



NATIONAL ROAD FUND AGENCY



STRATEGIC PLAN

2022 – 2026

Prepared by:
National Road Fund Agency in collaboration with
Management Development Division
Cabinet Office
LUSAKA



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ACRONYMS

8NDP	Eighth National Development Plan
BSC	Balanced Scorecard
COVID-19	Corona Virus Disease - 2019
CMS	Contract Management System
IA	Institutional Assessment
IPCs	Interim Payment Certificates
MDD	Management Development Division
M&E	Monitoring and Evaluation
MoFN	Ministry of Finance and National Planning
MLGRD	Ministry of Local Government and Rural Development
MTEF	Medium Term Expenditure Framework
NCC	National Council for Construction
NRFA	National Road Fund Agency
NRTP	National Road Tolling Programme
OD	Organisational Development
PESTEL	Political, Economic, Social, Technological, Environmental and Legal
PPPs	Public Private Partnership
RDA	Road Development Agency
RoadSIP III	Road Sector Investment Programme III
RTSA	Road Transport and Safety Agency
SWOT	Strengths, Weaknesses, Opportunities and Threats

FOREWORD

The core business of the National Road Fund Agency (NRFA) as synthesised from the NRFA Act No.13 of 2002 entails Resource Mobilisation, Fiduciary Management of the Resources and Value for Money for the Road Sector. The NRFA is a lead Tolls Agent in the administration and management of the National Road Tolling Program, a home-grown solution to raising domestic revenues for road maintenance.

To execute this mandate, the Agency develops a Strategic Plan every five years which is aligned with, and runs in tandem with consecutive National Development Plans to structure, develop, monitor and evaluate its operational activities for the five-year cycle.

With the aforementioned background, I am pleased to present the 2022 – 2026 NRFA Strategic Plan which draws significant insights from the solid foundation laid by its precursor 2017 – 2021 Strategic Plan which was used as a building block in the formulation of this plan.

This Strategic Plan was prepared under the invaluable supervision and direction of the Management Development Division (MDD) of the Cabinet Office and is the result of extensive stakeholder engagement and consultation using appropriate strategic planning tools to strategically position the Agency as it envisions **A Sustainable and Dynamic Road Fund for National Development** while embracing the Core Values of **Proficiency, Integrity and Teamwork**.

This Vision and Core Values will enable the Agency achieve its mission of Mobilising and Sustainably Managing Financial Resources for Good and Safe Roads. This will be done within the new strategic objectives of: **Improving Financing of Road Sector Programmes; Enhancing Stakeholder Engagement; Enhancing Fiduciary Management; Enhancing Operational Processes; and Improving Human Capital Development**.

The Strategic plan, which will shape the Agency's operations over the next few years, is underpinned by two themes namely **Financial Sustainability** resulting in timely and adequate funding of road infrastructure projects; and **Operational Efficiency** resulting in effective and efficient service delivery. These thematic areas will positively enhance the Agency's corporate image and position the institution as a key contributor to economic development.

The Agency's Board will be at hand to ensure that the Strategic Plan 2022 – 2026 is implemented through Annual Business Plans broken down into detailed activities, set targets, time frames and specific drivers. This will ensure that the Agency's position and modus operandi in the Road Sector reflects, as closely and efficiently as possible, the expectations of all stakeholders.

Finally, the intensity of the efforts that have been made to prepare this Strategic Plan illustrates the vitality and innovative teamwork of the Agency and in particular the interest, commitment and professionalism of all those who participated in it.

I would like to express my deep gratitude to the consultants from MDD, the Agency's Management and Staff for their commitment and dedication to duty which saw the timely formulation of this well-thought-out Strategic Plan.

**BOARD CHAIRPERSON
NATIONAL ROAD FUND AGENCY**

ACKNOWLEDGEMENTS

Formulation of the National Road Fund Agency (NRFA)'s 2022 – 2026 Strategic Plan was made possible through valuable contributions from a combination of in-house expertise and a multi-sectoral stakeholder participation to whom the Agency is highly indebted.

It is with a deep sense of gratitude and appreciation, that we acknowledge the unwavering support and guidance from the Board of the Agency, the parent Ministry of Finance and National Planning under whose watch the 2017 – 2021 Strategic Plan was successfully implemented and the 2022 – 2026 one, successfully formulated.

We shall commit every effort in ensuring that we harness this continued guidance, goodwill and support as we realign our operations under the framework of the new Strategic Plan.

Equally, we would like to acknowledge the leading role of the consultancy team under the Management Development Division (MDD) of the Cabinet Office in the evaluation of the previous Strategic Plan and the technical input into the development of the new Strategic Plan.

The active participation of the Agency's Core Team of staff drawn from all Departments and Units who provided cross disciplinary insights at every stage of the Strategic Plan formulation process cannot go without mention.

Team work which was exhibited during this long and tedious process exemplified the Agency's culture of cultivating internal synergies among a diverse set of staff skills while preserving institutional memory.

It goes without saying that the staff of an institution determine its success. In a very special way, we appreciate all NRFA staff severally and individually for their exceptional dedication to Agency work and great determination towards achieving its vision and mission.

With this rare and unique kind of dedication to duty, we are convinced beyond any reasonable doubt that this Strategic Plan will be successfully implemented and position the Agency as a Sustainable and Dynamic Road Fund for National Development.

**DIRECTOR/CEO
NATIONAL ROAD FUND AGENCY**

EXECUTIVE SUMMARY

The National Road Fund Agency, (NRFA) is a Statutory Body under the Ministry of Finance and National Planning with the overall mandate of providing strategic financial oversight to the Road Sector and facilitate road infrastructure development in the country. The main functions of NRFA are contained in Section 4, of the National Road Fund Act, No. 13 of 2002.

The NRFA is also the lead Tolls Agent appointed by the Road Development Agency through the provisions of the Toll Act No. 14 of 2011 to administer and implement the National Road Tolling Programme, (NRTP).

The purpose of this Strategic Plan is to outline an operational framework that will guide and enhance performance of the Agency in order to effectively implement its mandate. The Plan highlights the identified areas of focus and places priority where resources will be applied during the strategic plan period 2022 to 2026.

The methodology used to develop this Strategic Plan involved two phases namely: Institutional Assessment and Organisational Development. The process was underpinned by the Balanced Scorecard principles. The first phase involved undertaking a Performance Assessment, Stakeholder Engagements and conducting an Institutional Capability Assessment. In addition, an assessment of the external environment in which the Agency operates was conducted. The assessments were conducted using various tools including the McKinsey 7s Model, Change Management Models, Problem Tree, Objective Tree, SWOT and PESTEL Analyses.

The second Phase involved setting the Organisational Development (Strategic Direction) for the period 2022 to 2026. NRFA's strategic direction comprises the following:

Vision:

“A sustainable and dynamic Road Fund for National Development”

To realise the vision, the NRFA has identified two (2) key result areas of focus and their related strategic results as follows:

- i. Road Sector Financial Sustainability resulting in timely and adequate funding of road infrastructure projects; and
- ii. Operational Efficiency resulting in effective and efficient service delivery.

Mission Statement:

“To mobilize and sustainably manage financial resources for good and safe roads”

Core Values

The Agency espouses three core values namely: ***Proficiency, Integrity and Teamwork.***

Strategic Objectives

The vision, mission and strategic themes are complimented by a set of Core Values and the Agency will strive to achieve five Strategic Objectives as described below:

- i. **Improve financing of road sector programmes;**
- ii. **Enhance Stakeholder engagement;**
- iii. **Enhance fiduciary management;**
- iv. **Enhance operational processes; and**
- v. **Improve Human Capital Development.**

The above Strategic Objectives have specific performance targets and associated strategies. The successful attainment of agreed Strategic Objectives and associated targets will be facilitated through an Implementation Plan outlining specific tasks along with estimated costs of implementing strategies. Departmental and Individual work plans will be aligned to the Strategic Plan to ensure its successful implementation and realisation of the desired impact. In this regard, the Plan will be monitored continuously and necessary interventions undertaken for attainment of set targets. A final review will be undertaken at the end of the Plan period to establish the extent to which the Strategic Plan will be implemented.

The Plan has a Balanced Scorecard for easy communication, tracking and managing of the Strategy in a simplified and well-structured manner to ensure the set strategic goals are met. This tool will further assist in keeping our Strategy at the front and center of our reporting processes and further help employees see how their individual and departmental goals link to the Strategic Plan.



NRFA Headquarters Office, a lead Tolls Agent appointed by the Road Development Agency through the provisions of the Toll Act No. 14 of 2011

An aerial photograph of a modern cable-stayed bridge spanning a wide river. The bridge features multiple tall, white, A-frame pylons with numerous stay cables supporting the deck. The bridge has a slight curve and is supported by several concrete piers in the water. The surrounding landscape includes green fields and a clear sky. The entire image is overlaid with a semi-transparent teal color.

1.0 INTRODUCTION

1.0 INTRODUCTION

1.1 Institutional Background

The National Road Fund Agency (NRFA) is a statutory body under the Ministry of Finance and National Planning. The NRFA was established in 2002 pursuant to the National Road Fund Act No. 13 of 2002, to administer and manage the Road Fund. The Agency works closely with two other Road Sector implementing agencies namely: The Road Development Agency (RDA) established in 2002 under the Public Roads Act No. 12 of 2002 responsible for developing and managing the road infrastructure; and the Road Transport and Safety Agency (RTSA) established in 2002 under the Road Traffic Act No. 11 of 2002 to manage road transport, traffic and safety in the country. These Agencies receive funds through the Road Fund for sector programmes.

1.2 Institutional Mandate

The overall mandate of NRFA is to provide strategic financial oversight to the Road Sector and facilitate road infrastructure development in the country. Further, the Agency is implementing the National Road Tolling Programme, (NRTP) through delegated mandate from the Tolls Authority (RDA) pursuant to the Tolls Act No. 14 of 2011.

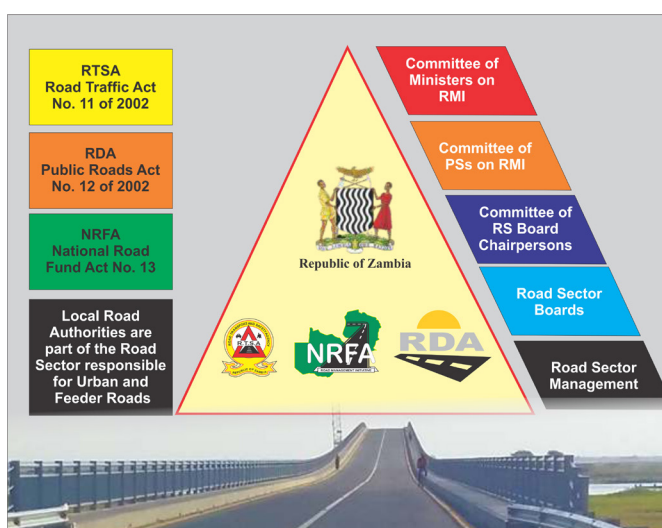
The functions of the Agency as contained in Section 4, of the National Road Fund Act, No. 13 of 2002 are to:

- i. Administer and manage the Road Fund;
- ii. Prepare and publish audited annual accounts of the Road Fund;
- iii. Recommend to the Minister responsible for finance fuel levy and other road user charges and tariffs as required;
- iv. Recommend to the Minister responsible for finance projects for funding;
- v. Allocate resources for:
 - a. construction, maintenance, and rehabilitation of roads based on a percentage of the annual programme of the Road Development Agency (RDA); and
 - b. road transport, traffic and safety management based on a percentage of the annual work programme of the Road Transport and Safety Agency (RTSA)
- vi. Recommend funding for the development of new roads in consultation with RDA; and
- vii. Undertake such other activities as are conducive or incidental to its functions under this Act.

1.3 Operational and Governance Structure

NRFA operates through a structure that promotes good Corporate Governance for the Road Sector. The structure

is made up of the Road Management Initiative (RMI) Committees of Ministers and Permanent Secretaries with an overall responsibility of providing policy guidance to road sector Agencies. The RMI Committee is chaired by the Minister responsible for Transport. In addition, there is a Committee of Chairpersons comprising Chairpersons of the Road Sector Agencies namely: NRFA, RDA and RTSA, as well as National Council for Construction, (NCC) and the Ministry of Local Government and Rural Development, (MLGRD). The Committee of Chairpersons provides linkage between the Road Sector Boards and the RMI Committees of Ministers and Permanent Secretaries.



Operational and Governance Structure

The next level in the governance structure relates to the Board of the Agency made up of thirteen (13) members appointed by the Ministry responsible for Finance. The Board is responsible for setting the strategic direction and ensuring effective execution of the Agency's mandate. The day-to-day operations of the Fund are a responsibility of a Management Team headed by the Director and Chief Executive Officer. The Director and Chief Executive Officer is assisted by five Directors responsible for:

- i. Fund Management;
- ii. Monitoring and Evaluation;
- iii. Corporate Services;
- iv. Road Tolling; and
- v. Internal Audit.

In terms of intra-Agency collaboration, the various departments work together in order to optimize the implementation of the Agency mandate and attainment of the strategic objectives.

The Agency has principal offices in Lusaka at plot 33, Fairley Road, Ridgeway. The Agency has other satellite offices located at various Toll Stations across the country.

1.4 Strategic Operational Linkages

The operational strategic linkages relate to available opportunities to foster operations between NRFA and its strategic partners in implementing Road Sector programmes.

The inter-Agency linkages involve working with the RDA on implementation of the National Road Tolling Programme and payment of Interim Payment Certificates (IPCs) for road works carried out, with RTSA on road safety programmes and NCC on contractor regulation and capacity building programmes. Further, the Agency collaborates with MLGRD on payment for IPCs on feeder and urban roads. Other strategic partners include the Zambia Revenue Authority, Zambia Army, Zambia Police Service, Zambia National Service, academia and other related institutions on taxation and payment towards IPCs for road works.

In order to ensure financial sustainability, the Agency collaborates with multi-lateral and bilateral cooperating partners and local financial institutions on road sector financing through grants and loans.

1.5 Rationale for developing the 2022 – 2026 Strategic Plan

The development of the 2022 – 2026 Strategic Plan, was necessitated by the expiry of the 2017 to 2021 Strategic Plan and the formulation of the Eighth National Development Plan (8NDP). The Agency sought approval from the Ministry of Finance on the extension of the 2017 – 2021 Strategic Plan beyond the December 2021 expiry date as an interim measure.

The development of the 8NDP presents opportunities for the Agency to restructure and refinance its debt including transfer of accumulated debt to the Treasury is expected to result in streamlined operations for the Agency. Further, there have been developments relating to increased demand for road works as well as availability innovative forms of project financing including the use of Public-Private Partnership (PPPs) options.

The new Plan takes into account the developments highlighted above and is premised on the aspirations of the New Dawn Government as contained in the 8NDP. It is envisaged that the Plan will adequately address strategic issues affecting the operations of the Agency that were identified during the Institutional Assessment phase. This is expected to facilitate smooth programme implementation and ultimately result in meeting clients' needs and interests of stakeholders.

1.6 Methodology

The 2022 to 2026 Strategic Plan development was facilitated by Management Development Division at Cabinet Office. The Division employed a Process Consulting Approach working with the Core Team of the NRFA with representation from Management and Staff from all Departments/Units. The process involved undertaking an Institutional Assessment (IA) in Phase I and on the other hand, the Organisational Development (OD) using the Balanced Scorecard principles in Phase II. The IA involved conducting a Performance Assessment, an Institutional Capability Assessment of the Agency's distinctive competencies. An analysis of the internal and external environments in which NFRA operates was undertaken using various tools such as the McKinsey 7s Model, Simple Change Management Model, Objective and Problem Trees, Strength, Weaknesses, Opportunities and Threats (SWOT), and Political, Economic, Social, Technological, Environment and Legal (PESTEL). In addition, engagements were held with Management, Staff, Clients and Stakeholders to obtain their input in the performance review and development of the new Strategic Plan.

The information collected from the IA facilitated the OD process of determining the Agency's strategic direction for the period 2022 - 2026 in relation to its Vision, Mission, Core Values, Strategic Themes and Results, Strategic Objectives and Intended Results, Targets and Strategies.

The Plan was validated by various stakeholders and approved by the Board of the Agency.



The Agency collaborates with multi-lateral and bilateral cooperating partners and local financial institutions on road sector

2.0 ENVIRONMENTAL ANALYSIS

2.1 External Environmental Analysis

An analysis of the external environment in which NRFA operates was conducted focusing on Political/Policy, Economic, Social, Technological, and Environmental/Ecological and Legal (PESTEL) developments. Additionally, a Stakeholder Analysis was undertaken in order to understand clients' needs and stakeholders' interest in general.

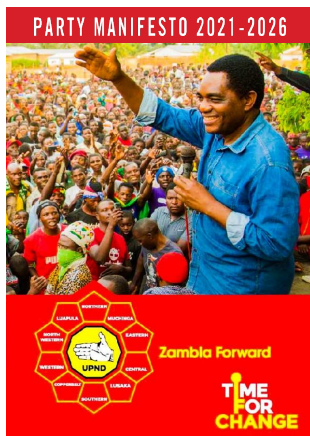
2.1.1 PESTEL Analysis

This involved analysing factors in the external environment that had or may have an impact on the operations of the Agency in future. The analysis revealed that NRFA was affected by the developments as follows: -

2.1.1.1 Political/Policy

a. United Party for National Development (UPND) Party Manifesto 2021-2026

The United Party for National Development, (UPND) places a high priority on establishing a stable and predictable policy environment that promotes investments and prudent macro-economic management characterized by Public Private consultation, policy consistency and fiscal prudence.



United Party for National Development (UPND) Party Manifesto 2021-2026

With regards to Debt and Expenditure Management outlined in the UPND Manifesto, the New Dawn Government has prioritised the following: -

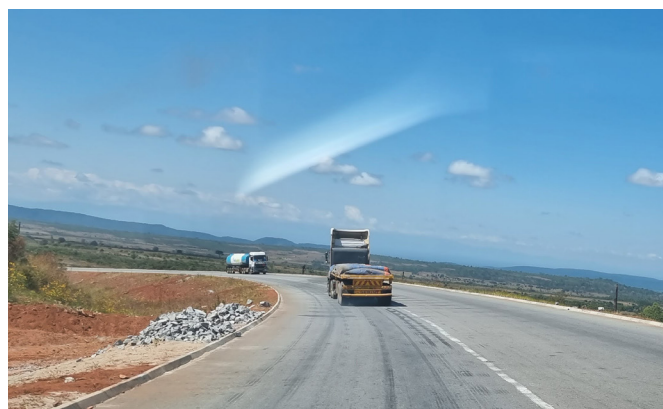
- i. Creation of a National Debt Management Office as an autonomous agency responsible for developing and executing debt management policies that minimise financing costs;
- ii. Ensuring any debt contracted for project development gives adequate investment returns to ensure debt sustainability; and
- iii. Prioritise rational and balanced public investment in road and rail infrastructure, leveraging on PPPs and foreign Direct Investments (FDIs).

To benefit from the opportunities and initiatives in the UPND Manifesto, the Agency will:

- i. Quantify and classify the nature and type of debt or arrears and further engage the Ministry of Finance and National Planning on transferring debt. The focus will be on refinancing and or restructuring of the Road Sector debt;
- ii. Enhance the project appraisal processes in order to ensure sustainable investment in the Road Sector;
- iii. Develop a bankable document in order to optimize the benefits arising from PPPs which will also help in creating fiscal space for sustainable road financing;
- iv. Advocate for appointment of a Transaction Advisor; and
- v. Establish a Special Purpose Vehicle (SPV) for collection of Tolls on concessional projects.

b. National Transport Policy 2019

The thrust of the National Transport Policy, 2019 is to create an inter-modal transport system which will provide for inter-linkages among the four modes (rail, road, air and water) of transport and ultimately transform Zambia into a regional hub by 2028.



Chinsali-Nakonde Road

The objectives of the National Transport Policy document include:

- i. Promotion of labour-based technology in the construction and maintenance of roads, low volume sealed roads and use of cobble stone technologies;
- ii. Facilitation for a minimum shift of 30% from road to railway transport of bulk and heavy cargo, bulk and containerized cargo for local and international transportation;
- iii. Promotion of road transport services, facilities and infrastructure that meet the global safety standards;
- iv. Mandating the management of urban and rural

transport infrastructure services and facilities to Local Authorities in accordance with the National Constitution and the National Decentralization Policy;

- v. Broadening resource base for project implementation from domestic revenues, bilateral and multilateral development partners, and the Private Sector; and
- vi. Resource mobilization using the Public Private Partnerships (PPP) framework.

The National Transport Policy document provides the following:

- i. Create a Transport Fund to adequately finance the development of all transport modes;
- ii. Development of non-motorized transport strategy; and
- iii. Resource mobilisation using the Public Private Partnerships (PPP) framework.

The Agency will therefore, undertake the following measures to take advantage of opportunities presented:

- i. Allocate resources in labour-based technology and capacity building in construction and maintenance of roads;
- ii. Continue engaging stakeholders in the Sector on deregulating 30% of heavy good to rail transport to help reduce the maintenance cost;
- iii. Allocate more resources to road safety activities;
- iv. Enhance allocation of resources for urban and feeder roads maintenance and construction by local authorities;
- v. Continue engaging Cooperating Partners for more grants to support road development and maintenance;
- vi. Develop a bankable document in consultation with RDA to optimise the benefits of PPPs and create fiscal space for sustainable road financing;
- vii. Advocate for appointment of a Transaction Advisor;
- viii. Establish a Special Purpose Vehicle (SPV) for collection of Tolls on concessional projects;
- ix. Engage relevant authorities to maintain the status core in which NRFA funds the road development and maintenance programmes; and
- x. Allocate adequate resources for non-motorised transport to widen the roads to provide for bicycle paths.

On the other hand, the promotion of PPPs provided for

in the National Transport Policy will lead to the following negative effects:

- i. Revenue loss to Government;
- ii. Loss of employment;
- iii. Possible loss of public confidence in the National Road Tolling Programme; and
- iv. Cost implication to the Agency in terms of redundancy packages and possible redundancy on equipment.

Further, the directive to include paths for motorised transport and bicycle will lead to bloated expenditure on road projects.

To mitigate the above negative effects, the Agency will undertake the following measures:

- i. Consider including cash consideration equivalent to loan exposures in the concession agreement;
- ii. Negotiate with concessionaires for terms that will avoid mass job losses;
- iii. Enhance public sensitization on the benefits of private sector participation in the tolling programme; and
- iv. Adequately provide for redundancy costs should they be needed.

2.1.1.2 Economic

a. Medium Term Budget Plan (2022 –2024)

The Government through the Ministry of Finance formulated a white paper, the Medium-Term Expenditure Plan for the period 2022 to 2024 to govern budget implementation. To stabilise the economy in the short to medium term, the paper considers among others the need to address debt sustainability, economic transformations, and economic



Medium-Term Expenditure Plan for the period 2022 to 2024 to govern budget implementation

growth. In particular, it highlights the following:

- i. Significantly dismantle domestic arrears and curtail accumulation of new arrears;
- ii. Reduce the pace of debt accumulation and ensure sustainability;
- iii. Improve Public Financial Management through

- budget credibility, efficiency of public expenditure;
- iv. Enhance resource mobilization initiatives;
- v. Effectively use ICT to bring about efficiency in the delivery of public services; and
- vi. The Government will focus on creating an enabling environment for effective development and implementation as a corner stone for delivery of quality and sustainable Public Private Partnerships (PPPs).

The Agency will, therefore, undertake the following measures to optimise the above pronouncements:

- i. Continuously engage Ministry of Finance and National Planning (MoFNP), Road Development Agency, (RDA) and Ministry of Local Government and Rural Development (MLGRD) with a view to curtail over commitments in the sector;
- ii. Continue engaging the MoFNP over the transfer of the current Road Sector debt to the Treasury;
- iii. Prioritise the maintenance and rehabilitation of feeder roads;
- iv. Enhance collaboration with the Electronic Government Division and other stakeholders in the ICT sector on full automation of business processes in the Agency;
- v. Develop a bankable document in consultation with RDA to optimise the benefits of PPPs and create fiscal space for sustainable road financing;
- vi. Advocate for appointment of a Transaction Advisor; and
- vii. Establish a Special Purpose Vehicle (SPV) for collection of Tolls on concessional projects.

b. Fluctuating Inflation rates

With regard to economic indicators, inflation has been rising averaging from 6.58% for 2017 to 15.73% for 2020 and 22.8% for 2021. As of January 2022, inflation rate had dropped to 14.2%. The Medium-Term Budget Plan (2022 –2024) projection of inflation for 2023 is 9.9%. According to the Economist Intelligence Unit, Zambia Country Report, 1st quarter 2022, inflation rate is expected to slow down to 6.2% by 2026.

Despite the drop-in inflation rate in the recent past, the cost of goods and services have continued to increase thereby negatively affecting the smooth operations of the Agency. Additionally, the drop-in interest rates can be seen as marginal in that the cost of borrowing from lending institutions remains relatively high.

To mitigate this negative image, the Agency will rationalise and prioritise utilisation of available resources.

c. Increasing Consumer Price Index

The Consumer Price Index has been increasing with the World Bank Consumer Price Index rising from 180.949 (December 2017) to 336.31 (December 2021). This has negatively affected costs especially for delayed road projects. To mitigate this negative effect, the Agency will:

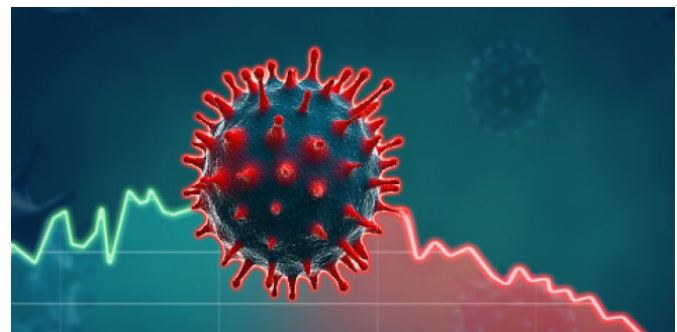
- i. Adjust all Contract-on-Contract Price Adjustment (CPA) Clause to be effected after a minimum period of eighteen (18) months in conjunction with other implementing Agencies; and
- ii. Continue engaging implementing Agencies on timely completion of projects.

2.1.1.3 Social

a. Spread of COVID 19

The spread of COVID-19 from March 2020 has generally resulted in the following:

- i. Volatile financial markets;
- ii. Lower foreign investments;
- iii. Supply chain disruptions;
- iv. Loss of income (employment and businesses); and
- v. Rising prices of commodities.



As a result of the above, the Agency faced the following challenges:

- i. Reduced Toll Collection revenues;
- ii. Reallocation of funds from budgeted activities to cover COVID-19 prevention measures negatively affecting implementation of programmes;
- iii. Increased lead time of procurements; and
- iv. Disruption of operations due to staff members being affected and work from home arrangements.

To mitigate the above negative effects, the following initiatives will be undertaken:

- i. Incorporate risks related to disease outbreak when setting targets;
- ii. Adequately allocate and fund disease outbreak prevention measures;
- iii. Ensure all procurements are undertaken in good time to mitigate delays; and
- iv. Facilitate implementation of ICT solutions to enable essential staff work remotely.

b. Population growth and changing demographics

Zambia's population has increased from 16.8 million in 2017 to an estimated 19.4 million at end of 2021, out of which:

- i. 54% are youths;
- ii. 49% are male and 51% are female;
- iii. Life expectancy standing at 64 years; and
- iv. 20% unemployed from the total percent of the youth for the year 2021.

The estimated population growth resulted in a corresponding increase in motor vehicle population and traffic volumes. This resultant increase in the motor vehicle population growth 9% on average resulted in:

- i. Increase in Toll revenue (30% from 2020 to 2021);
- ii. 5% increase in traffic at the toll gates;
- iii. Increase in motor vehicle licence fees collections; and
- iv. Rapid deterioration of roads.

The changing demographics has contributed to increased travel by the public and demand for better road infrastructure.

In view of the above, NRFA will implement the following optimisation Measures:

- i. Expediting the operationalization of the remaining toll points under the National Road Tolling programme;
- ii. Continue engaging RDA on prioritizing maintenance of affected roads; and
- iii. Engaging relevant Authorities on prioritising rational and balanced public investment in road and rail infrastructure.

c. Increased use of electronic platforms for communication

The Agency has relied heavily on social media (Facebook, Twitter, Website, WhatsApp) to disseminate information to various stakeholders and receive customer feedback on service delivery.

To ensure maximum benefits from use of social media, the Agency will automate and integrate stakeholder engagement and feedback mechanisms.

2.1.1.4 Technological

Issuance of E-Government Interoperability Standard in 2019

In 2019 Government issued an e-Government Interoperability Standards which all public institutions should comply to. Implementation of the Standard is expected to result in:

- i. Reduced set up cost for connectivity;

- ii. Ease of information exchange between government institutions;
- iii. Lower cost of service provision through shared services and elimination of duplication; and
- iv. Enhancement of ICT infrastructure to conform to Government ICT standards

The following measures will be pursued to optimise the benefits arising from the Standards:

- i. The Agency will tap on the reliable and cost-effective connectivity for improved service delivery;
- ii. Expedite integration of NRFA system with the Electronic Government Service Bus (GSB);
- iii. Enhance collaboration with Electronic Government Division on resource sharing; and
- iv. Enhance the NRFA's ICT infrastructure to conform to Government ICT standards.

2.1.1.5 Ecological/Environmental

Climate Variability

The Climate Variability is caused by various factors and has negatively affected the road sector in Zambia. Key to the management of these factors is the National Climate Change Policy (2016). The Policy is aimed at stemming the impact of climate change on the country's economy in general. The impact on the economy is mainly in relation to crop failure, reduced power generation and negative impact on road infrastructure. The Policy provides a framework for coordinated response to climate change issues and is an important vehicle for mitigating the above outlined economic impact including other climate related challenges. In addition, the Policy promotes the formulation of adaptation strategies that are critical not only to minimise expected negative impacts but also to capitalise on any supplementary benefits arising from climate change. The Policy is an important blueprint in attracting support in mitigating the above outlined economic impact.

For the Agency, the Climate Change may have far reaching impact including:

- i. Increase in the initial capital outlay when implementing adaptable solutions at its Toll Stations;
- ii. Some road projects might face funding challenges from Cooperating Partners if they did not include climate resilient solutions;
- iii. Damage to road infrastructure such as collapse of bridges and washing away of road portions; and
- iv. Loss of power supply due to damage of equipment and transmission lines in some cases.

The Agency will undertake the following initiatives in order to get maximum benefits from the Policy:

- i. Continue engaging relevant stakeholders for support in mitigating climate related challenges;
- ii. Ensure the inclusion of climate resilient options in all road projects and financing proposals;
- iii. Enhance the use of alternative energy such as solar energy in tolling operations;
- iv. Lobby for increased funding for toll infrastructure enhancement.

2.1.1.6 Legal

a. The Public Procurement Act No. 8 of 2020

The Public Procurement Act (PPA) aims to enhance transparency, efficiency, effectiveness, economy, value for money, competition, and accountability in public procurement through the following:

- i. Ensuring that all those procurements are within the approved budget of that entity. This is also in line with the provisions of Circular No. 7 of 2022;
- ii. A procuring entity is required to confirm availability of funds and in the case of procurement of works, approved the proposed design;
- iii. A procuring entity shall procure standard goods, services and works in accordance with the price index issued by the Authority;
- iv. A procuring entity shall, where an item to be procured is not covered in the quarterly market price index, undertake a price reasonableness analysis subject to the approval of the Authority, as prescribed.

The Agency will endeavour to implement the provisions of the Act by ensuring that:

- i. All procurements are within the approved budget to avoid budget overruns;
- ii. All procurements do not commence until availability of funds is confirmed;
- iii. All procurements unit costs conform to the price index issued by the Authority; and
- iv. It conducts a price reasonableness analysis on commodities not covered by the Market Price Index and subject them to approval by ZPPA.

b. The National Road Fund Act No. 13 of 2002

The National Road Fund (NRF) Act of 2002 provides for the functions of the National Road Fund (NRFA). However, the Act is inadequate in dealing with emerging issues in the Road Sector. Therefore, the Agency is in the process of reviewing the current Act to give clarity to the power/mandate of the Agency in respect of Resource Mobilisation, Fiduciary Management of Resources and undertaking Value for Money Technical Audits. In particular, the Agency intends to address the following:

- i. Put restrictions on execution against the properties of the Agency;
- ii. Provide an explicit function for conducting value for money audits; and
- iii. Provide for the function of mobilising resourcing from the financial markets for road rehabilitation, maintenance, upgrading and construction.



M&E department ensuring Value for Money

To address the identified inadequacies, the Agency will continue engaging the Ministry of Finance and National Planning on expediting the review of the NRF Act.

c. The Data Protection Act No. 3 of 2021

The Data Protection Act, among other things, provides for:

- i. An effective system for the use and protection of personal data;
- ii. Regulation of the collection, use, transmission, storage and otherwise processing of personal data;
- iii. The registration of data controllers and licencing of data auditors;
- iv. The duties of data controllers and data processors; and
- v. The rights of data subjects.

To optimise the provisions of the Data Protection Act, NRFA will:

- i. Enhance its data processing and storage infrastructure;
- ii. Enhance security of systems for protection of data; and
- iii. Enhance capacity of the ICT Unit.

d. The Local Government Act No. 2 of 2019

The Local Government (Amendment) Act of 2019 provides that a local authority shall, among other things, be responsible for the following:

- i. In relation to a public street and street, establish and maintain roads;
- ii. Exercise general control, care and maintenance of all public roads, streets, avenues, lanes sanitary lanes and foot walks forming part thereof, bridges, squares, ferries, and water courses and to remove all obstacles therefrom;



Local Authorities responsible for Care and Maintenance of Roads

- iii. Prohibit and control the erection and laying in, under or over, and the removal from, streets and other public places of—
 - a. posts, wires, pipes, conduits, cable, and other apparatus;
 - b. temporary platforms, seats, and other structures and street decorations;
 - c. control traffic and the parking of vehicles and establish and maintain parking meters and premises for the parking of vehicles; and
 - d. take measures for the promotion of road safety.

The Act promotes a bottom-up approach to management of road infrastructure.

The Agency will optimise the highlighted provisions by enhancing collaboration with Local Authorities on construction, maintenance, and care for road infrastructure.

e. Statutory Instrument No. 74 of 2020, The Tolls (Amendment) Regulation

The Statutory Instrument (SI) No. 74 compels foreign registered vehicles to pay inland tolls at Toll Stations. This has enabled NRFA to collect K300m annually (approx. 25% of annual total in-land toll collections).

The Agency will ensure prudent application of resources so collected.

f. The Electronic Government Act No. 41 of 2021

The Electronic Government Act provides guiding principles for e-Government as follows:

- i. Focus on the needs of citizens and businesses in the delivery of services;
- ii. Development and utilisation of innovative design and transformational integrated business processes which are streamlined, collaborative, and citizen-focused for the enhancement of service delivery;
- iii. Innovative application of solutions in order to reduce long-term operational costs and create opportunities to evaluate and eliminate redundant steps and processes and reduce cycle times associated with conventional processes;
- iv. Integrated provision of e-government service which recognises the unique roles and capabilities of public bodies;
- v. Sharing of administrative information among public bodies which avoids information duplication;
- vi. Protection of information held by a data controller used in accordance with the law.
- vii. Prudent and responsible use of public resources in the implementation of e- government activities; and
- viii. Collaboration with the private sector for the promotion and optimisation of sustainable resource utilisation.

Deriving maximum utility from the above provisions in the Act will entail the Agency undertaking the following:

- i. Enhancing collaboration with other public bodies for reliable and cost-effective connectivity for improved service delivery;
- ii. Integrating NRFA systems with the electronic Government Service Bus (GSB);
- iii. Enhancing collaboration with Smart Zambia on resource sharing; and
- iv. Enhancing NRFA's ICT infrastructure.

g. Statutory Instrument No. 5 of 2021, Customs and Excise Duty (fuel levy suspension)

Statutory Instrument No. 5 suspended fuel levy on all imported fuel products. The suspension of fuel levy has resulted in lost revenue collection into the Road Fund. As such, funds for road maintenance have significantly reduced revenue. In view of the above, the Agency will continue to engage Ministry of Finance and National Planning on collections to the Road Fund and revocation of the SI.

2.1.2 Client and Stakeholder Analysis

a. Clients and their needs

An analysis of the clients' needs is presented in the table below:

No.	Client Cluster	Need
1.	Implementing Agencies	<ul style="list-style-type: none"> ▪ Allocation of resources for construction, maintenance and rehabilitation of roads ▪ Allocation of resources for road transport, traffic and safety management ▪ Consultation on road sector and transport policy implementation
2.	Contractors and Consultants	<ul style="list-style-type: none"> ▪ Timely payment of invoices ▪ Information on Business Opportunities
3.	Motorists (Road Toll Payers)	<ul style="list-style-type: none"> ▪ Efficient payment platforms ▪ A good road network

b. Stakeholders and their interests

The interests/ concerns of stakeholders are shown below:

No.	Cluster	Area of Interest
1.	Government Ministries	<ul style="list-style-type: none"> ▪ Adequate and timely financing of road projects and programmes ▪ Prudent utilisation of financial resources ▪ Adherence to labour laws ▪ Adherence to SME policy on engagement of contractors ▪ Adherence to the Policy on green economy and environment of funded road projects ▪ Adherence to the Transport Policy of funded road projects ▪ Application of efficient and effective technologies in funded road projects ▪ Harmonisation and compliance to relevant laws ▪ Effective collection and accountability of road tolls collected ▪ Use of efficient technologies in Agency operations
2.	Local Authorities	<ul style="list-style-type: none"> ▪ Access to funding for urban and rural road projects
3.	Cooperating Partners (CPS)	<ul style="list-style-type: none"> ▪ Prudent utilisation of financial resources ▪ Capacity building ▪ Timely payment of obligations to Road Contractors ▪ Provision of concessionary funding
4.	Public Institutions	<ul style="list-style-type: none"> ▪ Transparency and accountability in the payment process ▪ Accountability for public resources ▪ Adherence to legal provisions ▪ Prevention of money laundering ▪ Consultation on tax obligations ▪ Support on use of ICTs ▪ Capacity building support for Agency staff ▪ Consultation on contractor empowerment
5.	Private Sector and Associations	<ul style="list-style-type: none"> ▪ Collaboration on implementation of Public Private Partnership (PPPs) in the road sector ▪ Collaboration on implementation of best practices in engineering, financial and management accounting, transport and logistics management ▪ Collaboration on payment of road tolls ▪ Collaboration on engagement of Consulting engineers on road projects ▪ Timely payment of consulting engineers ▪ Collaboration on implementation of the SME Policy
6.	Banking and non-banking financial institutions	<ul style="list-style-type: none"> ▪ Collaboration on collection and payment solutions ▪ Timely repayment of loans
7.	Media	<ul style="list-style-type: none"> ▪ Access to information on road projects, road user fees and funds disbursements

2.2 Internal Environmental Analysis

This section highlights the past performance of the Agency. In addition, an assessment of Institutional capabilities was conducted to establish NRFA’s preparedness to overcome its challenges and perform better.

2.2.1 Past Performance

An analysis of the past performance was conducted to determine the extent of achievement of set targets and ultimately establish the overall institutional performance. A three-tier rating was used to classify the performance of the Agency as highlighted below:

- Code 1 - **Red** for below Average Performance (0% to 49%);
- Code 2 - **Yellow** for Average Performance (50% to 79%); and
- Code 3 - **Green** for Above Average Performance (80% to 100%).

During the period 2017 to 2021, the Agency recorded an Average performance with rating of 2 as shown in the table below.

Overall Performance	
Institutional Average Score	69.59%
Institutional Rating	2

This performance was attributed to the following enablers:

- a. Government goodwill and support;
- b. Support from stakeholders;
- c. Qualified and dedicated work force;
- d. Development and implementation of monitoring and controls system;
- e. Enhancement of internal controls;
- f. Establishment of the Maintenance Unit and recruitment of additional technical staff;
- g. Development and implementation of a Resource Mobilization Strategy;
- h. Ministry of Finance ring-fencing new revenue streams to finance specific projects;
- i. Development of a Debt Stock Monitoring and Management System;
- j. Provision of adequate and modern working tools; and
- k. Good Corporate Governance.

Notwithstanding the above enablers, the Agency’s

performance was negatively affected by the following dynamics:

- a. Depreciation of the kwacha leading to reduction in the available funds when paying for projects that were priced in foreign currency;
- b. Erratic and inadequate funding;
- c. Limited capability to service loans which limited amount borrowed during the period under review;
- d. Austerity measures implemented by Government;
- e. Delayed finalisation of the review of the NRFA Act which was submitted to Ministry of Finance in 2019 for further action;
- f. The outbreak and spread of COVID-19 from March 2020;
- g. Inadequate collaboration among Road Sector Agencies in the implementation of some projects;
- h. Continued procurement of projects despite the Road Sector debt levels; and
- i. Deficiencies in Operating Systems.

2.3.1 Institutional Capability Assessment

An Institutional Capability Assessment was conducted to establish the Agency’s status using the McKinsey 7S Model. A number of challenges were noted which included the following among others:

- a. Work environment is not conducive (poor infrastructure at Tolling Stations)
- b. Knowledge gap among some supervising Engineers in Local Authorities;
- c. Delayed finalisation of the review and enactment of the National Road Fund Act;
- d. Inadequate financial resources;
- e. The Road User Charges (RUC) were not cost reflective;
- f. Over procurement by implementing Agencies;
- g. Inadequate logistics such as transport and tools;
- h. The Transport Sector was not fully integrated;
- i. Non-adherence by stakeholders to recommendations on managing road works in some cases attributed to increased demand and pressure from key stakeholders;
- j. Inadequate Organizational Structure;
- k. Inadequate systems: ICT infrastructure deficiency, Systems were partially automated but not integrated;
- l. Inadequacies in staffing; and
- m. Inadequate skill sets to undertake certain functions among some members of staff.

The Agency will implement strategies identified during the assessment to ensure that challenges are addressed for effective implementation of the Strategic Plan.

2.3.2 SWOT Analysis

An analysis of Strengths, Weaknesses, Opportunities and Threats (SWOT) was conducted. The analysis identified the factors within the Agency in respect of Strengths and Weaknesses that would facilitate or hinder respectively, the implementation of the identified interventions. In addition, the analysis identified factors outside the Agency in respect of Opportunities and Threats that would facilitate or hinder respectively the implementation of the identified interventions. The table below highlights the Strengths, Weaknesses, Opportunities and Threats relating to NRFA.

<p style="text-align: center;">STRENGTHS</p> <ul style="list-style-type: none"> i. Qualified, competent, motivated, and committed staff ii. High staff retention levels iii. Sound Performance Management System iv. Functional ICT infrastructure and systems. v. Strong Contract Management System vi. Efficient Payment and Accounting system. vii. Strong fiduciary management (unqualified accounts) viii. Reciprocal representation on RTSA and RDA Boards ix. Strong stakeholder engagement and feedback platforms x. Sound internal Processes and Procedures 	<p style="text-align: center;">OPPORTUNITIES</p> <ul style="list-style-type: none"> i. Enabling policy and legal environment ii. Change in preference towards use of cashless payments and other e-platforms arising from COVID-19 spread iii. Strategic linkage to the Ministry of Finance and National Planning iv. Strategic partnerships with other regional and international road fund administrations v. Availability of technical support from public and private sector on ICT vi. Availability of off-the-shelf systems vii. Availability of electronic, print and social media platforms to disseminate information to the public and obtain client feedback viii. Implementation of PPPs in the Road Sector (maximize on opportunities that optimize the benefits to government)
<p style="text-align: center;">WEAKNESSES</p> <ul style="list-style-type: none"> i. Inadequate understanding of the use of Performance Assessment Contract among members of staff ii. Inadequate and ambiguous allocation of funds towards payments in some cases iii. Inadequate budget allocation towards Agency operations iv. Lack of explicit legal provision in the Agency's mandate on resource mobilization for the Road Fund v. Deficient and ineffective organization structure vi. Poor work environment (ergonomics) in some cases vii. Partial automation and integration of the systems 	<p style="text-align: center;">THREATS</p> <ul style="list-style-type: none"> i. Huge Road Sector debt burden ii. High cost of construction/ maintenance on selected contracts. iii. Poor state of roads (including tolled roads) leading to: <ul style="list-style-type: none"> □ deterrence of establishment of new toll stations □ increased demand for maintenance funds iv. Lengthy procedures and processes in the disbursement of funds to contractors from the Road Fund v. Ad-hoc appointment as a lead toll Agent. vi. Non-availability of technical support on some tolling systems vii. Huge claims by contractors resulting from arbitration/Litigations viii. Poor oversight role of consultants and implementing Agencies

3.0 STRATEGIC DIRECTION

To effectively execute its mandate, the Agency has developed this Plan for the Strategic period 2022 to 2026. The Agency has set itself an operational framework that will enable it to focus on critical areas necessary for the attainment of desired results. The framework sets out the strategic direction for the Agency in line with the aspirations of the New Dawn Government as articulated in the Eighth National Development Plan (8NDP).

The NRFA Strategic direction for the period 2022 to 2026 is outlined below:

3.1 Vision

The Agency envisions itself in the next five years as:

“A Sustainable and Dynamic Road Fund for National Development”

Through this Vision Statement, the Board of the Agency, Management and Staff commit to continuously explore new innovative means of doing business, particularly with respect to broadening the revenue base and being a catalyst for national development.

Further, the Agency will adopt an overarching and comprehensive programme of continuous operational improvements, review and redesign. In addition, the Agency will refresh the way it conducts business to ensure that it remains relevant and continue to offer high quality, transparent and accountable services.

3.2 Mission Statement

The mission statement of NRFA is:

“To mobilize and sustainably manage financial resources for good and safe roads”

Through this mission, the Agency shall endeavour to proactively mobilise as well prudently manage financial resources for road infrastructure development and improved road safety in Zambia. This will not only guarantee a good and safe road network but also enhance financial sustainability for the road sector so as to promote socio-economic development of the nation.

3.3 Core Values

The institutional culture will be drawn from observing the following shared values:

i. Proficiency

Through this Core Value, the Agency executes its mandate with high degree of competence by acquiring skilled manpower in its quest to grow with the dynamic requirements of the environment thereby interacting effectively with stakeholders.

ii. Integrity

Through this Core Value, the Agency upholds high ethical standards through transparency and accountability in every aspect of its business operations.



Sensitization of staff and Police officers based at Chilonga on IC Activities

iii. Team Work

Through this Core Value, the Agency harnesses and cultivates the synergies that exist among a diverse skill sets, knowledge levels and social backgrounds to create a greater sum than the total individual staff efforts.

Upholding these core values will increase cooperation among staff members and as they work together, they will be more productive and motivated towards attaining Agency goals with higher quality output.

3.4 Strategic Themes and Strategic Results

The Agency will focus on the following key result areas and associated strategic results:

i. Strategic Theme: Financial Sustainability resulting in timely and adequate funding of road infrastructure projects; and

ii. Strategic Theme: Operational Efficiency resulting in effective and efficient service delivery.

3.4.1 Financial Sustainability

The key result area on Financial Sustainability requires NRFA to prudently manage the Road Fund through adequate resource mobilization, fiduciary management of resources, effective debt management and enhanced stakeholder engagement. The focus in this area will result in improved financing of road sector programmes and thereby ensure timely and adequate funding of road infrastructure projects.

3.4.2 Operational Efficiency

The second area of focus relates to Operational Efficiency of the Agency. This focus area entails enhancing services delivery. This will entail enhancing fiduciary management and enhancing operational processes. In addition, improving Human Capital Development in the Agency will contribute to Operational Efficiency. These efforts are expected to result in effective and efficient service delivery.

3.5 Strategic Objectives, Intended Results, Measures, Targets and Strategies

In view of the key areas of focus, the Agency has developed strategic objectives to successfully implement its mandate. By successfully improving in areas focusing on identified strategic issues, the Agency will achieve its intended results. In this regard, the Agency will pursue five (5) strategic objectives as highlighted below.

Strategic Themes	Financial Sustainability	Operational Efficiency
Strategic Results	Timely and adequate funding of road infrastructure projects	Effective and efficient service delivery
Strategic Objectives		
1.	Improve financing of road sector programmes	
2.	Enhance Stakeholder engagement	
3.	Enhance fiduciary management	
4.	Enhance operational processes	
5.	Improve Human Capital Development	

3.5.1 Strategic Objective 1: Improve financing of road sector programmes

The focus on Financial Sustainability will require improving financing of road sector programmes. This will entail the Agency:

- a. Enhancing the Contract Management System (CMS)
- b. Enhancing the integration of Contract Management System (CMS) and Financial Management System, (FMS).
- c. Streamlining the approval processes;
- d. Supporting the finalization and deployment of the Road Sector Investment Programme, phase III (RoadSIP III bankable document) 2022 – 2032; and
- e. Enhancing the Communication Strategy with key stakeholders.

These strategies are expected to result in timely settlement of financial obligations and adequate funds for road programmes.

3.5.2 Strategic Objective 2: Enhance Stakeholder engagement

Financial Sustainability will also be facilitated by enhancing Stakeholder Engagement. This will be achieved by:

- a. Enhancing the implementation of the Communication Strategy;
- b. Enhancing Stakeholder Feedback Management System;
- c. Enhancing Stakeholder Engagement;
- d. Enhancing media relations;
- e. Bolstering Social media presence;
- f. Enhancing capacity building programmes for Supervising Engineers;
- g. Enhancing engagement of spending ministries/agencies in the budget cycle.

These interventions are intended to result in attainment of Stakeholder expectations, enhanced project management and improved adherence to budget provisions.

3.5.3 Strategic Objective 3: Enhance fiduciary management

Mobilisation and management of resources is key to service delivery. Programme implementation depends heavily on availability of resources. Improving execution of the Agency’s fiduciary duties in the road sector will be attained by undertaking the following strategies:

- a. Enhancing implementation of budgetary control tools;
- b. Enhancing Interim Payment Certificate (IPC) processing system; and
- c. Engage the Treasury on regular review of tariffs;
- d. Strengthen Agency role in PPP processes;

- e. Engage the Treasury on issuance of Statutory Instrument designating PPPs revenue share as Road Fund;
- f. Engage relevant authorities on the review and enhancement of the National Road Tolling Programme;
- g. Enhance and identify additional sources of financing;
- h. Enhance legal framework;
- i. Strengthen Value for Money (VfM) programmes;
- j. Secure bailout package from the Treasury
- k. Restructure existing loans by engaging Financial Lending Institutions;
- l. Implement the approved “10 -year debt Service Sustainability Plan”;
- m. Strengthen internal controls;
- n. Enhance implementation of Risk Management Strategy; and
- o. Strengthen implementation of the Internal Audit recommendations.

The above measures or initiatives are intended to result in increased revenue, enhanced Value for Money, sustainable debt levels and enhanced accountability.

3.5.4 Strategic Objective 4: Enhance operational processes

The key result area on Operational Efficiency will further focus on enhancing operational processes. The following initiatives will be pursued in order to enhance processes:

- a. Review and implement a Service Charter;
- b. Enhance Operation procedures; and
- c. Enhance and integrate requisite systems;
- d. Enhance asset optimization.

These initiatives are expected to result in efficient and effective service delivery.

3.5.5 Strategic Objective 5: Improve Human Capital Development

Improving Human Capital Development is central to the focus on achieving Operational Efficiency. To facilitate this, NRFA will pursue the following strategies:

- a. Enhance implementation of Performance Management;
- b. Enhance capacity building programmes;
- c. Review and operationalize the organizational structure;
- d. Regularly re-orient staff on institutional policies and procedures;
- e. Enhance sensitization of the Code of Ethics;
- f. Enhance enforcement of the Disciplinary Code of Conduct and Grievance Procedure;
- g. Strengthen the operations of the Integrity Committee;
- h. Review and enhance implementation of the Asset Management Policy;
- i. Review and implement Staff Terms and Conditions of Service;
- j. Enhance implementation of the Occupational Health and Safety Policy;
- k. Review and operationalize the Organizational Structure;
- l. Develop and implement Internship Programmes

The above measures are intended to result in adherence to work ethics and improved staff performance. In addition, the measures will result in a conducive and safe work environment as well as optimal staffing levels.

Refer to the table below for the detailed Strategic Plan log-frame, and the Balanced Scorecard at Appendix I.

Detailed Matrix of Strategic Themes, Strategic Results, strategic objectives, measures, targets and strategies

Strategic Themes	Operational Efficiency	Road Sector Financial Sustainability		
Strategic results	Effective and efficient service delivery	Timely and adequate funding of road infrastructure projects		
Strategic Objective 1: Improve financing of road sector programmes				
Intended Results	Measures	Baseline - 2021	Targets	Strategies
Timely settlement of financial obligations	% invoices processed	Invoices processed within 10 days	95% invoices processed within 9 days from receipt annually	<ul style="list-style-type: none"> Enhance the Contract Management System (CMS) and extend access to implementing institutions Enhance the integration of the Contract Management System (CMS and Financial System Streamline the approval processes
	% invoices paid timely	Not established	70% periodic maintenance, construction and rehabilitation invoices paid within 6 months annually	
		Not established	70% routine maintenance invoices paid within 3 months annually	
Adequate funds for road programmes	% RoadSIP III budget	87.7% K 3.07 bn (GRZ approved budget 2021) / K 3.46 bn (RoadSIP III 2021 budget projections) x 100	90% RoadSIP III budget funded annually	<ul style="list-style-type: none"> Support the finalization and deployment of the Road Sector Investment Programme, phase III (RoadSIP III bankable document) 2022 – 2032 Enhance the Communication Strategy with key stakeholders
Strategic Objective 2: Enhance Stakeholder engagement				
Intended Results	Measures	Baseline - 2021	Targets	Strategies
Stakeholder expectations attained	% Stakeholder satisfaction	65 % Stakeholder satisfaction levels: Compliments – 307 Complaints - 164	80% Stakeholder satisfaction levels annually	<ul style="list-style-type: none"> Enhance implementation of the Communication Strategy Enhance Stakeholder Feedback Management System Enhance Stakeholder engagement Enhance media relations Bolster Social media presence
Enhanced project management	% project scope	37.5% (K 24.8 bn/66.2 project variations	≤ 25% project scope variations annually	<ul style="list-style-type: none"> Enhance capacity building programmes for Supervising Engineers
Improved adherence to budget provisions	% Sector Budget	30% Sector Budget line variance	+/-25% Sector Budget line variance annually	<ul style="list-style-type: none"> Enhance engagement of implementing ministries/agencies in the budget cycle

Strategic Objective 3: Enhance fiduciary management				
Intended Results	Measures	Baseline- 2021	Targets	Strategies
Increased revenue	% revenue from local resources	K 3.9bn	4 % increase in revenue from local resources annually	<ul style="list-style-type: none"> Enhance implementation of budgetary control tools Enhance the Interim Payment Certificate (IPC) processing system Engage the Treasury on regular review of tariffs Strengthen Agency role in PPP processes Engage the Treasury on designating a share of PPPs revenue to the Road Fund Engage relevant authorities on the review and enhancement of the National Road Tolling Programme Enhance and identify additional sources of financing
	% share of revenue from PPPs	Not available (no active PPP)	1% average share of revenue from PPPs annually	
Enhanced Value for Money	% Certified Interim Payment Certificates (IPCs)	3%	1.5% or less savings in value of wasteful expenditure in certified IPCs annually	<ul style="list-style-type: none"> Enhance legal framework Strengthen Value for Money (VfM) programmes
Sustainable debt levels	% debt to Medium Term Expenditure Framework (MTEF)	123% (K12.5bn years / K3.4bn x 3 years)	50% attained by June 2024 and 30% by 2026.	<ul style="list-style-type: none"> Secure a bailout package from Treasury Restructure existing loans by engaging Financial Lending Institutions Implement the approved 10 -year Debt Service Sustainability Plan.
Enhanced accountability	No. Published Financial statements	Unqualified Financial Statements (National Road Fund) for the financial year 2020	Unqualified Financial Statements (National Road Fund) published annually	<ul style="list-style-type: none"> Strengthen internal controls. Enhance implementation of Risk Management Strategy. Strengthen implementation of the Internal Audit recommendations
	% Audit recommendations	85% of Audit recommendations implemented (94 implemented / 111 recommendations) x 100	Unqualified Financial Statements (Agency Administration) published annually 90% of audit implemented annually	

Strategic Objective 4: Enhance operational processes				
Intended Results	Measures	Baseline - 2021	Targets	Strategies
Efficient and effective service delivery	% services to set standard	Not measured	95% services provided according to set standards annually	<ul style="list-style-type: none"> Review and implement a Service Charter Enhance Operation procedures Enhance and integrate systems Enhance asset optimization
	% Process processes automated	13 out of 27 processes automated (48%)	60% by 2024 and 80% of the processes automated by 2026	
Strategic Objective 5: Improve Human Capital Development				
Intended Results	Measures	Baseline - 2021	Targets	Strategies
Improved staff performance	% staff performance	70% average score	70% of staff scoring 65% or better on set targets annually 80% staff average score against set target annually	<ul style="list-style-type: none"> Enhance implementation of Performance Management Enhance capacity building programmes Review and operationalize the Organizational Structure
Improved adherence to work ethics	% disciplinary cases	15 disciplinary cases per 800 staff	30% reduction in disciplinary cases per 800 staff annually	<ul style="list-style-type: none"> Regularly re-orient staff on institutional policies and procedures Enhance sensitization of code of ethics Enhance enforcement of the Disciplinary Code of Conduct and Grievance Procedure Strengthen the operations of the Integrity Committee
Conducive and safe work environment	% staff satisfaction	75% (2020 survey)	80% staff satisfaction on employee satisfaction index annually	<ul style="list-style-type: none"> Review and enhance implementation of the Asset Management Policy Review and implement Staff Terms and Conditions of Service Enhance the implementation of Occupational Health and Safety Policy
Optimal staffing levels	% staff positions	794 staff employed	100% of approved positions filled by the year 2026	<ul style="list-style-type: none"> Review and operationalize the Organizational Structure Develop and implement Internship Programmes

4.0 ENABLING FACTORS

The successful implementation of this Strategic Plan is based on a number of pre-conditions and assumptions. Pre-conditions are critical success factors within the control of the Agency that will be necessary to ensure successful implementation of the 2022 to 2026 Strategic Plan. On the other hand, Assumptions are critical success factors outside the control of NRFA important for the successful implementation of the Strategic Plan. The Pre-conditions and Assumptions are highlighted below:

4.1 Pre – Conditions

i. Total ownership

It is imperative that the Board, Management and Staff demonstrate total ownership of the Strategic Plan through unwavering commitment and support to the implementation of the Strategic Plan through full compliance to the Implementation Plan.

ii. Appropriate policies and procedures in place

All internal policies and procedures will be enhanced to facilitate effective implementation of programmes. All Staff, Management and the Board will be expected to exhibit total adherence to the approved policies and procedures.

iii. An optimal Organizational Structure in place

The Agency will undertake a responsive needs assessment which is underpinned by the Strategic Plan in its entirety. The needs assessment will focus on acquisition of optimal human capital.

iv. Professional and dedicated staff

The Agency will have highly qualified and competent staff with a positive work attitude for effective implementation of the institutional mandate.

v. Conducive and safe work environment

Staff will be provided with adequate equipment and tools. In addition, the Agency will provide appropriate facilities for assured health and safety of staff.

4.2 Assumptions

i. Continued support from the line Ministry

The National Road Fund Act No. 13 of 2002, guarantees the support for the National Road Fund Agency from the Ministry of Finance and National Planning as by law provided.

ii. Effective Coordination of Programme with other Road Sector Agencies and key stakeholders

A good working relationship with Road Sector Agencies will be key in implementing the Road Sector programmes. This is expected to lead to strict adherence by implementing institutions to a resource-based procurement system.

iii. Conducive Policy and Legal Framework

An enabling legislation supporting the expanded mandate of the Agency will be in place. In this regard, the National Road Fund Act and other related Acts will be reviewed and new legislation put in place.

iv. An enabling economic environment

This Strategic Plan will dovetail the Eighth National Development Plan (8NDP) to support the country's economic transformation agenda. To this end, a stable macro-economic environment will ensure smooth and effective implementation of the Strategic Plan.

5.0 IMPLEMENTATION OF THE STRATEGIC PLAN

An Implementation Plan has been developed to provide a step-by-step guide towards implementing strategies that will ensure realisation of the strategic objectives and results. This will require concerted efforts to ensure that strategies are implemented and set targets attained. Annual Operational Plans and Individual Work Plans with SMART output targets will be developed, in line with the Strategic Plan and Implementation Plan.

The Office of the Director and CEO will coordinate the implementation, monitoring and evaluation of this Strategic Plan.

6.0 RISK MANAGEMENT

The Agency will implement a Risk Management Strategy to identify, assess, manage and control possible events or situations in order to provide assurance regarding the achievement of objectives. The Agency will, therefore, implement a rigorous Plan to monitor its operations and environment in order to swiftly address risks.

7.0 MONITORING AND EVALUATION

The Strategic Plan will be continuously monitored to ensure its effective implementation through a robust M&E Framework for tracking progress and facilitate performance review against strategic set targets. The monitoring and evaluation will be done at Individual, Departmental and Institutional levels. Progress reports prepared on implementation of the Plan will be coordinated by the Director and Chief Executive Officer. All progress reports will be submitted to the Board for consideration and action.

Through effective monitoring and evaluation, the Agency will enhance performance management. The Agency will mentor its Staff and monitor their progress towards implementation and attainment of set targets. Monitoring and evaluation reports will be compiled on a quarterly basis and the final report issued annually.

A mid-term review of this Plan will be undertaken. During the midterm review, the Agency may realign the programmes and strategies to ensure attainment of overall desired results contained in this Plan. A terminal review of the Plan will be undertaken in 2026 to establish the full extent of its implementation. The terminal review will inform the preparation of the next Strategic Plan.

8.0 CONCLUSION

The NRFA Strategic Plan 2022 – 2026 has been formulated building on the opportunities, successes and challenges of the preceding 2017 – 2022 Strategic Plan and will run in tandem with the 8th National Development Plan 2022 – 2026 and other Government policy directives. The Strategic Plan is underpinned by a sharpened Vision, Mission Statement, Core Values and Strategic Objectives to reflect the dynamic environment in which the Agency operates and, fundamentally, the synergies and areas of cooperation with the wider Road Sector Agencies and Institutions.

The NRFA, falling under the Ministry of Finance and National Planning and executing its mandate as a critical agent of the Government of the Republic of Zambia, shall strive to add value to sustainable economic growth by prudently carrying out its roles and responsibilities of Resource Mobilisation, Fiduciary Management of the Resources and ensuring Value for Money.

Formulation of this Strategic Plan was informed by a SWOT Analysis, an analytical framework that built on the Strengths, Weaknesses, Opportunities and Threats faced by the Agency within the operating area of another Analytical framework, PESTEL, which helped mirror the macro-environmental factors in which the Agency conducts its business.

Through the above cited tools of analysis, a set of five objectives were formulated which will guide the Agency's strategic direction and these objectives shall be achieved through a well spelt out implementation plan complete with Annual Reviews as a critical basis in attaining a Sustainable and Dynamic Road Fund.

APPENDIX I: NATIONAL ROAD FUND AGENCY 2022 - 2026 BALANCED

Vision		Proficiency; Integrity; Teamwork;	
Core Values			
Mission To mobilize and sustainably manage financial resources for good and safe roads			
Strategic Themes Financial Sustainability		Operational Efficiency	
Strategic Results Timely and adequate funding of road infrastructure projects		Effective and efficient service delivery	
Strategic Objectives and Strategy Map			
Customer	Finance/ Stewardship	Internal Processes	Organisational Capacity
Measures		Targets	
<ul style="list-style-type: none"> % Stakeholder satisfaction % project scope % Sector Budget % invoices processed % invoices paid timely % RoadSIP III budget % revenue from local resources % share of revenue from PPPs Certified Interim Payment Certificates (IPCs) % debt to Medium Term Expenditure Framework (MTEF) No. Published Financial statements % Audit recommendations % services to set standard % Process processes automated % staff performance % disciplinary cases % staff satisfaction % staff positions 		<ul style="list-style-type: none"> 80% Stakeholder satisfaction levels annually ≤ 25% project scope variations annually +/- 2.5% Sector Budget line variance annually 95% invoices processed within 9 days from receipt annually 70% periodic maintenance, construction and rehabilitation invoices paid within 6 months annually 70% routine maintenance invoices paid within 3 months annually 80% RoadSIP III budget funded annually 7.5% increase in revenue from local resources annually 15% average share of revenue from PPPs annually # increase in revenue base 1.5% or less savings in value of wasteful expenditure in certified IPCs annually 50% attained by June 2024 and 30% by 2026. Unqualified Financial Statements (National Road Fund) published annually Unqualified Financial Statements (Agency Administration) published annually 80% of internal Audit implemented annually 95% services provided according to set standard annually 80% of the processes automated 70% staff performance against set / agreed targets annually 30% reduction in disciplinary cases per 800 staff annually 80% staff satisfaction on employee satisfaction index annually 100% of approved positions filled by the year 2026 	
Strategies/Initiatives		<ul style="list-style-type: none"> Enhance the implementation of the Communication Strategy Enhance Stakeholder Feedback Management System Enhance Stakeholder engagement Enhance media relations Bolstering Social media presence Enhance capacity building programmes for Supervising Engineers Enhance implementation of budgetary control tools Enhance Interim Payment Certificate (IPC) processing system Enhance engagement of spending ministries/agencies in the entire budget cycle Enhance the Contract Management System (CMS) and extend access to implementing institutions Enhance the integration of the Contract Management System (CMS and Financial System) Streamline the approval processes Support the finalization and deployment of the Road Sector Investment Programme, phase III (RoadSIP III bankable document) 2022 – 2032 Enhance the Communication Strategy with key stakeholders Enhance the Service Charter Enhance Operation procedures Enhance and integrate requisite systems Enhance asset optimization Enhance implementation of Performance Management Enhance capacity building programmes Review and operationalize the organizational structure Regularly re-orient staff on institutional policies and procedures Enhance sensitization of Code of Ethics and Grievance Procedure Enhance enforcement of the Disciplinary Code of Conduct and Grievance Procedure Strengthen the operations of the Integrity Committee Review and enhance implementation of the Asset Management Policy Review and implement Staff Terms and Conditions of Service Enhance the implementation of the Occupational Health and Safety Policy Review and operationalize the Organizational Structure Develop and implement Internship Programmes 	

STRATEGIC OBJECTIVE 1: IMPROVE FINANCING OF ROAD SECTOR PROGRAMMES

Intended Result	Strategy	Activity	Activity Output	Output Indicator	Implement. dept.	Year	2022	2023	2024	2025	2026	Total		
Timely settlement of financial obligations	Enhance the Contract Management System (CMS)	Engage a consultant to enhance the CMS	Approved and signed Contract with Consultant	Number of contracts signed	ICT M & E	Target	1			1		2		
		Undertake enhancements to the CMS	System enhanced	Project sign off report (system developed, tested and accepted)	ICT M & E	Cost K'000	15				20		35	
		Roll out and train staff in enhanced CMS	System deployed and training sessions conducted	No. of staff trained	ICT CS M & E FM	Target		1			1		2	
		Engage consultants to fully integrate the CMS and FMS	Consultants engaged to fully integrate the CMS and FMS	Number of contracts signed	ICT M & E FM	Cost K'000			2,000			2,500	4,500	
		Undertake full integration of CMS and FMS	CMS and FMS Systems fully integrated	Project sign off (systems integration tested and accepted)	ICT M & E FM	Target			40	60			100	
		Roll out and train staff in integrated CMS and FMS Systems	Staff trained and system rolled out	No. of implementing Agencies accessing system	ICT CS M & E FM	Cost K'000			250	350			600	
						Target			20	20			40	
						Cost K'000			150	150			300	
						Target								1
						Cost K'000			20					20
						Target								1
						Cost K'000				2,500				2,500
						Target				30	60	20		110
						Cost K'000				200	400	150		750
				Target				20	20			40		
				Cost K'000				150	150			300		

Intended Result	Strategy	Activity	Activity Output	Output Indicator	Implement. dept.	Year	2022	2023	2024	2025	2026	Total
	Streamline the approval processes	Review and amend payment approval processes	Payment approval processes reviewed and amended	Approved amended payment processes report	FM	Target		1				1
		Engage relevant authorities on approval of amended payment processes	Amended payment processes approved	Copy of approved amended payment processes	FM CS	Target		1				1
		Coordinate hosting of RoadSIP III technical sector meetings	RoadSIP III technical meetings held	Number of RoadSIP III technical meetings held	FM M & E	Target	1	4	4	4	4	17
		Engage key stakeholders on financing the RoadSIP III bankable document	Key stake holders engaged on funding commitments and financing needs as per RoadSIP III document	# of stakeholder engagements on financing RoadSIP III bankable document	FM	Cost K'000	100	200	200	200	500	2,000
Adequate funds for road programmes	Support the Finalization and deployment of the Road Sector Investment Programme, phase III (RoadSIP III Bankable Document) 2022 – 2032	Engage key stakeholders on financing the RoadSIP III bankable document	Key stake holders engaged on funding commitments and financing needs as per RoadSIP III document			Target		4	4			16
		Engage key stakeholders on financing the RoadSIP III bankable document	Key stake holders engaged on funding commitments and financing needs as per RoadSIP III document			Cost K'000		500		500	500	2,000
		Review and update the Communication Strategy	Communication Strategy reviewed and updated	Copy of updated communication strategy document	PR	Target		1				1
		Review and update the Communication Strategy	Communication Strategy reviewed and updated	Copy of updated communication strategy document	PR	Cost K'000		50				50
Sub-Total						K'000	115	6,120	1750	870	3,200	12,055.00

STRATEGIC OBJECTIVE 2: ENHANCE STAKEHOLDER ENGAGEMENT

Intended Result	Strategy	Activity	Activity Output	Output Indicator	Implement. dept.	Year	2022	2023	2024	2025	2026	Total	
Stakeholder expectations attained	Enhance implementation of the Communication Strategy	Conduct stakeholder sensitization in all provinces	Stakeholder sensitization conducted in all provinces	# of sensitization programmes undertaken in all provinces	PR	Target		4	4	4	4	16	
						Cost K'000		200	250	300	350	1100	
	Enhance the Stakeholder Feedback Management System	Conduct exhibitions and shows	Exhibitions and shows conducted	# of programmes on exhibitions and shows implemented	PR	Target		1	1	1	1	4	
						Cost K'000		700	750	800	850	3,100	
	Enhance Stakeholder Feedback Management System	Review and streamline Stakeholder Feedback Management System	Stakeholder Feedback Management System streamlined	# of reports on the review and streamlining of stakeholder Feedback Management Systems	PR	Target		1			1	2	
						Cost K'000		100		120		220	
	Enhance Stakeholder engagement	Implement the streamlined Stakeholder Management System	Streamlined Stakeholder Management System implemented	# of stakeholder feedback reports	PR	Target		4	4	4	4	4	16
						Cost K'000		130	135	140	150	555	
	Enhance media relations	Conduct stakeholder outreach activities	Increased awareness among stakeholders	# of outreach activities	PR	Target		4	4	4	4	4	16
						Cost K'000		200	250	300	350	1,100	
	Enhance media relations	Develop MoUs with mainstream media institutions	MoUs with mainstream media institutions signed	# of signed MoUs	PR	Target		5	5				10
						Cost K'000		30	40			70	
Enhance media relations	Undertake regular media briefings and tours	Media briefings and tours undertaken	# of media briefing and tour reports	PR	Target		4	4	4	4	4	16	
					Cost K'000		130	135	144	150	559		

Intended Result	Strategy	Activity	Activity Output	Output Indicator	Implement. dept.	Year	2022	2023	2024	2025	2026	Total	
Enhanced project management	Bolster Social media presence	Increase promotional activities on key social media platforms	Promotional activities on key social media platforms implemented	% increase in the number of followers on social media platforms	PR	Target	5	5	5	5	5	20	
						Cost K'000	120	135	140	155	550		
	Enhance capacity building programmes for Supervising Engineers	Conduct capacity building trainings for Supervising Engineers	Capacity building training for Supervising Engineers conducted	# of training workshop conducted	M & E	Target	2	4	4	4	4	18	
						Cost K'000	800	1650	1700	1750	7,500		
		Enhance engagement of implementing Ministries/Agencies in the budget cycle	Conduct regular budget review meetings with implementing Ministries and Agencies	Regular budget review meetings with implementing Ministries and Agencies conducted	# of meetings held with implementing Ministries/Agencies	FM M & E	Target	4	4	4	4	4	20
							Cost K'000	600	650	700	800	3,500	
Sub - Total						Cost K'000	1400	3860	4045	4394	4555	18,254	

STRATEGIC OBJECTIVE 3: ENHANCE FIDUCIARY MANAGEMENT

Intended Result	Strategy	Activity	Activity Output	Output Indicator	Implement. dept/	Year	2022	2023	2024	2025	2026	Total		
Improved adherence to budget provisions	Enhance implementation of budgetary control tools	Conduct staff training in budget control module (Sun System)	Training in budget control module (Sun System) conducted	# of trainings conducted in budget control module (Sun System)	FM CS	Target		1		1		2		
		Engage a Consultant to Link the budget and payment system to the approved variation threshold	Consultant engaged	# of signed contracts	FM ICT	Target		1					1	
		Link the budget and payment system to the approved variation threshold	Budget and payment system linked to the approved variation threshold	# of sign off reports	FM ICT	Target			1				1	
		Conduct staff training in linked budget and payment module (Sun Flow)	Training in linked budget and payment module (Sun Flow) conducted	# of trainings conducted in linked budget and payment module (Sun Flow)	FM HR	Target				1			2	
		Review and update the IPC processing system to link to the budget provision	IPC processing system to link to the budget provision updated	# of sign off reports	FM M & E ICT	Target			1				1	
		Conduct meetings with Treasury on tariff adjustment	Conduct meetings with Treasury on tariff adjustment conducted	# of meetings held with the Treasury on tariff adjustments	FM RT M&E CS	Target			2	2	2	2		8
		Conduct meetings with MoFNP and MIHUD on NRFA's role and involvement in PPPs	Meetings with MoFNP and MIHUD on NRFA's role involvement in PPPs Conducted	# of meetings held with MoFNP and MIHUD	FM RT M&E CS	Target								7
		Strengthen Agency role in PPP processes	Meetings with MoFNP and MIHUD on NRFA's role and involvement in PPPs	Meetings with MoFNP and MIHUD on NRFA's role involvement in PPPs Conducted	FM RT M&E CS	Target			1	2	2	1	1	7
		Engage the Agency on regular review of tariffs	Meetings with MoFNP and MIHUD on NRFA's role and involvement in PPPs	Meetings with MoFNP and MIHUD on NRFA's role involvement in PPPs Conducted	FM RT M&E CS	Target			100	400	400	150	200	1250
		Cost K'000												

Intended Result	Strategy	Activity	Activity Output	Output Indicator	Implement. dept/	Year	2022	2023	2024	2025	2026	Total	
Increased revenue	Engage the Treasury on designating a share of PPPs revenue to the Road Fund	Conduct meetings with MoFNP designating a share of PPPs revenue to the Road Fund and effects of PPPs on the road fund	Meetings with MoFNP on designating a share of PPPs revenue to the Road Fund conducted	# of meetings held with MoFNP on designating a share of PPPs revenue to the Road Fund	FM RT M&E CS	Target	1	2			1	4	
						Cost K'000	100	200			150	450	
	Engage relevant authorities on the review and enhancement of the National Road Tolling Programme	Engage the Tolls Authority to operationalize more toll points.	Engage the Tolls Authority to operationalize more toll points.	Tolls Authority engaged in operationalization of more toll points.	# of engagements with the Tolls Authority on operationalization of more toll points	RT FM M&E	Target	1	2	2	2	2	9
							Cost K'000	50	100	150	170	200	670
		Engage the Tolls Authority to streamline toll collection ICT systems	Engage the Tolls Authority to streamline toll collection ICT systems	Tolls Authority engaged to streamline toll collection ICT systems	# of engagements with the Tolls Authority	RT FM M&E ICT	Target	1	2	2	2	2	9
							Cost K'000	50	100	120	140	160	570
	Enhance and identify additional sources of financing	Engage cooperating partners for funding	Cooperating partners engaged on road sector additional funding needs	# of engagements with cooperating partners	FM CS M&E	Target		4	4	4	4	16	
						Cost K'000		400	440	450	500	1790	
		Engage financial institutions for concessional loan funding	Engage financial institutions engaged on concessional loan funding	# of engagements with financial institutions on acquisition of concessional loans	FM CS M&E	Target	1	4	4	4	4	17	
						Cost K'000	20	50	70	80	100	320	

Intended Result	Strategy	Activity	Activity Output	Output Indicator	Implement. dept/	Year	2022	2023	2024	2025	2026	Total
	Enhance legal framework	Engage relevant authorities on expediting the review and enactment of the applicable NRF Act	Engagement meetings on the process leading to enactment of the draft bill undertaken	# of engagement meetings undertaken on enactment of the draft bill	CS	Target	2	2				4
						Cost K'000	50	50				100
Enhanced Value for Money	Strengthen the Value for Money (VfM) programmes	Undertake robust technical audits with external consultants	Robust technical audits with external consultants undertaken	# of technical audits undertaken with external consultants	M&E	Target		1		1		2
						Cost K'000		3500		5000		8500
		Undertake regular technical audits including jointly with other relevant ministries/institutions	Regular internal technical audits undertaken	# of internal technical audits undertaken	M&E	Target		4	4	4	4	16
						Cost K'000		400	450	500	550	1900
		Review the establishment for Monitoring and Evaluation department	The establishment for Monitoring and Evaluation department reviewed	Copy of restructuring report	CS M & E	Target		1				1
						Cost		20				20
		Engage the Treasury on a bailout package for payment of arrears	Treasury engaged on a bailout package for arrears	# of engagements with the Treasury	FM CS M&E	Target	1	4	4	2	2	13
						Cost	100	400	400	200	200	1300
	Implement the approved "Ten (10)-Year Debt Service Sustainability Plan"	Engage Financial Lending Institutions on restructuring of loans	Financial Lending Institutions engaged on restructuring of loans	# of engagements with financial lending institutions	FM CS	Target		4	4			8
						Cost		50	50			100
Sustainable debt levels		Engage the MoFNP on supporting implementation of the "Dismantling of Domestic Arrears Strategy"	The MoFNP on supporting implementation of the "Dismantling of Domestic Arrears Strategy" engaged	# of meetings held with MoFNP	FM	Target		1	1	1	1	4
						Cost K'000		50	50	20	50	170

Intended Result	Strategy	Activity	Activity Output	Output Indicator	Implement. dept/	Year	2022	2023	2024	2025	2026	Total		
Enhanced accountability	Strengthen internal controls	Engage Contractors/ Consultants on payment plans	Contractors/ Consultants engaged on payment plans	# of engagements with Contractors/ Consultants	FM CS PR M&E	Target		2	2	2	2	8		
		Review and enhance internal control systems	Internal control systems enhanced	# of internal control review reports	RM IA	Target	1					1		
		Implement the enhanced internal control systems	Enhanced internal control systems implemented	# of reports on the enhanced internal control systems	RM IA	Target	4	4	4	4	4	4	16	
		Incorporate Risk Management (RM) in all programmes	Risk Management (RM) incorporated in all programmes	# of reports on implementation of RM	RM IA CS	Target	1	1	1	1	1	1	1	
		Disseminate the Risk Management Strategy and Policy to all staff	The Risk Management Strategy and Policy disseminated to all staff	# of dissemination programmes implemented	RM CS	Target								4
		Develop a mechanism for monitoring implementation of Audit recommendations	Mechanisms for monitoring audits recommendations developed	# of reports on implementation of audit recommendations	FM RM	Target		4	4	4	4	4	4	16
	Strengthen implementation of the Audit recommendation	Undertake regular engagements with key stakeholder institutions on audit recommendations for their prompt action	Regular engagements undertaken with key stakeholder institutions on audit recommendations for their prompt action	# of engagement undertaken with stakeholders	RM	Target		4	4	4	4	4	16	
						Cost K'000		100	100	1500	2000	2500	7000	
						Target								
						Cost K'000								
						Target								
						Cost K'000								460
Sub-Total						K'000	470	7890	5320	10225	5800	29705		

STRATEGIC OBJECTIVE 4: ENHANCE OPERATIONAL PROCESSES

Intended Result	Strategy	Activity	Activity Output	Output Indicator	Implement. dept	Year	2022	2023	2024	2025	2026	Total	
Efficient and effective service delivery	Enhance the Service Charter	Review and update the Service Charter	Service Charter updated	Copy of updated Service Charter	CS PR	Target		1				1	
		Conduct sensitisation on the enhanced Service Charter to key stakeholders	Sensitisation on the enhanced Service Charter to key stakeholders Conducted	# of sensitisation activities conducted	CS PR	Target		4		4			8
	Enhance Operational procedures	Review and update operating procedures (OPs)	Operating procedures updated	# of reports for updated OPs	CS	Target		1		1			2
		Conduct sensitizations to employees on the updated operating procedures	Sensitizations to employees on the updated operating procedures conducted	# of sensitisation activities conducted	CS	Cost K'000			500	600			1100
	Enhance and integrate systems	Engage consultants to enhance and integrate the systems	consultants to enhance and integrate the systems engaged	# of contracts signed	CS	Target			1				1
		Enhance and integrate systems by consultants	systems enhanced and integrated	# of Project sign off reports (system developed, tested and accepted)	CS ICT PU	Cost K'000			30				30
						Target		2	1	1	1	1	5
						Cost K'000			2500	2000	1500	1500	7500

Intended Result	Strategy	Activity	Activity Output	Output Indicator	Implement. dept	Year	2022	2023	2024	2025	2026	Total			
		Deploy systems and conduct staff training in the enhanced and integrated systems	Enhanced and integrated system deployed	# of signed off reports	CS ICT	Target			1			1			
						Cost K'000			400			400			
			Staff training Conducted in the enhanced and integrated systems	# of staff trainings conducted	CS	Target					4			4	
						Cost K'000				1000			1000		
			Enhance asset optimization	Review and update the Asset Management System	Asset Management Systems updated	# of signed off report on the Asset Management System	CS ICT	Target	1			1			2
								Cost K'000				200			350
	Target	1										2			
	Automate the Asset Management System	Asset Management System automated		# of signed off reports on the automated Asset Management System	CS ICT	Cost K'000	20	100						120	
						Target	1	1							
						Cost K'000									
	Implement the automated Asset Management System	Automated Asset Management System implemented	# of reports for automated Asset Management System	CS ICT	Target	1	1	1	1	1	1	5			
					Cost K'000	150	160	170	175	820					
Cost K'000					320	4,390	3,765	2,980	1,675	13,130					
Sub- total															

STRATEGIC OBJECTIVE 5: IMPROVE HUMAN CAPITAL DEVELOPMENT

Intended Result	Strategy	Activity	Activity Output	Output Indicator	Implement. dept	Year	2022	2023	2024	2025	2026	Total	
Improved staff performance	Enhance implementation of Performance Management	Review and update the Performance Management Tool	Performance Management Tool updated	# of reports on updated Performance Management Tool	CS	Target		1				1	
		Automate the Performance Management Systems	Performance Management Systems automated	Sign off report on automation of Performance Management System	CS	Target		1					1
		Sensitize employees on the revised and updated Performance Management System	Employees sensitized on the revised and updated Performance Management System	# of sensitization meetings on the updated Performance Management System	CS	Target		4		4			8
		Conduct Training Needs Assessment (TNA)	Training needs identified	# of TNA reports	CS	Target			1	1	1		4
		Implement capacity building and mentorship programme	Capacity building and mentorship programme implemented	# of reports on capacity building and mentorship programme	CS	Target			100	100	100	100	400
		Engage the consultant to review the Organizational Structure	Consultant engaged	# of signed contracts	CS	Target			1				1
	Review and operationalize the Organizational Structure	Undertake review of the Organizational Structure	Organizational Structure updated	# of Organizational restructuring report	CS	Target			1,000				1,000
		Implement the updated Organizational Structure	Updated Organizational Structure operationalized	# of reports on implementation of the updated Organizational Structure (Manpower Audit Report)	CS	Target				1	1	1	3
						Cost			20				20
						Target							1
						Cost				5000	5000	5000	15000
						Cost				2,500	2,500	2,500	8,500

Intended Result	Strategy	Activity	Activity Output	Output Indicator	Implement. dept	Year	2022	2023	2024	2025	2026	Total
Improved adherence to work ethics	Regularly re-orient staff on institutional policies and procedures	Conduct staff re-orientation on institutional policies and procedures	Staff re-orientated on on institutional policies and procedures	# of re-orientation activities conducted	CS	Target	1	1	1	1	1	5
						Cost K'000	200	200	200	200	200	1000
	Enhance sensitization of code of ethics	Conduct staff re-orientation on institutional code of ethics	Staff re-orientated on on institutional code of ethics	# of re-orientation activities conducted	CS	Target	1	1	1	1	1	5
						Cost K'000	200	200	200	200	200	1000
	Enhance enforcement of the Disciplinary Code of Conduct and Grievance Procedure	Review and strengthen the Disciplinary Code of Conduct and Grievance Procedure	Disciplinary Code of Conduct and Grievance Procedure strengthened	# copies of strengthened Disciplinary Code of Conduct and Grievance Procedure	CS	Target	1	1				1
						Cost K'000	200	200				200
Strengthen the operations of the Integrity Committee (IC)	Review the Organizational Structure to incorporate the function of Integrity Committee Secretariat	Integrity Committee Secretariat function incorporated in the establishment	# of reports on revised Organizational Structure	CS	Target	1	1				1	
					Cost K'000	50	50				50	
Conducive and safe work environment	Enhance budget allocation for IC activities	Enhance budget allocation for IC activities	Funding increased for IC activities	# of budget reports for IC activities	FM CS	Target	1	1	1	1	1	4
						Cost K'000	5	5	5	5	5	20
Review and enhance implementation of the Asset Management Policy	Review and update the Asset Management Policy	Asset Management Policy updated	# of signed off report on the Asset Management Policy	CS ICT	Target	1		1			2	
					Cost K'000	150		200			350	
Enhance budget allocation towards asset management	Enhance budget allocation towards asset management	Funding for asset management increased	# of budget reports for Asset Management	FM	Target			1	1	1	3	
					Cost K'000			10	10	10	30	

Intended Result	Strategy	Activity	Activity Output	Output Indicator	Implement. dept	Year	2022	2023	2024	2025	2026	Total	
	Review and implement Staff Terms and Conditions of Service	Conduct biennial review of Staff Terms and Conditions of Service	Biennial review of Staff Terms and Conditions of Service conducted	Copy of amended and approved Staff Terms and Conditions of Service	CS	Target		1		1		2	
		Timely implement amended staff Terms and Conditions of Service	Revised Terms and Conditions of Service implemented timely	# of reports on implementation of revised Terms and Conditions of Service	CS	Cost K'000	500		700				1,200
						Target		1	1	1	1		4
						Cost K'000		100	100	100	100		400
Conducive and safe work environment	Enhance the implementation of the Occupational Safety and Health Policy (OSHP)	Review Agency compliance to OSHP provisions	Agency compliance to OSHP provisions reviewed	Report on Agency compliance to OSHP provisions	RT CS	Target	1	1	1	1	1	5	
		Enhance budget allocation for expansion of operational facilities at all identified stations	Budget allocation for expansion of operational facilities at all identified stations increased	# of reports on budget expenditure for expansion of operational facilities at all identified stations	RT CS	Cost K'000	50	50	50	50	50	250	
						Target		1	1	1	1	4	
						Cost K'000		21000	21,000	21,000	21,000	0.00	63,000
Optimal staffing levels	Review and operationalize the Organizational Structure	Install and provide Health and Safety features at all stations in line with OSHP	Safety and Health features at all stations installed and provided in line with OSHP	# of reports on stations conformity with the OSHP	RT CS	Target	1	1	1	1	1	5	
		Engage consultant to review the Organizational Structure	Consultant engaged	# of signed contracts	CS	Cost K'000	200	500	500	500	500	2,200	
						Target		1				1	
						Cost K'000		As above					
		Undertake review of the Organizational Structure	Organizational Structure updated	# of Organizational restructuring report	CS	Target	1				1		
						Cost K'000		As above					

Intended Result	Strategy	Activity	Activity Output	Output Indicator	Implement. dept	Year	2022	2023	2024	2025	2026	Total
		Implement the updated Organizational Structure	Updated Organizational Structure operationalized	# of reports on implementation of the updated Organizational Structure (Manpower Audit Report)	CS	Target			1	1	1	3
						Cost K'000			As above	As above	As above	As above
	Develop and implement Internship Programmes	Develop an Internship Policy	Internship Policy developed and approved	# of copies of approved Internship Policy	CS	Target		1				1
		Engage academia to sign MoUs	Academia engaged on Internship MoU signing	# of engagements with academia on internship MoUs signing		Cost K'000		50				
						Target		1	1	1	1	4
						Cost K'000		100	100	100	100	400
Sub-Total						K'000	800	25,675	30,765	30,965	9,265	97,470
Grand total							3,105	47,935	45,645	49,434	24,495	170,614

IMPLEMENTATION PLAN SUMMARY COSTS ESTIMATES (K'000)

YEAR	2022 – K'000	2023 – K'000	2024 – K'000	2025 – K'000	2026 – K'000	TOTAL – K'000
Strategic Objective 1	115	6,120	1750	870	3,200	12,055.00
Strategic Objective 2	1400	3860	4045	4394	4555	18,254
Strategic Objective 3	470	7890	5320	10225	5800	29705
Strategic Objective 4	320	4,390	3,765	2,980	1,675	13,130
Strategic Objective 5	800	25,675	30,765	30,965	9,265	97,470
Strategic Plan Sub – total	3,105	47,935	45,645	49,434	24,495	170,614
Agency operational budget	260,000	350,000	445,000	556,000	625,000	2,236,000
GRAND TOTAL	263,105	397,935	490,645	605,434	649,495	2,406,614

Notes:

1. The cost for the bailout package of K15b has not been incorporated as an activity cost in the Strategic Plan
2. The cost for the RoadSIP III (2020 to 2030) of US\$ 4.3b has not been incorporated as an activity cost in the Strategic Plan
3. The Agency operational costs have not been included





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