

IMPLICATIONS OF AMENDING THE BUSINESS REGULATORY ACT NO-3 OF 2014



The Business Regulatory Act assented in 2015 aimed to among other things; provide an efficient, cost effective and accessible business licensing; establish regulatory centres, clearance systems and single licensing system for business in each sector or group of sectors; and establish business regulatory review committee and the business regulatory review agency and provide for their functions and powers.

The agency's aim is to foster the single licensing system. While substantial work has been done to reduce licenses, there is still a lot to be done. The 2014 act it did not address the existing multiplicity of licenses, mechanisms of streamlining legislative frameworks were unclear, and the reduction or control over rising costs of licenses. The BRRRA's other mandate is to identify sectors and bring stakeholders together as a way of reducing the cost of licensing.

The amendment of the 2014 Act has both negative and positive implications for both the business environment and the country as a whole. The following are some of the implications that PMRC has observed would come with the amendment of the act through the replacement of parts III, IV and V.



The amendment of part III of the Act despite being a good step towards the promotion of corporate governance in the country has implications on the already constrained national budget. The creation of the board to act as an oversight for the agency implies an extra budgetary allocation to the Agency for allowances that accrue to board members. Part IV of the proposed bill provides for payment of board members travelling and other allowances when engaged on the business for the agency. These travelling and other allowances are separate from the proposed allowances proposed in part III of the proposed bill.

Secondly, article 21 of part IV of the proposed bill concerning financial provisions of the Agency provides for the Agency to raise money through loans when required. This provision does not provide how these loans will be acquired and utilised, will therefore have implications on the country's finances.

The amendment of **BUSINESS REGULATORY ACT NO-3 OF 2014** will make **BRRA** more autonomous and further enhance its role of empowering and coordinating the functions of regulators who worked in isolation.

The **BRRA** was set up as a means by which Government ensures that regulatory powers of regulatory agencies and other public bodies are kept in check.



The amendment of the BRRA Act will further position the private sector as an engine of economic development and reduce the number of trading licenses. BRRA is not there to undermine regulators, but to ***regulate and protect the interests of the private sector and the country.***

INTERNATIONAL BEST PRACTICE IN BUSINESS LICENSING

The International Finance Corporation's (IFCs) Business Enabling Environment (BEE) program provided by the World Bank Group (WBG) strongly promotes business licensing reform and simplification. Poor licensing policy has been found to; 1. Impede healthy competition and the operation of effective markets, 2. Unnecessarily raise business costs and consumer prices, 3. Generate scope for corruption, and 4. Be misused to collect revenues. The IFC program therefore aims to support regulatory reform and encourage modernization in developing countries. The IFC have produced a smart lessons document, 'Tools for Reforming Permits and Licensing Systems', to guide business licensing reforms.

This document outlines three main goals to consider when implementing reforms:

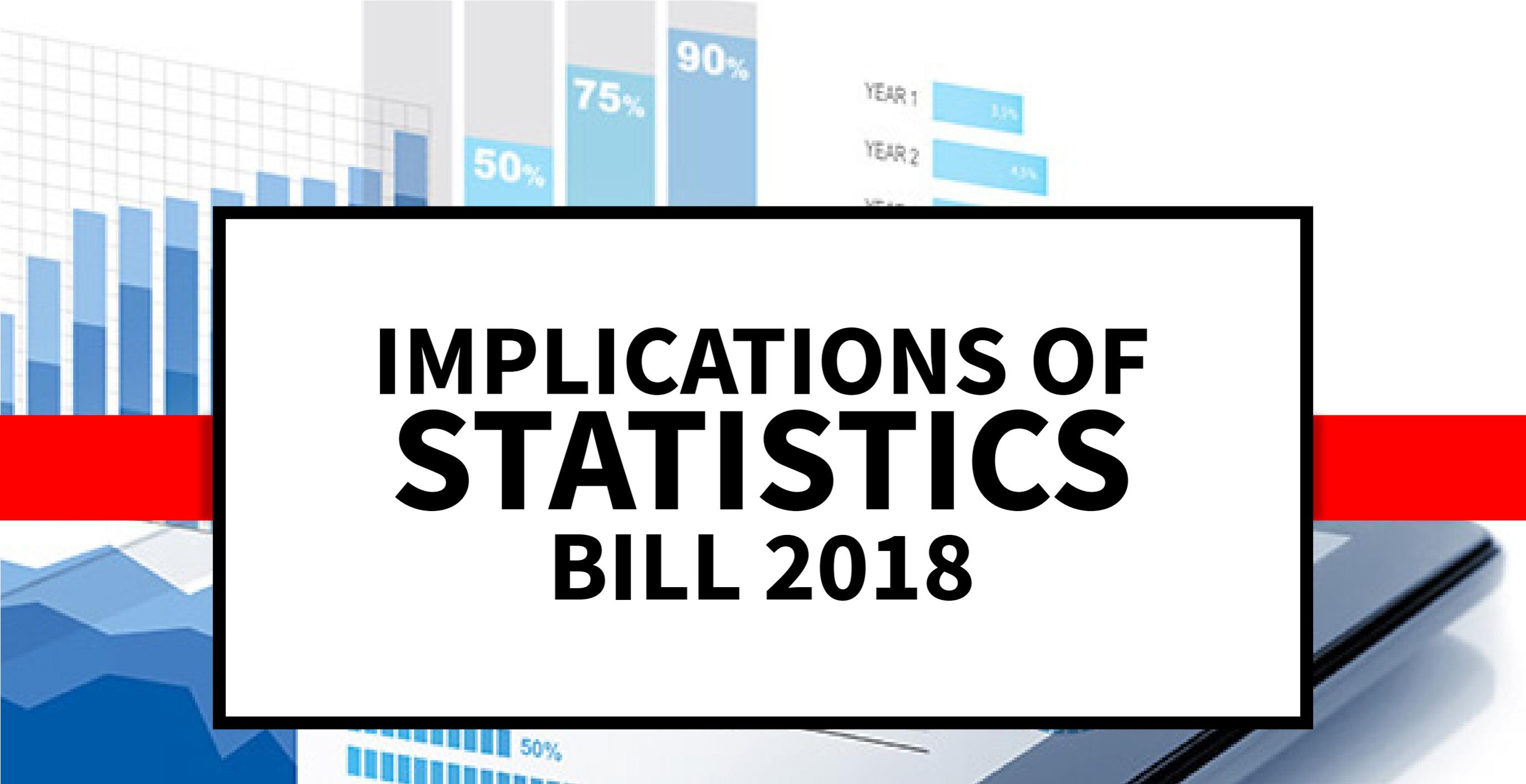
1. *Reducing the number and coverage of permits;*
2. *Simplifying the issuance of permits; and*
3. *Implementing a training and awareness creation program*

The first of these is reducing the number and coverage of permits to only those necessary for undertaking business. Although the question of what is deemed 'necessary' may be subject to interpretation, the important point is to undertake a comprehensive review of existing permits and approvals, implementing the '**guillotine**' approach should state agencies find any license redundant.



The second goal is for the simplification of issuance of permits. As such, reforms should implement a **'one-stop-shop'** approach, providing a single centre for all license applications. This is accompanied by a 'silence-is consent' principle, whereby licenses are automatically approved after a certain period of time if no response is received.

Finally, The IFC document highlights the need for a training and awareness creation program to ensure that ***government officials are trained to use new procedures, and that entrepreneurs are informed about key changes***, and understand the improvements made.



IMPLICATIONS OF STATISTICS BILL 2018



INTRODUCTION

The collection of statistics for different subject-specific areas, like agriculture, health, labour, commerce, industry, etc. vests with the corresponding administrative ministries in Zambia. More often than not, the statistical information is collected as a by-product of administration or for monitoring the progress of specific programmes.

Some ministries, including Agriculture and Health, have full-fledged statistical divisions and systems, while most others have only a minimal structure. Large-scale statistical operations like the Population Census, Annual Survey of labour and Economic Census are centralized, and these cater to the needs of other ministries and departments as well as non-government actors.

Current, collection and dissemination of official statistics such as those on agriculture, livestock, labour and standards of living are governed under the ***Census and Statistics Act of 1955 and the Agricultural Statistics Act of 1964***. These statistics are collected by the Central Statistics Office which is an official department under the Ministry of National Development Planning responsible for coordinating and producing of all official statistics as provided for by the Census and Statistics Act. Under the Census and Statistics Act, institutions and the public are obliged to provide CSO with data and in carrying out its mandate, confidentiality of information, rights of respondents and statistical ethics are observed.



A comprehensive statistical needs assessment study was undertaken between March and August 2008, which culminated in the preparation of a detailed Situational Analysis and Statistical Needs Assessment Report. **Among other things, the study showed that there was an unprecedented increase in the demand for statistics to inform the national development processes. In particular, there was a lot of demand for quality statistics to track progress being made towards meeting the targets that are set in the National Development Plans, SDGs as well as Vision 2030.** These demands have presented major challenges to an already weak and vulnerable CSO, and the National Statistics System (NSS). These demands have also presented opportunities, particularly with respect to raising the public profile of statistics and harnessing resources for statistical development.

The objectives of the proposed statistics bill are to provide for:

- The definition of a National Statistics System and the establishment of a semi-autonomous Zambia Statistics Agency.
- Statistical production, analysis and dissemination of quality Official Statistics;
- A clearer framework for developing national statistics in a coordinated, synergic and sustainable manner; and
- A framework for harnessing both national and international resources.



The strategic objective of the Bill is to strengthen statistics legislation and provide an enabling environment for the attainment of stated objectives. **The proposed Statistics Bill will improve coordination of the National Statistics System by integrating various statistical programmes across Government.**



IMPORTANCE OF STATISTICS

The following are important uses of statistics

- **Statistic play a critical role in evidence-based policy making**

Statistics are evidence in which policies are built as they help identify needs, set goals and monitor progress. Without statistics, policy makers are not able to learn from their implementation mistakes as such, fail to be accountable to the public with the choice of their development path.

- **Statistics play an important role in the monitoring and evaluation of development planning and progress.**

The use of timely, reliable and accurate statistics is critical for creating and sustaining a strong and equitable development environment in any country. Statistics act as a catalyst in the formulation of development plans, by which decision making and development plans become concentric.

Statistics are a tool that can be used in monitoring development indicators such declining poverty rates, literacy rates and life expectancy in any given country which can be used to evaluate the impact of implemented projects.



IMPLICATIONS OF IMPLEMENTING THE STATISTICS ACT

The purpose of any legislation pertaining to statistics is to regulate the fundamental principles of official statistics in a given country. This law governs the collection, processing and storage of statistical data, registers, dissemination and ensuring confidentiality of the data as well as use of international standards in the data system is maintained (***relevance, impartiality, reliability, transparency, timeliness and professional independence***). This is provided for by the United Nations Principles of Official Statistics and the Principles of the African Charter on Statistics.

The enactment of the statistics bill has both positive and negative implications in the collection and use of statistics and on the nation as a whole.

To begin with, the Act will enforce data completeness; Statistical data and information, as compiled from the field, are at times incomplete, because of non-cooperation from respondents. The bill under consideration if well publicised and enforced as provided in the bill which is the function of the National Statistics System will help address the difficulty associated with incomplete information.



Secondly, the bill provides for protection for sources of information in various undertakings of statistics collection. Through the adoption of United Nations Fundamental Principles of Official Statistics and the Principles of the African Charter, which provides confidentiality (*Principle 6: Confidentiality; Individual data collected by statistical agencies for statistical compilation, whether they refer to natural or legal persons, are to be strictly confidential and used exclusively for statistical purposes*). With this provision of confidentiality as stipulated by international practice and the establishment of the Zambia Statistics Agency which can be sued by data sources will retain the sense of protection in the data collection process. **Confidentiality is very pertinent and borders on ethics in statistical collection** in the health sector where issues of privacy are very cardinal.

Thirdly, the establishment of the National Statistics System once the bill is enacted provides a sense of ownership for all end users as provided for in the bill to take part in the process of data collection and dissemination. **Section 16 of Part III** states “*the national statistical system is responsible for planning, collecting, compiling, producing, analyzing and dissemination of official and unofficial statistics*”.

In its current form the Census and Statistics Act of 1995 does not compel partners’ commitment in the statistics collection (*something which is very important for delivery of statistics*). Therefore, the establishment of the of the National Statistics System will ensure the commitment and cooperation of all partners as it provides for the development of a code of practice for members of the National Statistics System.



Furthermore, the enactment of the Statistics Bill will ensure the standardization of variables in the collection of data for statistical purposes with international practice. Such variables are those that deal with issues of the labour force. The National Statistics System provides for the promotion and use of best practice principles and international standards in statistical production, management and dissemination.

The enactment of the bill under discussion will ensure harmonized processes of data collection for statistics by different data collection agencies such as parastatals and NGOs. **Article 17 of part III of the bill provides for the establishment of a code of practice that will set out professional and ethical standards** applicable to all members of the National Statistics Systems for official and non-official statistics.

The enactment of the Statistics Bill is the realization of the 7NDP pillar number five which aims to **creating a conducive governance environment for a diversified and inclusive economy through an enhanced national data and information system**. Over the period of the 7NDP, government aims to ensure the timely provision of reliable statistics which are essential part of the statistical delivery system especially in government departments. One way of enhancing the statistical system is by repealing and replacing of statistical legislation and enactment of new legislation and ensuring that the new legislation is consistent with international practices in statistical development and delivery.



Lastly, the establishment of the board as provided by the bill will promote corporate governance in the agency as long as the board appointments are arrived at on merit.

When enacted, the bill will reduce the cost of producing statistics as other units outside CSO will be mandated to provide statistics to CSO when required.

The proposed Statistics Bill comes with many benefits that will enable members of the public gain the trust that may have been lost in the operations of CSO considering that the new agency that will come with the bill will become more independent in its operations once the bill enacted.

The new bill will enable the Statistics Agency to give the country a comprehensive National statistics Database and sector databases to ensure harmonized statistical information. This is central to the protection of confidentiality and the assurance of impartiality and objectivity of official statistics.



GOOD PRACTICES OF NATIONAL OFFICIAL STATISTICS

Adequate statistical legislations and its effectiveness are key conditions for an efficient statistical organization and the production of timely and reliable official statistics. The capacity of the legislation to achieve its mandate is essential for the production of quality official statistics and its response to statistical needs by the users. Good practices for national statistics legislation involve the following;

- **Good statistical legislation** should conform to the United Nations Fundamental Principles of Official Statistics and Regional Framework. In the case for Zambia the bill and the 7NDP plan to give effect to the stated international and regional frameworks.
- **Authorization and responsibility** of the collection and publication of statistics data should be outlined and its functions stipulated.
- The legislation should provide for the independence of statistical activities from authorities.
- **Obligation on individuals and organization** to reply truthfully to official surveys and censuses.
- **Dissemination rules and confidentiality** of statistical data, including exchange of statistical information within the National Statistical System.
- **Programming procedures** including a requirement for broad stakeholder consultation and transparency.



WEAKNESSES OF THE BILL

- The proposed Board lacks independence from the Ministry because the Minister in charge of National Development Planning appoints members of the Board. While having a National Statistics Agency that is autonomous from the government is not possible in every country, it is crucial to consider the best possible place for the NSS that ensures its professional independence and the provision of impartial statistical information.
- Lack of decision making authority in the allocation of resources and funding for the Agency. Statistical offices are public institutions financed by state budgets. Their limited mandate in resource management may cause delays in statistical production. In some countries, even the recruitment of staff may not be fully in the hands of the Head of the NSS. The NSS's budget needs to cover the overall production of statistics and staff costs, but also the necessary funds for investing in infrastructure, new technologies and new statistical methodologies, etc.

WEAKNESSES OF THE BILL CONT..

- The bill lacks a clear definition of official and unofficial statistics. There is need for listing of what constitutes official and unofficial statistics. In general, official statistics are statistical outputs produced by NSS or other designated governmental bodies. However, it is also possible that not all statistics produced by the NSS are official, for instance, experimental statistics. It may be possible in some countries that certain official statistics can be produced by non-governmental organizations under specific regulations. Usually, official statistics describe the economy, demography, environment, social and cultural situations in a particular country, and are produced within the scope of the statistical programme which guides the work of the NSS. Surprisingly many countries do not have clear criteria for official statistics or a clear indication of whether the statistics published are official statistics or not.
- Lack of services for researchers' access to microdata. Access to microdata for researchers is important for providing opportunities to develop new insights into changes in society and to enhance the understanding of economic, social and environmental developments. Due to confidentiality such access to microdata for research is strictly regulated.

RECOMMENDATIONS

1. PMRC recommends that parliament enact the bill as it will improve the ***use and dissemination of statistics in the country***. As well as enhance information management and sharing .
2. PMRC recommends that the proposed Statistician General should be at the level of deputy secretary to cabinet for ***easy coordination and access Ministries', Provinces', Spending Agencies' information***.
3. PMRC recommends the need for a **resource mobilization strategy** that will ensure sustainable financial resources for the Agency to carry out its functions.
4. PMRC recommends that the proposed Board in the bill should constitute representatives predominantly from the private sector.
5. PMRC recommends that the ***chairperson for the proposed board should come from outside the government system***. Preferably from a ***higher learning institution***.

