



Zambia Environmental Management Agency

2017 ANNUAL REPORT





**Zambia Environmental
Management Agency**

ANNUAL REPORT
2017

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Our Vision and Values

Vision

To be a world class environmental management authority that promotes quality service delivery for sustainable development.



Mission

To safeguard human welfare and the environment, through effective environmental management for present and future generations.



Core Values

Committed to upholding our values of customer service, integrity, transparency, accountability and partnerships:

- Treating every customer/client with respect, dignity and fairness;
- Commitment to highest standards of professionalism and ethics;
- Transparency and openness in all our dealings at every level;
- Individually and collective accountability for all we handle and all we do, including people, resources, decisions and actions;
- Commitment to working with all, for the current and future generations, through strong partnerships at individual, household, community, sector, national, regional and global levels; and
- Upholding the law as established.



List of Acronyms and Abbreviations

ASGM	Artisanal and Small Scale Gold Mining
EIA	Environmental Impact Assessment
EMA	Environmental Management Act
GHG	Green House Gas
ICT	Information and Communication Technologies
IDC	Information Documentation Centre
MDD	Management Development Division
MoU	Memorandum of Understanding
NIP	National Implementation Plan
ODS	Ozone Depleting Substances
PCB	Polychlorinated biphenyls
POPs	Persistent Organic Pollutants
PTS	Pesticide and Toxic Substances
SEA	Strategic Environmental Assessment
SP	Strategic Plan
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
uPOPs	unintentionally produced Persistent Organic Pollutants
WED	World Environment Day
ZDA	Zambia Development Agency
ZEMA	Zambia Environmental Management Agency
ZICTA	Zambia Information and Communication Technology Authority

Chairman's Statement

I am delighted to present the 2017 Zambia Environmental Management Agency (ZEMA) annual report. ZEMA is a statutory body mandated to do all such things as are necessary to ensure the sustainable management of natural resources and protection of the environment, and the prevention and control of pollution.

In 2017, the institution focused on the development of the Strategic Plan for the period 2018 to 2021, development of regulations, enforcement of legislation and resource mobilization. A new office was opened in Solwezi to cater for clients in North Western Province and preparations for opening of the Chipata office had advanced. This will ensure that services are brought closer to the people thereby reducing operational costs.

Additionally, the Board established a Chemical Review Committee to oversee the registration of Pesticides and Toxic Substances (PTS) in accordance with the EMA. This is because there has been an increase in the use of pesticides.

A review of the 2014 to 2016 Strategic and Business Plan was undertaken and showed a performance rating of 51 percent. To ensure that activities continued to be aligned to national development planning, a 2018 to 2021 Strategic Plan (SP) was finalised with the support of Management Development Division (MDD) of Cabinet Office.

ZEMA recorded a number of notable achievements in delivering its mandate. A total of 622 projects were considered in 2017 under the Environmental Impact Assessment (EIA) process, with total investment value of USD12.95 billion. To ensure continuous improvement of the EIA process, the Agency commenced the review of the 1997 EIA Statutory Instrument and a layman's draft of the EIA Regulations was finalized.

ZEMA continued to provide environmental information by availing Information, Educational and Communication (IEC) materials on various environmental issues to the public.

Therefore, I wish to thank the members of ZEMA Board for their commitment and hard work exhibited in 2017 in ensuring sustainable development for the present and future generation. On behalf of the Board, I also wish to reiterate my commitment to continue supporting Management in its efforts to mobilize sufficient resources for the operations of the Agency.

Lastly, I also wish to acknowledge ZEMA Management and staff for their continued work hard and dedication despite limited resources.



Dr. Dani Eliya Banda, Brigadier General (Rtd)
Board Chairman

Board of Directors



Dr. Eliya Banda
University of Zambia



Mrs. Gift Sakanyi
Kayele Secondary School
Ndola



Dr. Nyambe Nyambe
WWF Zambia



Mr. Hanson Sindowe
Zambia Chambers of
Commerce and Industry



Dr. Mutinta Mudenda
Ministry of Health



Mr. Gideon Ndalama
Mine Safety Department



Mrs. Chisha Chongo Mzyeche
National Institute for Scientific
Research



Mrs. Tamara Banda Kalabo
Ministry of Local
Government and Housing



Mr. Stanislaus M Chisakuta
Ministry of Agriculture



Mrs. Sara Mulwanda Chanda
Ministry of Lands

Director General's Statement

The 2017 ZEMA annual report provides an overview of the activities carried out by the Agency as guided by the Environmental Management Act number 12 of 2011. The year was challenging for the Agency due to inadequate resources to fully execute its mandate. This report provides notable strides achieved during the year.

ZEMA developed the draft 2018 to 2021 Strategic Plan (SP). As part of this process, an assessment of the implementation of the 2014 to 2016 Strategic and Business Plan was conducted to provide input to the new SP.

The Agency continued to enforce legislation. A total of 622 projects were considered in 2017 compared to 364 in 2016 showing an increase of 171 percent. Of these, 583 projects were approved, 29 rejected and 10 deferred. A total of 1,104 licences were issued to facilities in 2017 compared to 1,814 issued in 2016. The slight decrease in numbers of licenses issued may be attributed to the 3-year licensing cycle which commenced in 2014 and the reduced financial resources to follow-up some facilities.

ZEMA has embraced awareness raising as a tool for improving environmental management. This has translated into an increase of environmental complaints from the members of the public. In 2017, a total of 160 complaints were received compared to 156 in 2016. In addition, 16 environmental emergencies were attended to and mainly involved spillages of fuel, acid and other chemicals arising from road traffic accidents.

Compliance monitoring to determine adherence to various permits issued by the Agency could not be carried out fully due to inadequate financial and human resources. The Agency, however, continued to undertake litigation for non-complying facilities. In the year under review, 12 facilities were prosecuted for various environmental offences.

ZEMA continued to provide environmental information to stakeholders and members of the public. A total of 1,786 users of the Information and Documentation Centre (IDC) were availed with environmental information. In addition, ZEMA participated in eight exhibitions across the country as way of continued provision of information to the public. The Agency also strengthened the use of social media as a tool for communicating information to the public. Tools actively used included Facebook, Twitter and YouTube in addition to the website. In addition, to determine awareness levels, ZEMA in collaboration with the Central Statistical Office, undertook a baseline survey on Environmental Awareness and Public Participation.

Furthermore, ZEMA continued to receive good will from Government and Cooperating Partners. In 2017, ZEMA implemented a total of 13 projects funded by Government and Cooperating Partners whose focus ranged from chemicals management, climate change and capacity building on environmental management.

Lastly, I wish to thank the Board for its support and provision of strategic direction, and Management and staff for their hard work. It is through this collaborative work that a number of milestones were reached despite challenges.



John Msimuko
DIRECTOR GENERAL

ZEMA Management



Mr. John Msimuko
Director General



Mr. Gift Sikaundi
Director - Planning, Information
& Research



Mr. Maxwell Nkoya
Director - Operations



Mr. Simon Mwansa
Director - Finance
& Accounts



Mrs. Kalobwe Saya
Director - Human Resources
& Administration



Mr. Humphry Mwale
Director - Legal Services

1.0 INTRODUCTION

1.1 Background

The Zambia Environmental Management Agency (ZEMA) is a statutory body with a mandate to implement and enforce provisions of the Environmental Management Act No. 12 of 2011 (EMA). The EMA provides for the integrated environmental management, protection and conservation of the environment, and sustainable management and use of natural resources. In addition, the EMA provides for prevention and control of pollution and public participation in environmental management.

ZEMA is the principal environmental regulatory body whose functions as provided in the Act include the following:

- i. Advising government and the private sector on aspects of environmental management;
- ii. Co-ordinating the implementation of activities of all ministries and other authorities in matters relating to the environment;
- iii. Developing and enforcing measures aimed at preventing and controlling pollution;
- iv. In liaison with other authorities, develop standards and guidelines relating to the protection of the environment;
- v. Initiating, conducting and promoting research, surveys, studies, training and investigations in environmental management;
- vi. Undertaking general educational programmes for creating public awareness on the environment;
- vii. Reviewing environmental assessments reports; and
- viii. Monitoring trends of natural resources, their use and impact on the environment and making necessary recommendations to the appropriate authority.

1.2 2017 Focus Areas

In 2017, the institution focused on the following areas:

- Development of the Strategic Plan for the period 2018 to 2021;
- Development of regulations;
- Enforcement of legislation; and
- Operationalization of the new structure.

1.3 Governance

ZEMA has a Board of Directors to guide the operations of the institution. The Board operates through sub Committees namely Advisory, Audit, Finance and Administration and Environmental Assessments. In 2017, the Board held four meetings as shown in Table 1.1. Highlights of major decisions made during these meetings is presented in Table 1.2.

Table 1.1: Attendance of ZEMA Board Meetings

No.	Name of Member	Meetings Attended				Total
		1	2	3	4	
1	Dr Dani Eliya Banda (Brg)	√	√	√	√	4
2	Mrs Gift Sakanyi	√			√	2
3	Mr Hanson Sindowe	√	√	√	√	4
4	Dr Mutinta Mudenda	√	√	√	√	4
5	Dr Nyambe Nyambe	√	√	√	√	4
6	Mr Gideon S. Ndalama	√	√		√	3
7	Mrs Tamara Banda Kalabo	√	√	√	√	4
8	Mr Stanislaus M. Chisakuta	√	√	√	√	4
9	Mrs Chisha Chongo Mzyece	√	√	√	√	4
10	Mrs Sara Mulwanda Chanda	√	√	√	√	4

Table 1.2: Major ZEMA Board Decisions made in 2017

S/N	ZEMA Board Decisions	Status on Implementation of the Decision
1	Approved the establishment of the Chemical Review Sub Committee. The Committee would be responsible for overseeing the registration of PTS in accordance with the EMA	The Committee was not operationalised in 2017 and is expected to be functional in 2018
2	The Board Approved implementation of the new structure: i. Increase staffing levels from 91 to 114 in 2017 ii. Open new offices in Chipata, Nakonde and Solwezi Districts	By December, 2017, the staffing levels stood at 97. The target of 114 was not actualised due to inadequate resources. Solwezi Office was opened and operations to cover North Western Province commenced. Preparations for opening of the Chipata and Nakonde Offices were on course but slowed down due to financial constraints.

ZEMA concluded the development of the 2018 to 2021 Strategic Plan (SP) in 2017. As part of this process, an assessment of the implementation of the 2014 to 2016 Strategic and Business Plan (SBP) was conducted. The assessment provided lessons and baseline information for the development of the SP. This process was facilitated by the Management Development Division (MDD) of Cabinet Office.

The overall implementation performance rating for the SBP was 51.07 percent. The Agency's performance was affected by the following:

- a) Policy to remit all statutory fees to the Central Treasury;
- b) Inadequate funding from Government;

- c) Inadequate Human Resources; and
- d) Limited infrastructure and equipment.

The Agency continued with the development of various regulations in order to enhance the implementation of the EMA. These included the Environmental Impact Assessment (EIA), Strategic Environmental Assessment (SEA), General Regulations, Noise and Environment Fund. A layman's draft of the EIA Regulations was finalised and submitted to the Ministry of Water Development, Sanitation and Environmental Protection. Further, progress was made regarding the engagement of consultants to develop SEA and Environment Fund Regulations.

In 2017, ZEMA strengthened collaboration with key institutions such as the Ministries of Energy, and Agriculture, and Zambia Development Agency (ZDA). The Agency entered into a Memorandum of Understanding (MoU) with ZDA aimed at increasing the knowledge of environmental management and consequently, enhancing the ease of doing business for potential developers. Other MoUs involved the preparation of inventories for Green House Gases (GHGs) for the energy and agricultural sectors.

2.0 ENVIRONMENTAL MANAGEMENT

2.1 Environmental Assessment

Environmental assessment is a tool used by the Agency to determine the potential impacts of proposed developments. In 2017, 622 projects were considered with a total investment value of USD12.95 billion. Of these 583 were approved, 29 rejected and 10 were deferred. The mining and mineral processing sector constituted 26 percent, followed by energy at 20 percent whilst tourism and roads sectors were the least at 4 percent of the projects considered. Figure 2.1 shows the number of projects considered by sector.

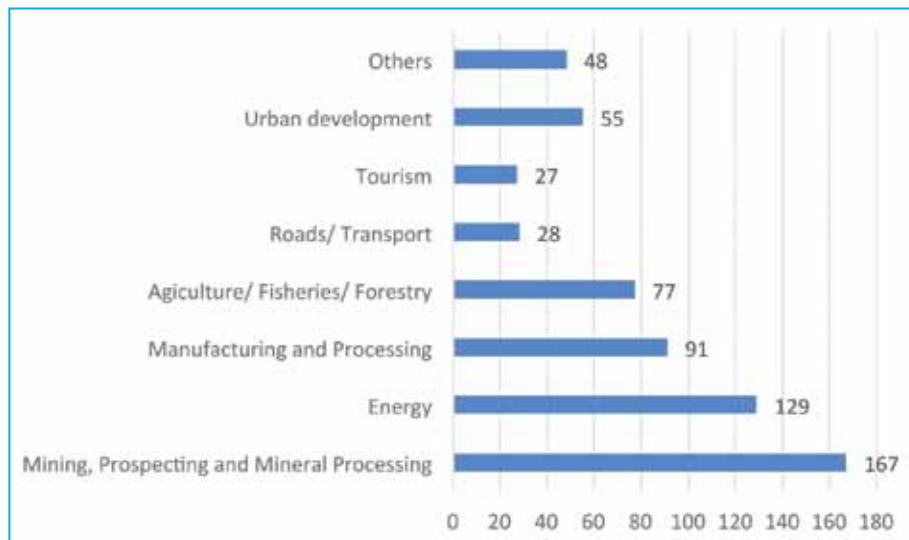


Figure 2.1: Number of projects considered by sector

The projects were further analysed by investment value. It was noted that 70 percent of the total value of investment was in urban development, followed by energy sector at nine percent. Figure 2.2 shows the percentage distribution of projects by sector according to value of investment.

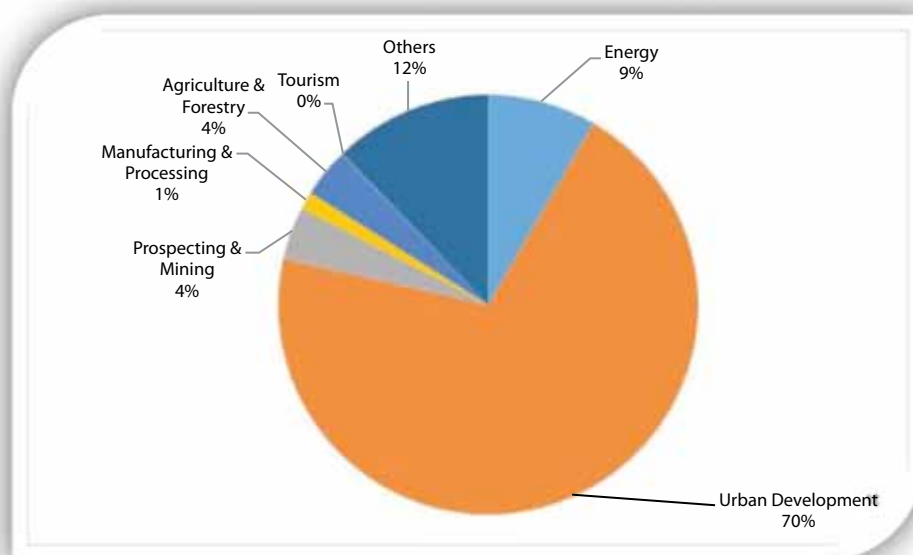


Figure 2.2: Distribution of projects considered by sectors according to investment cost

The majority of projects were located in Lusaka Province followed by Copperbelt and Southern Provinces respectively whilst the least number of projects were recorded in Muchinga, Northern and Western provinces as shown in Figure 2.3.

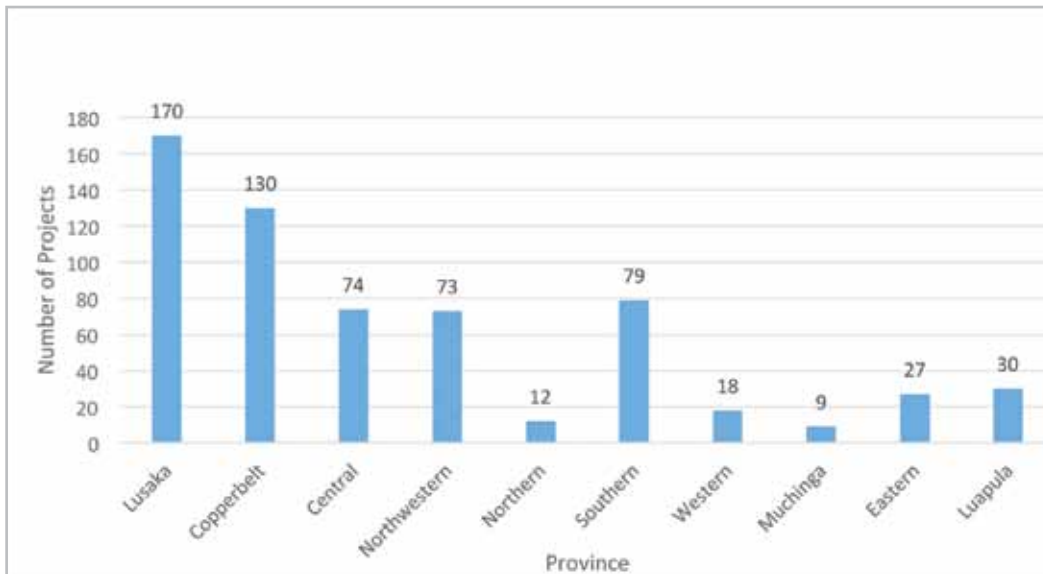


Figure 2.3: Distribution of projects received by province

As part of the environmental assessment process requires consultation with the public on the proposed developments. In 2017, five public hearings were held regarding environmental assessments to address concerns and queries relating to the environment and social issues on the projects.



Public Hearing for the Kafulafuta Dam in Masaiti District

Zambia continued to be a favourable investment destination as shown by the increased number of projects in the various sectors of the economy. Figure 2.4 shows the number of projects considered from 2012 to 2017. The increase in the number of projects exerted pressure on the Agency in terms of resource requirements.

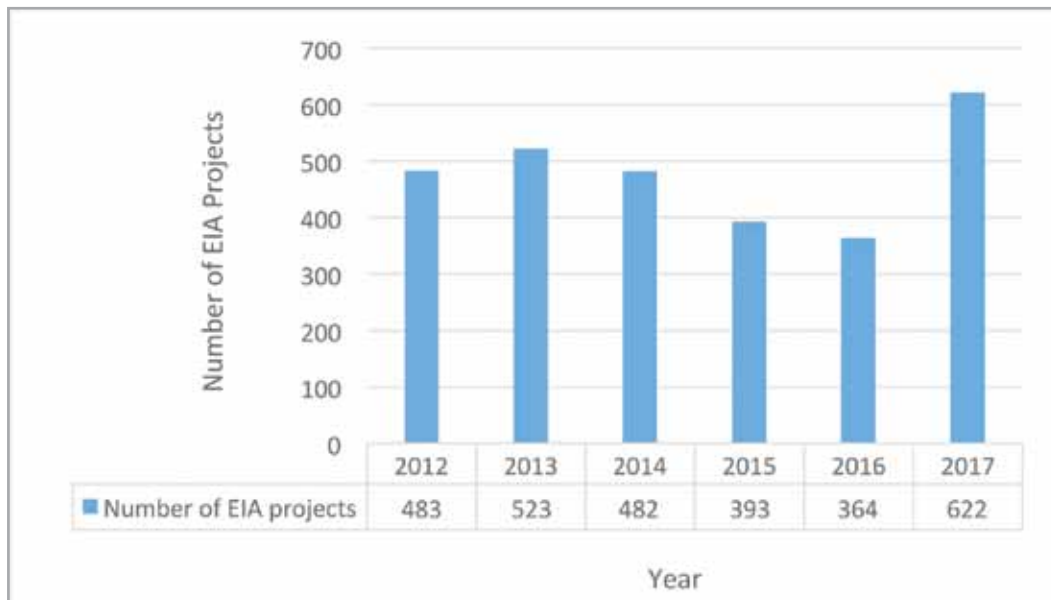


Figure 2.4: Number of Environmental Assessment projects considered from 2012 to 2017

2.2 Environmental Education

ZEMA facilitated hosting of preliminary school quizzes in the Copperbelt, Central and Lusaka Provinces as a prelude to the World Environment Day commemoration activities which falls on 5th June. A total of 45 schools participated in the competition and targeted learners in secondary schools as one way of creating awareness on environmental issues. The winners of the provincial quizzes were Kabulonga Girls Secondary School, (Lusaka Province), Kalonga Secondary School (Central Province) and Luanshya Boys Secondary (Copperbelt Province).

The final quiz was won by Luanshya Boys Secondary School followed by Kalonga and Kabulonga Girl’s Secondary Schools in second and third positions respectively.



Schools that emerged as Provincial finalists in the 2017 Environmental Quiz

Other awareness activities included production and airing of a jingle on ZEMA’s mandate in environmental management. The jingle profiling the Agency was aired on ZNBC Radio 2 and 4, Phoenix, Christian Voice, Breeze FM, Ichengelo and Zambezi FM radio stations.

A number of awareness materials were also produced during the year. These included posters on EIA and Counterfeit Pesticides, a manual on 'Agro Chemical Safety and Certification' and EIA Guidelines for the Construction sector.

2.3 Environmental Information

The numbers of users of the Information and Documentation Centre (IDC) have been reducing from 3,902 in 2013 to 1,786 in 2017 as shown in Figure 2.5. Limited availability of environmental information materials with local content continued to be a hindrance on access to information.

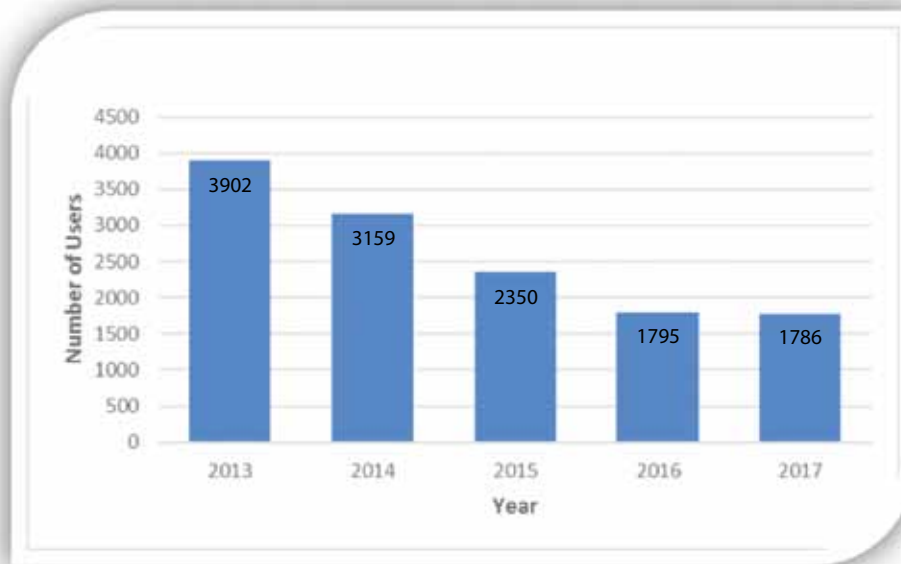


Figure 2.5: Trend on number of IDC users from 2013 to 2017

ZEMA participated in eight exhibitions across the country as a way of promoting provision of environmental information. The following were the exhibitions that the Agency participated in:

- (i) Copperbelt Mining, Industrial and Agricultural Trade Expo (CAMINEX)
- (ii) Zambia International Trade Fair
- (iii) Zambia International Property Expo
- (iv) 2017 Ease of Doing Business Initiative (EDBI) Conference
- (v) Zambia Water Forum and Exhibition in Lusaka
- (vi) Luapula Expo
- (vii) Southern Tourism, Agriculture and Commercial Show
- (viii) Zambia Agriculture and Commercial Show

Participation in the exhibitions would add value to clients if the Agency provided services such as allowing clients to submit permit applications and issuance of permits.

One of the concerns of stakeholders visiting the ZEMA stands at the respective exhibitions was the inadequate physical presence of ZEMA in all the provinces to facilitate ease of conducting business.



ZEMA Exhibition at the Luapula Expo



ZEMA Exhibition Stand at the Livingstone Agriculture and Commercial Show

In addition, ZEMA commemorated four significant environmental days, namely: World Environment Day (WED), International Day for Forest (IFD), World Water Day (WWD) and International Day for the Preservation of the Ozone Layer.



Kitwe Mayor, Christopher Kangombe, participates in the Keep Kitwe Green Campaign



Lusaka Provincial Minister, Hon. Japhen Mwakalombe, planting a Tree in Chongwe during the commemoration of the 2017 World Forest Day



Minister and Permanent Secretary in the Ministry of Water Development, Sanitation and Environmental Protection visiting ZEMA stand during Commemoration of World Environment Day

The Agency strengthened the use of social media as a tool for communicating information to the general public. Tools actively used included Facebook, Twitter and YouTube in addition to the website.

In 2017, over 300,000 visits to the ZEMA website was recorded from about 27,000 people. Figure 2.6 shows the percentage of visits by information sought from the website. The majority searched on information on ZEMA followed by environmental legislation and EIA reports. Figure 2.7 further shows that there were a number of people who used the website to send information to ZEMA such as complaints on various environmental issues and requests to receive information.

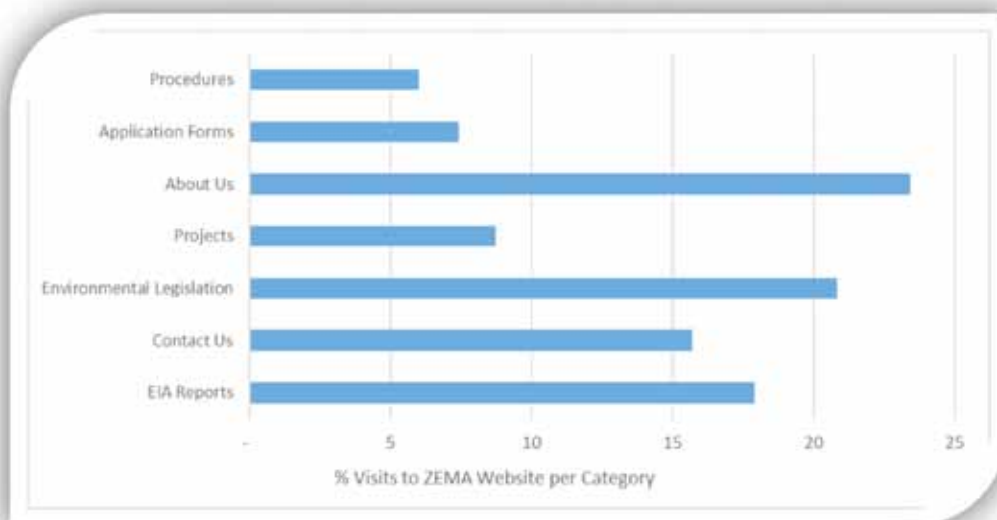


Figure 2.6: Percentage of visits by information sought from ZEMA website in 2017

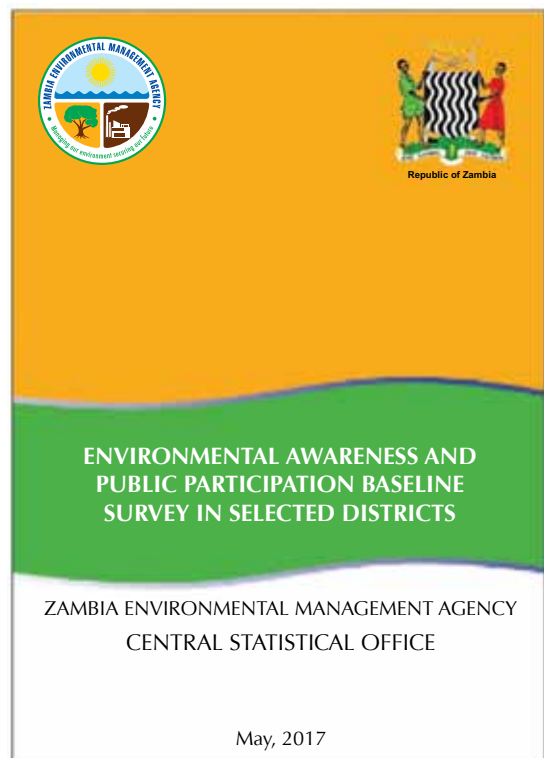
ZEMA operates a Facebook account which is used to publish information on various events and advertisements. In 2017, the number of likes increased from 1,863 to 11,435 showing an increase of over 500% as shown in Figure 7. Facebook has been actively used to debate various environmental topics by the general public.



Figure 2.7: Page likes to ZEMA Facebook as at 31 December 2017

ZEMA in collaboration with the Central Statistical Office undertook a baseline survey on Environmental Awareness and Public Participation. The main objective of the study was to establish the levels of awareness and participation in relation to environmental issues in seven districts of Zambia namely: Chilanga, Chipata, Kafue, Kitwe, Mufulira, Petauke and Solwezi.

The findings of the survey focused mainly on three areas: Awareness and knowledge of environmental issues; participation in environmental issues and related intervention strategies. The survey revealed low levels of awareness on the environment. Figure 2.8 shows that the majority of the respondents viewed water, trees, land and wildlife as aspects that constitute the environment. The findings further revealed that management of waste and sanitation are rarely perceived as part of environment. The type of pollution most respondents had ever heard of was air pollution and water pollution.



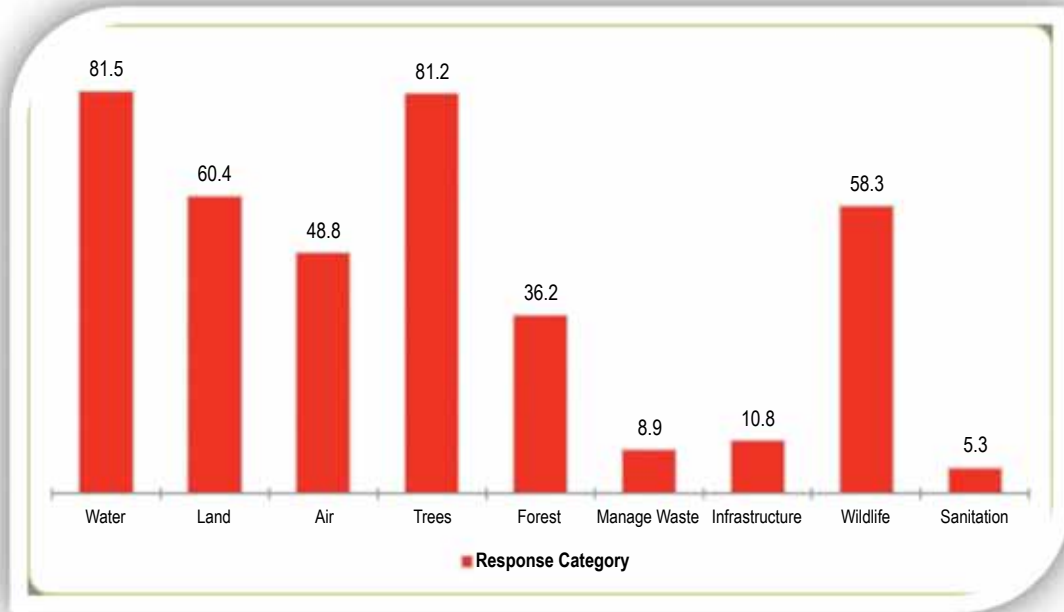


Figure 2.8: Distribution of respondents by perception of what constitutes the environment

More than half of the respondents did not have access to environmental information which may explain the low knowledge levels about environmental issues. For those that received information, the most common source was through radio, family interactions, television and public gatherings as shown in Figure 2.9.

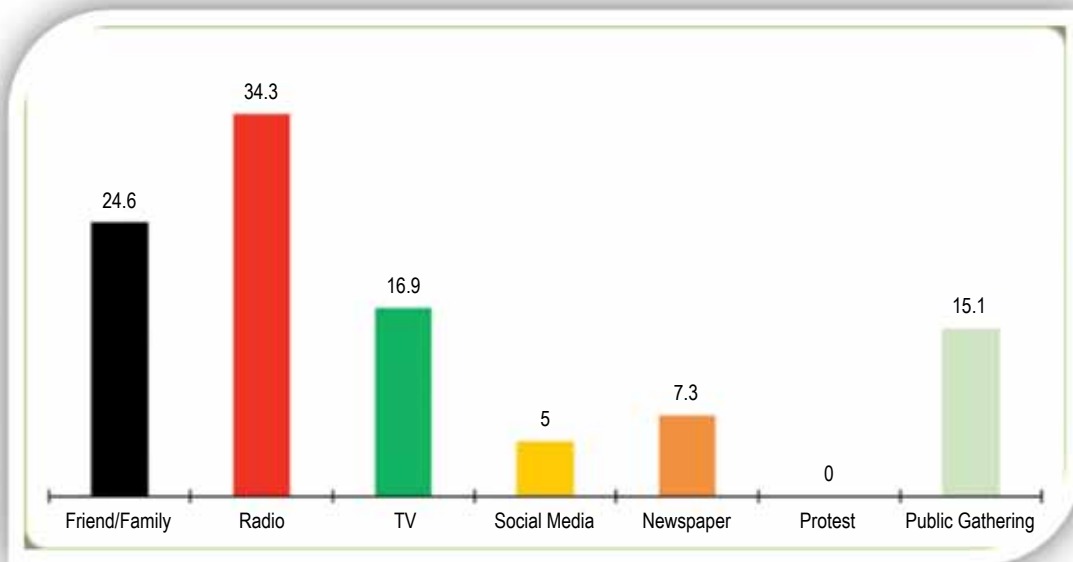


Figure 2.9: Proportions of respondents who had access to environmental information by source of information

The report further highlighted that as regards public participation, the majority of respondents were willing to take part in environmental management. Proposed interventions included sensitising communities, keeping surroundings clean and avoiding activities that degrade the environment.

2.4 Networking and Collaboration

Networking and collaboration with institutions play an important role in the management of the environment. Some of ZEMA's partners included the United Nations Environment Programme (UNEP), United Nations Development Programme (UNDP) and Africa Institute for the Environmentally Sound Management of Hazardous and other Waste. The following are some networking activities conducted in 2017:

Africa Environment Information Network

ZEMA continued to implement the Africa Environment Information Network (AEIN) in collaboration with UNEP and other organisations.

The AEIN is aimed at improving institutional arrangements, developing new information products and relevant tools and building the capacity of national environmental institutions in Africa to conduct Integrated Environmental Assessments (IEA). This is necessary to position countries to support national development planning. The Agency participated in network meetings.

Shared Environmental Information Systems Project

The Agency implemented the Shared Environmental Information System (SEIS) project whose objective is to build capacity for environmental data sharing and reporting. The project focuses on building capacity for data and knowledge sharing by Ministries and other relevant agencies at national level to support State of Environment (SoE) reporting and other reporting processes.

Key activities conducted in the year under review included needs and readiness assessment for the country to support data sharing practices, SoE reporting, reporting on Multilateral Environmental Agreements (MEAs) and Sustainable Development Goals (SDGs). A draft report was compiled and will undergo stakeholder review in 2018.

Zambia Network for Environmental Educators and Practitioners

ZEMA continued to serve as Secretariat for the Zambia Network for Environmental Educators and Practitioners (ZANEED). In 2017, ZANEED held its Annual General Meeting (AGM) at the Government Complex in Lusaka.

Environmental Education Association of Southern Africa

ZEMA facilitated the participation of Zambia at the 35th Environmental Education Association of Southern Africa (EEASA) Conference which was held in Botswana. A total of 20 Zambians drawn from various sectors participated in the Conference.

During this Conference, Zambia was requested to host the 36th EEASA Conference and subsequently, commenced preparations for the same.

3.0 POLLUTION CONTROL

3.1 Licensing

ZEMA issues pollution permits in order to ensure sustainable management of natural resources and pollution prevention and control. There are five categories of licences issued by the Agency namely; Emissions, Pesticide and Toxic Substances (PTS), Waste Management, Hazardous Waste Management and Ozone Depleting Substances (ODS). In 2017, ZEMA issued a total of 1,104 licenses distributed as follows; PTS at 771, Waste Management 105, Hazardous Waste Management 142, Emission 83 and ODS were three. Figure 3.1 shows the percentage distribution of licences issued.

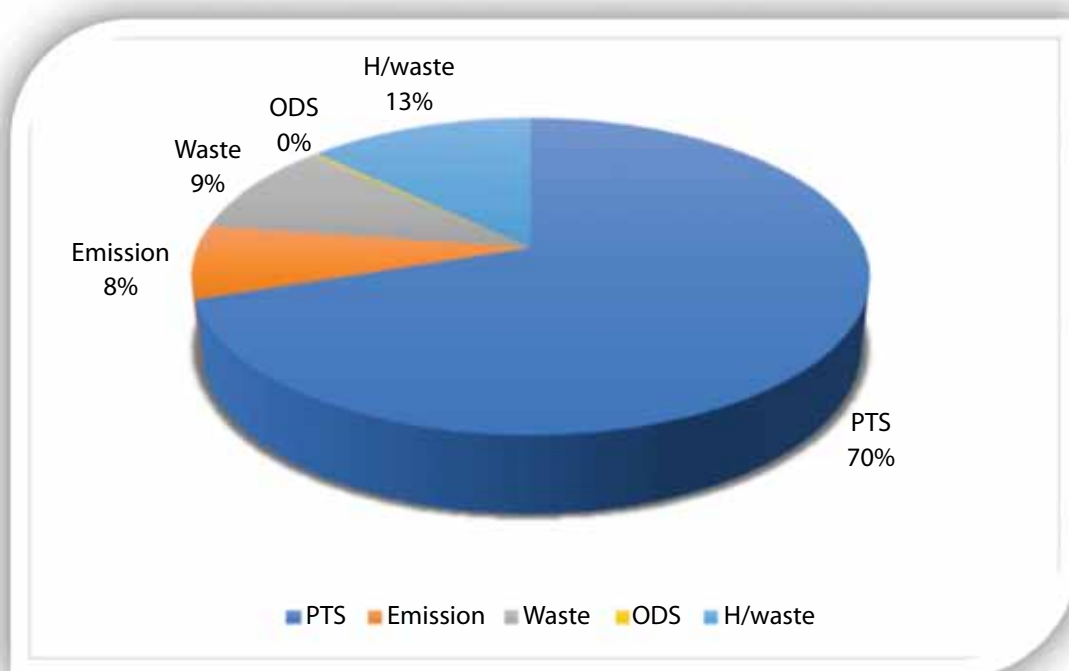


Figure 3.1: Percentage distribution of licenses issued in 2017

3.2 Compliance Monitoring

In 2017, ZEMA undertook inspections of various facilities to ensure compliance with the EIA process. These were mainly in the form of verification inspections prior to issuance of decision letters. Inspections were undertaken as a follow-up to environmental complaints and emergencies. Compliance monitoring of facilities issued with pollution permits was not undertaken in the year under review due to financial constraints.

3.3 Air Pollution Control

ZEMA controls air emissions from stationary sources as well as monitoring wildfires which contribute to air pollution. In 2017, a total of 57 new stationary sources of air emissions were licensed. Most of these sources were from the mining towns of the Copperbelt and North Western provinces accounting for 56 percent. The remaining 44 percent were from non-mining towns mainly involving light industrial activities such as manufacturing, food and beverage, foundries and quarrying. In addition to air emissions from industries, other sources include emissions from mobile sources such as vehicles, open air burning and fires.



Air Pollution arising from open air burning of waste

Fires are one of the major sources of air pollution and contribute significantly to greenhouse gas (GHG) emissions in the country. ZEMA has been monitoring the occurrences of bushfires in the country and collaborating with various stakeholders to enhance proper management of these fires. The Agency in partnership with USAID, UNDP and Forest Department carried out training programmes for forest officers, wildlife officers, community representatives, fire department and selected civil society in fire management.



Forest Officers in Eastern Province learning how to use Weather Monitoring Instruments for Fire Management



Fires near Fatima Secondary School in Ndola (September, 2017)

Bushfires have continued to affect protected areas such as National Parks and Game Management Areas (GMA). Many of the fires in the wildlife protected areas are caused by poachers who tend to use fire to clear the bush for improved visibility. Figure 3.2, shows the distribution of fires in the country in 2017. It can be noted that with exception of Luapula, Muchinga and Northern Provinces most bushfires occurred in the protected areas.

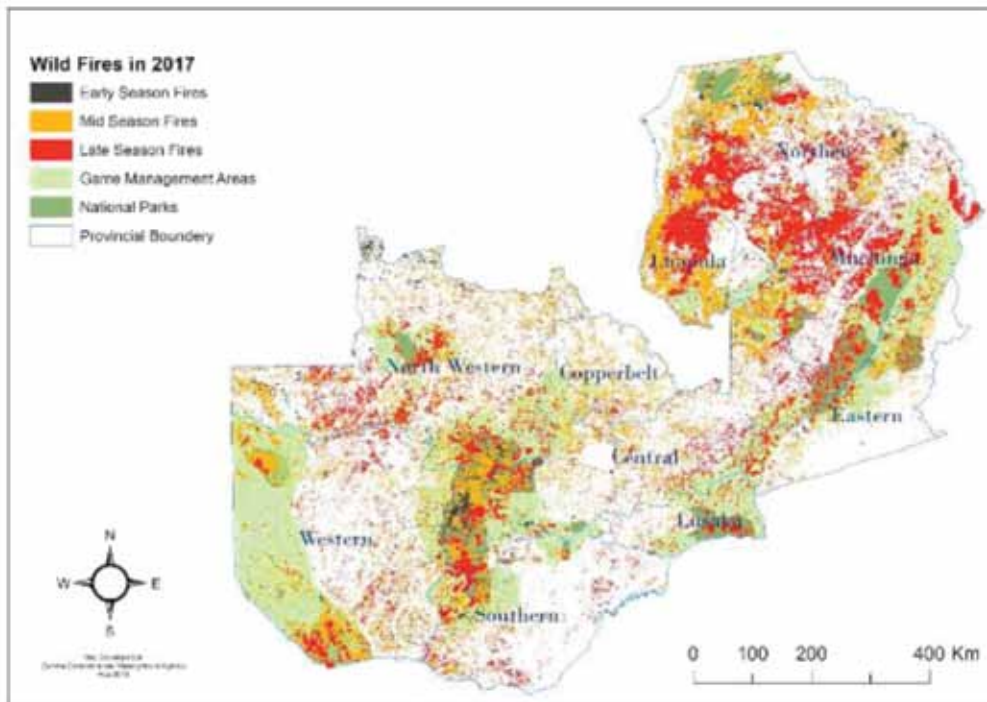


Figure 3.2: 2017 Burnt areas in Zambia

In 2017, there were few early season fires. Most fires occurred in the months of August and September. During this period, most areas are generally dry and fires are therefore intense and likely to cause more damage to the environment. Figure 3.3 shows the size of land burnt through bush fires by month in 2016 and 2017 respectively. In 2017, 21.8 million hectares or approximately 28.9 percent of land was burnt through bush fires compared to 18.0 million hectares (23.9 percent of the country) in 2016. The pattern and seasonality of burning shows that it has remained the same.

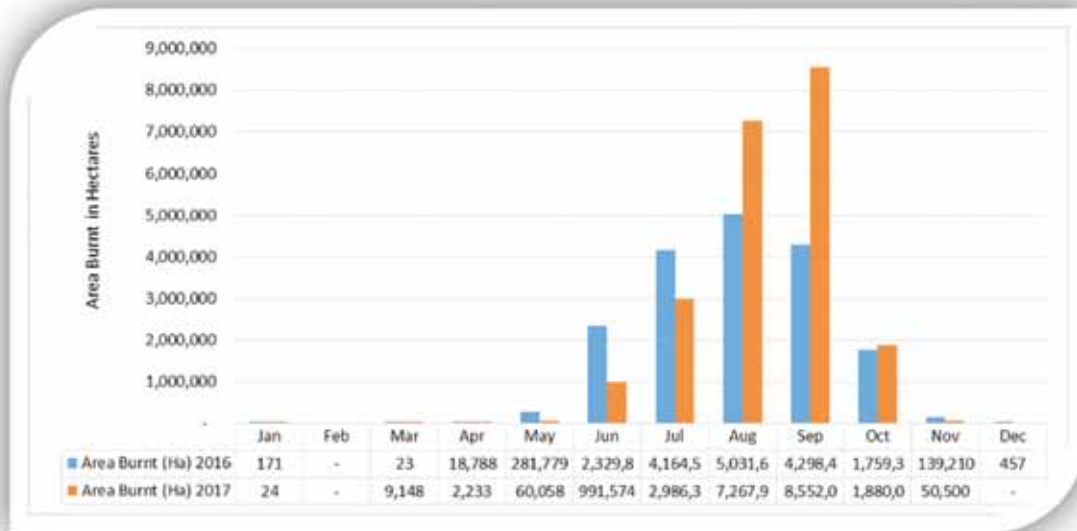


Figure 3.3: Areas burnt in hectares by month for the years 2016 and 2017

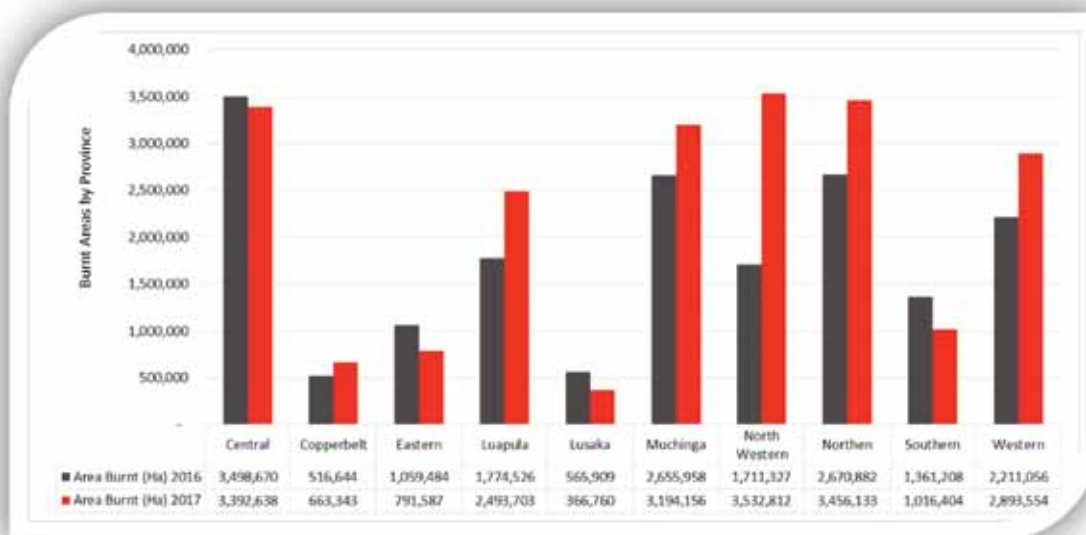


Figure 3.4: Areas that were burnt in hectares by province

3.4 Chemicals Management

Chemicals are used in Zambia for various economic activities such as agriculture, industrial processes, mining, health care and other domestic applications. However, chemicals need to be managed so as to limit the exposure of such to humans and the environment. In 2017, a total of 41,587,639 kg and 673,532 litres of pesticides and chemicals were imported through the Chirundu border. The bulk of PTS products

imported were fertilizers and industrial chemicals for the agriculture, mining and industrial sectors. Other chemicals included herbicides, insecticides and fungicides. Figures 3.6 and 3.7 show the quantity and type of pesticides and toxic substances imported into the country through the Chirundu border.

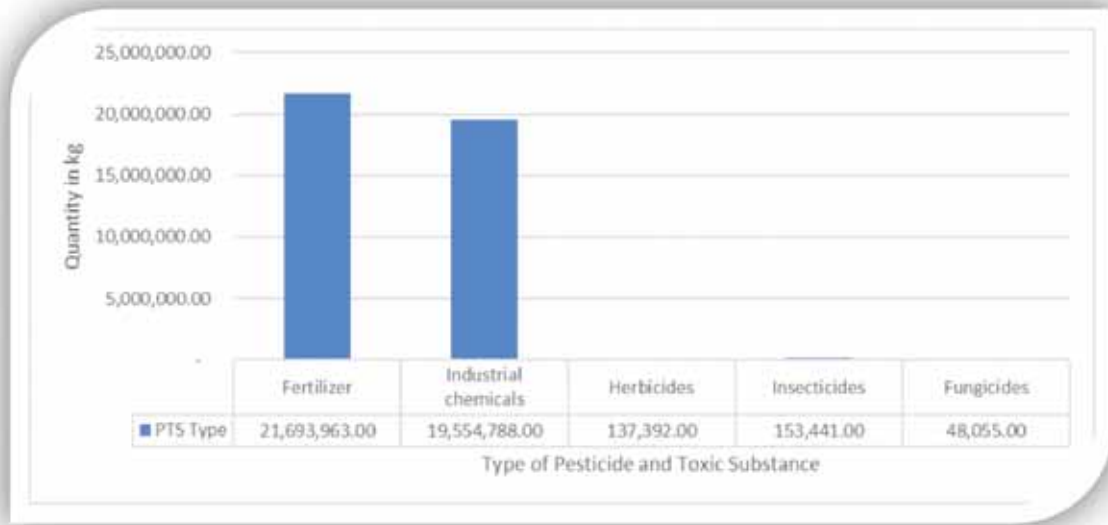


Figure 3.5: Type and quantity of pesticide and toxic substance in solid form imported through Chirundu border

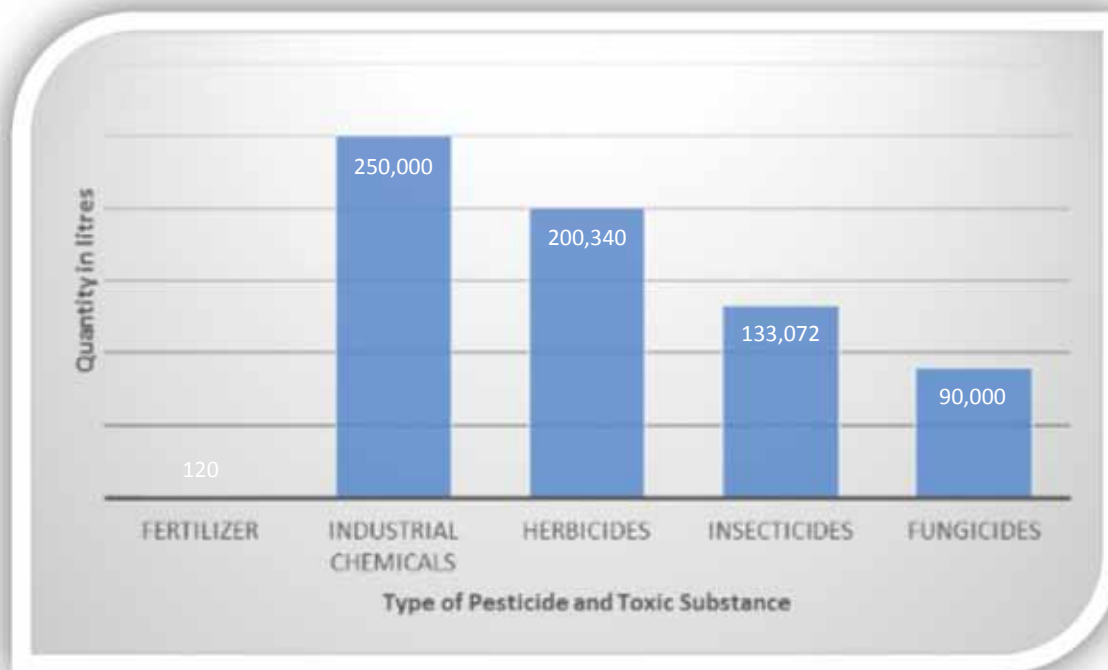


Figure 3.6: Type and quantity of pesticide in liquid form imported through Chirundu border

There has been a gradual reduction in the amount of PTS imported through the Chirundu border as shown in Figure 3.8. For this reason, ZEMA needs to establish presence in other border posts such as Nakonde and Mwami to ensure that chemicals passing through these entry points are licensed.

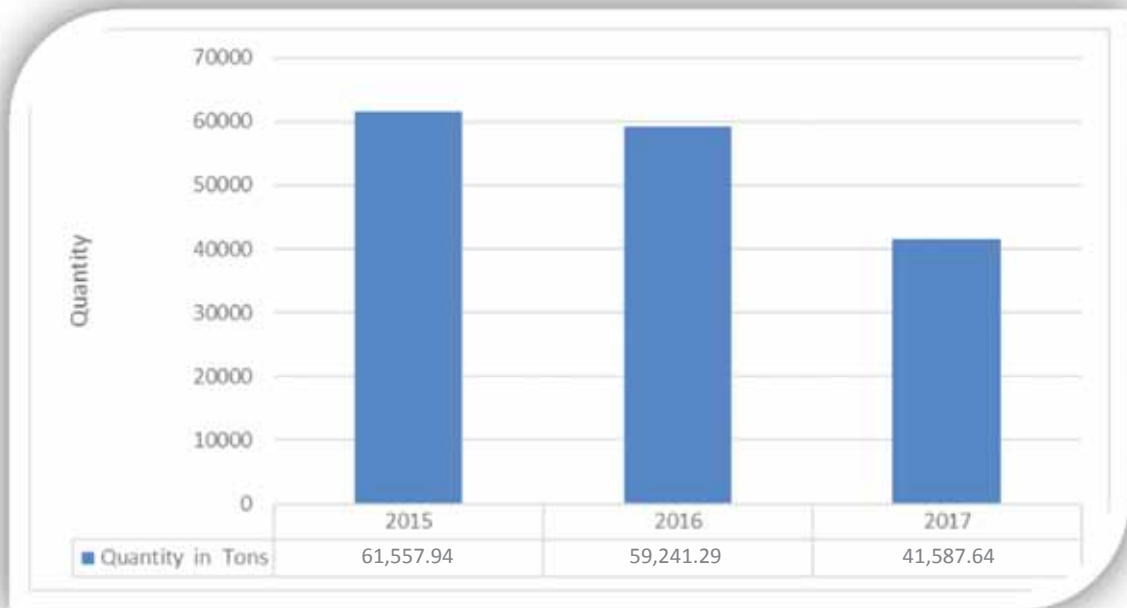


Figure 3.7: Trend in the importation of PTS from 2015 to 2017 through Chirundu border

3.5 Environmental Emergencies and Complaints

Environmental awareness over the years has increased and as such, environmental complaints have also risen. In 2017, a total of 160 complaints were received. Figure 3.9 shows a gradual increase of complaints from 94 in 2012 to 160 in 2017 representing a 70 percent rise. Due to various operational challenges faced by the institution, ZEMA was not able to adequately respond to complaints raised by the public. In 2017 the response rate was at 32 percent.

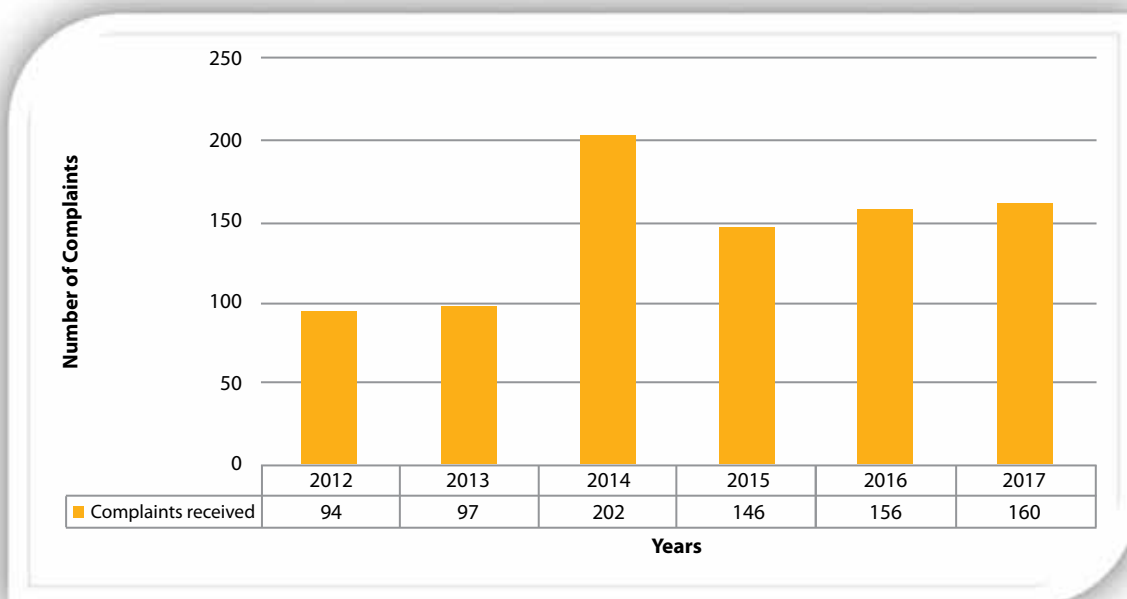


Figure 3.8: Trend of environmental complaints received from 2012 to 2017

The nature of complaints received were mainly discharge of effluent, indiscriminate waste disposal and open air burning of waste. A total of 16 environmental emergencies were attended to in 2017. These mainly involved spillage of fuel, acid and other chemicals arising from road traffic accidents as shown in Table 3.1.

Table 3.1: Status of Environmental emergencies in 2017

Year	Type of environmental emergency	Description	Number of Incidents	Status of Action
1	Fuel spillage	These involved spillage of petrol and diesel products during transportation	6	The sites were cleaned up and ZEMA continued monitoring
2	Acid spillage	These involved spillages of sulphuric acid destined to the mining industry	5	All the contaminated sites were neutralised with lime application
3	Other chemical spillage	These included spillage of various chemicals such as elemental sulphur, ammonium nitrate, and explosive emulsion	5	Three sites were cleaned up. Follow-up activities continued for the remaining two sites

3.6 Litigation

In response to various non-compliances, the Agency served 32 enforcement orders to defaulting facilities or persons as shown in Table 3.2.

Table 3.1: Status of Environmental emergencies in 2017

Type of Enforcement Order	Number
Order to cease operation or activity	10
Compliance Order	17
Environmental Restoration Order	2
Protection Order	3

ZEMA prosecuted facilities that did not comply with the provisions of the orders. In 2017, a total of 12 litigations were before the courts of law, out of which nine were concluded and ZEMA obtained convictions on all. One case was discontinued through a nolle prosequi and two were continued into 2018.

In addition to prosecutions, ZEMA attended to eight civil cases in the courts of law brought about by persons affected by the decisions of ZEMA.

4.0 PROJECTS

ZEMA continued implementing various projects during the year 2017. The status of implementation of these projects are highlighted in Table 4.1.

Table 4.1: Projects implemented at ZEMA in 2017

S/No.	Name of Project	Project Objective	Implementation Status
1	Enabling activities to review and update the national implementation plan under the Stockholm Convention on Persistent Organic Pollutants (POPs) in Zambia	To review and update the National Implementation Plans (NIPs) on POPs	Enabling activities to review and update the national implementation plan under the Stockholm Convention on Persistent Organic Pollutants (POPs) in Zambia
2	Development of Minamata Convention on Mercury Initial Assessment in Zambia Project	To facilitate the ratification and early implementation of the Minamata Convention	Zambia ratified the Convention in 2016 and an inventory on mercury was updated in 2017. Project activities were completed.
3	Regional project on the development of National Action Plans for the Artisanal and Small Scale Gold Mining (ASGM) in Africa	To develop National Action Plans (NAP) for the purpose of reducing the use of mercury and mercury compounds and emissions to the environment from artisanal and small-scale gold mining and processing	25 key stakeholders of artisanal and small-scale gold miners were trained and engagement of a consultant to prepare the National Action Plan for ASGM
4	Regional project: "Promotion of Best Available Technology (BAT) and Best Environmental Practices(BEP)" to reduce unintentionally produced uPOPs releases from waste open burning in SADC sub-region	To achieve minimization in the release of uPOPs in the open burning sector through introduction of BAT and BEP at selected priority demonstration sites.	Chongwe and Livingstone disposal sites were selected as priority demonstration sites. Project commencement awaited government clearance.
5	The Disposal of Polychlorinated Biphenyls (PCB) Oils contained in Transformers and Capacitors in Zambia	To reduce environmental and human health risks from PCB releases and introduce cost-effective and socially acceptable Environmentally Sound Management (ESM) of PCB oils, equipment and wastes	Participated in Training of Trainers held in Zimbabwe and test kits were received. Project implementation was yet to commence

S/No.	Name of Project	Project Objective	Implementation Status
6	Capacity Building in Chemical Safety and Certification of Agrochemicals Dealers Phase II	To inform and educate Agrochemical handlers on safe use and disposal of Agrochemicals.	Activities carried out included: <ul style="list-style-type: none"> i. Project preparation for Phase II and the project proposal was approved; ii. The MoU was signed; and Project implementation will commence in 2018
7	Ozone Layer Protection Programme in Zambia	To protect the Ozone Layer and control the consumption and emissions of Ozone Depleting Substances (ODS)	Activities undertaken in 2017: <ul style="list-style-type: none"> i. 90 refrigeration technicians trained on refrigeration management ii. 40 Customs officers and other enforcement officers trained on the control of ODS iii. ODS Regulations reviewed to strengthen the control measures iv. Public awareness on ozone issues conducted and commemoration of the World Ozone day
8	Third National Communication	To prepare Zambia's Third National Communication to the United Nations Framework Convention on Climate Change (UNFCCC)	Strengthened the institutional framework for greenhouse gas inventory management system in the country Concluded signing of MoUs with three Lead Sector Ministries namely, Ministry of Agriculture, Energy and Lands and Natural Resources. The MoUs are for data collection and preparation of sector greenhouse gas inventories
9	Biennial Update Report	To prepare Zambia's initial Biennial Update Report	Inception workshop for project held
10	Intended Nationally Determined Contribution (NDC)	To create awareness on the provisions of Paris Agreement and Zambia's NDC as well as development of the implementation plan	Provincial awareness workshops were undertaken in seven provinces which were in Central, Lusaka, Copperbelt, Eastern, Southern, Muchinga and Northern
11	Zambia Mining and Environment Remediation Improvement Project	To reduce environmental health risks to the local population in critically polluted mining areas in Chingola, Kabwe, Kitwe and build capacity of environmental regulatory agencies	Project became effective on 30th November 2017 Pre-procurement activities were undertaken in preparation of project effectiveness
12	Continuing Regional Support for the Persistent Organic Pollutants (POPs) Global Monitoring Plan	To strengthen the national capacity to implement the Global Monitoring Plan for POPs	The following activities were carried out: <ul style="list-style-type: none"> i. Routine placement and removal of Passive Samplers at KK International Airport, and routine water sampling at the confluence of the Kafue and Zambezi Rivers; and ii. Obtained ethics clearance for sampling human milk

5.0 ZEMA RESOURCES AND OUTLOOK

5.1 Financial Resources

ZEMA has been experiencing financial challenges since 2014 following the enactment of the Environmental Management (Amendment) Act. No 10 of 2013, where all fees collected form Government revenue and are remitted directly to Central Treasury. The cost of operations has increased and as such, discharge of the mandate of ZEMA has been constrained. In 2017, some of the activities which could not be implemented include compliance monitoring and purchase and installation of environmental monitoring equipment, including field operations vehicles. This meant that many planned programmes could not be implemented due to limited financial resources.

Although, the Agency has been receiving consistent funding from Government, it has been inadequate thereby, affecting the effective execution of planned programmes. In 2017, the variance between budget and actual receipt of financial resources from government was at 57 percent, significantly contributing to the non-achievement of planned activities. Table 5.1 shows a comparison between ZEMA Budget and Actual grants received during the period 2014 to 2017.

Table 5.1: ZEMA Budget and actual grants received during the period 2014 to 2017

Year	ZEMA Budget (K)	Actual Grants		Total Actual Grants (K)	Variance (K)	% Variance
		GRZ (K)	CP (K)			
2014	52,677,544	21,703,239	557,201	22,260,440	(30,417,104)	(58)
2015	51,659,098	24,603,237	1,912,673	26,515,910	(25,143,188)	(49)
2016	54,717,764	24,603,237	3,115,510	27,718,747	(26,999,018)	(49)
2017	64,675,287	24,603,239	3,106,857	27,710,095	(36,965,192)	(57)

5.2 Human Resources

In 2017, ZEMA planned to expand its staffing structure through implementation of the approved establishment of 242. The implementation was scheduled to be phased with a target of 114 staff levels in 2017 and opening of three additional offices. As at December 2017, staffing levels increased to 97 and one office was opened in Solwezi.

Further, as part of improving the ZEMA work place environment, management entered into a collective agreement between the Agency and the Civil Servants and Allied Workers Union of Zambia to represent the workers' rights and welfare. This marked a milestone in the existence of ZEMA as it was the first time since inception of the Agency that a Union would mediate between Management and the employees. This arrangement would also enhance transparency in the affairs of the institution and promote a more conducive environment for negotiation and addressing of employee concerns.

5.3 Future Outlook

During the year 2017, ZEMA faced a number of challenges, notable among them inadequate availability of financial and human resources. The Agency has been experiencing structural budget deficits since 2014 and hence, has been unable to effectively execute its mandate and expand its human resource base. Another constraint to operations has been inadequate transport as most of the vehicles have depreciated over the years.

The Agency will in the next strategic plan endeavour to address the challenges encountered by undertaking the following:

- (i) Develop and implement a resource mobilisation strategy to improve the financial resource base for effective implementation of programmes and activities;
- (ii) Strengthen management systems for cost effectiveness and value addition;
- (iii) Optimal operation of the Agency by ensuring that the staff establishment is at full capacity;
- (iv) Strengthen Monitoring and Evaluation system to ensure that planned activities are carried out accordingly; and
- (v) Develop and implement an infrastructure development plan.

6.0 FINANCIAL STATEMENT



Zambia Environmental
Management Agency

Financial Statements
31 December 2017

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

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Statement of cash flows	10
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Detailed statement of comprehensive income	Schedule I

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

REPORT OF THE DIRECTORS

The Directors present their report on the activities of Zambia Environmental Management Agency (ZEMA) for the year ended 31 December 2017.

1. **ZEMA**

ZEMA was established by an Act of Parliament through the Environmental Management Act No 12 of 2011.

2. **Principal function**

The Agency's principal function is to provide for integrated environment management and the protection and conservation of the environment and sustainable management and use of natural resources.

3. **Results**

The Agency's results for the year are as follows:

	2017	2016
	ZMW	ZMW
Revenue	<u>27,871,497</u>	<u>42,472,854</u>
(Deficit) /surplus for the year	<u>(10,650,665)</u>	<u>1,259,146</u>

4. **Directors and Secretary**

The Directors and Secretary who served during the year are as follows:

Dr D E Banda	- Chairperson
Mrs G Sakanyi	- Vice-Chairperson
Mr. H Sindowe	- Member
Dr. N Nyambe	- Member
Mrs S M Chanda	- Member
Dr M Mudenda	- Member
Mr. S M Chisakuta	- Member
Mr O Kalumiana	- Member
Mrs S Mzycee	- Member
Mrs T B Kalabo	- Member
Dr S I Gumboh	- Member
Mr G S Ndalama	- Member
Mr. J. Msimuko	- Ex-Officio

Secretary

Mr H K Mwale	- Board Secretary
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5. **Management**

The management of the ZEMA is as follows:

Mr. J Msimuko	- Director General
Mr S M Mwansa	- Director Finance
Mr H K Mwale	- Director Legal Services
Mr. M Nkoya	- Director Operations
Mrs. K Saya	- Director Human Resources and Administration
Mr G Sikaundi	- Director Planning, Information and Research
Mrs Y K Kaunda	- Manager Internal Audit

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY**REPORT OF THE DIRECTORS (CONTINUED)****6. Employees**

The average number of persons employed by the Agency during the year was 88 (2016: 80). The total employees' remuneration paid by ZEMA was ZMW23,637,037 (2016: ZMW25,246,494).

7. Donations

ZEMA did not make any donations during the year (2016: ZMWnil).

8. Property, plant and equipment

Additions to Property, plant and equipment in the year amounted to ZMW4,292,114 (2016: ZMW4,139,681). In the opinion of the Directors, the fair values of Property, plant and equipment are not less than the amounts at which they are included in the financial statements.

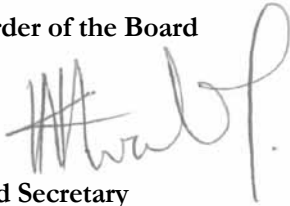
9. Other material facts, circumstances and events

The Directors are not aware of any material fact, circumstance or event which occurred between the accounting date and the date of this report which might influence an assessment of ZEMA's financial position or the results of its operations.

10. Annual financial statements

The annual financial statements on pages 7 to 21 have been approved by the Directors.

By order of the Board



Board Secretary

Lusaka

Date: 9 October 2018

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Environmental Management Act (EMA) No. 12 of 2011 requires the Agency to prepare financial statements for each financial year which give a true and fair view of the financial position of the Zambia Environmental Management Agency (ZEMA) and of its financial performance and its cash flows for the year then ended. In preparing such financial statements, the Directors are responsible for:

- designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- selecting appropriate accounting policies and applying them consistently;
- making judgements and accounting estimates that are reasonable in the circumstances; and
- preparing the financial statements in accordance with the applicable financial reporting framework, and on the going concern basis unless it is inappropriate to presume that ZEMA will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of ZEMA and enable them to ensure that the financial statements comply with the Zambia Environmental Management Act, No. 12 of 2011 of the Laws of Zambia. They are also responsible for safeguarding the assets of ZEMA and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that in their opinion

- (a) the financial statements give a true and fair view of the financial position of the Zambia Environmental Management Agency as of 31 December 2017, and of its financial performance and its cash flows for the year then ended;
- (b) at the date of this statement there are reasonable grounds to believe that ZEMA will be able to pay its debts as and when these fall due; and
- (c) the financial statements are drawn up in accordance with International Financial Reporting Standards.

This statement is made in accordance with a resolution of the Board of Directors.

Signed at **Lusaka** on **9 October 2018**



BOARD CHAIRPERSON



DIRECTOR GENERAL



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REPORT OF THE INDEPENDENT AUDITORS

TO THE ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY BOARD OF DIRECTORS

Opinion

We have audited the financial statements of ZEMA which comprise the statement of financial position as at 31 December 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the Agency's financial statements give a true and fair view of the financial position of the Agency as at 31 December 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Agency in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Zambia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to note 2(a) in the financial statements which indicates that the agency's current liabilities exceeded its current assets by K16,277,026. As stated in note 2 (a), these events or conditions along with other matters as set forth in note 2(a) indicated that a material uncertainty exists that may cast significant doubt on the agency's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Environmental Management Act No. 12 of 2011, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Agency or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Agency's financial reporting process.

Partners

Edgar Hamuwele (Managing)
Christopher Mulenga
Wesley Beene
Rodia Musonda
Chilala Banda

Audit • Tax • Advisory

Chartered Accountants

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REPORT OF THE INDEPENDENT AUDITORS

TO THE ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY BOARD OF DIRECTORS (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Agency's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements, or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Agency to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including significant deficiencies in internal control that we identify during our audit.

REPORT OF THE INDEPENDENT AUDITORS**TO THE ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY BOARD OF DIRECTORS
(CONTINUED)****Report on other legal and regulatory requirements**

In our opinion, the financial statements of the Zambia Environmental Management Agency as of 31 December 2017 have been properly prepared in accordance with the Zambia Environmental Management Act No. 12 of 2011 of the Laws of Zambia, and the accounting and other records and registers have been properly kept in accordance with the Act.

**Chartered Accountants****Edgar Hamuwele (AUD/F000111)****Name of Partner signing on behalf of the firm****Lusaka****Date:** 9 October 2018

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	Schedule I	2017 ZMW	2016 ZMW
Revenue			
Grants	i	27,646,975	25,823,184
License fees	ii	-	16,305,318
Other income	iii	<u>224,522</u>	<u>344,352</u>
		<u>27,871,497</u>	<u>42,472,854</u>
Expenses			
Administration expenses	iv	6,265,579	7,805,261
Audit fees		214,308	90,000
Consultancy		40,600	13,951
Depreciation	v	1,202,342	698,811
EIA expenses	vi	2,084,275	2,878,397
Other expenses	vii	312,559	283,315
Seminars & Workshops		199,913	146,330
Staff costs	viii	23,637,037	25,246,494
Vehicle and general insurance	ix	1,650,993	2,044,042
Project expenses			
Rotterdam	x	14,745	227,814
Minamata Convention of Mercury	xi	605,873	330,286
Ozone	xii	719,127	676,979
Nano safety	xiii	1,000	-
NIPS	xiv	190,657	138,928
Musika	xv	21,441	261,221
TNC – Climate Change	xvi	867,216	177,768
Others	xvii	<u>494,497</u>	<u>194,111</u>
		<u>38,522,162</u>	<u>41,213,708</u>
(Deficit)/surplus for the year		<u>(10,650,665)</u>	<u>1,259,146</u>

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED 31 DECEMBER 2017



	Retained fund ZMW	Total ZMW
Year ended 31 December 2016		
At the start of the year	1,246,310	1,246,310
Surplus for the year	<u>1,259,146</u>	<u>1,259,146</u>
At the end of the year	<u>2,505,456</u>	<u>2,505,456</u>
Year ended 31 December 2017		
At the start of the year	2,505,456	2,505,456
Deficit for the year	<u>(10,650,665)</u>	<u>(10,650,665)</u>
At the end of the year	<u>(8,145,209)</u>	<u>(8,145,209)</u>

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

STATEMENT OF FINANCIAL POSITION - 31 DECEMBER 2017

	Note	2017 ZMW	2016 ZMW
ASSETS			
Non-current assets			
Property, plant and equipment	4	<u>9,521,129</u>	<u>6,431,357</u>
		<u>9,521,129</u>	<u>6,431,357</u>
Current assets			
Inventories - stationery		133,719	89,834
Receivables	5	1,125,780	1,309,896
Cash and cash equivalents	6	<u>1,968,850</u>	<u>12,489,892</u>
		<u>3,228,349</u>	<u>13,889,622</u>
Total assets		<u>12,749,478</u>	<u>20,320,979</u>
RESERVES AND LIABILITIES			
Funds and reserves			
Accumulated (deficit)/ surplus		<u>(8,145,209)</u>	<u>2,505,456</u>
		<u>(8,145,209)</u>	<u>2,505,456</u>
Non-current liabilities			
Employee benefits	7	1,389,312	1,389,312
Current liabilities			
Payables and accruals	8	<u>19,505,375</u>	<u>16,426,211</u>
		<u>19,505,375</u>	<u>16,426,211</u>
Total reserves and liabilities		<u>12,749,478</u>	<u>20,320,979</u>

The financial statements on pages 7 to 21 were approved by the Board of Directors on **9 October 2018** and were signed on its behalf by

)
BOARD CHAIRPERSON
)
)
)
)
DIRECTOR GENERAL

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 ZMW	2016 ZMW
Cash flows from operating activities		
Loss for the period	(10,650,665)	1,259,146
Depreciation	1,202,342	698,811
Interest received	(51,093)	(19,020)
Profit on disposal of property, plant and equipment	<u>(25,500)</u>	<u>(50,199)</u>
Net cash inflow from operating activities	<u>(9,524,916)</u>	1,888,738
(Decrease)/increase in inventories	(43,885)	8,030
(Increase)/decrease in receivables & prepayments	184,116	(163,485)
Increase in payables	<u>3,079,164</u>	<u>8,321,559</u>
Net cash flows from operating activities	<u>(6,305,521)</u>	<u>10,054,842</u>
Return on investments and servicing of finance		
Interest received	<u>51,093</u>	<u>19,020</u>
Net cash inflow from returns on investments and servicing of finance	<u>51,093</u>	<u>19,020</u>
Cash flows from investing activities		
Payments to acquire property, plant and equipment	(4,292,114)	(4,139,681)
Proceeds from disposal of property, plant and equipment	<u>25,500</u>	<u>50,199</u>
Net cash outflow on investing activities	<u>(4,266,614)</u>	<u>(4,089,482)</u>
Movement in cash and cash equivalents		
Net decrease in cash and equivalents	(10,521,042)	5,984,380
Cash and equivalents at 1 January	<u>12,489,892</u>	<u>6,505,512</u>
Cash and equivalents at 31 December	<u>1,968,850</u>	<u>12,489,892</u>
Represented by:		
Bank and cash balances	<u>1,968,850</u>	<u>12,489,892</u>

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2017

1. **Activities**

- a) The Zambia Environmental Management Agency (ZEMA), formerly the Environmental Council of Zambia (ECZ) was established as a corporate body with perpetual succession and a common seal, capable of suing in its corporate name and with powers, subject to this Act to do all such things as a corporate body may lawfully perform. The Agency commenced operations in November 1991 under the control of the Ministry of Tourism, Environmental and Natural Resources.
- b) The Environmental Protection and Pollution Control Act of 1990, was repealed through the enactment of the Environmental Management Act (EMA) Number 12 of 2011. The EMA provided for the continuation of the Environmental Council of Zambia, which was renamed as the Zambia Environmental Management Agency (ZEMA) with an enhanced mandate. The Agency currently operates under the control of the Ministry of Lands, Natural Resources and Environmental Protection. The function of the Agency is to do all such things as are necessary to protect the environment and control pollution, so as to provide for the health and welfare of persons, animals, plants and the environment. More specifically, the Agency serves to, among others:
- Advise the Minister on the formulation of policies on all aspects of the environment and, in particular, make recommendations for the sustainable management of the environment;
 - Co-ordinate the implantation of activities of all ministries; appropriate authorities in matters relating to the environment;
 - Develop and enforce measures aimed at preventing and controlling pollution;
 - Develop, in liaison with the relevant appropriate authority, standards and guidelines relating to the protection of air, water, land and other natural resources and the discharge of waste and the control of toxic substances;
 - Advise any private or public body on any aspect of nature conservation;
 - Initiate, conduct and promote research, surveys, studies, training and investigations in environmental management;
 - Research or sponsor research on the effects of climate change on human beings and the environment;
 - Ensure the integration of environmental concerns in overall national planning through co-ordination with appropriate authorities;
 - Undertake general educational programmes for the purpose of creating public awareness on the environment;
 - Review environmental impact assessment reports and strategic environmental assessment reports;
 - Monitor trends of natural resources, their use and impact on the environment and make necessary recommendations to the appropriate authority.

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2017

2. **Basis of preparing the financial statements - going concern basis**a) **Basis of preparing the financial statements – going concern basis**

The financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS). The measurement basis applied is the historical cost basis. The financial statements are presented in Zambian Kwacha, rounded to the nearest one thousand.

The preparation of Financial Statements in conformity with IFRS requires the use of estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Agency's accounting policies. The area that requires a great deal of judgement of complexity or where assumptions and estimates are significant, are disclosed in note 2 i.

During the year the Agency had a deficit of K10,650,665. The Statement of financial position of the Agency's current liabilities exceeded its current assets by K16,277,026 (2016: K2,536,589). The Agency meets its day to day operations from the revenue generated from statutory fees, grants from the Government of the Republic of Zambia (GRZ) and other generated incomes.

The financial statements have been prepared on the going concern basis. This implies that the Agency is assumed to continue in operational existence for the foreseeable future and it will not become necessary to liquidate or curtail significantly the scale of its operations.

The validity of these assumptions depends on the GRZ continuing its support by providing necessary grants to meet the Agency's working capital requirements.

If the Agency was unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the statement of Financial Position values of assets to their recoverable amounts, to provide for further liabilities that might arise and reclassify non-current assets as current assets.

Whilst the Directors are presently uncertain as to the outcome of the matters mentioned above, they believe that it is appropriate for the financial statements to be prepared on the going concern basis following written confirmations by the Government and funding that has been provided in subsequent years.

3. **Principal accounting policies**

The principal accounting policies applied by ZEMA in the preparation of these financial statements are set out below:

(a) **Basis of presentation**

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements are presented in accordance with IAS 1 "presentation of financial statements" (Revised 2007). The Agency has elected to present the "Statement of Comprehensive Income" in one statement the "Statement of Comprehensive Income". They have been prepared under the historic cost convention, as modified by the revaluation of financial assets and liabilities at fair value as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2017

3. **Principal accounting policies**(a) **Basis of presentation (continued)**

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Agency's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3(k).

(b) **New and revised standards that are effective for annual periods beginning on or after 1 January 2017**

The Agency has not adopted any new standards or amendments that have a significant impact on the Agency's results or financial position.

The standards and amendments that are effective for the first time in 2017 (for entities with a 31 December 2017 year end) and could be applicable to the Agency are:

- 'Annual Improvements to IFRSs' 2014 - 2016 cycle;
- Classification and measurement of share-based payment transactions (Amendments to IFRS 2)
- Recognition of Deferred tax assets for unrealized losses (Amendments to IAS 12); and
- 'Disclosure Initiative' (Amendments to IAS 7).

These amendments do not have a significant impact on amounts recognised in prior periods and will not affect current or future periods.

(c) **Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Agency**

At the date of authorisation of these financial statements, certain new standards, and amendments to existing standards have been published by the IASB that are not yet effective, and have not been adopted early by the Agency. Information on those expected to be relevant to the Agency's financial statements is provided below.

Management anticipates that all relevant pronouncements will be adopted in the Agency's accounting policies for the first period beginning after the effective date of the pronouncement. New standards, interpretations and amendments not either adopted or listed below are not expected to have a material impact on the Agency's financial statements.

IFRS 9 'Financial Instruments'

The new standard for financial instruments (IFRS 9) introduces extensive changes to IAS 39's guidance on the classification and measurement of financial assets and introduces a new 'expected credit loss' model for the impairment of financial assets. IFRS 9 also provides new guidance on the application of hedge accounting.

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2017

3. Principal accounting policies (continued)

(c) Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Agency (continued)

Management has started to assess the impact of IFRS 9 but is not yet in a position to provide quantified information. At this stage the main areas of expected impact are as follows:

- the classification and measurement of the Agency's financial assets will need to be reviewed based on the new criteria that considers the assets' contractual cash flows and the business model in which they are managed
- an expected credit loss-based impairment will need to be recognised on the Agency's trade receivables and investments in debt-type assets currently classified as Available For Sale (AFS) and Held To Maturity (HTM), unless classified as at fair value through profit or loss in accordance with the new criteria
- it will no longer be possible to measure equity investments at cost less impairment and all such investments will instead be measured at fair value. Changes in fair value will be presented in profit or loss unless the Agency makes an irrevocable designation to present them in other comprehensive income.
- if the Agency continues to elect the fair value option for certain financial liabilities, fair value movements will be presented in other comprehensive income to the extent those changes relate to the Agency's own credit risk.

IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018.

IFRS 15 'Revenue from Contracts with Customers'

IFRS 15 presents new requirements for the recognition of revenue, replacing IAS 18 'Revenue', IAS 11 'Construction Contracts', and several revenue-related Interpretations. The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas not covered in detail under existing IFRSs, including how to account for arrangements with multiple performance obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities.

IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018.

IFRS 15 introduces new guidance that will require the Agency to evaluate the separability of multiple elements based on whether they are 'distinct'. A promised good or service is 'distinct' if both:

- the customer benefits from the item either on its own or together with other readily available resources, and
- it is 'separately identifiable' (i.e. the Agency does not provide a significant service integrating, modifying or customising it).

The subsequent allocation of arrangement consideration to individual performance obligations is based on their relative stand-alone selling prices.

The Agency is currently in the process of reviewing all its contracts to ascertain how the new requirements will impact the identification of distinct goods or services and the allocation of consideration to them.

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2017

3. Principal accounting policies (continued)

(c) Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Agency (continued)

IFRS 15 ‘Revenue from Contracts with Customers’ (continued)

The standard allows adoption using either retrospectively in full to each prior reporting period or modified retrospective with application only to contracts that are not complete at the date of initial application.

IFRS 16 ‘Leases’

IFRS 16 will replace IAS 17 and three related Interpretations. Leases will be recorded on the statement of financial position in the form of a right-of-use asset and a lease liability.

IFRS 16 is effective from periods beginning on or after 1 January 2019. Management is yet to fully assess the impact of the Standard and therefore is unable to provide quantified information. However, in order to determine the impact the Agency is in the process of:

- performing a full review of all agreements to assess whether any additional contracts will now become a lease under IFRS 16’s new definition;
- deciding which transitional provision to adopt; either full retrospective application or partial retrospective application (which means comparatives do not need to be restated). The partial application method also provides optional relief from reassessing whether contracts in place are, or contain, a lease, as well as other reliefs. Deciding which of these practical expedients to adopt is important as they are one-off choices;
- assessing disclosures for finance leases and operating leases as these are likely to form the basis of the amounts to be capitalised and become right-of-use assets;
- determining which optional accounting simplifications apply to their lease portfolio and if they are going to use these exemptions; and
- assessing the additional disclosures that will be required.

d) **Revenue recognition – IAS 18**

Revenue is recognized in the income statement when it meets the following criteria:

- It is probable that any future economic benefit associated with the item of revenue will flow to the entity, and
- The amount of revenue can be measured with reliability.

e) **Government Grants and Disclosure of government assistance – IAS 20**

Government grants are recognized in the Statement of Comprehensive Income on a systematic basis over the periods in which the entity recognizes expenses for the related costs for which the grants are intended to compensate, which in the case of grants related to assets requires setting up the grant as deferred income or deducting it from the carry amount of the asset.

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2017

3. Principal accounting policies (continued)

f) **Property, plant and equipment – IAS 16**

Property, plant and equipment is initially measured at its cost, and depreciated so that its depreciable amount is allocated on a systematic basis over its useful life. Items of property, plant and equipment should be recognized as assets when:

- It is probable that the future economic benefits associated with the asset will flow to the entity, and
- The cost of the asset can be measured reliably.

The principal annual rates for this purpose are:

Leasehold buildings	2.5%
Motor vehicles	20.0%
Computers and equipment	33.3%
Office furniture and fittings	10.0%
Office equipment	33.3%
Field and laboratory equipment	15.0%

g) **The effects of changes in exchange rates – IAS 21**

A foreign currency transaction is recorded initially at the rate of exchange at the date of the transaction. At each subsequent reporting date.

- Foreign currency monetary amounts are reported using the closing rate.
- Non-monetary items carried at historical cost are reported using the exchange rate at the date of the transaction.
- Non-monetary items carried at fair value are reported at the rate that existed when the fair values were determined.

h) **Provisions, Contingent Liabilities and Contingent Assets – IAS 37**

An entity must recognize a provision if, and only if

- A present obligation (legal or constructive) has arisen as a result of a past event (the obligating event).
- Payment is probable ('more likely than not') and
- The amount can be estimated reliably.

i) **Employee benefits – IAS 19**

Employee benefits, including short-term benefits such as wages and salaries, annual leave, past employment benefits such as retirement benefits, other long term benefits such as, long service leave and termination benefits. The standard establishes the principle that the cost of providing employee benefits should be recognized in the period in which the benefit is earned by the employee, rather than when it is paid or payable.

The Agency has a defined contribution scheme for eligible employees and the benefits are payable as per the terms set out in the scheme. The Agency has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all the employees the benefits relating to service in the current and prior periods. The Agency's contributions to the defined contribution scheme are charged to the statement of comprehensive income in the period in which they arise. In addition the Agency contributes to the National Pension Scheme Authority which is a defined contribution scheme.

j) **Income Taxes – IAS 12**

The Agency, being a statutory body, is exempted from paying income tax under the Income Tax Act, 1996, as provided for under the Second Schedule paragraph 5(1) (i).

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2017

3. **Principal accounting policies**k) **Critical accounting estimates and judgements**

ZEMA makes estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the process of applying ZEMA's accounting policies, management has made judgements in determining:

- (i) the classification of financial assets;
- (ii) whether assets are impaired;
- (iii) estimation of provision and accruals; and
- (iv) recoverability of trade and other receivables.

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2017

4. Property, plant and equipment

	Leasehold land and buildings ZMW	Motor vehicles ZMW	Office equipment ZMW	Furniture & fittings ZMW	Computer equipment ZMW	Field & lab equipment ZMW	Total ZMW
Cost							
At 1 January 2016	3,005,088	4,147,472	1,328,102	320,793	549,989	3,719,558	13,071,002
Additions	-	3,216,844	166,972	258,099	453,766	44,000	4,139,681
Disposals	-	(140,000)	-	-	-	-	(140,000)
At 31 December 2016	3,005,088	7,224,316	1,495,074	578,892	1,003,755	3,763,558	17,070,683
Additions	-	3,396,617	379,473	145,480	354,990	15,554	4,292,114
Disposals	-	(305,806)	-	-	-	-	(305,806)
At 31 December 2017	<u>3,005,088</u>	<u>10,315,127</u>	<u>1,874,547</u>	<u>724,372</u>	<u>1,358,745</u>	<u>3,779,112</u>	<u>21,056,991</u>
Depreciation							
At 1 January 2016	828,826	3,557,032	1,292,928	246,975	538,829	3,615,925	10,080,515
Charge for the year	75,127	289,712	90,827	39,692	163,917	39,536	698,811
Disposals	-	(140,000)	-	-	-	-	(140,000)
At 31 December 2016	903,953	3,706,744	1,383,755	286,667	702,746	3,655,461	10,634,326
Charge for the year	75,127	690,543	128,841	45,796	220,360	41,675	1,202,342
Disposals	-	(305,806)	-	-	-	-	(305,806)
At 31 December 2017	<u>979,080</u>	<u>4,091,481</u>	<u>1,512,596</u>	<u>332,463</u>	<u>923,106</u>	<u>3,697,136</u>	<u>11,535,862</u>
Net book value							
At 31 December 2017	<u>2,026,008</u>	<u>6,223,646</u>	<u>361,951</u>	<u>391,909</u>	<u>435,639</u>	<u>81,976</u>	<u>9,521,129</u>
At 31 December 2016	<u>2,101,133</u>	<u>3,517,573</u>	<u>111,320</u>	<u>292,225</u>	<u>301,009</u>	<u>108,097</u>	<u>6,431,357</u>

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2017

	2017 ZMW	2016 ZMW
5. Receivables		
Staff receivables (loans)	182,161	464,866
Staff receivables (advances)	467,938	277,818
Prepayments	475,681	315,920
Staff imprest	-	<u>251,292</u>
	<u>1,125,780</u>	<u>1,309,896</u>

	2017 ZMW	2016 ZMW
6. Cash and cash equivalents		
Petty cash – Lusaka	-	3,927
Stanbic Bank Current account	13,998	(105)
Stanbic ZMERP	33,617	1,303
Stanbic USD project	7,966	39
Stanbic Bank Call account	1,755	144,724
Citibank – EIA	203,894	7,997,305
Citibank ENRMMP K account	344,449	144,449
Citibank Licence fees account Lusaka	100,460	508,989
Stanbic Bank USD account	390,555	1,644,577
Citibank IEF	223,512	357,612
Finance Bank K Account – Lusaka	16,587	28,670
Finance Bank K account – Livingstone	9,948	58,162
Citibank USD UNEP/OZONE account	621,069	1,588,333
Citibank K UNEP/OZONE account	<u>1,040</u>	<u>11,907</u>
	<u>1,968,850</u>	<u>12,489,892</u>
7. Employee benefits		
Actuarial deficit	<u>1,389,312</u>	<u>1,389,312</u>

The ZEMA staff pension scheme is administered under a multi-employer pension fund, the Zambia State Insurance Corporation Pension Trust, which holds the scheme's assets independent of the Agency's assets. In consideration of the deficit on the fund, it was decided to convert the scheme to a defined contribution scheme from a defined benefit one, since ZEMA could not sustain the deficit in the foreseeable future. The deficit on the fund was accrued in the financial statements for the year ended 31 December 2009 and it was planned to be paid over a period of four years. ZEMA had not concluded paying by end of 31 DECEMBER 2017.

	2017 ZMW	2016 ZMW
8. Payables and accruals		
Sundry payables	33,934	23,333
Statutory payables	2,803,954	2,225,227
Accruals	11,697,642	11,331,331
Government revenue	<u>4,969,845</u>	<u>2,843,367</u>
	<u>19,505,375</u>	<u>16,426,211</u>

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2017

9. **Financial assets and liabilities****Financial assets**

ZEMA's principal financial assets are bank balances and cash and trade and other receivables. ZEMA maintains its bank accounts with major banks in Zambia of high credit standing. Trade and other receivables amounts are reduced by appropriate allowances for estimated irrecoverable amounts.

Financial liabilities

ZEMA's financial liabilities are employee liabilities and accounts payable. Financial liabilities are classified according to the substance of the contractual arrangements entered into. Accounts payable are stated at cost.

(a) **Price risk (Continued)**(i) **Currency risk**

ZEMA's currency risk is low as it does not hold any foreign currency denominated liability.

(ii) **Interest rate risk**

Financial assets are not exposed to the risk that their value will fluctuate due to changes in market interest rates.

(iii) **Market risk**

ZEMA is not exposed to the risk of the value of its financial assets fluctuating as a result of changes in market prices.

(b) **Credit risk**(i) **Trade debtors**

The Directors believe the credit risk of trade debtors is low. Except for the balances taken from the predecessor institutions where the risk is high.

(c) **Liquidity risk**

ZEMA is not believed to be exposed to significant liquidity risk, being inability to sell financial assets quickly at close to their fair value.

(d) **Cash flow risk**

ZEMA is exposed to the risk that future cash flows associated with monetary financial instruments will fluctuate in amount.

(e) **Fair values**

At the reporting date the carrying values of financial instruments reported in the financial statements approximate their fair value.

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2017

10. **Related party transactions**

The following transactions were carried out with related parties:

	2017 ZMW	2016 ZMW
(i) <i>Key management compensation</i> Salaries and other short term benefits	<u>19,173,071</u>	<u>16,672,236</u>
(ii) <i>Directors' remuneration</i> Fees for service as a Director	<u>312,700</u>	<u>380,806</u>
(iii) Loans to key management	<u>=</u>	<u>=</u>

11. **Contingent liabilities**

Contingent liabilities not provided for in these financial statements are estimated at ZMW nil at 31 December 2017 (2016: ZMW Nil).

12. **Comparative figures**

Comparative figures have been restated or reclassified where necessary to facilitate comparison.

13. **Events subsequent to reporting date**

There has not arisen since the end of the financial year any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Agency, to affect substantially the operations of ZEMA, the results of those operations or the state of affairs of ZEMA in subsequent financial years.

SCHEDULE I

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

DETAILED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 ZMW	2016 ZMW
i. Grants		
GRZ Grant	24,603,239	22,552,969
Small Scale Funding Arrangements	<u>3,043,736</u>	<u>3,270,215</u>
	<u>27,646,975</u>	<u>25,823,184</u>
ii. License fees		
Environmental Impact Assessment review fees	-	<u>16,305,318</u>
	<u>-</u>	<u>16,305,318</u>
iii. Other income		
Sundry income	166,650	244,666
Interest on staff loans	30,281	30,467
Interest received from banks	2,091	19,020
Profit on disposal	<u>25,500</u>	<u>50,199</u>
	<u>224,522</u>	<u>344,352</u>

SCHEDULE I (CONTINUED)

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

DETAILED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 ZMW	2016 ZMW
iv Administration expenses		
Subscription	70,929	120,695
Foreign travel	834,889	470,129
Postage	112,882	73,250
Bank charges	72,226	80,050
Board and Committees	528,537	383,500
Advertising	108,041	482,658
Training	51,470	85,352
Office expenses	459,021	357,925
Stationery	223,844	247,015
Printing and publishing	117,148	208,915
Trade fair/Show	155,539	238,133
Exchange loss	18,722	1,642,334
Repairs & maintenance – Office equipment	1,710	144,861
Legal fees	2,582	200,877
Local travel	798,141	766,174
Local travel – licensing & inspections	223,664	690,970
Telephone	220,819	168,899
Newspapers	85,257	43,535
Security	319,444	275,683
Water & sewerage expenses	25,085	26,507
Electricity	52,302	66,661
Donations	46,309	12,534
Entertainment	5,775	-
Funeral expenses	-	16,500
Protective clothing	13,775	31,220
Repairs & maintenance – offices	170,921	56,469
Relocation expenses	-	18,426
Staff welfare	238,379	32,897
Insurance	615,032	-
Meetings	-	253,748
Email and internet	428,214	326,842
Computer software /hardware maintenance	106,728	48,947
Ground rent, rates and billboards	16,541	10,724
Rent of office space	161,652	94,785
Monitoring and evaluation	-	128,046
	<u>6,265,579</u>	<u>7,805,261</u>

SCHEDULE I (CONTINUED)

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY
DETAILED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 ZMW	2016 ZMW
v	Depreciation	
	Leasehold, land and buildings	75,127
	Motor vehicles	690,543
	Office equipment	128,841
	Furniture, fixtures and fittings	45,796
	Computer equipment	220,360
	Field & laboratory equipment	41,675
	<u>1,202,342</u>	<u>698,811</u>
vi	EIA expenses	
	EIA review meetings (EISs/EPB)	<u>2,084,275</u>
vii	Other expenses	
	Laboratory analysis expenses	16,099
	Responding to emergencies	-
	Commemoration of significant International Days	255,994
	Zambia Environmental Outlook Report (ZEOR)	40,466
	<u>312,559</u>	<u>283,315</u>
viii	Staff costs	
	Acting allowance	134,945
	Basic pay	13,562,973
	Commuted overtime	32,100
	GLA & GPA	81,199
	Gratuity	1,161,371
	Hardship allowance	45,000
	Housing allowance	2,127,631
	Leave pay	430,683
	Leave travel benefits	545,945
	Long Service Bonus	21,318
	Lunch allowance	398,491
	Medical expenses	431,063
	NAPSA – Employer	671,777
	Other allowances	-
	Pension – employer	1,106,628
	Recruitment and staff orientation	20,611
	Repatriation	-
	Responsibility allowance	82,947
	Servant allowance	9,000
	Settling in allowance	597,088
	Severance pay	1,094,813
	Transport allowance	929,114
	Wages	97,991
	Workers Compensation	54,349
	<u>23,637,037</u>	<u>25,246,494</u>

SCHEDULE I (CONTINUED)

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

DETAILED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 ZMW	2016 ZMW
ix	Vehicle running & general insurance	
	Repairs and maintenance - MV – Lusaka	962,328
	Repairs & Maintenance – MV – Ndola	89,175
	Repairs & maintenance – MV – Livingstone	13,743
	Motor Vehicle & General Insurance	301,605
	Fuel & Oil – MV – Lusaka	441,006
	Fuel & Oil – MV – Ndola	186,480
	Fuel & Oil – MV – Chirundu	20,403
	Fuel & Oil – MV – Livingstone	28,432
	Repairs & Maintenance – MV – Chirundu	870
	<u>1,650,993</u>	<u>2,044,042</u>
	Project expenses	
x	Rotterdam	
	Travel	167,538
	Meetings	23,649
	Secretariat	36,627
	<u>14,745</u>	<u>227,814</u>
xi	Minamata Convention on Mercury in Zambia	
	Supplementary allowance	148,993
	Working allowance (Secretariat)	3,600
	Meeting/conferences	74,815
	Review of Report	64,510
	Inception Report	38,368
	<u>605,873</u>	<u>330,286</u>
xii	Ozone depleting substances project (UNEP)	
	Project Personnel Component	324,917
	Administration	28,262
	Workshops and Seminars	266,583
	Commemoration of the International Ozone Day	57,217
	<u>120,071</u>	<u>57,217</u>
	<u>719,127</u>	<u>676,979</u>
xiii	Nanosafety	
	Conference/workshop	-
	<u>1,000</u>	<u>-</u>
	<u>1,000</u>	<u>-</u>

SCHEDULE I (CONTINUED)

ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY

DETAILED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 ZMW	2016 ZMW
xiv		
National Implementation Plan for the POPS (NIPS)		
Meetings/conferences	<u>190,657</u>	<u>138,928</u>
	<u>190,657</u>	<u>138,928</u>
xv		
Musika		
Administration costs	-	99,445
Project Personnel expenses	300	11,900
Training	<u>21,141</u>	<u>149,876</u>
	<u>21,441</u>	<u>261,221</u>
xvi		
TNC – Climate Change		
Supplementation allowance	130,370	47,955
Stakeholder Consultation workshop	289,184	13,147
Validation workshop	447,662	114,566
Secretarial meetings	-	<u>2,100</u>
	<u>867,216</u>	<u>177,768</u>
xvii		
Others		
EIA Guidelines revenue	105	123,553
Small scale – Gold mining	264,649	12,000
Chemobs	-	53,848
UNITAR Tool Kit	1,850	4,710
Shared Environmental Information System	58,250	-
Global Monitoring	117,326	-
GHS	14,350	-
ZMERIP	13,511	-
Low Emission	<u>24,456</u>	-
	<u>494,497</u>	<u>194,111</u>

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