

Funding the future



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AS ZAMBIA works towards transforming its road infrastructure to support economic growth and regional connectivity, one agency lies at the centre of the country's transportation funding machinery. It is the National Road Fund Agency (NRFA), established by an Act of Parliament. The NRFA's mandate is critical to the sustainable financing, maintenance, and expansion of Zambia's road network.

In a country where over 90 percent of goods and people are transported via road, ensuring the availability of reliable road infrastructure is not merely a logistical necessity, but also a developmental imperative. This is where the NRFA comes in, tasked with

collecting, managing, and disbursing funds specifically for the development and preservation of public roads.

At its core, the NRFA serves as the custodian of the Road Fund, a financial pool drawn from various revenue sources including fuel levies, road tolls, international transit charges, government allocations, and donor contributions. These funds are channelled to implementing agencies such as the Road Development Agency (RDA) and local authorities tasked with road construction and maintenance under the Ministry of Local Government and Urban Development.

This engine is fueled primarily by user-pay mechanisms. Tolling, in particular, has become a major contributor to road sector financing. With the increasing rollout of toll plazas across the country, including major routes such as the T2 Great North Road and the T3 Copperbelt corridor, the NRFA has seen a substantial rise in toll revenues.

In the 2024 fiscal year, toll collections alone accounted for over K4 billion in road sector funding, underscoring the importance of tolling as a sustainable and self-replenishing financing model. Once funds are mobilised, the next critical function of

the NRFA is to disburse them transparently and efficiently. The agency allocates funding to various road projects based on approved national road sector budgets and priorities

disbursement conditions to improve project outcomes and safeguard public funds.

The NRFA also acts as a key liaison between the Zambian Government and

assistance, helping Zambia leverage external expertise and capital for complex or high-priority road projects.

A notable example is the Kazungula Bridge Project, which linked Zambia and Botswana and was partially funded through a multi-donor financing arrangement in which the NRFA coordinated.

Similarly, the NRFA has worked closely with regional transport corridors and trade facilitation bodies to enhance Zambia's position as a regional transport hub. By improving road links to neighbouring countries such as Tanzania, Angola, and the Democratic Republic of Congo, the agency is contributing not only to national development but also to Southern Africa's broader economic integration.

Looking ahead, the NRFA faces the challenge of ensuring the long-

term sustainability of the Road Fund in the face of rising costs and expanding infrastructure demands. Climate change, population growth, and urbanisation are placing additional pressure on Zambia's road system.

To meet these challenges, the NRFA has embraced innovative financing strategies, including government-driven Public-Private Partnerships (PPPs), bond issuance, and digital payment platforms to streamline revenue collection.

The agency has already launched the Electronic Toll Collection (ETC) system at all NRFA toll stations, making it easier for frequent users and transporters to pay tolls without unnecessary delays. This not only improves efficiency but also enhances transparency and reduces the risk of revenue leakage.

While challenges persist

-ranging from delayed project implementation to fluctuating revenue streams one, thing is clear. The NRFA is steering the wheel of Zambia's road development strategy with purpose, accountability, and vision.

In doing so, it is not just financing road infrastructure development but opening up pathways to trade, healthcare, education, and national prosperity.

Look out for our next article next week and channel your feedback to: National Road Fund Agency, Plot 33 Fairley, P.O. Box 50695, Lusaka.

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set in collaboration with the key stakeholders.

But the NRFA's job does not end with handing out money. It plays an active oversight role, monitoring how funds are utilised by recipients and ensuring compliance with financial regulations. This includes periodic reports, conducting audits, and carrying out site inspections.

This oversight function is crucial in a sector historically plagued by cost overruns, delayed completions, and allegations of mismanagement. In recent years, the NRFA has implemented stricter controls and performance-based

international development partners, including the World Bank and the European Union. These partnerships have facilitated co-financing arrangements and technical

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