features-www.nrb.org.zm
- Commissioned by world Bank and donors to disseminate our experience to other countries in Africa and Asia.
- Road Users and Key Players sponsored TV and weekly radio programmes
- Continuous dialog to win over politicians

: IMPACT OF INVOLVING ROAD USERS

- Directives to commission road works and make payment to contractors without the approval of NRB were resisted and Payments not made.
- Only in one case Committee of Ministers overruled the Board and instructed to pay a contractor who carried out work without the approval of NRB.
- In all other cases NRB refused to make payment for road works not approved by NRB.

: IMPACT OF INVOLVING ROAD USERS (CONTD)

- NRB has rejected selective tenders and single sourcing of consultants and contractors .
- NRB has advocated open tender in order to promote transparency and reduce unit cost.
- Tenders advertised in print and electronic media
- Standing committee of NRB set up as private public sector partnerships.
- Inter Ministerial evaluation committees established

IMPACT OF INVOLVING ROAD USERS (Contd)

- We have internal and external Auditors
- Carry out technical and financial audits
- Technical and Finance committees look at project proposals before Board approves
- Tender for Banking mix
- Two panel signatures
- Tracking of projects through computers
- Payment made within 3 days for work done and certified

: IMPACT OF INVOLVING ROAD USERS (Contd)

- Accounts audited quarterly and published on dead lines.
- Annual Reports published and tabled in Parliament
- Open door Policy - any road user can examine the disbursement of fuel levy.
- Safeguarded the funds from banks that were liquidated despite political pressures/intimidation

IMPACT OF INVOLVING ROAD USERS (Contd)

- Payments not made for road works;-
 - - not approved by NRB
 - - not to approved scope of works & BOQ
 - - not certified by supervising engineers and confirmed by Provincial PSS and road authorities
 - -not to acceptable standards of performance

IMPACT OF INVOLVING ROAD USERS (Contd)

- NRB initiated court cases against defrauding contractors - 4 cases in courts
- NRB initiated action against poor performance of consultants
- NRB initiated court cases against financial institutions for non professional conduct
- NRB invited Auditor General ,NCC, ZNTB and EIZ/ERB to oversee operations

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Conclusion

- NRB is a Board of all stakeholders and key players in the Road Sector
- NRB is a user driven – Bottom up approach
- Systems and procedures exist for discharge of functions
- Ownership, financing, management and responsibilities have been spelt out
- Impact of Reforms has been felt by all
- Political will and sense of ownership secured

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Conclusion (Contd)

- Integrity of the Board has led to the approval of the Transport Policy and creation of 3 Agencies
- Courage to withstand pressures and the resolve to uphold integrity has been the driving force of NRB to-date.
- ROADSIP is working in Zambia
- END.