

OVERVIEW OF ZNBC RIA PROCESS AND REPORT

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1.0 BACKGROUND

- ZNBC was mandated by the ZNBC Amendment Act No. 20 of 2002 to collect TV Levy from all households and individuals who owned or operated TV sets in Zambia.
- In 12 years of the collection of the levy, ZNBC only managed to achieve 27% compliance, leaving 73% of the collectible levies uncollected due to a number of challenges.
- Of the 27% collections, ZESCO accounted for 80% of those collections.

NEED FOR RIA PROCESS

PROBLEM STATEMENT:

- ZNBC was unable to effectively meet its obligations as Zambia's Public Broadcaster due to inadequately collected TV Levies.

MAIN OBJECTIVE

- To increase TV Levy collections from 27% to 70% by the year 2021.
- ZNBC was to lobby for the amendment of the ZNBC Act No. 16 of 2010 to include all gadgets capable of receiving broadcasting signal to be included in the collection of the levy and change the name to PSBL.



NEED FOR A RIA PROCESS

EFFECTS OF CONTINUED POOR FINANCIAL STANDING

- Failure to pay suppliers of goods and services on time and in compliance to credit terms.
- inability to attract and retain professional staff. Labour is high for certain skills which are well rewarded elsewhere.
- Frequent legal suits for non-payment for suppliers with extended period.
- Failure to pay retired employees their terminal benefits.
- Failure to pay salaries and wages on time.

NEED FOR A RIA PROCESS

WITH LONG-TERM FINANCIAL SUSTAINABILITY, ZNBC WOULD:

- Timely and effectively implement priority activities.
- Improve ZNBC image and increased confidence from the public.
- Increase capability to achieve public mandate.
- Acquire quality content and improve programming.
- Timely pay off retired employees, suppliers of goods and services and salaries and wages for the current employees.

OPTIONS CONSIDERED

- **OPTION 1: Do Nothing**

ZNBC continues with the status quo.

- **OPTION 2: Create strategic partnerships**

ZNBC should enter into additional partnerships with other institutions to expand collections to include all eligible households.

- **OPTION 3: Amend law to include all electronic gadgets.**

ZNBC to lobby government to amend the law.

OPTIONS CONSIDERED

- **OPTION 4: Create a collection Agency**

Create an independent agency with its own management structure that would be collecting TV levy on behalf of ZNBC.

- **METHODOLOGY FOR ASSESSING COSTS AND BENEFITS: Cost-Benefit Analysis**

This was used because it considered both the cost associated with the implementation of the option and the resultant monetary benefits.

COST-BENEFIT ANALYSIS(CBA)

Option 1: using CBA,ZNBC was ending up with a huge deficit.

Option 2: using CBA, ZNBC was ending up with a surplus.

Option 3: using CBA, ZNBC was ending up with a huge surplus.

Option 4: using CBA, ZNBC was also ending up with a surplus,

SUMMARY & RANKING OF OPTIONS

OPTION NO.	OPTION DESCRIPTION	SURPLUS (ZMW)	RANKING
3	Amend Law	63,000,000	1
4	Create collection agency	33,000,000	2
2	Create strategic partnerships	29,000,000	3
1	Do Nothing	(25,000,000)	4

METHODOLOGY FOR DATA GATHERING.

ZNBC used consultative and participatory approaches to come up with the report. The following approaches were used:

- **Focus Group Discussion**

A small group of stakeholders was invited to a focus group discussion. Out of the 25 stakeholder organisations invited, only 7 attended the discussion.

METHODOLOGY FOR DATA GATHERING

■ THE GENERAL PUBLIC

These were targeted at Trade Shows like the Zambia International Trade Fair in Ndola, Lusaka Agricultural and Commercial Show and visits in selected provincial centers and districts. A total of 3,668 respondents were interviewed using a structured questionnaire because it was easy to administer. A number of data collectors were engaged in these places to undertake the exercise successfully.

GENERAL PUBLIC PARTICIPATION

DISTRICT	RESPONDENTS
LUSAKA	1,053
NDOLA	867
KASAMA	367
SOLWEZI	366
MONGU	517
CHIPATA	467
KABWE	17
LIVINGSTONE	14

METHODOLOGY FOR DATA GATHERING (cont.)

- **MEMBERS OF PARLIAMENT**

A total number of 25 members of Parliament were interviewed. 75% of them agreed with the position ZNBC was proposing while 25% disagreed.

- **TRADITIONAL LEADERS**

The following chiefs were visited and interviewed:

TRADITIONAL LEADERS INTERVIEWED

PROVINCE	NAME OF CHIEF
SOUTHERN	<ul style="list-style-type: none">▪ Chieftainess Choongo▪ Chief Chikanta▪ Chief Mwanachingwala
EASTERN	<ul style="list-style-type: none">▪ Senior Chief Nzamane▪ Senior Chief Kalindawalo▪ Chief Madzimawe▪ Chief Mnukwa
CENTRAL	<ul style="list-style-type: none">▪ Senior Chief Shakumbila▪ Chief Chitina▪ Chief Chamuka
COPPERBELT	<ul style="list-style-type: none">▪ Senior Chief Mushili▪ Chief Lumpuma
LUSAKA	<ul style="list-style-type: none">▪ Chieftainess Nkomesha

CHALLENGES & UNCERTAINTIES

- Securing appointments with chiefs and Members of Parliament
- Finding members of the public at home during questionnaire distribution and interviews.
- Resistance by members of the public to participate in the interviews.
- Negative perception of ZNBC and accusations of biasness.
- Lack of readily available resources to undertake the exercise in time.

