ZAMBIA INSTITUTE OF CHARTERED ACCOUNTANTS

2023 FOURTH QUARTER MEDIA BRIEFING ON VARIOUS NATIONAL MATTERS ISSUED IN PUBLIC INTEREST BY THE ZICA PRESIDENT, MRS. YANDE SIAME MWENYE IN THE ZICA BOARDROOM ON 4 DECEMBER 2023.

Good Morning Ladies and Gentlemen,

Welcome to the ZICA media briefing for the fourth quarter of 2023 on matters that affect the accountancy profession and the nation at large. In line with the Accountants Act of 2008, apart from our mandate of regulating the education and practice of the accountancy profession in Zambia, we have a statutory mandate to advise the Government of Zambia on matters relating to the economic affairs of the Country. In this regard, the media briefing will reflect on developments related to the following key matters:

1. **DEBT RESTRUCTURING**
2. **ZAMBIA EXCHANGE RATE PERFORMANCE AS AT NOVEMBER, 2023**
3. **PRONOUNCEMENT ON IFRS S1 AND IFRS S2**
4. **CONSTITUENCY DEVELOPMENT FUNDS (CDF)**
5. **COMMENTS ON SELECTED BUDGET PRONOUNCEMENTS**
6. **AUDITOR GENERAL’S REPORT**
7. **INVESTIGATIONS AND ARREST OF ZICA MEMBERS AT MINISTRY OF FINANCE AND NATIONAL PLANNING AND OFFICE OF THE AUDITOR GENERAL**
8. **ZICA MATTERS**
9. **CONCLUSION**

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1. DEBT RESTRUCTURING

As ZICA, we take this opportunity in joining the rest of world in congratulating the Zambian Government for achieving a successful debt restructuring with the official creditors and for striking a deal with institutional and with private creditors.

However, we are concerned with reports from international media that Zambia's official creditors including China have rejected a deal the country struck with its international bondholders, because the deal did not deliver debt relief comparable to what they offered in a separate deal. The agreement in principle, which the International Monetary Fund (IMF) also rejected, did not comply with "Comparability of Treatment".

The implications are that the full conclusion of the debt restructuring process is likely to extend into 2024. This may adversely affect budget implementation and execution.

We encourage the Ministry of Finance and National Planning to issue a comprehensive statement on the current state of the status of debt restructuring to dispel any speculation, that is currently being fuelled due to the lack of information.

2. ZAMBIA EXCHANGE RATE PERFORMANCE AS AT NOVEMBER, 2023

PERFOMANCE OF THE KWACHA

After a cumulative appreciation of 17% in the previous quarter, the kwacha depreciated by 5.8% against the US dollar in the third quarter of 2023. Between 1st September and 21st November, 2023 the kwacha depreciated by a further 10.9% per dollar. The depreciation trend of the kwacha has persisted in the fourth quarter, with the kwacha trading at K23.3 per US dollar as at 21st November, 2023.

a) Causes of Continued Depreciation

The key drivers of the depreciation of the kwacha are;

i. Low foreign exchange supply, particularly from the mining sector,

ii. High demand by market players for various purposes including critical import of fuel, medicines and agricultural inputs.

iii. Tighter global financial conditions causing an outflow of foreign currency as foreign holders of Government securities divest from the domestic market thereby reducing forex inflows. These have been typically suppliers of foreign exchange.

iv. Negative sentiments associated with the conclusion of protracted debt restructuring negotiations

b) Government Response to the Continued Depreciation of the Kwacha

In an effort to stabilize the foreign exchange market, the following measures have been undertaken;

i. BOZ Raised Statutory Reserve Ratio to 17%

The Bank of Zambia increased the statutory reserve ratios for both kwacha and foreign currency by 3% to 14.5% from 11.5% on 13th November, 2023. The Bank of Zambia again increased the statutory reserve ratio by 2.5% to 17% effective 27th November, 2023. The revised statutory ratio of 17% is based on the weekly return of selected assets and liabilities from 27th November 2023. This was meant to tighten liquidity on the market and relieve the persistent pressure being experienced by local currency.

Simply put, the BOZ's move has effectively "squeezed" money or "liquidity" out of circulation, which will force commercial banks to only deal or lend money to "pristine" clients like the mines or big business. This has a huge disadvantage for SMEs and a delay in the growth of entrepreneurship. This will potentially push the interest rates upwards.

ZICA RECOMMONDATIONS

To potentially aid the downward depreciation of the Kwacha, in the long-term;

i. The Government must address Zambia's deep-rooted structural disparity that has manifested itself in a mono-economy still heavily reliant on copper mining. The Government must expedite diversification of the country's export base towards sectors such as Agriculture, Manufacturing and Tourism as espoused in the 8NDP and other policy documents. This will ensure a multiplicity of sources of foreign currency thereby arresting depreciation overtime.

ii. BOZ must assess the impact of financial practices by large firms and how they influence the forex market to strengthen its interventions aimed at curbing these practices.

iii. From a fiscal policy angle, the Government must continue the work they are doing to reduce its debt service costs to decrease its demand for foreign currency, which has a direct effect on the depreciation of the Kwacha. Specifically, in the short term, the restructuring of the country's debt is paramount and should be expedited, as it will help reduce interest payments.

iv. In the long term, the Government must continue to prioritise fiscal adjustment through containment of capital expenditure, which persistently widens the fiscal deficit and leads to further borrowing.

The exchange rate remains a significant variable in Zambia's economy. Hence, the persistent depreciation of the Kwacha continues to pose economic challenges. Going forward, a combination of short term and long-term measures must be used to arrest the perpetual depreciation of the Kwacha. This way, the Kwacha can be redeemed and consequently the economy insulated from the shocks arising from the Kwacha's depreciation.

3. PRONOUNCEMENT ON IFRS S1 AND IFRS S2

Following the adoption of the sustainability standards IFRS S1 and IFRS S2 and the Integrated Reporting framework by the International Sustainability Standards Board (ISSB), the Zambia Institute of Chartered Accountants has adopted the two sustainability standards and the Integrated Reporting framework.
All publicly accountable entities (PAEs) are required to adopt the sustainability standards IFRS S1 and IFRS S2. All other organisations can adopt the sustainability standards IFRS S1 and IFRS S2 on a voluntary basis. PAEs are entities whose securities are traded in public markets or entities in the process of issuing securities for trading in public markets.

Effective Date

An entity shall apply the sustainability standards IFRS S1 and IFRS S2 and the Integrated Reporting framework for annual reporting periods beginning on or after 1 January 2024, meaning reporting will commence for reporting periods starting on 1 January 2025.

Whilst the standards are optional in their implementation for all entities that are not PAEs, ZICA has issued a guidance to this effect. Notwithstanding this, we are all challenged to be pioneers of the sustainability story by adopting these disclosures. ***Because as can be appreciated absolutely no one is immune from the effects of climate change, and we had hoped that the Climate and Sustainability bill would have been tabled in parliament and signed into law before COP 28. Our firm belief is that, as long as we do not have the Climate and sustainability Bill signed into*** *law we will not fully enjoy the full benefits. Without demanding compliance in all sectors of our economy, it means that we cannot fully earn some much-needed income from trading in carbon credits for instance. We therefore urge the Ministry of Green Economy to ensure that the bill is tabled as a matter of urgency.*

Further, we draw your attention to Foreign Direct Investment (FDI). To enable the participation of project developers in the Carbon Market through the United Nations Framework Convention on Climate Change, Government signed a green growth compact worth £1 billion with the UK Government. This will facilitate foreign direct investment from the United Kingdom in renewable energy, urban planning and trade connectivity, among others.

ZICA would like to commend the Government on this investment initiative and encourage them to intensify investment promotion in the provinces through investment expos to market opportunities. FDI is a critical source of financing for Zambia, having great potential to strengthen productivity, growth and diversification of the economy. And again ZICA is ready to partner with government to offer support through our wide member network to offer expertise in areas of accountability, monitoring, audit and capacity building to name but a few.

4. CONSTITUENCY DEVELOPMENT FUNDS (CDF)

The CDF has been increased from **K28.3 million in 2023 to K30.6 million in 2024** per constituency. The resources allocated to CDF include funds for development interventions for under-served communities, secondary school, and skills development bursaries to be administered at Constituency level. The government has so far released about **45% (K13 million) as at 13th November 2023** per Constituency.

ZICA acknowledges the good intention in increasing the allocation of CDF to Constituencies and the economic impact these funds have at the local level. However, there are challenges that need to be addressed such as;

a) **Community Participation:** It is important to improve the ability of communities to become involved with the project planning and final implementation
b) Coordination of project implementation of CDF projects: lack of professional structure for CDF programme or project management to ensure proper coordination and alignment of CDF projects with integrated development plans of municipalities and 8NDP
c) Financial Management: administration and financial management of CDF funds, within local authorities, constituencies and accounting systems
d) Lack of capacity building in project identification and prioritization process for constituencies. It is important to build the capacities of local authorities and constituencies to enable them to successfully deliver on the CDF programme

There is need for these issues to be investigated and acted upon to build an environment good enough to support the aspiration of the decentralization policy.

It defeats the whole purpose of increasing the CDF amount if only a fraction of it is released annually. We, therefore, call upon the government to consider releasing the fund allocations in their entirety in the first half of the year and strengthen monitoring mechanisms on how the CDF is being implemented, and the quality of projects that are being undertaken.

Further, capacity building in proposal writing and awareness in communities will also need to be undertaken. As ZICA, we once again reiterate that we stand ready to help build capacity in local authorities.

However, as an institute whose members are charged with gatekeeping, in ensuring accountability and transparency as being at the core of our ethics, we note that there has not been a consolidated audit report on CDF which is quite concerning. With the increased funding there needs to be more oversight and the office of the Auditor General does not have the capacity to reach all constituencies in a timeous manner. There is therefore a need for government to employ ZICA registered and trained accountants, because this ensures that we can hold them accountable as our members.

In addition, ZICA provides a course in Public Finance Management and it is hoped that this can be made mandatory for those charged with the responsibility of managing public funds.

5. COMMENTS ON SELECTED BUDGET PRONOUNCEMENTS

As ZICA, we have a statutory duty to advise Government on aspects of social and economic policy relating to National Development. We made submissions on the 2024 Budget and our Submissions were informed by our confidence in the National Budget as a key policy instrument for ensuring that national resources are raised and distributed fairly amongst all citizens.

In this regard, our comments to some of the key pronouncements and sectors of the economy in the budget relate to the following:

Key Pronouncements

i. Introduce a Unified Tax Administration Act by 2025

Commentary

This was a submission made by ZICA and we welcome the proposal. Currently, tax administrative provisions are housed under each tax act, with different approaches to tax administration. Furthermore, a number of tax administrative provisions are not anchored in constitutional principles. These include the right to a fair hearing and speedy administration of justice. We welcome that Ministers announcement that Government will introduce a TAA. The TAA should among other include:

- Administrative justice provisions which would set out the rules and guidelines that the ZRA must follow when making decisions and require the ZRA to give reasons for their decisions. This would include updating the Taxpayer Charter accordingly to reflect these values.

- Provisions relating to administration of tax audits including timelines for both the ZRA and the taxpayer.
- A permanent Voluntary Disclosure Programme whereby taxpayers can approach the ZRA to rectify pervious defaults under any domestic tax legislation.
- A system of Binding Rulings that provide taxpayers with the ZRA's interpretation of how a tax law applies to a particular arrangement or transaction. Taxpayers should be able apply for a binding ruling especially or proposed transactions in instances where;
- the law is unclear and there is more than one possible interpretation
- new legislation applies to the transaction
- the transaction is novel, sensitive or controversial
- the arrangement raises significant issues or may have a wide impact
- the arrangement is a complex financing transaction

  - Provisions relating to arbitration procedures as it appears from the provisions of the ITA that ZRA's final assessment can only be set aside by the Tax Appeals Tribunal ("TAT") or a superior Court on appeal. Current arbitration provisions are not binding on the ZRA.

  - Provisions relating to a Tax Ombudsman, given that currently, save with the intervention of the TAT; the ZRA is effectively its own regulator. As such, there is no avenue for review of administrative decisions except the taxpayer approaching the TAT. As the Latin maxim says "Nemo iudex in causa sua" meaning, "No one should be a judge in his own case." There is need for an independent Ombud that will exercise oversight over the ZRA’s administrative actions. This has been a successful model in other Commonwealth jurisdictions including the UK, Canada and South Africa. The mandate of the Tax Ombudsman would include reviewing and addressing complaints by taxpayers regarding service or procedural administrative matters.

- Safeguarding taxpayer rights during audits and criminal investigations. Taxpayers under audit are always at risk that an audit inspection could turn into a criminal investigation without their rights being read to them. This need to be addressed in a unified Tax Administration Act with the requirement that routine audits and criminal investigations are separated, ensuring that the Constitutional Rights of taxpayers are protected.

Comments on Some Key Sectors of the Economy

i. **Social Protection Programmes**

The Government has committed to continue supporting the poor and vulnerable through various social protection programmes intended to uplift their wellbeing. Social protection related expenditures have been allocated a budget of K9.7 billion representing a 5.4% share of the 2024 budget (2023: K8.1 billion). Of this amount, K4.1 billion has been allocated to the Social Cash Transfer Programme. Other key pronouncements from the 2024 budget aimed at uplifting the livelihoods of the poor and vulnerable include the following:

- Increase in the allocation under the Public Welfare Assistance Scheme to cater for 40,000 beneficiaries from the current 16,000.
- Reduce the waiting period from 1 year to current on the payment of pension benefits under the Local Authorities Superannuation fund. The allocation to the Fund has been increased from K300 million in 2023 to K400 million in 2024.
- Target 129,400 beneficiaries under the Girls' Education and Women's Empowerment and Livelihoods project in 81 districts by April 2024.
- Increase in the allocation towards the Public Service Pension Fund from K2.4 billion in 2023 to K3.9 billion in 2024 representing an increase of 63%

As ZICA, we support the Ministers proposals, as these will enhance the social protection of the most vulnerable in our society. We also support the quick resolution of pension arrears as they have contributed to increased household vulnerability.

ii. **Education and Skills Development**

The Government will continue providing access to quality education through infrastructure development and has therefore allocated 15.4% of the total budget to education sector (2023: 13.9%). This will be done by continuing with the project of constructing 115 secondary schools, 69 of which have already been completed and the remaining 46 schools are expected to be completed in 2025. An additional project of 202 secondary schools was added. Of these 82 are under construction and will be completed in 2024 while construction of the remaining 120 secondary will commence in 2024.

The Government intends roll out the e-learning management system aimed at ensuring easy access to online teaching and learning materials across the country by leveraging on the extensive national coverage of fiber networks. Government is also collaborating with Cooperating Partners to improve internet connectivity in rural schools as a way of increasing access to education. The Government has budgeted to recruit an additional 4,200 teachers in 2024 (2023:4,500) and 1,200 non-teaching staff to reduce the teacher pupil ratio and improve the quality of education.

The Government also targets to procure 1 million desks to improve the learning environment, and these are to be manufactured by local entrepreneurs thereby creating jobs and increasing income for the Zambian people. To align skills of TEVET graduates to industry requirements, the Government will continue to prioritise the provision of quality and relevant vocational skills by equipping training centres with modern equipment. To achieve the above measures Government has allocated K27.4 billion to the education sector in 2024 compared to K23.2 billion allocated in 2023. Of this amount, K1.9 billion will be spent on grants to schools in line with Government's free education policy, K111.7million allocated to the School Feeding Programme, K338.3 million to the completion of abandoned schools, K70 million for the purchase of modern equipment for TEVET training centres, K356.1 million for the recruitment of 5,400 personnel and K1.2 billion to the Higher Education Loans and Scholarship Board.

As ZICA, we commend governments for these proposals, as they will lead to significant improvement of education outcomes in the long term. Education helps raise productivity and creativity, as well as stimulate entrepreneurship and technological breakthroughs and the proposals will help reduce income inequality

in the long term. We also support plans to transform the education curriculum to align with the modern needs as well as global trends.

iii. Health

Provision of quality healthcare services continues to be a priority for the Government in the 2024 National budget. The Government intends to provide quality healthcare services through infrastructure development, recruitment of health personnel as well as provision of medicines and medical supplies. Key pronouncements from the 2024 budget aimed at improving the quality of healthcare services include the following:

- Completion of the construction of 4 mini hospitals in Lufwanyama, Lusaka, Mpongwe, and Mufumbwe Districts.
- Construction of 30 maternity annexes and commencement of the construction of 135 mini-hospitals under Phase II across the country.
- To ensure improved availability of essential medicines and medical supplies, the Government has adopted a hybrid supply chain system that relies on both the health centre kit and bulk source supply systems and has secured 42,000 health centre kits expected to last until mid-2024. To ensure a stable supply, Government has commenced the procurement of the next batch.
- Establishment of a Local Pharmaceuticals Manufacturing Strategy through collaboration with stakeholders. This will promote domestic production of pharmaceuticals, enhance the resilience of the supply chain in the country, and contribute to job creation.
- Recruitment of 4,000 health personnel.

- To decongest the Cancer Diseases Hospital in Lusaka and reduce the cost of sending cancer patients abroad, the Government will, in 2024 commence the construction of cancer treatment Centres in Livingstone and Ndola.

To support the delivery of health services, Government has proposed an allocation of K20.9 billion which is 11.8% of the budget. Of this amount, K5.0 billion is for the procurement of medicines and medical supplies, K1.4 billion allocated towards health infrastructure development across the country. In addition, K239.8 million for the completion of the remaining 4 mini-hospitals under Phase I, and the commencement of the construction of 135 mini-hospitals under Phase II of the Project and K344.1 million for the recruitment of 4,000 health personnel.

To strengthen the health care management information system, Government has allocated K120.0 million towards the scaling up of the Electronic Health Record System with support from Cooperating Partners. The system will facilitate quick access to health records, reduce transaction costs associated with manual processing, and provide critical information for planning and resource allocation.

As ZICA, we commend government for these proposals, as the health sector is critical to the wellbeing of the nation and economic growth. We also urge government to accelerate the rollout of technology solutions to manage the medicine supply chain as the disconnect between the supply of drugs and their availability to patients in health centres remains a challenge.

iii) RECRUITMENT OF OTHER PROFESSIONAL

We commend the positive strides that the government has made in terms of human resource in the medical and education sector. However, we note that all these sectors need a corresponding increase in human resource to manage funds for transparency and accountability. We note with sadness that some schools and health posts in rural areas do not have qualified staff to manage resources. The funds going to schools for example is substantial but there are no qualified people to manage them. We ask a question then how prudential financial management is being handled in those stations? We would like to make an appeal to government to employ qualified and registered Chartered Accountants to be employed especially at district level. It is sad to see reports of misappropriation of funds being reported and sometimes when we dig deeper, those people are not members of the Institute. We also appeal to government to consider reviewing the positions of accountants in the general hierarchy of administration as we find that it is an anomaly that our members are charged with huge responsibility but cannot make decisions. Handlers of government and private resources must be held accountable but you can only hold people accountable if they are have gone through the education and practice of accountancy. The Institute’s mandate is clear and the support towards ensuring a cadre of regulated professional will go a long way in enhancing accountability.

6 SIGNIFICANT FINDINGS IN THE AUDITOR'S GENERAL REPORT 2022

We now transition and wish to comment on the latest Auditor General's report

a) Observations Under Revenue Management

The national budget is funded by internally generated revenue, grant and loans, therefore, it is very important to maximize internally generated revenue collection to ensure that the debt burden is minimized.
The auditor general's report revealed the following weaknesses in revenue collection;

- According to statement B. Ministry of Finance failed to raise the revenue target by K9,045,267.00 and this shortfall was attributed to under collection in Customs and Excise Duty, Value Added Tax, Levies, Interest and deficits on financing activities**.** On this matter we understand the current position of ZRA. We have engagements and an MoU with ZRA where this matter has been deliberated in full vis-à-vis issues around the amnesty for the 2022 spread across principal amounts and penalties.

- **Failure to collect tax arrears- K97, 860,886,809**

  Zambia revenue authority failed to collect tax arrears in amounts totaling K97,860,886,809 mostly from private companies.

- **Failure to collect taxes on various imports- K68,909,046**

  These are goods imported without paying duty at the point of entry with an agreement that duty will be paid inland.

- **Unaccounted for Removals in Transit (RITs)-K52,940,199**

  Removals in transits are goods destined for other countries and the process the goods to not exit the country to the final destination resulting to tax evasion.

- **Unaccounted for Revenue-K53,781,920**

  This is as a result of understatement of declared revenue compared to what was actually collected.

- **Failure to Collect Revenue K21,222,238- Ministry of Lands**

  The ministry failed to collect the funds relating ground rent, consideration fees among others.

- **Failure to Monitor Agricultural Imports and Exports (Loss of K 1,842,733) Ministry of Agriculture**

  This is attributed to lack of reconciliation between Ministry of Agriculture and ZRA of imports and exports of Agricultural products

- **Failure to Utilize Revenue Collection Modules on Government Service Bus-Contract sum of K351,402,033**

  The system was developed at a contract sum of K351,402,033 by Ministry of Finance to enhance revenue collection but ministries are not utilizing some modules.

Comments

Looking at the prevailing economic situation in the country, the prolonged debt restructuring negotiations, each and every coin counts and in relation to the above, our comments are as follows;

- ZRA should continue developing and implementing measures such as penalty and interest waivers, and debt swaps to ensure that revenue collection is maximized without affecting business operations.
- Controlling Officers should put in place controls to ensure that collected revenue is fully accounted for and imports and exports are reconciled between institutions
- Ministries should also put in place measures to enhance revenue collections such promotions and door to door campaigns.
- Revenue targets should be part of the KPIs for all government ministries.
- Ministries to be encouraged to use available systems to maximize revenue collection. Systems of revenue collection must have a period review to be able to respond quickly to changes in customer behavior.

b) Observations from Expenditure

- **Failure to settle bills- K4,944,897,302**

  This is mainly attributed to utility bills and personal emoluments.

- **Over Payments-K110,384,888**

  Over payments were attributed to Personal emoluments and projects.

- **Undelivered Motor Vehicles (K4,956,446)-Ministry of Home Affairs**

  The vehicles purchased were Toyota Land Cruiser and the Ministry did not procure direct from Toyota Zambia

- **Failure to Deliver Steel Materials (K3,945,593)-Ministry of Home Affairs**

  Eight months after signing the contract, this material had not been delivered. We hope a response will be given and this matter should be resolved.

- **Irregular Inclusion of Farmer Input Support Programme (FISP) Beneficiaries into FSP Programme- K7,262,410**

  This was caused by farmers benefiting from both FISP and Food Security Pack disadvantaging the other people in need.

- **Irregular Distribution of farming Inputs to Farmers in Formal Employment**

  FISP guidelines don't allow farmers who are formal employment to benefit from the program. This deprived other people from benefiting.

Comments

Ministries are spending agencies of the government therefore, there should be stringent controls in the processes of expenditure.

- As the government is battling to restructure huge debt, Ministries should as well focus on paying outstanding bills, to avoid incurring penalties and legal obligations.
- Controlling Officers should enhance controls to minimize leakage of funds through procurements and over payment of salaries.
- Controlling Officers should encourage data exchange between ministries to ensure that no one benefits twice from social programs
- Management at Ministry of Health should enhance controls on drug management
- The government should continue with recruitment program for teachers and delivery of desks with emphasis on quality. We note strides that have been made thus far through utilisation of CDF towards purchase of desks. The 2023 budget is covering more recruitment of teachers.

We commend the Office of the Auditor General for the work undertaken and for the checks and balances that continues to be provided to Government and the Zambian people as a whole, In spite of the understaffing challenges.

As Zambian citizens it is our collective responsibility to build and safeguard our country's resources, in this regard we should report all matters of abuse of these resources to law enforcement agencies.

7 INVESTIGATIONS AND ARREST OF ZICA MEMBERS AT MINISTRY OF FINANCE AND NATIONAL PLANNING AND OFFICE OF THE AUDITOR GENERAL

As ZICA, we have continued closely following reports on this matter concerning our Members at the Ministry of Finance and National Planning and Office of the Auditor General. As you may be aware, this is an active matter now under law enforcement Agencies, for which the Institute awaits a final verdict. We call upon the relevant authorities investigating these matters to expedite the process, because the staff being investigated have not substantively vacated their offices, thereby creating vacancies that cannot be filled but instead have most staff holding positions in an acting capacity and cannot make decisions, which is affecting the smooth operations of the government. The prolonged investigations are posing a reputation risk to the Country considering that senior Government officials tasked with the responsibility of Public Finance are affected. The integrity, independence and assurance that the affected offices provide needs to be restored sooner rather than later.

6. **ZICA MATTERS –** As we come to the end of the year, we wish to thank our members, students and all stakeholders for a fruitful year. Together we managed to achieve many strides as we continue to develop the institute, enhance protection of public interest and ensuring a robust inculcation of knowledge and skills to both members and students. However, we call for resilience from members and students as there still is more that needs to be done to continue to enlist support for our profession. As we draw to 2024, I wish to remind members and students that subscription fees are due on 1st January 2024. This also goes as a reminder to all employers to ensure finance professionals in organisations are duly registered We also wish to urge the public to report anyone masquerading as an accountant. Before engaging an accountant, auditor, tax expert or any finance professional, employers have a statutory obligation to check validity of ZICA membership. As the public is aware, it is an offence to employ a person in a finance role without that person being registered by the Institute. Both the employer and the employee commit an offence according to section 18 of the Accountants Act of 2008. In the year to come and in line with our mandate, the Institute is strengthening the compliance unit and regulation which will see enhanced prosecutions for those found wanting. Let us all do our part, both employers and employees to avoid unnecessary litigation. Subscription invoices will be sent out soon and the contact centre number 1982 on all networks is available to assist for those who may require assistance. Further, it is that time of the year when members

need to confirm compliance with IFAC CPD requirements. We expect all members to make returns to remain in good standing. The public can view duly registered members on the ZICA website www.zica.co.zm or can contact the Institute on short code 1982 or email membership@zica.co.zm for confirmation. Let us work together to rid the profession of rogue accountants and those masquerading as accountants to protect the public.

7. CONCLUSION

In conclusion, I wish to thank you members of the press for your service to society of providing information related to developments happening at the Institute and the nation at large. Once again, I thank all our stakeholders for walking with us to grow the profession. Compliments of the season to you all. I am now happy to clarify any aspect of our statement otherwise; we look forward to seeing you at our next media briefing.

Yande Siame Mwenye
PRESIDENT
ZAMBIA INSTITUTE OF CHARTERED ACCOUNTANTS