

# ZAMBIAN LED GUIDELINES for Local Authorities



Prepared for the Ministry of Local Government,  
Local Government Association of Zambia with support of the  
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By Karen Harrison  
Indego Consulting



## Contents

List of Tables .....	3
List of Figures .....	4
Glossary.....	4
FOREWORD .....	5
Introduction .....	6
Module 1: What is LED?.....	6
Section 1: Understanding LED.....	6
Section 2: International Approaches to LED .....	7
Section 3: Stakeholder Role and Responsibilities .....	7
Public Sector .....	8
Private Sector .....	8
Civil Society Sector and Donors .....	9
Section 4: Generic LED Process.....	10
Step One: Organising the Effort .....	11
Step Two: Local Economy Assessment .....	11
Step Three: Developing the LED Strategy .....	13
Step Four: Implementing the LED Strategy.....	14
Step Five: Reviewing the LED Strategy.....	15
Module 2: Zambian LED Context .....	15
Section 1: Local Government Legislation and Policy .....	15
Section 2: LED Mandate for Local Government.....	20
Section 3: Capacity of Local Authorities to Lead LED.....	21
Human resource capacity .....	21
Financial capacity .....	22
Section 4: Differentiated LED Roles .....	23
Section 5: Broader Institutional environment .....	26
Module 3: Planning and Budgeting for LED .....	27
Section 1: Alignment with Local Government Planning and Budgeting Processes .....	27
Section 2: Alignment with National Planning and Budgeting Processes .....	29
Section 3: LED Financing and Resource Leveraging .....	30
Section 4: Partnerships .....	32
Public-community partnerships .....	32
Public-Private Partnerships .....	32

Module 4: Institutionalising LED .....	32
Section 1: Local Authority Level.....	32
Section 2: Central Government’s Role in Capacitating Local Authorities for LED .....	35
Section 3: LED Co-ordination Mechanisms.....	37
Section 4: Zambian LED Pilots and Lessons .....	38
Case-Study 1: Chipata District Council.....	38
Case-Study 2: Kabwe Municipal Council.....	39
Case-Study 3: Kaoma District .....	40
Case-Study 4: City of Kitwe .....	41
Lessons Learnt from the LED Pilots.....	42
Module 5: Driving LED.....	43
Section 1: Communicating and popularising LED .....	43
Section 2: Knowledge-Sharing .....	45
Section 3: Building LED leadership.....	45
Module 6: Monitoring and Measuring LED.....	47
Section 1: Monitoring LED in Councils and Central Government .....	47
Section 2: LED Monitoring System for Local Authorities .....	53
Section 3: Data collection and monitoring systems.....	54
Conclusion.....	55
Bibliography .....	56
Interviews.....	56
Consultative Workshops .....	56

## List of Tables

Table 1 LED Strategies and Instruments .....	7
Table 2 Issues to be considered in a Socio-Economic Scoping Exercise .....	11
Table 3 Key Elements of an LED Strategy.....	13
Table 4 Relevant Legislation and Policy for LED in Zambia.....	16
Table 5 District Competitive Advantages.....	19
Table 6 Types of Local Government Powers and Functions .....	20
Table 7 Differentiated Local Authority Capacity and LED Roles .....	24
Table 8 Self-Assessment Guide for Council Capacity.....	25
Table 9 Zambian Stakeholder’ LED Influence and Interest .....	26
Table 10 LED and Council Planning and Budgeting Alignment .....	28
Table 11 2017 - 2019 MTEF Budget Preparation Cycle Schedule .....	30
Table 12 An Example of an LED Unit.....	34
Table 13 Council LED Co-ordination.....	38
Table 14 Kaoma LED Roles and Responsibilities .....	41
Table 15 LED Communication Strategy.....	44

Table 16 Proposed National Indicators for Monitoring Local Authority Performance in LED – Level 3 Local Authorities .....	47
Table 17 Proposed National Indicators for Monitoring Local Authority Performance in LED – Level 2 Local Authorities .....	48
Table 18 Proposed National Indicators for Monitoring Local Authority Performance in LED – Level 1 Local Authorities .....	48
Table 19 Monitoring of National LED Role-Players.....	49
Table 20 Template for Monitoring Councils in LED .....	51
Table 21 Definition of LED Performance Measures Source: Indego .....	53
Table 22 Possible Data Verification Sources in Zambia .....	55

## List of Figures

Figure 1 Understanding Local Economic Development Source: Indego.....	6
Figure 2 Typical LED Process .....	10
Figure 3 Performance Environment for Councils.....	18
Figure 4 Types of LED Measures .....	54

## Glossary

Abbreviation	Definition
ABB	Activity Based Budgeting
CDF	Constituency development Fund
CLGF	Common Wealth Local Government Forum
COFOG	Classification of Functions of Government
CSO	Civil Society Organisation
DDCC	District Development Coordinating Committee
DDP	District Development Plan
GRB	Gender Responsive Budgeting
IDP	Integrated Development Plan
LED	Local Economic Development
LGAZ	Local Government Association of Zambia
LGEF	Local Government Equalisation Fund
LGSC	Local Government Service Commission
MCP	Municipal Community Partnerships
M&E	Monitoring and Evaluation
MLGH	Ministry of Local Government and Housing
MTEF	Medium Term Expenditure Framework
NDCC	National Development Coordinating Committee
NDP	National Development Plan
NGO	Non-Governmental organisation
PEST	Political, Economic, Social and Technological Analysis
PPP	Public Private Partnership
SNDP	Sixth / Seventh National Development Plan
SWOT	Strengths, Weaknesses, Opportunities and Threats
URPA	Urban and Regional Planning Act

## FOREWORD

Zambia is driving its vision of being a ***Prosperous Middle-Income Country by 2030*** through accelerating infrastructure development, economic growth and diversification, promoting rural investment and accelerating poverty reduction and enhancing human development. Local authorities are the primary interface between government and communities and are the primary role-players in driving change at local level. The amended Constitution, government's decentralisation programme and recent legislation are focused on empowering councils to play developmental roles that enable socio-economic development.

The Seventh National Development Plan 2017 – 2021 (SNDP) is focused on creating a resilient and diversified national economy and this can only be achieved in the basis of strong local economies throughout the country. The Ministry of Local Government has been tasked with the key objective of reducing developmental inequalities. This requires the Ministry to implement a holistic approach to rural and urban development. Interventions are necessary that will: support key economic sectors, improve access to quality basic services, promote livelihoods, develop transport and other economic infrastructure, improve access to information, and strengthen spatial and development planning.

Local economic development (LED) has been identified as a key instrument for government to deliver on its objectives. LED ensures that the comparative and competitive advantages of all localities are uncovered and that local and external resources can be mobilised to unlock economic potential. Local authorities have critical roles to perform, such as: empowering communities to participate in social and economic development; promoting co-operative governance; promoting the participation of traditional authorities in governance; enhancing infrastructure and service delivery; mobilising private sector participation and investment; and, promoting gender mainstreaming and equality. For local authorities to perform these roles, however, they need to demonstrate visionary leadership and a willingness to experiment and innovate.

The Ministry has, therefore, partnered with the Local Government Association of Zambia, the four LED pilot local authorities of Chipata, Kitwe, Kabwe and Kaoma, and the Commonwealth Local Government Forum to prepare these LED Guidelines for municipalities. The Guidelines draw from local Zambian experiences and have benefitted from stakeholder inputs throughout the country. The Guidelines are intended to assist local authorities in understanding their potential roles in LED and in empowering the local authorities to develop and implement appropriate strategies. They are supported by a *Resource Handbook for LED Trainers* that includes an LED toolkit.

I, therefore, encourage local authorities to familiarise themselves with these Guidelines, expose themselves to LED training and knowledge-sharing opportunities, and do whatever is in their powers and means to take forward the challenge of adopting an LED approach to carrying out the business of government. The Ministry will commit to working with national and provincial players to provide the necessary support and align their plans and budgets with the plans and budgets of local authorities. Together we can make the difference.

Amos Malupenga  
Permanent Secretary Ministry of Local Government

## Introduction

The *Zambian Local Economic Development (LED) Guidelines for Local Authorities* aim to support LED planning, coordination and implementation within all districts. The Guidelines are not intended to be prescriptive and are supported by a *LED Trainers' Resource Handbook*. The Guidelines and Handbook were developed as part of the LED pilot programme, *Improving Local Government Service Provision, Community Participation and Economic Potential in Zambia*, led by the Ministry of Local Government (MLG), the Local Government Association of Zambia (LGAZ), and the four pilot local authorities – Chipata, Kitwe, Kabwe and Kaoma. It was supported by the Commonwealth Local Government Forum (CLGF). The pilot was informed by the National Decentralisation Policy (NDP), which enables local authorities and citizens to exercise control over local affairs and to foster meaningful development. The Guidelines consist of six Modules:

1. What is LED?
2. Zambian LED Context
3. Planning and Budgeting for LED
4. Institutionalising LED
5. Driving LED
6. Monitoring and Measuring LED

## Module 1: What is LED?

### Section 1: Understanding LED

LED refers to a “bottom-up” development process where local and external actors – public, private and civil society - come together through a common understanding of the challenges facing a locality and a shared vision and set of development objectives for its future. A LED process identifies and uses the comparative and competitive advantages of a locality and proactively addresses constraints to business and community development. A LED approach is multi-faceted, progressively tackling development blockages, such as gaps in: infrastructure, service delivery, planning, regulations, business services, environmental management, education and skills. The goal is for LED to contribute to job creation, economic growth, a reduction in poverty and inequality, environmental sustainability and increased social trust. This approach is illustrated in Figure 1.

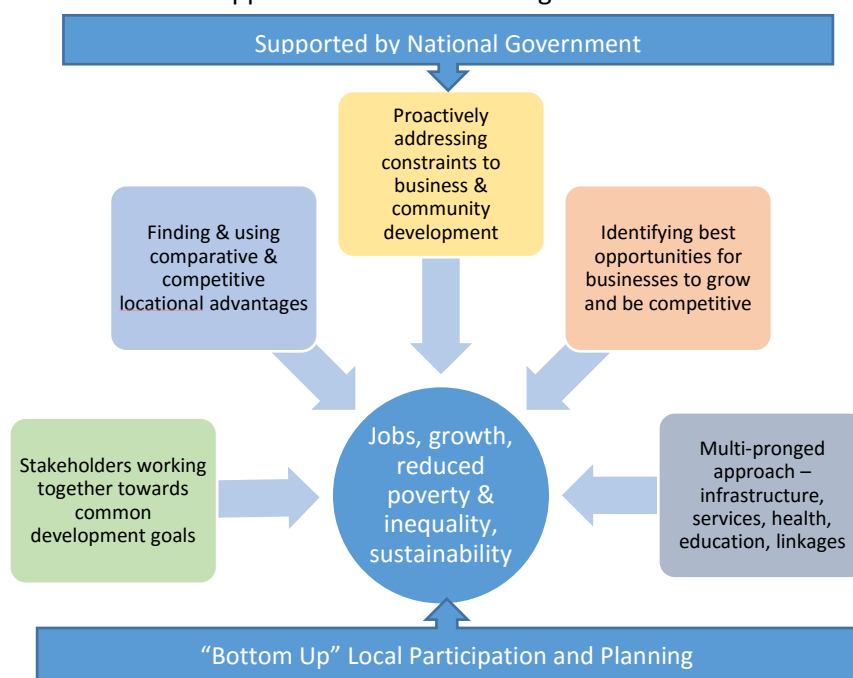


Figure 1 Understanding Local Economic Development Source: Indego

## Section 2: International Approaches to LED

Since the 1950s, LED has increasingly been adopted as a global development approach. LED emerged alongside globalisation where trade, financial flows, skills and technology were no longer restricted to national boundaries and localities had to compete against firms and skills in other parts of the world. Globalisation has had both positive and negative impacts. Some traditional manufacturing centres have declined as they cannot compete with cheaper imports flooding the market. Other localities benefit from external investments and expanded markets. LED describes local processes where stakeholders come together to find proactive ways to engage globalisation – to boost local economies and competitiveness and to address problems relate to growing unemployment, inequality and poverty. LED has been driven through four strategies with their associated instruments, namely:

1. **Creating an enabling environment** for businesses to operate and thrive;
2. **Expanding the local market** through business support and networking and encouraging inward investment;
3. **Cost reduction** through providing incentives, subsidies and financial support to firms; and
4. **Supporting redistribution and broad economic participation** through economic empowerment programme, education and skills training, employment intermediation and encouraging local buying.

The strategies and examples of instruments are provided in Table 1:

*Table 1 LED Strategies and Instruments*

LED Strategy	Examples of Instruments
<b>Create an enabling environment</b>	Integrated development and spatial planning; basic services provision; infrastructure development and maintenance; rural roads investment; effective land-use management; solid waste management; by-laws streamlining development and regulatory processes; environmental planning, management and regulation; local crime prevention strategies; technology centres; industrial parks and trading areas; special economic zones; conference centres; IT centres; business services
<b>Market Expansion</b>	Business support centres; business networking; cross-border trade facilitation; cluster support; local supply chains; local tourism; inward investment; inter-firm partnerships; meet-the-buyer fairs; company clubs; one stop SME shops; economic intelligence
<b>Cost Reduction</b>	Seed and venture capital; lowering the cost of capital; funding of community clubs and co-operatives; micro-credit schemes; interest free loans; incentives and public subsidies
<b>Supporting redistribution and economic participation</b>	Early childhood development programmes; Keep-a-girl-child in school programmes; agricultural extension support; agricultural co-operatives; linking profitable business investment to redistributive financing; community-based sustainable resource management; public works programmes; targeted public procurement; skills development; jobs centres; financial mediation; plugging the leaks; savings collectives; education quality improvements

## Section 3: Stakeholder Role and Responsibilities

There are many stakeholders and institutions that have both interest and influence in LED. Some of these stakeholders perform roles such as the provision of infrastructure, services, finances and research. Others may formulate legislation, policies and regulations. The private sector plays crucial roles of generating jobs, skills, goods, services, knowledge and wealth. Civil society performs critical roles, particularly in addressing social challenges and ensuring both redistribution and broad participation within the economy.

## Public Sector

The public sector at all levels – central, provincial and local - has an important role to play within LED given their diverse roles in:

- Infrastructure and services provision;
- Targeted business financing, e.g. for small and micro enterprises;
- Business and individual taxation;
- Regulation of businesses and the environment;
- Sectoral support;
- Trade and investment;
- Social services provision; and
- Research, education and skills development.

A collective understanding of LED is required within the public sector, together with the co-ordination of all public-sector institutions. Local government is best placed to lead LED in the public sector as LED “happens” within a local geographical space. Local authorities are in direct contact with their respective businesspeople and communities and have the best knowledge of local needs and aspirations. Local government performs powers and functions that directly impact on the performance of local economies, such as infrastructure and service provision. In driving LED, local authorities can play a variety of roles - planning, co-ordinating, facilitating, developing, promoting, regulating and enabling. The roles that a local authority performs is dependent on capacity – both financial and non-financial – and the broader political will and support for local government to perform such roles.

## Private Sector

LED is fundamentally about creating an enabling environment for businesses to locate, operate, grow and network. A healthy business environment means that firms can effectively perform their roles of creating jobs, generating wealth and providing goods and services. The private sector, however, is not homogenous and some firms require more support than others. The kinds of infrastructure, services, incentives and regulatory environment that these firms require may differ.

It is possible to categorise the private sector in terms of:

- **Firm size:** differences in turnover and/or number of employees. Firms can be divided into large, medium, small and micro-size categories.
- **Ownership:** variations such as: local, foreign, multi-national, women and youth-owned.
- **Markets:** distinctions in the location or type of market of firms, such as: exporters or firms supplying localised or national/regional markets.
- **Formality:** a simple distinction in this regard is whether firms are formal (i.e. registered and taxed), informal (i.e. unregistered and untaxed) or illegal.
- **Location:** differences in where firms are based, such as: rural or urban, and national or global.
- **Sector:** the sector in which a firm operates, such as agriculture, mining and retail.

Whilst the private sector is often the main beneficiary of LED initiatives led by local government, the private sector has an important role to play within LED. This role includes:

- Actively participating in and contributing to LED processes and development programmes;
- Providing open and constructive feedback to local authorities on business and citizen needs;
- Providing goods and services efficiently and effectively to make the local economy attractive for further investment;
- Investing in the local economy to generate jobs and wealth;
- Sourcing services and inputs locally;



- Sourcing local labour;
- Skilling and training workers;
- Providing fair remuneration and promoting sound labour relations;
- Networking to share markets, knowledge and technology;
- Practising fair competition;
- Being ethical;
- Entering Public Private Partnerships;
- Marketing the locality; and
- Corporate Social Investment.

Business co-operation and networking platforms assist local authorities in interacting with firms. The capacity of these platforms will determine the quality of engagement with local authorities and other public sector stakeholders. Part of a private sector commitment within an LED Strategy could be the capacitation of business associations and networks.

### Civil Society Sector and Donors

LED is about improving the livelihoods and the quality of life of all citizens and, as such, community engagement and participation in LED is paramount. Civil Society Organisations (CSOs) are significant partners for local authorities in this regard. CSOs have direct contact with communities and local knowledge. CSOs are often networked so may be exposed to innovative service delivery and community participation models. CSOs may be constrained by a lack of financial and human resources.

In rural areas, Traditional Authorities are recognised as major LED stakeholders. A huge portion of rural land can be under traditional control and there may be reluctance to release such land for state planning and development. Constructive engagement with traditional leaders has yielded positive development outcomes.

For civil society to successfully participate in an LED process it is necessary for:

- A community to have a core of local, capable, visionary and respected leaders who are prepared to commit time and energy to LED. The representation of marginalised groups such as women and youth in community leadership groups is essential;
- Community leaders need to have or acquire the necessary skills, knowledge and attitudes to manage economic and social change;
- All leaders to operate in a transparent and accountable manner;
- Leaders to be willing to report, listen and ensure the support of the community; and
- Leaders to provide inspiration and participate in developing new layers of leadership.

Communities must take responsibility for their contribution to LED through ways such as:

- Service and tariff payments;
- Compliance with legislation, including local authority by-laws;
- Participation in local development initiatives and programmes;
- Providing proper care for children, the vulnerable and the elderly;
- Promoting gender equality in the home and in the community;
- Encouraging entrepreneurship and self-sufficiency; and
- Ensuring that all children receive an education.

There are also donors provide technical and financial support to LED globally piloting different development approaches. The challenge often appears to be institutionalising these approaches within the system of government within countries once donor programmes have terminated.

## Section 4: Generic LED Process

A typical LED process followed globally would involve the following five cyclical steps illustrated in Figure 2.

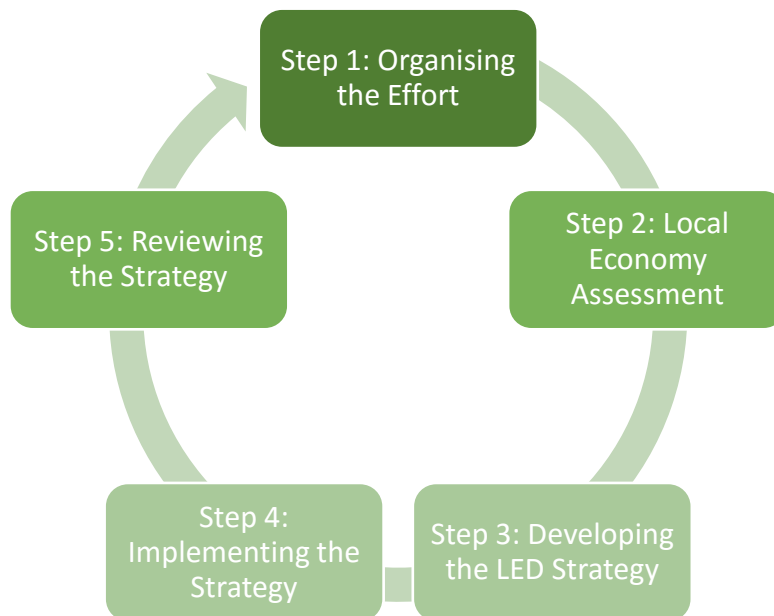


Figure 2 Typical LED Process

An LED planning and implementation process is cyclical as it is an ongoing approach adopted by stakeholders. Whilst local authorities may drive the process, the process is inclusive. Partnerships are acknowledged as necessary to address local socio-economic challenges. Stakeholders are mobilised through a shared development vision and set of development objectives. Process facilitation ensures that an inclusive approach is followed and all the cyclical steps are taken.

Process facilitation is the act of guiding and supporting an LED planning and implementation process. It is about showing leadership without “taking the reins”. This is important in a LED context where a local authority requires the buy-in of other stakeholders with different, and sometimes, competing interests. Process facilitation is mindful of the complexity of localities and is responsive to local conditions. Development outcomes are understood as unpredictable and needing to be negotiated. The process followed is, in many respects, as important as the final outcomes. Process facilitation realises that power relations, resource access and benefit flows differ amongst the various stakeholder groupings and that spaces need to be created for all “voices” to be heard and represented, especially those of the marginalised. It is not “neutral” as it actively engages and steers stakeholder interaction towards fair and just outcomes. Process facilitation is, by its nature, flexible and responsive to changing conditions. Process facilitation is necessary to unblock obstacles along the way through stakeholder interaction, dialogue and problem-solving.

A process facilitator to have a range of other skills such as: diplomacy, conflict resolution, mentoring, communication, strategy formulation, programme and project management and, resource mobilization. A process facilitator is required to have integrity and be energetic and passionate to ensure that stakeholders will be willing to participate in the development initiative. The process facilitator should have the credibility, experience, knowledge and skills to add value to local processes and ensure that an LED programme is kept on track and that its desired objectives and measures are achieved.

The Five-Step LED Process is discussed in detail below:

## Step One: Organising the Effort

Step One in the cycle includes:

1. A decision by a local authority to adopt an LED approach.
2. A capacity assessment of the local authority to establish the LED roles it can perform<sup>1</sup>.
3. A stakeholder analysis to determine the stakeholders that should be included in the LED process<sup>2</sup>. Stakeholder mapping can assist in determining those with:
  - high levels of interest and influence,
  - high levels of interest but limited influence,
  - high levels of influence but low levels of interest, and
  - low levels of interest and influence.
4. The analysis should inform a stakeholder engagement and management plan. A stakeholder communication plan<sup>3</sup> is discussed in Module 5 Section 1 of these Guidelines.
5. The setting up of a LED Programme Steering Committee to be chaired by the local authority. The functions of such the steering committee would be to:
  - Act as a formal communication mechanism amongst key stakeholders;
  - Maintain the commitment of key stakeholders to the LED process;
  - Act as a feedback mechanism for the local authority;
  - Facilitate buy-in for LED initiatives within the locality;
  - Hold stakeholders accountable for any LED commitments; and
  - Build credibility of the LED process.
6. The design of the LED process. The LED process would be based on the five LED planning steps outlined in Figure 2 above. The methodology and time-frames for undertaking the process would be outlined in the process plan.

## Step Two: Local Economy Assessment

Step Two is the undertaking of a participatory socio-economic scoping exercise of the locality. This information is analysed and presented to a broad group of stakeholders to achieve consensus about the development opportunities and challenges facing the locality.

A socio-economic scoping exercise is repeated at least every three to five years and updated annually based on any new information for LED stakeholders to be aware of and responsive to changing socio-economic conditions and trends. The scoping exercise provides LED stakeholders with an in-depth understanding of the local economy. It informs the development plans of stakeholders.

Table 2 outlines the kinds of information that could be included in a socio-economic scoping exercise. The extent of the socio-economic exercise will be dependent on the capacity of stakeholders and the information that is available. All local authorities, no matter their capacity, can engage stakeholders within their respective areas of jurisdiction to understand the district socio-economic challenges and opportunities.

*Table 2 Issues to be considered in a Socio-Economic Scoping Exercise*

Focus Area	Issues to be Covered
Broader economic context	Performance of the regional, national and provincial economies in which a locality is situated
Demographic trends	Population, population growth rate, number of households, dependency ratios, poverty and inequality levels, gender distribution, health and education indicators, mobility and migration
Land-use patterns and issues	Land tenure, land management, land availability, land allocation, extent of land degradation
Socio-economic activities	Resource mapping; sectors contributing to the local economy; size, numbers, formality and ownership of local firms

<sup>1</sup> Zambian LED Trainers' Resource Handbook Tools 1 & 2

<sup>2</sup> Zambian LED Trainers' Resource Handbook Tool 3

<sup>3</sup> Zambian LED Trainers' Resource Handbook Tool 4

Focus Area	Issues to be Covered
Economic performance	Relative contribution of sectors to Gross Value Add and employment in the locality; sector markets and linkages in the district
Labour market	Size, age and gender distribution of the local labour force; skills levels; unemployment figures; training and educational institutions; labour stability
Financial markets	Financial services available; financial capital available; investment trends
Infrastructure and services	Availability of bulk infrastructure and services (i.e. municipal, social and business services)
Tax regime	Local and central government taxes and levies
MSMEs	Description of the MSME sector
Climate change adaptation	Environmental resources, degradation, management and risks
Heritage value	Cultural history, artefacts, buildings, events
Land	Land availability and ownership; land use management strategy
Gender	Rates of female participation in: the economy; employment; land access and ownership; accessing business and financial services; accessing all levels of education; and dependency
Spatial trends	Demographic and economic spatial shifts and trends (e.g. urbanisation processes, rural-urban linkages etc.)
Local and regional inter-linkages and networks	Export and import figures and markets, trade agreements, cross-border infrastructure and trade linkages etc.

When undertaking such an exercise, both secondary data analysis and primary engagement with stakeholders is necessary. There are many ways of sourcing information, such as:

1. A desktop analysis of secondary source materials.
2. Primary information collection through:
  - *Key stakeholder interviews*<sup>4</sup>: identifying key individuals within the private, public and civil society sectors and interviewing them on specific issues relating to the above.
  - *Customer Satisfaction Survey*<sup>5</sup>: surveying perceptions of firms and residents regarding service delivery levels and performance.
  - *Municipal Gap Analysis*<sup>6</sup>: investigating the current capacity and resources/ actions required for a local authority to enable LED – staffing, budget, equipment, skills, infrastructure etc.
  - *Infrastructure assessment*<sup>7</sup>: assessing bulk and household connector services and the gaps constraining LED.
  - *Firm-level surveys*<sup>8</sup>: designing and undertaking a survey of locally-based, sector-based or market-based firms.
  - *Sector workshops*<sup>9</sup>: holding workshops with the public, private and civil society sectors. Separate engagements can be held with sectors (e.g. agriculture, tourism, manufacturing, retail, transport, social), formal and informal businesses, and women, youth, people with disabilities, and the unemployed.
  - *Plenary workshops*: plenary workshops bring all sectors and stakeholders to build consensus on issues and the way forward.
3. Once the information is collected it needs to be analysed. Several analytical tools can be used, such as:
  - SWOT<sup>10</sup>: Strengths, Weaknesses, Opportunities and Threats analysis.
  - PESTEL<sup>11</sup>: Political, Economic, Social and Technological analysis.

<sup>4</sup> Zambian LED Trainers' Resource Handbook Tool 5

<sup>5</sup> Zambian LED Trainers' Resource Handbook Tool 6

<sup>6</sup> Zambian LED Trainers' Resource Handbook Tool 2

<sup>7</sup> Zambian LED Trainers' Resource Handbook Tool 7

<sup>8</sup> Zambian LED Trainers' Resource Handbook Tool 8

<sup>9</sup> Zambian LED Trainers' Resource Handbook Tools 9,10 and 11

<sup>10</sup> Zambian LED Trainers' Resource Handbook Tool 15

<sup>11</sup> Zambian LED Trainers' Resource Handbook Tool 14

- Development of Municipal Service Charters<sup>12</sup>;
- Benchmarking of socio-economic performance indicators against those of other districts.
- Comparative analyses on the resources and activities of neighbouring localities or other local, national, regional or global competitors.
- Repeating the question “why” to unpack the reasons behind key socio-economic performance data that has been collected.

The findings of the socio-economic scoping report are presented to a broad forum of stakeholder representatives to test the credibility of and deepen the analysis and to form the basis for the development of an LED Strategy.

### Step Three: Developing the LED Strategy

Step Three is the facilitation of a broad stakeholder engagement process to achieve a shared vision, set of development goals and objectives and programmes for LED. The development of an LED Strategy, especially the development of a vision and set of goals and objectives, should be through a participatory process to build stakeholder buy-in. The socio-economic scoping report describes the current situation within the locality. It identifies the locality’s socio-economic strengths, weaknesses, opportunities and threats. It highlights the locality’s comparative and competitive advantages and guides the support approach to be followed in different economic sectors, such as: mining, retail, agriculture, tourism, manufacturing, services, transport, heritage and wildlife. The LED Strategy is a response to a current local reality based on a preferred stakeholder vision for a future reality. The key elements of an LED Strategy are presented in Table 3.

Table 3 Key Elements of an LED Strategy

Elements of an LED strategy
<b>Vision<sup>13</sup></b>
Describes stakeholder consensus on the preferred social and economic future of the district.
<b>Goals<sup>14</sup></b>
Identifies key priority areas of action (about 6) to meet the vision and specify the desired outcomes of the LED planning process.
<b>Objectives</b>
Establishes the performance standards and target activities for the development of each goal. They are time-bound and measurable.
<b>Programmes<sup>15</sup></b>
To achieve the goals and objectives, programmes define and group together similar projects that achieve objectives. They are also time-bound and measurable.
<b>Projects and Action plans</b>
Provide a detailed project description for specific programme components. Components must be prioritized and costed. They are time-bound and measurable.

During the process, a range of possible programmes and projects. It is important for stakeholders to evaluate and prioritise the programmes and projects based on criteria, such as:

- Potential contribution of the programmes and projects to local and national development objectives and plans;
- Readiness of stakeholders to implement, including political will and administrative capacity;
- Funding requirements and availability; and

<sup>12</sup> Zambian LED Trainers’ Resource Handbook Tool 22

<sup>13</sup> Zambian LED Trainers’ Resource Handbook Tool 16

<sup>14</sup> Zambian LED Trainers’ Resource Handbook Tools 17 and 18

<sup>15</sup> Zambian LED Trainers’ Resource Handbook Tool 19

- Available and willing partners.

Programmes and projects can be divided into “quick-wins”, medium and long-term projects. Quick wins would be those that are possible to implement within a time-period under one year. The implementation of quick-wins can assist in building the credibility of and confidence in the LED programme. Medium-term projects will be those that can be accommodated in three-year stakeholder budgets. Long-term projects will be those that require resource mobilisation and detailed project preparation.

The LED Strategy is translated into a detailed Implementation Plan that lists the selected programmes and projects and would record the commitments, financial and non-financial, of all the relevant stakeholders. Different institutions and community-based task teams would be responsible for specific actions.

The implementation plan<sup>16</sup> for the LED Strategy details the:

- activities that need to be undertaken to implement each of the agreed programmes and projects;
- individuals or institutions responsible for implementing those activities;
- the key performance indicators for measuring whether these activities are complete;
- the source of the measurement;
- time-frames for the implementation of the activities; and
- the required budget and budget source for the activity.

The LED Strategy and its Implementation Plan is signed off by representatives from the public, private and civil society sectors to indicate their commitment to its implementation. The key motivation for the sign-off is to secure visible and formal stakeholder commitment to the LED Strategy.

The actual implementation of the LED Strategy is important if the local authority is to maintain credibility amongst stakeholders and to demonstrate the contribution of LED to desired socio-economic outcomes. The local authority is responsible for the overall co-ordination of the LED Strategy and needs to monitor and other institutions to account for their commitments.

#### Step Four: Implementing the LED Strategy

The nature of each LED project or action will determine the implementation process. Some of the them may be implemented by an individual or specific institution. Others may require the responsible individual or institution to engage other stakeholders in the process of project implementation. For example, if one of the selected actions was to increase rural land tenure security, then traditional leaders and relevant central government departments need to be consulted and involved in the project roll-out. If a selected action was to develop a tourism marketing platform, then both public and private tourism sector stakeholders would have to be consulted and involved. The purpose of these engagement processes would be to:

- further develop the project concept;
- package the project for resource mobilization (if required)<sup>17</sup>; and
- identify the appropriate institutional home and champion for the project<sup>18</sup>.

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<sup>16</sup> Zambian LED Trainers’ Resource Handbook Tool 19

<sup>17</sup> Zambian LED Trainers’ Resource Handbook Tool 20

<sup>18</sup> Zambian LED Trainers’ Resource Handbook Tool 21

The aim of the local authority is not to take responsibility for the direct implementation of all the projects in the LED Strategy and Implementation Plan. The identification of relevant and capacitated stakeholders to assume responsibility for the implementation of the various projects increases the sustainability and scale of LED operations within localities. All responsible institutions report to the LED Programme Steering Committee to ensure ongoing accountability and alignment with the goals of the LED Strategy.

#### Step Five: Reviewing the LED Strategy

Step Five focuses on the monitoring of the implementation of the LED Strategy and its impact in the local economy. The design of a LED Monitoring Framework is included in Module Six of these Guidelines.

This step includes the recording of experiences and the reflection on lessons learnt. This informs the ongoing LED approach adopted within localities and ensures that returns on investment, both financial and non-financial, are maximized.

As stated at the outset of this section, the LED process is cyclical and not sequential. Towards this end Step Five of the LED process will lead back into Step One of what is to be regarded as a continuous process of LED Planning and Action.

## Module 2: Zambian LED Context

### Section 1: Local Government Legislation and Policy

The Zambian local government legislative and policy context enables a local authority driven approach to LED. The Constitution (Amendment, Act No. 2 of 2016) is the supreme law of the Republic of Zambia and it upholds Zambia as a unitary, multi-party and democratic state. Article 10 of the Constitution commits government to creating an economic environment that encourages individual initiative and self-reliance and to the economic empowerment of citizens so that they can contribute to sustainable economic growth and social development.

The Constitution provides the general principles for devolved governance. Article 147 (1) states that the management and administration of the political, social, legal and economic affairs of the State shall be devolved from the national to local government. Article 151 provides for co-ordinated devolution. It commits government to co-operative and participatory governance in support of the developmental role of local government. The Constitution pledges to local government: capacitation; the development and prioritisation of district-level planning; a sound financial base; accountability; and, autonomy

Article 152 (2) declares the objects for local government as:

- Promoting democratic and accountable exercise of power;
- Ensuring services are provided to sub-structures in an equitable and sustainable manner;
- **Promoting social and economic development;**
- Promoting a clean, safe and healthy environment; and
- Encouraging the involvement of communities and community organisations in matters of local government.

Other relevant policies and legislation are captured in Table 4:

Table 4 Relevant Legislation and Policy for LED in Zambia

Legislation or Policy	Purpose
<b>Chapter 281, Local Government Act, 1991</b>	The Act provides for an integrated three tier local administration system and defines the functions of local authorities. The Local Government Act provides a Schedule of municipal powers and functions. The Act addresses local government financing through national government grants and the imposing of local levies and taxes. It addresses the powers of local authorities to make by-laws. The Act will be amended in terms of the Amended Constitution (2016).
<b>The Zambia Development Agency Bill, 2006</b>	The Bill establishes and outlines the functions of the Zambian Development Agency. The functions of the Agency shall be to further the economic development of Zambia by promoting efficiency, investment and competitiveness in business and promoting exports from Zambia. Section 48 establishes the Trade and Industry Development Fund to support economic growth and development by promoting trade and investment. The Development Fund is to support micro and small business enterprises, rural business enterprises and other business enterprises as determined by the Board.
<b>The Micro, Small and Medium Enterprise Development Policy, 2008</b>	This MSME Policy outlines the goal, objectives, strategies, and implementation framework for all MSME development efforts in Zambia. The policy goal is to create a vibrant, dynamic sector that contributes 20% of GDP and 30% to employment annually by the year 2015. There is commitment to: developing the capacity of local authorities to establish and management multi-facility economic zones; collaborating with private sector real estate developers to construct business industrial parks; providing guidelines and incentives for business premises development; developing value chain and cluster programmes; facilitating rural business infrastructure; promoting business linkages; providing tax incentives; improving MSMEs access to telecommunication, internet, and banking services; improving access roads to central business premises and Industrial Parks; improving local markets; and strengthening business associations.
<b>Public Private Partnership, Act No. 14 of 2009</b>	The Act promotes and facilitates the implementation of privately financed infrastructure projects and effective delivery of social services by enhancing transparency, fairness and long term sustainability and removing undesirable restrictions on private sector participation in the provision of social sector services and the development and operation of public infrastructure. The Act establishes a PPP Unit and Council.
<b>The National Decentralisation Policy, 2013</b>	The policy supports citizenry control over local affairs and the fostering of meaningful development. This involves transferring authority, functions and responsibilities, with matching resources, to lower levels. Its objectives are to: (a) empower provinces, districts and communities to achieve effective social and economic development; (b) promote peoples' participation in democratic governance; (c) promote co-operative governance and to support the developmental role of local government; (d) promote the participation of chiefs' and other traditional leaders in governance and preservation of culture and heritage; (e) promote political and administrative authority in order to enhance delivery of services; (f) coordinate gender mainstreaming programmes; and (g) develop and manage human resources in order to enhance individual and organisation performance.
<b>The Urban and Regional Planning Act, 2015</b>	This Act provides for: development, planning and administration principles, standards and requirements for urban and regional planning processes and systems. It establishes a democratic, accountable, transparent, participatory and inclusive process for urban and regional planning that allows for involvement of communities, private sector, interest groups and other stakeholders. It provides for functional efficiency and socio-economic integration through: aligning activities, uses and facilities; procedures for integrated urban and regional planning in a devolved system of governance; and sustainable urban and rural development by promoting environmental, social and economic sustainability in development initiatives and controls at all levels of urban and regional planning.
<b>Final Approved National Planning and Budgeting Policy</b>	The policy envisages "A coordinated and integrated national development planning and budgeting system that is responsive, transparent, accountable and result-orientated." Through this policy, a "second generation" of national planning and budgeting reforms will be implemented. The principles informing the reforms include "subsidiarity", which is to devolve functions, including fiscal responsibilities to the lowest possible level of government. The described integrated planning and budgeting processes incorporate procedures used to prepare socio-economic and spatial plans and link these to output-based budgets implemented at 3 operational levels, namely: (1) National and/or sector; (2) Provincial; and (3) District (including sub-district).
<b>Guidelines on Ward Development Committees, 2013</b>	This policy sets out the requirements for Councils to establish ward committees that cover their entire areas of jurisdiction. It outlines the processes through which WDCs should be established, administered and composed. Ward development committees are regarded as sub-district structures and ward-level planning the basic planning, co-ordination and resource mobilisation unit for Council. The WDCs have sub-committees responsible for infrastructure and socio-economic development.



There is a clear and demonstrated commitment to decentralisation and to the building of strong local authorities within Zambia. The Constitution and the National Decentralisation Policy are the major enabling legislative and policy instruments and they are informing work on related legislative and policy frameworks. There are many progressive provisions in National Decentralisation Policy capable of positively turning around the operations of local councils, such as the:

- Design of an overarching fiscal architecture that supports decentralisation including the devising of an appropriate formula for the sharing of national taxes;
- Support offered by central government for the development of local valuation rolls;
- The election of Mayor/Council chairperson by universal adult suffrage;
- Professionalising the local government service;
- Promotion of Public Private Partnerships; and
- Establishment of sub-district structures - the Ward Development Committees.

These provisions contribute towards: increasing the revenue base of local authorities; consolidating democratic governance at the local level; professionalising service delivery; and, enhancing the mobilisation of local communities for effective participation in local government. The demonstration of ongoing political will is critical if the decentralisation process is to move forward.

The Zambian government recognises that to strengthen the role of local authorities in Zambia, it is necessary to adopt a systemic approach. This means ensuring that the enabling factors both internal and external to a local authority are addressed. Figure 3 illustrates the broader local government context. The figure consists of four concentric circles. The inner circle focuses at local authority level on staffing capacity to perform both its Constitutional powers and functions and a more developmental role. It focuses on aspects such as individual staff qualifications, experience and attitudes. All these factors impact on the individual capacities of local authorities. The second circle focuses at an institutional level issues that impact on a local authority's capacity to perform. These include factors such as: financial resourcing, leadership and management, levels of corruption, whether it is a rural or urban council, and the organisational culture of the local authority. The third circle addresses the broader enabling environment for local authorities to perform within Zambia. These factors include: local authority boundaries, fiscal powers and functions, the legislative and policy context, the level of support and monitoring offered by central government and the pace of decentralisation. The outer circle is that of the macro context in which a local authority performs. Factors that have an impact on the capacity of a local authority to enable LED are: political leadership and vision at a national level, the land tenure system, the quality of the education and training system in the country, and international trade relations. Ultimately, all these enabling factors need to be addressed to enable local authorities to create a conducive environment for LED.



- Strategy II: Improved access to information (related to economic activity, e.g. extension services, skills development)
  - Strategy III: Enhancement of rural spatial planning (protection of heritage sites, water sources, national parks, supporting rural viability, culture and norms)
- *Programme 2: Urban Development and Management*
- Outcome 1: To develop urban areas in an integrated and orderly manner
- Strategy I: Housing development for enhanced urban economies (land management, housing finance, land security, climate proof developments)
  - Strategy II: Promotion of urban spatial planning for sustainable development (ecologically-friendly transport, improved transportation systems and infrastructure development)
  - Strategy III: Promotion of social and spatial justice in urban areas especially for low income groups.

These programmes are fundamentally part of LED. Government recognises an LED approach as essential for the implementation of the SNDP. Zambia is aware of its high regional inequalities and widening disparities at district levels. There is a need for all Councils to promote LED to address this problem. At a national level, the competitive advantages of different districts have been mapped and Councils must work with central government to respond to these opportunities. The mapped district competitive advantages are included as Table 5.

*Table 5 District Competitive Advantages*

District	Competitive Advantages
Chavuma	Rice, Fish
Kasempa	Timber, Honey
Manyinga	Honey, Timber
Limulunga	Rice, Mango
Mwandi	Beef, Fish
Nalolo	Beef, Rice
Gwembe	Cotton, Beef
Mazabuka	Dairy, Stock Feed
Zimba	Beef, Stock Feed
Chitambo	Fish, Cassava
Ithezhi-tezhi	Beef, Dairy
Mkushi	Stock Feed, Horticulture
Chirundu	Beef, Goats
Chongwe	Beef, Poultry
Shibuyunji	Beef, Dairy
Lundadzi	Cotton, Gem stones
Nyimba	Edible oil processing, Stock Feed
Vubwi	Stock Feed, Edible Oil processing
Chama	Rice, Groundnuts
Nakonde	Beef, Stock Feed
Shiwangandu	Groundnuts, Stock Feed
Nsama	Rice, Tourism
Samfya	Tourism, Cassava
Mpongwe	Honey, Groundnuts

Whilst this conducive policy and legislative context exists, the reality is that Zambia is undergoing a major transition process. Devolution involves a shifting of powers and functions, finance and the restructuring of inter-governmental relationships. It is anticipated that politicians and administrators at Central and Local Government levels may feel insecure and uncertain. It is essential that achieving

Zambia’s national Vision and Development Plan remain the focus for government. The re-organising of government is a means to ensure that the vision and objectives of government are achieved in the most efficient and effective manner. Devolution and LED, therefore, become key mechanisms to deliver on government’s mandate. Central Government must build its supervisory, monitoring and support capacities in relation to the local tier to hold local authorities accountable for performing their mandates.

## Section 2: LED Mandate for Local Government

One of the core objects of local government is to promote social and economic development (Constitution Article 151 (2)). Local authorities have critical roles to perform, such as: empowering communities to achieve effective social and economic development; promoting people’s participation in local governance; promoting co-operative governance; promoting the participation of traditional authorities in governance; enhancing service delivery; and, promoting gender mainstreaming and equality.

In terms of the MLGH *Budget Preparation Guidelines to Councils for the 2017 – 2019 Medium Term Expenditure Framework (MTEF)*, it is stated that “Councils exist to provide local services like solid waste management, rural water supply and sanitation, provision of market and bus station infrastructure and street lighting”. Councils must allocate not less than 40% of own revenue for service provision. Under the MTEF/Activity Based-Budgeting (ABB) system, all programmes executed by Councils are linked (via the Classification of Functions of Government – COFOG) to the ten broad “classes” of government functions. Councils must allocate their budgets to programmes and activities classified in any Class from 2 – 10 as listed below:

1. Defence (2)
2. Public Order and Safety (3)
3. Economic Affairs (4)
4. Environmental Protection (5)
5. Housing and Community Amenities (6)
6. Health (7)
7. Recreation and Culture (8)
8. Education (9) and
9. Social Protection (10).

The Schedule of exclusive local government functions assigned in the Constitution is captured in Table 6. The efficient and effective performance of these powers and functions empower local authorities to enable LED. The powers and functions fall within the different classes above and categories of instruments, such as: planning, financial, regulatory, social service provision, basic service delivery, economic services and infrastructure provision.

*Table 6 Types of Local Government Powers and Functions*

Local Government Functions in terms of the Constitution (Amended), 2016	Type of Instrument and Class
District planning; Local spatial planning	Planning
Levies, tariffs and tolls	Financial
Pollution control; Building regulations; Trading; Vehicle licensing; Liquor licensing; Billboards and the display of advertisements in public places; Control of public nuisances; Control of undertakings that sell liquor to the public; Licensing of dogs; Licensing and control of undertakings that sell food to the public; Noise pollution; Street trading	Regulatory (Environmental & Social Protection (Class 5 & 10))
Child-care facilities; District health services; Ambulance services; Archives; Libraries; Museums; Cultural matters; Recreation and amenities; Sport	Social service provision

Local Government Functions in terms of the Constitution (Amended), 2016	Type of Instrument and Class
Amusement facilities; Local amenities; Local sport facilities; Local parks and recreation; Pounds; Public places; Gardens and Landscaping	(Education (Class 9), Health (Class 7) & Recreation & Culture (Class 8))
Electricity; Fire-fighting services; Storm water management systems in built-up areas; Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems; Refuse removal, refuse dumps and solid waste disposal	Basic Service Delivery (Housing and community amenities (Class 6), Economic Affairs (Class 4))
Local tourism; Veterinary services, excluding regulation of the veterinary profession; Local cleansing; Markets; Street lighting; Traffic and parking	Economic Services (Economic Affairs (Class 4); Environmental Protection (Class 5))
District airports, Aerodromes and Airships; District public transport; District public works; Pontoons, ferries, jetties, piers and harbours; Abattoirs Roads and traffic automation and maintenance; Cemeteries, funeral parlours and crematoria; Facilities for the accommodation, care and burial of animals; Fencing and fences; Local roads	Infrastructure provision (Economic Affairs (Class 4); Housing & Community Amenities (Class 6); Social Protection (Class 10))

### Section 3: Capacity of Local Authorities to Lead LED

The ability of local authorities to lead and enable LED depends on leadership and capacity (financial and non-financial). There is a large difference between the capacity of mainly rural local authorities and local authorities with large urban centres. Some rural local authorities do not have a private sector or property rates base to generate own revenue. Building is unregulated and there are no planning permissions, title deeds or documentation. Traditional authorities have displayed a reluctance to release land for development by local authorities. There have been conflicts between the taxation rights of local authorities and traditional authorities. Many urban local authorities are overwhelmed by growing demand for services and there is often a huge gap between service delivery demand and available budget. Some urban local authorities lack the basic systems required to manage and maximise local revenue.

Historically, many local authorities have been regarded as unaccountable and unresponsive to the needs of the citizenry. There have been low levels of participation in the affairs of local authorities and public understanding of the contribution of local authorities to resident well-being. Despite the opening of the political space through the reintroduction of multiparty democracy, citizen participation in the activities of local authorities has remained limited in the Third Republic. Local authorities continue to face capacity challenges, both financial and non-financial, that constrain their ability to play a meaningful service delivery and developmental role.

The varying capacity of local authorities means that they are performing different numbers of powers and functions and at different service levels. Whilst the MLG provides guidelines for the prioritisation of certain services, budgetary limitations are the major determinant of service delivery. This is contributing to deepening district inequalities. Increasingly, successful local authorities have demonstrated that “traditional” ways of conducting local government business are inadequate, and more innovative and responsive approaches are called for. This has driven local authorities to explore Public-Private Partnerships (PPPs) and raising additional funding through borrowing in the capital market. In addition, various service delivery mechanisms are being utilised for the provision of functions such as water, electricity, refuse removal, road maintenance and abattoirs. Some of these mechanisms are imposed from Central Government and others are locally-driven.

#### Human resource capacity

The human resource capacity of local authorities has grown since the re-introduction of the Local Government Service Commission (LGSC) as the single local government employer in terms of the Local Government (Amendment) Act No. 6 of 2010. The Principal Officers of local authorities represent the

LGSC at a local level. Despite advances, the vacancy rate within the local government service remains high. A major challenge is the transferability of local authority employees, which may destabilise the sector and make the local government service less attractive to skilled workers who could find employment elsewhere. The implementation of an LED approach requires officials to drive programmes over 3 – 5 year cycles. The transfer of LED officials within that time-frame would impact negatively on the performance of the local authority. Whilst the intention of the transfers may be to build capacity within all local authorities, an unintended consequence is a lack of continuity within local authorities and high levels of frustration amongst employees.

The decentralisation process will result in the transfer of an estimated 100 000 central government officials to local government. This transfer is intended to capacitate local authorities to perform newly devolved functions. This transfer will require central government staff re-orientation and the redirection of significant financial flows to the local tier.

The political administrative interface within certain local authorities has been identified as a challenge. There are instances where technical staff are given little room to manoeuvre or be creative and are simply instructed to implement what Councillors dictate. The skills of some Councillors appear to be more at a political than technical level, which places constraints on the effectiveness of the administration.

#### Financial capacity

The Amended Constitution (2016) provides Councils with the competencies to levy, impose, recover and retain local taxes. The major sources of local revenue are government grants and loans, borrowing, property rates, annual business licenses<sup>19</sup>, personal levy, rent of council facilities, fees and levies. Personal levy is a local authority tax levied on employees whether in the formal or informal employment. It is administered through the Personal Levy Act Cap of the Laws of Zambia. Fees and levies may be classified into two categories: those imposed and collected by the councils through their by-laws (for example: development assessment fees; dog licenses; grain, fish, cattle, charcoal and domestic bird levies; and, the hire of Council equipment); and those imposed by the national government but collected and retained by the councils, such as trading licenses. Income from commercial undertakings also constitutes a source of revenue for local authorities. Such undertakings include the manufacture and sale of school uniforms, public transport, motels and rest houses. The law allows local councils to borrow such sums of money, from the local money market, as may be required for discharging their functions. The historic dependence of local authorities on business levies has resulted in a high level of strain on relationships. Businesses argue they are not receiving value for money and have boycotted payment in some districts.

Central government commits to the appropriation of monies to local government through the Constituency Development Fund (CDF), that finances community-based projects, and the Local Government Equalisation Fund (LGEF). The LGEF is a significant step in the building of a stronger local government financing system and is meant to address vertical and horizontal equity. In addition, Central Government can provide additional funds and grants to a local authority. The Local Government Act (1991) specifies specific grants that should be provided to local authorities for: water and sanitation, health services, fire services, road services, police services, primary education, and agricultural services. In the 2013 Budget, the Local Authorities Development Fund (Mineral Royalty Tax Sharing) was introduced. Since 2011 the number of districts increased from 74 to 106. The new

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<sup>19</sup> A consolidation of numerous other business levies

local authorities must support their establishment costs from the inadequate revenue bases of the older local authorities.

The financial capacity of Councils to perform their powers and functions is generally weak. Challenges persist such as: poor revenue collection; an inability to regularly update Valuation Rolls; insufficient and unreliable central government allocations; and, Central Government directives and regulations that have had the effect of diminishing local council revenues. However, in recent years, financial management has seen an improvement in terms of the annual Audit outcomes. The Parliamentary Committee overseeing local government has attributed this to the employment of qualified personnel.

The *“Guidelines on the preparation of Council’s MTEF / Activity-Based Budgeting (ABB) Budget Estimates for 2017 – 2019 and 2017 Annual Budget”* issued by the MLG, emphasise that it remains the Council’s responsibility to mobilise resources and that they should promote LED as a vehicle to enhance community participation in business and to increase a pool of local taxes for development. Councils are advised to fully explore potential new revenue sources that will contribute to the realisation of their budgets. However, the revenue raising powers of Councils remains regulated by Central Government. Government has introduced a performance incentive linked to the grants system to encourage local revenue mobilisation. Performance is to improve in the areas of: revenue mobilisation, debt management, and sustainability of improved delivery of local services. The MLG is committed to the introduction of Gender Responsive Budgeting (GRB) with the objective of introducing gender dimensions into the entire planning and budgeting process. Councils are urged to identify and address gender issues and allocate resources to implement specific gender activities.

#### Section 4: Differentiated LED Roles

The varying capacities of local authorities mean that there will be differences in the LED roles that they can perform. Table 7 offers a simple categorisation model of different kinds of municipal capacities and the possible prioritisation of LED activities within these levels. Three typologies of capacity are proposed – low, medium and high. The reasons for categorisation are proposed as: revenue base, audit outcome, capital expenditure rate, staffing levels, vacancy rate, and development planning capacity. This model acknowledges upfront that a “one size fits all” LED approach for local authorities is not practical nor beneficial. Low capacitated local authorities, for example, should focus initially on simply “getting the basics right” in terms of both service delivery and governance and administration. More capacitated local authorities can shift to more proactive and innovative LED roles, perform more extensive powers and functions and utilise a larger range of broader LED instruments.

The intention is for local authorities to use this simple model as a means of self-assessment as to what role, powers and functions, and broader LED instruments they should focus on. Whilst it is a self-assessment it is highly recommended that an MLG representative from central or provincial government participates in the assessment decision. Over time, it may be useful for the MLG to work towards a Council Capacity Categorisation Model that includes both self- and external-assessment mechanisms. These assessments should inform the MLG’s monitoring and support programme for local authorities. This monitoring and support could be conducted in collaboration with relevant sector ministries.

Table 7 Differentiated Local Authority Capacity and LED Roles

Capacity of Local Authority	Categorisation Factors	Priority Functions	LED Roles	LED Instruments
Low (Level 1)	<ul style="list-style-type: none"> <li>Revenue base</li> <li>Audit Outcome</li> <li>Capital expenditure rate</li> <li>Households with access to improved water services</li> <li>Staffing levels</li> <li>Vacancy rate</li> <li>Development Planning capacity</li> </ul>	<i>Level 1 Functions:</i> Water, municipal roads, sanitation, refuse removal and waste management, municipal planning, storm water, cemeteries, funeral parlours and crematoria, electricity, fire- fighting, traffic	Planning Service Delivery	<i>Level 1 instruments:</i> Priority functions; Infrastructure development & maintenance; Land management; strengthening governance, administrative systems and financial management; improved revenue collection
Medium (Level 2)		<i>Level 1 plus Level 2 Functions:</i> Cleansing, building regulations, street lighting, licensing and control of undertakings that sell food to the public, street trading, trading regulations, control of public nuisances, fencing and fences, noise pollution, pounds, air pollution, public transport	Planning Service Delivery Regulation Developing	<i>Level 1 plus Level 2 Instruments:</i> Priority functions; enabling by-laws; integrated spatial and development planning; public works programmes; skills development; linking businesses to each other and to support agencies; allocating land for industrial parks and trading areas; targeted public procurement
High (Level 3)		<i>Level 1, 2 and Level 3 Functions:</i> Local sports facilities, municipal parks and recreation, public places, local tourism, billboards and the display of advertisements, local amenities, licensing of dogs, municipal airport, control of undertakings that sell liquor to the public, child care facilities, facilities for the accommodation, care and burial of animals, markets, municipal abattoirs	Planning Service Delivery Regulation Developing Co-ordinating Promoting Facilitating	<i>Level 1, 2 and Level 3 instruments:</i> Priority functions; local crime prevention strategies; technology centres; special economic zones; conference centres; IT centre; facilitating access to business services; cluster support; local tourism; facilitating access to seed and venture capital; facilitating agricultural extension and co-operative support; jobs linkage centres etc.

Table 8 provides a self-assessment guide for Councils. The indicator levels will need to be re-assessed by the MLG to ensure that they remain relevant. Local Authorities can decide their capacity level using the categorisation factors, the definitions provided, and the classification guidelines. A local authority will assess each categorisation factor separately. For example, a local authority will decide on whether the size of its revenue base reflects low, medium or high-level capacity using the income ranges supplied in the assessment guide.

The decision as to the overall capacity level of a local authority should be based on whether the local authority has classified most of the categorisation factors as low, medium or high.



Table 8 Self-Assessment Guide for Council Capacity

Categorisation Factor	Definition	Information Source	Capacity of Council		
			Low / Level 1	Medium / Level 2	High/ Level 3
Type of Local Authority	The classification of a local authority as a Town, Municipal or City Council.	Council	Town	Municipal	City
Revenue base	The total revenue income received by the local authority from all income sources for the previous financial year.	Local Authority Finance department	< 100 ZMK	>101 ZMK< 200 ZMK	> 201 ZMK
Audit Outcome	The most recent audit outcome received by the local authority from the Auditor-General's Office. All local authorities are expected to achieve a zero audit query standard.	Auditor-General's Office	Zero audit queries	Zero audit queries	Zero audit queries
Capital Expenditure Rate	The percentage spent of the local authority's total capital budget in the previous financial year	Local Authority Finance department	<69%	70 – 84%	85 – 100%
Households with access to basic water services	The percentage of households receiving improved water services from the local authority	Local authority's technical services department	<59%	60 – 79%	80 – 100%
Percentage Management Posts permanently filled	The percentage of management posts that are permanently filled within a local authority at the end of the previous financial year.	Local authority's human resources department	<64%	65 – 79%	80 – 100%
Vacancy Rate	The percentage of posts of the total staff establishment that were filled at the end of the previous financial year	Local authority's human resources department	>50%	<49%>30%	<29%
Development Planning capacity	The level of integrated development planning taking place in a local authority, that is whether Council has adopted an IDP or Development Strategy or whether Council uses incremental - based budgeting for the new financial year in the absence of a strategic plan informing the budget.	Local Authority's Planning department	Incremental based budgeting	Development Strategy informing Budget	Council adopted IDP

## Section 5: Broader Institutional environment

There are numerous institutions that have some level of interest or influence in LED. Indeed, public and private sector delivery takes place within a district space. Local authorities do not enable and stimulate LED alone. There are many Central Government ministries, parastatals, private sector and civil society institutions that perform important LED roles. Traditional Authorities have historically been at the centre of rural development processes in Zambia. They are now represented within Councils, which provides an opportunity to strengthen local relationships. Donors have played support roles for LED focusing on aspects such as: development planning; institution-building; financial management; business and community development; and, service delivery. Donors active in Zambia include: World Bank, Japanese International Co-operation Agency (JICA), Irish Aid, Gesellschaft für Internationale Zusammenarbeit (GIZ), Netherlands Development Organisation, the United Nations Development Programme (UNDP) and the Commonwealth Local Government Forum (CLGF).

The aim of an LED plan or process is to mobilise, harness and co-ordinate the resources of the different stakeholders around a common development vision for a district. The intention would be to attract and leverage investment into a district in a way that responds directly to local community and business needs. Table 9 identifies such institutions and their specific roles within LED.

Table 9 *Zambian Stakeholder' LED Influence and Interest*

Type of Institution	Examples	LED Interest
Infrastructure and Service provision	<p><b>National Ministries</b> responsible for: Communication and Transport; Finance; Energy and Water Development; and Works and Supply</p> <p><b>Parastatals</b> such as the: Roads Development Agency; Tanzania-Zambia Railways Authority; Zambian Electricity Supply Corporation; Zambian Telecommunications Company Limited; Zambian Railways Limited; National Housing Authority; and, Water Utility Companies</p> <p><b>Development Banks</b></p>	Provision of competitive and accessible infrastructure, services and infrastructure finance
Business Support	<p><b>Bank of Zambia, Micro-Financing institutions</b></p> <p><b>National Ministries</b> responsible for: Agriculture and Co-operatives; Commerce, Trade and Industry; Community Development and Social Security; Science, Technology and Vocational Training; Tourism, Environment and Natural Resources; Zambian Development Agency; Private banking sector; Corporate Social Investors; Citizens Economic Empowerment Commission; Donors</p> <p><b>Private and Muslim financing institutions</b></p>	Provision of competitive and accessible business finance and support services
Business Taxation	Zambian Revenue Authority; Regulatory Authority for Council taxes	Enabling tax regime
Business Regulation	Zambian Bureau of Standards; Zambian Environmental Management Agency; Human Rights Commission; and Patents and Companies; National Food and Nutrition Commission; and National Heritage Conservation Commission	Enabling regulatory environment
Sector Support	<p><b>Ministries</b> responsible for: Tourism, Environment and Natural Resources; Agriculture and Co-operatives; Communication and Transport; Commerce, Trade and Industry; Energy and Water Development; Livestock and Fisheries; and Mines and Minerals Development.</p> <p><b>Parastatals</b> such as the: Roads Development Agency; Tanzania-Zambia Railways Authority; Zambian Electricity Supply Corporation; Zambian Telecommunications Company Limited; Zambian Railways Limited; National Housing Authority; Water Utility Companies; National Tourist Board; and Zambian Environmental Management Authority.</p> <p><b>Associations</b>, such as: Hotel and Catering Association of Zambia; Zambian Co-operative Federation; Zambian Association of Chambers of Commerce and Industry; Zambian Association of Manufacturers; Zambian Export Growers' Association; Zambian Federation of Employers; Zambian National Farmers' Union; Zambian Chambers of Small and Medium Businesses Association and the Chamber of Mines</p>	Facilitation of access to markets, sectoral competitiveness, co-operative business efficiencies, business support, subsidies

Type of Institution	Examples	LED Interest
	Institutions such as the: National Food and Nutrition Commission; National Heritage Conservation Commission; and the Technology Development Advisory Unit	
Trade and Investment	Ministry responsible for Commerce, Trade and Industry; Zambia Development Agency; Tourism Council of Zambia; Muslim Business Associations	Promotion
Social Service Provision	<b>Ministries</b> responsible for Education; Health; Labour and Social Security; Religion; Sport, Youth and Child Development; and Chiefs and Traditional Affairs <b>Institutions</b> such as: National Housing Authority; Human Rights Commission; Inter-Agency Technical Committee on Population; National AIDS Council; and the National Museums Board <b>Non-Governmental Organisations</b> including the: Non-Governmental Organisation Co-ordinating Council; Zambia Association for Persons with Disabilities and Women's Lobby <b>Donors</b>	Provision of accessible and quality social services
Research, Education and Skills Development	<b>Ministries</b> responsible for: Education; Science, Technology and Vocational Training; and Labour and Social Security. <b>Parastatals</b> especially the Central Statistics Office. <b>Other Institutions</b> such as the: Institute for Scientific and Industrial Research <b>Training and Research Institutions</b> , such as: Hotel and Tourism Training Institute Trust; National Resources Development College; Tropical Diseases Research Centre; Universities of Zambia, Copperbelt, Mulungushi, Rusangu, Mukuba, Nkrumah, Lewamka, and Teaching Hospital; Zambia Institute of Special Education	Economic and social research and training  Education and skills development

The involvement and role of different stakeholders will be dependent on the contexts of the different districts – their specific development challenges and responses. Relevant stakeholders would need to be included in a district's LED planning and budgeting process. Co-ordination of stakeholders' roles and responsibilities within LED is essential to enhance effectiveness and impact.

## Module 3: Planning and Budgeting for LED

### Section 1: Alignment with Local Government Planning and Budgeting Processes

The Urban and Regional Planning Act (URPA), 2015 assigns local authorities planning authority for the entire district area, which is a significant shift from the previous planning regime where the planning jurisdiction of a Council was limited to the urban area. The URPA allocates the following functions to a planning authority, namely to:

- regulate, control and plan for the development and use of land and buildings within its area;
- prepare and implement integrated development plans, local area plans and sectoral plans in accordance with this Act;
- receive and process applications for planning permission for the development of land;
- operate services and maintain infrastructure in its area; and
- promote and facilitate sustainable land use in accordance with this Act and any other written law.

In terms of Section 9 of the URPA, the local authority's IDP is regarded as the principal planning instrument to guide and inform all planning and development in the district. The Act requires that the IDP identifies priorities for housing, social service provision, infrastructure development, environmental management, poverty alleviation and local economic development. The IDP should be based on ward-level consultation and planning. The IDP shall include a planning survey and issues report, a development framework report, an implementation programme, and a report on public consultation. The Act prescribes what should be included in a local area development survey. There is substantial overlap with the LED planning process outlined in Module 1. The URPA is, therefore, a

key instrument for LED through ensuring that all the work of the municipality is geared towards generating positive socio-economic outcomes.

However, the reality is that very few local authorities have the capacity to comply with the URPA. IDPs are regarded as costly and time-consuming. Those Councils that have managed to produce an IDP are still awaiting its approval by the MLG. Currently, some Councils have 3 – 5 year Strategic Plans that inform their budgets. However, many Councils lack such plans and simply adopt incremental budgeting practices that inform their budget spend. In the early 2000s, local authorities developed detailed Situational Analyses that fed into District Development Plans (DDPs). These were much quicker and cheaper to prepare than IDPs. The LED Strategy process as described in Module 1 Section 4 is very like that required for the District Development Plans.

It is necessary for the MLG to build capacity for the implementation of the URPA. The formulation and adoption of an IDP by Council will ensure that LED is institutionalised within Council planning processes. Given the different capacity levels of local authorities, the following approach to aligning LED and broader local authority planning is proposed in Table 10:

Table 10 LED and Council Planning and Budgeting Alignment

LED and Local Authority Planning alignment	Capacity of Council		
	Low/Level 1	Medium/ Level 2	High/Level 3
Local Authority Planning Approach	Undertake LED Planning process and LED Strategy informs Council Budget	Undertake LED planning process and LED Strategy to be included within the District Development Plan	Conduct Integrated Development Planning as per the URPA

To ensure that an LED approach is reflected within the plans and work of all local authorities, the following shared actions are proposed:

- The generic LED Approach outlined in Module 1 Section 4 of these Guidelines can be adopted by local authorities of all capacity levels. The assumption is that low capacity local authorities do minimal strategic planning and the LED approach will encourage a shift towards bottom-up socio-economic planning. Medium and high capacity local authorities will be required to integrate their LED planning processes into their broader municipal strategic and integrated planning processes respectively.



- Step 1 “Organising the Effort”** will require all local authorities to:
  - Take a Council decision to adopt an LED approach by a Council. This decision must include a resolution as to who will drive the LED programme within the Council (see Module 4 Section 1).
  - Conduct a self-assessment of their capacity level in terms of the simple categorisation model outlined in Module 2 Section 4. These Guidelines are designed in such a manner that they assist local authorities of varying capacities in deciding their focus in LED.

- c. Undertake a stakeholder mapping exercise to identify who should be part of the LED process. The mapping should inform a stakeholder engagement and management plan.
  - d. Establish a LED Programme Steering Committee or IDP Representative Forum. Stakeholders with the highest levels of interest and influence should be included. This Committee or Forum should be chaired by the local authority. The local authority should be represented both politically and technically. (See Module 4 Section 3 for further information in this regard).
  - e. The local authority will provide reports from the LED Steering Committee to the District Development Coordinating Committee (DDCC) to facilitate planning alignment and integration. The DDCC meetings are jointly chaired by the District Commissioner and the Town Clerk/Council Secretary in terms of a MLG circular to Town Clerks and Council Secretaries dated the 5<sup>th</sup> December 2016.
  - f. Use the stakeholder mapping to inform a stakeholder communication plan that is prepared by the local authority in terms of Module 5 Section 1 of these Guidelines. This communication plan highlights the key messages to be given to stakeholders and the preferred means of communication. Ward Development Committees are the main community communication platform.
3. **Step 2 “Local Economy Assessment”** can be adapted by the local authority in terms of which instruments are most appropriate in terms of: stakeholder engagement; local authority assessments; and, analysis. A medium and high level capacity municipality may be utilising other/additional instruments in terms of its broader strategic and integrated development planning processes.
  4. **Step 3 “Developing the LED Strategy”** or Integrated Development Plan could include a District Development Conference or Dialogue with all stakeholders that is convened by the local authority. The purpose of such a conference or dialogue would be to present the socio-economic assessment undertaken by the local authority for stakeholder input and then to facilitate the elaboration of a shared vision and set of development objectives for the district.
  5. **Step 4 “Implementing the LED Strategy”** would be applied based both on the guidelines and in accordance with the local authority’s existing implementation systems and policies.
  6. **Step 5 “Reviewing the Strategy”** requires that the socio-economic assessment that informs an LED Strategy or the IDP should be repeated at least every five years and updated annually based on any new information. This will ensure that the local authority is aware of and responsive to changing socio-economic conditions and trends. This is even though an IDP is valid for 10 years.

## Section 2: Alignment with National Planning and Budgeting Processes

The URPA is supported by the *Final Approved National Planning and Budgeting Policy* that envisages: “A coordinated and integrated national development planning and budgeting system that is responsive, transparent, accountable and results-orientated.” The principle of “subsidiarity”, which is to devolve functions and fiscal responsibilities to the lowest possible level of government, is applicable. Policy implementation involves: integrating national planning and budgeting processes; strengthening planning and budgeting synergies amongst the two tiers of government; clearly stating the roles and responsibilities of each tier of government; facilitating participatory and/or decentralised planning and budgeting processes; and, facilitating evidence-based decision making in development planning and budgeting.

This integrated national planning and budgeting process includes both “top-down” and “bottom-up” elements. National sector ministries provide estimates of available resources and offer policy guidance to lower levels of government structures. Sub-district (i.e. Ward Development Committees), district and provincial structures assess their local conditions and prepare their own development plans in germs of their powers and functions. Institutions at all levels develop strategic and annual work plans from which their output-based budgets. The MLG’s *“Guidelines on the preparation of Council’s MTEF / Activity-Based Budgeting (ABB) Budget Estimates for 2017 – 2019 and 2017 Annual Budget”* regulate Council planning and budgeting processes, and require all stakeholders to be consulted so that the citizenry is well informed and that district consensus is attained.

The annual budgeting process will commence with a review of the budget and SNDP at district, provincial and sector levels. The MTEF planning schedule is included in Table 11 with a column included that highlight alignment with the LED Planning and Budgeting process outlined in Module 1.

Table 11 2017 - 2019 MTEF Budget Preparation Cycle Schedule

Step	Action	Period	LED Planning Process Alignment
1.	Formation of the Budget Management Team (BMT) at Councils	08/08/16 – 12/08/16	<b>Step 1:</b> Organising the Effort
2.	Drafting of the Preliminary 2016 Budget Performance Report and the 2017-2019 Budget Estimates through consultation with stakeholders and partners	12/08/16 – 31/08/16	<b>Step 2:</b> Socio-Economic Assessment
3.	Examination of the Preliminary 2016 Budget Performance Report and the 2016 – 2018 Budget Estimates in Budget, Planning and/or Finance Committee	01/09/16 – 16/09/16	<b>Step 3:</b> Developing the LED Strategy / IDP
4.	Discussion of the Preliminary 2016 Budget Performance Report and the 2017 – 2019 Budget Estimates with Local Government Auditors	19/09/16 – 27/09/16	
5.	Adoption of the Preliminary 2016 Budget Performance Report and the 2017 – 2019 Budget Estimates by Councils	28/09/16 – 11/10/16	
6.	6.1 Provincial Budget hearing meetings 6.2 Submission of the Adopted Reports and Estimates, 2017 and MTEF 2017 – 2019 by the Provincial Local Government Officers and not individual Councils.	10/10/16 – 31/10/16	
7.	Obtaining Minister’s Approval on the 2017 – 2019 MTEF Budgets and 2017 ABB Budget Estimates.	02/11/16 – 18/12/16	<b>Step 4:</b> Implementing the Strategy / IDP
8.	Printing and distribution of the Yellow Books of the approved 2017 Budget Estimates by the Ministry	03/01/17 – 31/01/17	

### Section 3: LED Financing and Resource Leveraging

The LED Strategy/DDP or IDP must inform the Activity Based Budgeting (ABB) of the Council. The Council is required to fund its plans in terms of the MLG’s MTEF Guidelines. The aim of a Council should be to grow its revenue base to increase its capacity to respond to the service delivery needs of its communities and businesspeople. A revenue enhancement strategy should be multi-pronged and consider as far as possible:

- Increasing revenue coverage and collection rates
- Accurate tariff setting
- Effective debt management
- Additional fees and levies
- Borrowing from the capital market
- Central government grants
- Public Private Partnerships

The planning policy shift towards the IDP guiding all district development, requires government-wide planning and budget alignment with local priorities. For example, there will be LED interventions identified that do not fall within local authority powers and functions. They may fall within the powers and functions of national and provincial government as assigned by the Constitution, such as: disaster management, national parks and forests, energy and hydro- electricity, minerals and natural resources, agriculture, cultural matters, education, health, housing, pollution control and industrial promotion. At district level thirty-four central government functions are currently performed and co-ordinated through the office of the District Commissioner. In these instances, the relevant national sector department and/or province will be responsible and will be required to plan and budget accordingly. Sector departments and parastatals should respond to locally identified needs in terms of their available budgets and policy frameworks.

An LED action may require joint budgeting by different tiers of government. For example, the setting up of an industrial park to provide premises and services to firms will require national and Council support. The Zambian Development Agency may be approached to finance the infrastructure and facilitate business support services, and the Council will allocate land and provide, together with relevant utility companies, municipal services. Budgets from all the responsible institutions would need to be allocated to support this LED action.

An LED approach, furthermore, acknowledges that the public sector cannot deliver economic and social development alone. The development challenges facing the country and districts are too demanding. Required LED actions may fall within the responsibility of the private sector, such as: the strengthening of a business chamber; worker empowerment; skills development; business expansion; marketing; sourcing investment financing; and, business linkages. Similarly, civil society may be responsible for LED actions addressing: early childhood development; HIV/AIDs prevention; malaria prevention; strengthening of civil society organisations; gender equality; local culture; and, youth development. Donor programmes could be accessed to support LED in areas of donor' interest, such as: environmental rehabilitation; climate change adaptation; poverty reduction; and, strengthening governance. Partnerships could be entered between Councils and other sector stakeholders as discussed in Section 4 of this Module. All sectors must indicate their commitments – financial and non-financial – to a local authority's LED Strategy/DDP or IDP.

Resource leveraging should be used as a method to grow the resources available to meet local needs and financing local plans. Local authorities may utilise own budgets and capacity to attract additional resources – financial or non-financial - for a specific programme or project. Leveraging could include:

- mobilization of the human resource skills within the public, private and civil society (including donors) sectors;
- corporate social investment;
- corporate development financing;
- access to land through agreements with traditional authorities;
- utilisation of subsidized facilities and equipment e.g. public and private sector accommodation and facilities; and
- funding partnerships.

An opportunity in resource leveraging is to facilitate community, chiefdom and worker empowerment opportunities. For example, if public funds are raised for private-led projects, then it could be negotiated for the public funds to be translated into equity-share schemes. Depending on the scale of the private-led project, there is significant potential to re-structure economic participation in district economies through these kinds of deals.

## Section 4: Partnerships

This section outlines the partnership possibilities that exist between local authorities and the community and/or private sectors to assist in addressing the development challenges within a district and assisting in the performance of local authority powers and functions.

### Public-community partnerships

Public-Community Partnerships assume different forms and have different levels of complexity. Globally, civil society organisations (CSOs) partner with government to:

- Support alternative and participatory approaches in service delivery and infrastructure provision.
- Facilitate government programmes.
- Contribute to policy formulation and socially responsive development interventions.
- Improve access of the poor to goods and services.

Local authorities could either partner with existing CSOs that are funded for LED-related activities or appoint CSOs as service providers in appropriate programmes or projects. For example, an LED action may be to improve the quality of early childhood development (ECD) within a district. CSOs may be active in this field and a local authority may choose to enter an agreement with the CSOs to extend coverage of ECD centres to include all children under-5 years of age. The Council may engage a donor or the Ministry of Education to financially support this initiative. Partnerships could be entered with CSOs for a range of issues including: waste recycling; health care; waste management; and, people's housing projects.

### Public-Private Partnerships

One of the most effective ways that local authorities and national government can promote development is by improving infrastructure and service delivery. An efficient, well-located and managed infrastructural network is one of the key enablers that attracts investment and develops local entrepreneurs. The costs of new infrastructure and services are high. Partnering with the private sector should be considered as an option to expedite infrastructure delivery.

Local authorities face growing demands for improved services, fiscal constraints and competition for resources. Many Councils are exploring public/private partnerships (PPPs) to improve service delivery. The aim of such partnerships is to use the expertise, investment and management capacity of the private sector to develop infrastructure as well as to improve and extend efficient services to all residents. Whilst the public sector has the ultimate responsibility for ensuring that infrastructure and services are delivered, it does not have to provide these services directly. However, if a partnership is entered the Council must ensure that the public interest is served through guarding against monopoly pricing, inequitable access to services, increased cost of services and unfair labour practices. The *Public Private Partnership Act* regulates the formation and management of PPPs.

## Module 4: Institutionalising LED

### Section 1: Local Authority Level

For local authorities to implement an LED approach, they need to build the necessary skills and capabilities. In Module 1 it was stated that local authorities can play different LED roles at different times, such as: planning, co-ordinating, facilitating, developing, service delivery, promoting, regulating and enabling. Some of these are traditional local authority roles, such as developing infrastructure, service delivery and regulating. The skills and capacity for performing these roles may already be available. Other roles such as planning, co-ordinating, facilitating, promoting and enabling may be



new for some local authorities and the capacity may not exist. These roles require officials to be responsive, engaged, creative, encompassing and open. These roles are not simply bureaucratic. They require local authorities to work with a range of external stakeholders in an inclusive and consultative manner to secure their participation and resources. Both politicians and technocrats must perform these new roles. An enabling institutional environment is required. Visionary political leadership, where councillors think beyond their political terms of office and outside of narrow political agendas, is imperative. Administratively, officials must have the space to test and implement new ideas and approaches and engage openly with stakeholders.

In Module 2, Section 4, a differentiated approach to the role of local authorities in LED was proposed. In order to implement LED it is proposed that there are a number of basic minimum requirements for all local authorities – low, medium and high capacity. These are:

- **Mayor and Town Clerk to champion LED** within the local authorities and amongst external stakeholders. The highest level of political and administrative office must be visibly driving a LED approach and holding their respective teams accountable for implementing LED.
- **Planning Council Committee to oversee** the implementation of LED plans, programmes and projects. As far as possible, ward councillors should be involved in supporting ward level planning and implementation processes.
- **Local Authority Management Team to take responsibility** for adopting an LED Approach. This responsibility should be included in performance management agreements and the Town Clerk would hold all managers to account for their LED commitments.
- **Municipal Planning Directorates, specifically the Socio-Economic Planners, to drive LED** with the primary responsibility of the directorate being LED co-ordination and process facilitation. The co-ordination role is explained in more detail in Section 2 below. There are commercial units that have been established in the larger local authorities that could assist in facilitating LED. The planners and commercial units will need to be capacitated over time through recruitment or re-training.
- **All units of the local authority will be involved** in the implementation of LED in terms of the Council's plans and budgets.

As indicated above, at minimum the Socio-Economic Planners within the local authorities should be responsible for LED co-ordination and process facilitation. As a LED approach deepens within the local authority, it is anticipated that the demands on the Socio-Economic Planners will grow and further capacity will be required. For example, stakeholder engagement and ongoing buy-in is time-consuming. There are intensive periods of stakeholder engagement during the local economy assessment, but ongoing stakeholder engagement is necessary throughout the life-cycle of the various LED projects. These projects will require ongoing management. Whilst different implementing agents may be responsible for the various projects, the local authority will be required to support, monitor and co-ordinate the overall process. Support and monitoring requires local authority capacity to be responsive, such as by leveraging appropriate resources and putting in place monitoring systems that can provide early warning systems and measure efficiency and effectiveness of project implementation. Table 12 provides an example of what an LED Unit within a local authority could include and the kinds of staff members and skills that are required. The capacity of the LED Unit is linked to the capacity level of the local authority. The intention is for the MLG and LGSC to jointly plan for the capacitation of local authorities to effectively implement an LED approach both in the short and longer-term. The job descriptions in Table 12 illustrate the roles that the Socio-Economic Planners or LED Units are meant to perform.

Table 12 An Example of an LED Unit

Job Title	Existing Post Y/N	Job Description	Required Skills and Competencies	Local Authority Capacity Level
Development Planner / Socio-Economic Planner	Yes	<ul style="list-style-type: none"> <li>To manage the LED function and ensure that the LED Strategy is developed as part of the DDP or IDP and implemented</li> <li>To liaise with the Town Clerk and relevant political representatives and structures</li> <li>To proactively leverage LED resources and forge partnerships in consultation with the Principal</li> <li>Process Facilitation</li> </ul>	Qualification in fields such as Development Studies, LED, Development Planning and Economics Experience in designing and implementing LED Programmes Management experience Experience in partnerships and resource leveraging Innovation and creativity skills Diplomacy and conflict management skills	Level 1, 2 & 3
Administrator	Yes, could be a shared post	To provide administrative support to the Socio-Economic Planner such as making logistical arrangements for meetings, minute taking, circulation of agendas and minutes for meetings, follow-up on decisions, travel arrangements for unit members, managing team administrative and financial systems	Administrative qualification and experience	Level 1,2 & 3
LED Officer	No	<ul style="list-style-type: none"> <li>To facilitate the LED planning process and ensure alignment with the broader planning and budgeting process of the municipality</li> <li>To facilitate the necessary stakeholder engagement processes</li> <li>To facilitate public sector funding and other resource commitments to LED programmes and projects</li> <li>To facilitate private and civil society sector commitments</li> <li>To facilitate and oversee the implementation of LED programmes and projects</li> </ul>	Qualification in fields such as Development Studies, LED, Development Planning and Economics Experience in designing and implementing LED Programmes Experience in stakeholder engagement and management Process facilitation experience Negotiation and diplomacy skills Programme and project management skills	Level 2 & 3
LED Co-ordination Officer	No	<ul style="list-style-type: none"> <li>To identify and set up the necessary inter-governmental, inter-sectoral and intra-municipal co-ordination platforms</li> <li>To provide administrative support to these platforms</li> <li>To monitor the effective performance of the co-ordination platforms and to make recommendations to the Development / Socio-Economic Planner in this regard for the Principal and Council</li> </ul>	Qualification in Public Administration Experience in stakeholder co-ordination and management Experience in public administration	Level 3
LED Monitoring Officer	No	<ul style="list-style-type: none"> <li>To put in place an LED measurement and monitoring system</li> <li>To oversee the implementation of the system</li> <li>To address performance issues with the relevant stakeholders</li> <li>To set up an LED information and knowledge sharing system and instruments</li> <li>To implement the LED information and knowledge system</li> </ul>	Qualification in fields such as Development Studies, LED, Development Planning, Economics or Performance Management and Monitoring Experience in designing and implementing performance management systems Experience in design and implementation of knowledge sharing	Level 3

## Section 2: Central Government's Role in Capacitating Local Authorities for LED

The institutionalisation of LED within local authorities, is not simply a local authority imperative. There are national and provincial institutions that have critical responsibilities in this regard. Failure of these institutions to perform their responsibilities in creating an enabling environment for local authorities to implement an LED approach, will seriously inhibit LED. The MLG is the primary ministry responsible for the local tier. It is responsible for:

- Rolling out the LED Guidelines nationally;
- Capacitating local authorities for Integrated Development Planning;
- Overseeing the decentralisation process at local authority level;
- Supporting the establishment of Ward Development Committees;
- Addressing LED and local government legislative and policy gaps;
- Ensuring that current Constitutional provisions for local government are complied with;
- Working alongside the Ministry of Finance to ensure adequate funding of the local tier;
- Co-ordinating LED nationally;
- Councillor LED orientation;
- Linking Councils to Central Government resources;
- Mobilising donors and linking donors to Councils;
- Engaging the LGSC regarding local authority LED capacity;
- Monitoring local authorities and their LED performance (See Module 6 Section 1);
- Responding to LED support needs of local authorities;
- Communicating and popularising LED (As outlined in Module 5 Section 1);
- Facilitating peer learning and knowledge-sharing amongst local authorities (See Module 5 Section 2); and
- Capacitating the Chalimbana Training Institute to fulfil its mandate in the provision of LED training programmes.

Local government financing is the main challenge facing Councils in adopting an LED approach. The Ministry of Finance should:

- Ensure compliance with the Constitutional articles pertaining to local government financing;
- Ensure that the current redesign of the fiscal architecture adequately supports the process of devolution and enables the performance of powers and functions by local authorities;
- Support the putting in place and maintenance of valuation rolls at Council level to improve local revenue coverage and collection;
- Ensure that all legal local government revenue raising mechanisms are administered by Councils directly;
- Support local authority in the building of financial management capacity; and
- Support Central Ministry planning and budgeting alignment with Councils.

The Ministry of Planning should:

- Capacitate local authorities for Integrated Development Planning;
- Provide district level socio-economic data, in co-operation with the Central Statistics Organisation, to facilitate district and ward level planning;
- Create the space for "bottom-up" planning alignment with national planning processes;
- Facilitate the adoption of LED as a government-wide instrument for the achievement of the SNDP; and
- Ensure the recognition of the IDP as a government-wide planning instrument through alignment of sector Ministry and Council plans and budgets.

Cabinet Office through the Decentralisation Secretariat should:

- Manage the process of devolution and ensure "funds and capacity follow function";
- Facilitate the re-design of the fiscal architecture to ensure adequate funding of the local tier;

- Monitor the performance of the devolved functions by local authorities; and
- Facilitate local authority capacitation to ensure that local authority can perform devolved functions.

Provincial administrations are well-placed to support LED in local authorities through:

- Provision of technical support to local authorities;
- Development funding support to local authorities;
- Facilitating stakeholder dialogue;
- Facilitating Infrastructure provision;
- Marketing and promotion of districts;
- Establishment of business incubators;
- Capacity building of local authorities;
- Monitoring of local authorities; and
- Provision of local authority backstopping services.

The LGSC is required to provide staffing capacity as the employer of the local government service. This needs:

- A review of the current structure of the local authority administration to include new posts, per the capacity level of the local authority. (See Module 4 Section 1);
- A review of existing job descriptions to include broader LED responsibilities; and
- To include LED responsibilities within the performance management system for local authorities.

The MLG's *Chalimbana Local Government Training Institute* is responsible for building capacity and conducting training within the sector. Chalimbana provides short and long-term training programmes, research and consultants in various fields such as financial management, administration, record and registry management, revenue collection and community leadership and mobilisation. The Institute offers a Diploma course in *Rural and Urban Management* that includes an LED module. The course is targeted at middle level management but only planners enrol. To build human resource capacity for LED, it is necessary for Chalimbana to:

- Offer Councillor LED orientation programmes;
- Develop a package of LED programmes (short and long-term with different levels of qualifications) that target upper and middle level management in all municipal departments and councillors;
- Develop LED programmes targeted at traditional authorities, private sector and civil society leaders;
- Ensure the LED training curriculum includes technical skills such as:
  - strategic and development planning
  - socio- and economic research
  - development financing
  - public-community and public-private partnerships
  - programme and project packaging and management
  - performance monitoring
  - communication
  - stakeholder engagement
  - financial management etc.
- Ensure the LED training curriculum includes softer skills such as:
  - process facilitation

- workshop facilitation
- leadership
- stakeholder co-ordination
- diplomacy
- negotiation, and
- public speaking.
- Support classroom-based LED training through: coaching and mentoring, on-the-job training, field visits, study tours, face-to-face business and community interactions etc.

Besides the Chalimbana Institute, other universities and training institutions could develop and offer relevant curricular.

### Section 3: LED Co-ordination Mechanisms

Sectoral co-ordination at national, provincial and district levels is meant to take place within the National Development Co-ordinating Committee (NDCC), Provincial Development Co-ordinating Committees (PDCCs) and the District Development Co-ordinating Committee (DDCC). However, these structures are not all performing effectively.

As interim measures, it is proposed that a National LED Steering Committee is established by the MLGH with representation from all relevant sector departments, parastatals and provinces. The purpose of this national co-ordination will be to ensure that:

- There is a common understanding of LED at national level;
- National sector departments and parastatals align their plans and budgets with Council LED plans and budgets;
- Monitoring and support of Councils is co-ordinated; and
- Linkages are created with broader decentralisation and policy processes at national level.

The Constitution assigns the responsibility for district-level government and development co-ordination to local authorities. Local authorities need to co-ordinate at three different levels, namely:

- Inter-governmental;
- Inter-sectoral – public, private and civil; and
- Intra-local authority.

At district level, however, duality of the reporting relationship between the Mayor/ Council Chairperson and the District Commissioners will continue to exist as central government performs forty-eight functions at district-level, of which only fourteen functions will be decentralised. A Senior Government Officer, currently the District Commissioner, co-ordinates these functions. In terms of reporting relationships, the Mayor or Council Chairperson report to the Honourable Minister of Local Government and Honourable Provincial Minister. The District Commissioner reports to the Provincial Permanent Secretary. These positions are complementary based on assigned jurisdiction, which is divided into civil and civic authority at District Level. DDCC meetings will be jointly chaired by the District Commissioner and the Town Clerk/ Council Secretary. The MLG advises that given the overlapping of the areas of jurisdiction that it is prudent that the District Administration and the Local Authority Administration collaborate at District Level. *(MLG Circular to Town Clerks/Council Secretaries, 5<sup>th</sup> December 2016)*

It is proposed in Module 3 Section 1 that inter-sectoral LED co-ordination by a local authority will require the setting up of a LED Programme Steering Committee. This committee will enable Council to co-ordinate the implementation of the shared LED Strategy and hold relevant stakeholders to

account for their respective commitments. The LED Programme Steering Committee should submit reports to the DDCC meetings to facilitate ongoing alignment and minimise duplication.

Within the local authority, it is necessary for co-ordination to take place amongst all departments. This is necessary as LED is cross-sectoral and affects the whole business of a local authority. This means that the Town Clerk must ensure that the Planning Department, responsible for LED, is delegated co-ordination authority and that local authority managers are held accountable for the fulfilment of their LED commitments. It may be necessary to have a cross-functional LED Technical Co-ordinating Committee that is chaired by the Planning Department and reports to the Town Clerk and the Planning Council Committee.

Table 13 breaks down the Council co-ordination responsibilities and indicates what needs to be done to strengthen their role in this regard.

Table 13 Council LED Co-ordination

Level of Co-ordination	What this implies?	What needs to be done to strengthen Local Authorities in this role?
<b>Inter-governmental</b>	Co-ordination of engagements with and government commitments to the LED Strategy/DDP or IDP and local authority budget – ensuring alignment and implementation of plans	<ul style="list-style-type: none"> <li>• Setting up of a LED Programme Steering Committee</li> <li>• Shared chairing of the DDCC</li> <li>• Interim: National LED Steering committee chaired by the MLG</li> <li>• Goal: Effective functioning of the NDCC and PDCCs</li> <li>• Addressing of policy gaps relating to LED and inter-governmental co-ordination</li> <li>• Willingness of sector Ministries to align their planning and budgeting processes with the DDP /IDP and LED Strategy</li> </ul>
<b>Inter-sectoral</b>	Co-ordination of engagement with and commitments of other sectors, e.g. private and civil society to the LED Strategy/DDP or IDP	<ul style="list-style-type: none"> <li>• Setting up of a LED Programme Steering Committee</li> <li>• Shared chairing of the DDCC</li> <li>• Goal: Effective functioning of the NDCC and PDCCs</li> <li>• Ensuring of inclusive and participatory planning from ward level</li> <li>• Setting up of specific engagement platforms, such as a business forum, sector (e.g. tourism) body</li> </ul>
<b>Intra-municipal</b>	Co-ordination internally with a Local Authority to ensure that the plans and budgets of all units are aligned with the LED Strategy/DDP or IDP	<ul style="list-style-type: none"> <li>• Mayor and Town Clerk to drive internal alignment with LED</li> <li>• Planners to have delegated co-ordination responsibilities</li> <li>• LGSC to include LED staffing within their municipal structures</li> <li>• LED must be supported by Planning Council Committee and technical LED Co-ordinating committee.</li> </ul>

## Section 4: Zambian LED Pilots and Lessons

The following case-studies have emerged through the Zambian LED pilot programme. It is also acknowledged that there are further examples of LED that have been implemented by other local authorities - sometimes supported by donors – and that the sharing of these experiences amongst local authorities would further enrich LED within the country.

### Case-Study 1: Chipata District Council

Chipata is the Eastern Province headquarters with an estimated population of 455 78320 and an annual growth rate of 2.2% per annum. Chipata has four constituencies and 22 wards and covers an area of 2 616 square kilometres. It is situated 567 kilometres east of Lusaka and about 130 kilometres south– east of the Luangwa National Park in the Mambwe District. The District borders Malawi with Lilongwe being only 110 kilometres away. The Chipata district economy is agriculturally-based, with more than 100 000 farmers producing crops such as maize, cotton, tobacco and soya beans. There

<sup>20</sup> 2010 Central Statistics Office population estimate

are approximately 5 000 micro and small-scale businesses (MSEs) engaging in activities such as: hair salons, barbershops, restaurants, retail shops, hammer mills, wholesalers, taverns, drug stores, butcheries and market stands. The potential for manufacturing, especially agro-processing, exists.

In response to resistance to the payment of business licenses, the Chipata Municipal Council organised a field study tour in July 2014. It was found that business skills' gaps are contributing to a lack of regulatory compliance. This compelled management to develop an LED strategy focused on capacitating micro and small businesses. The Chipata LED Strategy was drafted through a stakeholders' workshop that included the municipal LED team, other municipal departments, public service agencies, business organisations, local civic leaders and labour organisations.

The workshop generated a common stakeholder vision: *"Chipata - a dynamic, competitive, diversified and business-oriented City characterized by an attractive and enabling business environment that provides the basis for a wide range of entrepreneurial and employment opportunities."* The strategic goals of Chipata's LED Strategy are to:

- Diversify the economy
- Protect local products against external competition
- Initiate physical and social transformation
- Retain the existing and attract new investment
- Establish effective management systems and procedures

Since the inception of the Chipata LED Pilot in 2014, the key achievements have been:

- Increasing the number of new SMEs from about 1 300 to 1700 and the number of major companies from 637 to almost 1000.
- Empowering 1000 small traders with long-term land leases to establish shops that are estimate to generate over 300 direct and 600 indirect new jobs.
- Growth in Council revenue e.g. annual business fees increased from 5.4% to 6.6% of local revenue.
- Production of the first District Investment Profile.
- Mobilisation of more than 600 hectares of land for investment.

#### Case-Study 2: Kabwe Municipal Council

Kabwe is the Central Province headquarters. Kabwe is situated along the Great North Road, some 139 kilometres north of Lusaka and about 55 kilometres from Kapiri-Mposhi. Kabwe has an estimated population of 202,91421 with 28, 397 households. It has an annual population growth rate of 0.5%. The district is divided into two constituencies and 27 wards. The District is highly polluted because of adverse mining-related environmental and public health impacts. Some communities have suffered lead/zinc exposure, which has negatively affected the health and livelihoods of individuals. Consequently, the Council faces difficulty in attracting both local and foreign investments.

Kabwe has suffered from the relocation of its mine and the shutting down of large manufacturing firms that established there in the 1980s. The economy is largely dependent on the Universities, the Prison Services and Zambian Railways, and the commercial farmers surrounding the city. Kabwe has high tourist potential, benefitting from its central location and proximity to Lusaka. It is well-connected by road and rail networks and has adequate social, telecommunication and electricity services. Domestic water and bulk water treatment infrastructure is inadequate.

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<sup>21</sup> 2015 Census

The Kabwe Council developed an LED Strategy through a participatory process that included: internal and external stakeholder workshops; key informant interviews; focus groups; structured household and consumer satisfaction surveys; and, project steering committee meetings. This was augmented with secondary data analysis. The result of the LED stakeholder engagement process was a shared LED vision and set of development goals. The vision is: *“Kabwe - a green, prosperous town with equal economic and business opportunities”*. The LED goals are to:

- Create an enabling environment for equal economic and business opportunities
- Transform the town into a green, clean and healthy town for attraction of investment

An LED Steering Committee was established with representation from the: Kabwe Chamber of Commerce and Industry; NGOCC; Kabwe Municipal Council; Zambia Police; Zambia National Service; Community Development/Social Welfare; Lukanga Water; ZESCO; Operation Mobilisation Zambia; RDA; RRU; Zambia Dairy Mail; Scouts Zambia; Street Vendors; Universities (i.e. Mulungushi and Nkrumah); Colleges (Kabwe Institute of Technology and Paglory College of Education).

The main success of the pilot has been attracting the World Bank to partner in mitigating the effect of lead poisoning on the livelihoods of affected citizens. Kabwe will benefit from the World Bank funded *Zambia Mining Environmental Remediation and Improvement Project*. The project runs from 2016 to 2021 and has been funded US\$ 11.7 Million to cover four intervention areas, namely: Infrastructure Development, Health, Education and Livelihoods. US\$2 Million has been reserved for livelihood related activities, aimed at changing the economic activities used by some people depending on the tailing dams such as quarrying, sand mining and aggregate mining.

### Case-Study 3: Kaoma District

The Kaoma District is situated on a plateau, east of the Buluzi Flood Plain. Kaoma is strategically located and acts as the grain basket of the Western Province. The district is under-developed despite fertile land for agriculture and vast plains which act as grazing pastures. It is home to Rose-wood that is harvested mostly by foreigners without much community benefit. The skills-base in the district is low, especially within the informal sector.

The Kaoma District Council is faced with serious service delivery challenges because of rapid economic growth and a growing population. There are serious basic service delivery backlogs in roads, water and street lighting. Service delivery problems have been compounded by the mushrooming of squatter compounds and uncoordinated infrastructure investment. The lack of service delivery has constrained local economic growth and job creation. In the past, interaction between the Council and community has often been confrontational. The community perceived Council as concerned with revenue collection and not service delivery. The Council was regarded as distanced from the needs and aspirations of the community. On the other hand, the Council perceived the community as irresponsible and unwilling to partner in service delivery.

The Kaoma Council developed an LED Strategy aimed at reversing the district’s downward economic trend and improving the public perception of Council. Various district stakeholders were consulted, such as: NGOs, marketers, financial institution, guest house owners, councillors and different government institutions. A shared vision emerged: *“Kaoma - a middle-income, socially and economically stable district by 2024”*. The development goals were agreed to as:

- Promoting transparency and accountability in public resource utilization thereby creating an enabling environment for commerce and citizen participation
- Broadening the resource base to improve service delivery
- Building survival and social skills among the locals



Institutional arrangements were agreed to implement the LED Strategy. Council remained the focal point and lead role in guiding LED efforts and ensuring a coordinated and focused approach. The LED roles and interests of other institutions are outlined in Table 14.

Table 14 Kaoma LED Roles and Responsibilities

INSTITUTION	INTEREST	ROLE
<b>Council</b>	Improved service provision Broaden revenue base Socio-economic development and spatial order Law abiding citizens	Provision of conducive bylaws Land Management and Administration Service and infrastructure provision Mobilisation, sensitisation and capacity building
<b>Line Ministries</b>	Improved social welfare of communities	Interpretation of government policies Provide improved services in an effective and efficient way Community needs assessment Mobilisation sensitisation and capacity building
<b>Co-operative Unions</b>	Provide community services Partnerships with the government	Mobilisation of communities Complement government efforts
<b>Business Associations</b>	Improving trade Maximisation of profits Business growth	Create partnerships with local authorities Corporate social responsibility Protect public property
<b>Corporate Bodies</b>	Provide community services and goods Profit maximization	Provision of services and goods Community mobilisation sensitisation and training
<b>ZNFU</b>	Provide farmers with inputs Increased profits and protection	Mobilise farmers mobilise, sensitize and train farmers Provide technical support Lobby and advocate on behalf of farmers
<b>Retirees Bureau of Zambia</b>	Ensure provision of social security, protection of members	Advocate for the creation of conducive environments for retirees

#### Case-Study 4: City of Kitwe

The Kitwe District is in the central part of the Copperbelt. The Kitwe district has a population of 517 543 people and covers an area of 777 km<sup>2</sup>. The City of Kitwe attained city status in 1967. The city has 221 hectares of Tailings Dam in some of its prime areas. Kitwe City, like most towns in the Copperbelt Province, has a long history of mining dating back to the 1930s. There are severe environmental impacts owing to a lack of adequate management of the mining sector, such as: air pollution; soil contamination; water pollution and siltation; geotechnical issues; and land degradation.

Favourable copper prices in the early 1970s saw the development of secondary industries and a rapid increase in population due to migration of a youthful labour force from the rural areas. Infrastructure expanded quite rapidly. The City of Kitwe developed tarred roads and an efficient railway transport system. Economic prosperity was followed by the oil crisis of the mid-1970s triggering a downward trend. This was worsened by the fall in the price of copper. Reduced copper revenue led to the degeneration of infrastructure and the failure by the Council to invest in new housing schemes. Illegal settlements sprung up to accommodate retrenched employees, most of whom, could not return to their home districts. At the same time, Central Government stopped its regular grants to local authorities for social service provision. This acted as a final blow to the Council's capacity to provide quality social services. Additionally, the mines, which were providing social services in the areas surrounding their locality, were privatized starting from 1996. The new mining assumed minimal social responsibility in the former mine townships, resulting in increased social responsibility for the local authorities.

The Kitwe City Council came together with its stakeholders to devise a LED Strategy. ALED District Team was constituted comprising of the following institutions: Kitwe City Council, Copperbelt University, Konkola Copper Mines, Mopani Copper Mines, Kitwe District Chamber of Commerce & Industry, Nkana Water & Sewerage Company, Ministry of Education, Ministry of Health, Central Statistics Office, ZESCO, Zambia Telecommunications Limited, Zambia Revenue Authority, Patents and Companies Registration Agency and the Agriculture Support Programme.

Through the LED process, a shared vision was generated: *“Kitwe - a competitive city with a vibrant, diversified economic base and an enabling business environment which spurs LED by providing entrepreneurship and employment opportunities”*. The development goals identified are to:

- Broaden and diversify the economic base
- Initiate and facilitate the physical and socio-economic development of the City
- Put in place the necessary programs to retain existing, and attract new investment
- Put in place the necessary management systems and procedures to ensure timely and effective delivery of agreed LED programs and projects
- Raise the quality of LED through research and development

Resulting from the implementation of the LED Strategy, the Kitwe City Council has secured a strategic partnership with the World Bank, with funding amounting to US\$ 2 310 200 towards skills development and procurement of equipment as a strategy to reduce environmental issues associated with mining in critically polluted areas of Kitwe.

#### Lessons Learnt from the LED Pilots

The following lessons have been learnt from the four Zambian LED pilots and many have been incorporated within the LED Guidelines:

##### **1. Driving LED:**

- a. Political buy-in for the LED programme must be secured through a Council Resolution.
- b. LED Programme Steering Committees should be set up with representation from all major stakeholder groupings and chaired by either the Council or other sector leaders.
- c. Ideally, all ward councillors should be involved in the LED Programme but this is logistically challenging.
- d. Leadership from the Office of the Town Clerk is instrumental in successful LED.
- e. Local authority Planners must act as the “focal point persons” for the LED programme. Local authority employees tend to shun away from additional responsibilities so the support of the Town Clerk is key.
- f. Utilise existing stakeholder platforms for engagement where possible e.g. the Chamber of Commerce, Women’s Lobby and Street Vendors’ Committee.

##### **2. LED Process:**

- a. The LED process assists authorities to “think outside the box”. Officials are more “vigorous” in attracting donors and resources and even compete amongst each other regarding improved municipal service delivery.
- b. The LED process generates confidence in local authorities. Councillors and officials receive invitations to come and address business and community audiences. The process builds social capital.
- c. Stakeholders become involved in the business of local authorities through the LED process. Local authorities are more responsive.

- d. The use of different forms of media, such as radio, is important in communicating the LED programme and generating debate.
- e. A local authority should adopt LED strategies beyond traditional municipal services.
- f. A local authority may not have the necessary resources, skills and equipment to deliver LED, but through stakeholder involvement and collaboration local authorities will achieve more.

### 3. LED Results:

- a. LED should be used as a platform to attract investments to local authorities for identified projects.
- b. LED can facilitate partnerships between Council and other stakeholders.
- c. LED is a means to foster collaboration amongst various government departments.
- d. LED is a tool for capacity development in systems, processes, human resources, equipment and finance.
- e. LED is a tool in attracting foreign and local investment.
- f. LED can facilitate a shift from a focus simply on regulation to one of empowerment by local authorities.

## Module 5: Driving LED

### Section 1: Communicating and popularising LED

It is essential that the MLG takes responsibility for championing LED at a national level. A national communication strategy must be developed focused on the key stakeholder groupings and appropriate messages and communication mechanisms employed. Table 15 provides an example of such an instrument. The MLG should develop an implementation plan for the communication strategy that includes budget, time-frames and who will be responsible for the different actions.

Local authorities should include develop a communication plan<sup>22</sup> as an outcome of their stakeholder mapping exercise as indicated in Step One of the LED Planning and Budgeting Cycle in Module 1 Section 4. The local authority's communication plan would focus on the local private and civil society sectors and within the municipality itself. An implementation plan is required.

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<sup>22</sup> Zambian LED Trainers' Resource Handbook Tool 4

Table 15 LED Communication Strategy

Sector	Stakeholder Grouping	Key Messages	Communication mechanism
<b>Public</b>	Central Ministries	<ul style="list-style-type: none"> <li>LED is a key instrument of the SNDP</li> <li>All tiers of government &amp; parastatals to align plans &amp; budgets with Council IDPs/ DDPs and LED Strategies</li> </ul>	NDCC, PDC and DDCC platforms Other inter-governmental platforms National legislation and policy
	Parastatals and Agencies		
	Provinces		
	District Administration		
	Local Authorities	<ul style="list-style-type: none"> <li>LED is to be local authority-driven and co-ordinated</li> <li>DDP/IDP is the government-wide planning and budgeting instrument at district-level</li> <li>Local authorities have inter-governmental and cross sectoral co-ordination roles in terms of the Constitution</li> <li>Local authorities must align the performance of their powers and functions to LED outcomes</li> </ul>	Local government legislation and policy reviews Review of the fiscal architecture of government LGSC local authority structures MLGH circulars to local government MLGH platforms of engagement with local authorities Special LED information sessions Chalimbana LED courses Councillor orientation sessions
<b>Private</b>	Sector bodies	<ul style="list-style-type: none"> <li>Local authorities are committed to driving LED in partnership with the private and civil society sectors</li> <li>LED will increase the responsiveness of Councils to business needs and result in improved service delivery</li> <li>Local authorities need the private sector to partner with them through: sharing and generating knowledge and skills; partnerships and investment.</li> </ul>	NDCC, PDCC and DDCC forums LED Programme Steering Committees Business chambers and networking platforms Social media, such as: Local authority websites, Text messaging Radio Sector meetings
	Financing institutions		
	Business Chambers		
	Research and training educations		
<b>Civil Society</b>	Communities	<ul style="list-style-type: none"> <li>Local authorities are committed to driving LED in partnership with civil society</li> <li>LED planning will be bottom-up and inclusive</li> <li>Local authorities will be transparent and open in their dealings with communities</li> <li>LED will increase the responsiveness of Councils to community needs and result in improved service delivery</li> <li>Local authorities would like to partner with civil society in the meeting of a shared district vision and set of development goals.</li> </ul>	NDCC, PDCC and DDCC forums LED Programme Steering Committees Ward Development Committees Ward councillors Social media such as: Local authority websites, text messaging Radio Newspapers
	Ward committees		
	NGOs and associations		
	Faith-based organisations		
	Traditional authorities		
<b>Donors</b>	Donors	<ul style="list-style-type: none"> <li>Government is committed to decentralisation and the strengthening of the local tier of government</li> <li>LED is regarded as an intended outcome of this process</li> <li>An LED approach is regarded as a key instrument of the SNDP and of achieving government's social and economic development objectives</li> <li>Donors are required as partners in the implementation of government's programme</li> </ul>	NDCC, PDCC and DDCC forums Donor bilaterals

## Section 2: Knowledge-Sharing

Part of communicating and popularising LED is knowledge-sharing. The development of the LED Trainers' Resource Handbook as a support instrument for the roll-out of these LED Guidelines is the first step in facilitating such knowledge-sharing. The LED orientation training, together with the more extensive LED courses to be prepared by the Chalimbana Local Government Training Institute will extend the knowledge sharing. It is proposed that the MLG partners with local authorities, LGAZ and other relevant institutions, such as donors in developing other knowledge sharing instruments, such as:

- Bi-annual or annual peer learning sessions amongst local authorities;
- Exchange visits amongst municipalities;
- LED peer review exercises amongst local authorities;
- A Zambian LED website where all information such as the Guidelines, Resource Handbook, LED case-studies and peer reviews are available;
- A LED Facebook site where local authorities are encouraged to share experiences and knowledge. It could include an invitation to local authorities to ask questions where either the MLG, other technical experts or local authority peers could respond; and
- A point person within the MLG for LED whom local authorities can contact for information and guidance.

## Section 3: Building LED leadership

The capacity of a local authority to enable LED is dependent on many factors – both external and internal. At an institutional level, adequate human resource and financial capacity has been identified as essential in shifting those local authorities that are currently performing at a low-level capacity to perform at a high-level of capacity. Even with adequate capacity there is no guarantee that a local authority will successfully drive an LED programme. This ability is directly related to the demonstration of **visionary leadership** that holds a long-term view of development and is open to innovation and stakeholder collaboration.

If local authorities are to drive LED within their respective districts, then they will need to demonstrate the leadership required to do so. Leadership has emerged as a critical success factor in LED. One of the distinguishing factors of successful LED initiatives, is the quality of local leadership both at a political and administrative level. Indeed, the LED pilots have demonstrated the positive response from the private and civil society sectors to local authorities taking the lead in LED.

Leadership at a political level should be evident in terms of the:

- Mayor championing LED and holding councillors accountable for encouraging local community participation, improved service delivery and local development.
- Creation of a conducive political environment for service delivery and development. This requires local politicians to prioritise service delivery and development over narrow and factional political agendas.
- Creation of a conducive political-administrative interface that encourages a creative and innovative administration. It requires political leadership to seriously engage and respect technical proposals and advice. It needs the political leadership to allow for calculate risk-taking and innovative service delivery mechanisms.
- Recognition of the value of an LED approach in meeting political and development mandates.

- Recognition of the huge contribution of the private and civil society sectors to national development targets and outcomes, especially in relation to addressing poverty, inequality and unemployment.
- Acceptance that the Council cannot respond to district development pressures alone, and that broad stakeholder collaboration and partnerships is required.
- Consideration by central government of incentivising service delivery and LED innovation – either through financial incentives or through public recognition of Council achievements.
- Accessibility of Mayor and Councillors to the community with active Ward Development Committees.

Leadership at an administrative level should be evident in terms of:

- Local authority officials that able to see and respond to private sector opportunities. A different mindset is required.
- Local authority officials responsible for LED accessible and known to the public and private sector. A frustration in the private sector is that there is no-one to engage with at local authority level.
- The willingness to innovate and be responsive to community and business needs.
- The energy to co-ordinate and mobilise resources within all tiers of government and across all sectors.
- A commitment to undertake extensive public participation processes for both development planning and programme implementation.
- The adoption of a resource leveraging approach to Local authority operations.
- Proactive seeking of financing alternatives to enable and fast-track service delivery.
- A willingness to explore alternative and sustainable service delivery mechanisms.
- A willingness to partner and collaborate with arrange of stakeholders.
- The adoption of a transparent, open and accountable approach to service delivery.
- A rejection of corrupt and wasteful administrative practices.

This leadership approach should be built into all local government training curricular, especially the new LED training programmes that will be developed to mainstream the approach within the sector. Leadership training, mentorship and coaching programmes should be developed. It may even be possible for business leaders to be identified as local government mentors and coaches. The Decentralisation Secretariat has developed a programme on leadership supported by the UNDP and for roll-out by the Chalimbana Institute. The proposal is that this training programme is integrated into all the LED training programmes designed by Chalimbana given the significance of leadership to the performance of LED within local authorities.

Whilst the focus of this section is on the building and demonstration of leadership within local authorities, it will be necessary for leadership to be demonstrated within all sectors - public, private and civil society - and within all tiers of government. LED requires visionary thinkers, who are open and welcoming of change, and who are committed to ensuring that the benefits of social and economic development are shared as broadly and equitably as possible. This approach to LED and leadership is in complete alignment with the national vision and objectives of the SNDP.

## Module 6: Monitoring and Measuring LED

### Section 1: Monitoring LED in Councils and Central Government

The performance of Councils in terms of their LED mandate needs to be monitored as part of the overall local government performance management system that is being put in place by central government. The aim would be to develop a single reporting and monitoring tool for local authorities that encompass all performance areas. An inter-Ministerial committee has been set up for this purpose and alignment with other government programmes and processes, such as these LED Guidelines and the work being undertaken by GIZ on local authority performance assessments, is sought. Suggested LED KPIs are included as Tables 16 – 18 that could be included within a single local government performance management system. It is proposed that the LED KPIs monitored at local authority level is linked to their capacity levels (see Module 2 Section 4). This approach would reinforce a focus on local authorities getting the basics right before taking on further responsibilities.

Table 16 Proposed National Indicators for Monitoring Local Authority Performance in LED – Level 3 Local Authorities

Governance and Administrative Systems	Socio-Economic Results
<ul style="list-style-type: none"> <li>LED Performance Monitoring integrated into Municipal Performance Monitoring System</li> <li>Oversight structures in place for LED</li> <li>Innovation and risk-taking in LED encouraged</li> <li>Inter-departmental LED committee in place</li> <li>Clear LED roles and responsibilities assigned within the administration</li> </ul>	<ul style="list-style-type: none"> <li>Growth in rural economic investment and activity</li> <li>Improved access to quality basic services</li> <li>Increased food security</li> <li>Increased access to social protection</li> <li>Improved skills base</li> <li>Improved education levels for girls</li> <li>Increased access to extension services</li> <li>Protection of heritage sites, water sources and national parks</li> <li>Increased land security for businesses and communities</li> <li>Decrease in housing backlog</li> <li>Ecologically friendly transport</li> <li>Improved transportation systems</li> <li>Infrastructure development</li> <li>Increased social and spatial justice for the poor</li> <li>Increased economic participation by women</li> </ul>
Finances	Human Resources
<ul style="list-style-type: none"> <li>Expanded municipal revenue base</li> <li>Improved municipal collection rate</li> <li>Diversified municipal revenue base</li> <li>Updated valuation rolls in place and maintained</li> <li>Positive audit outcome</li> <li>Improved financial health indicators</li> <li>Increase in the percentage of own revenue in the municipal budget</li> <li>Improved capital budget spend</li> <li>Financial leverage for the financing of LED-related programmes and projects</li> <li>Donor spend</li> </ul>	<ul style="list-style-type: none"> <li>LED roles clearly defined within job descriptions</li> <li>Technical innovation</li> <li>Service delivery innovation</li> </ul>
LED Planning	LED Implementation
<ul style="list-style-type: none"> <li>Integrated urban spatial planning</li> <li>Integrated planning within the municipality</li> <li>LED integrated into the IDP</li> <li>High community participation levels</li> <li>Ward level planning undertaken</li> <li>Level of participation of central government ministries and institutions in the planning process</li> <li>Level of alignment of municipal DDPs or IDPs with Ministry sector plans and the SNDP.</li> </ul>	<ul style="list-style-type: none"> <li>Partnership agreements in place</li> <li>Improved customer satisfaction</li> <li>LED programme Steering Committee in place</li> <li>Ongoing buy-in from the private and civil society sectors</li> <li>Visible LED leadership by the Executive Mayor and Town Clerk</li> <li>Functioning Ward Development Committees</li> </ul>

Table 17 Proposed National Indicators for Monitoring Local Authority Performance in LED – Level 2 Local Authorities

<b>Governance and Administrative Systems</b>	<b>Socio-Economic Results</b>
<ul style="list-style-type: none"> <li>LED Performance Monitoring integrated into Municipal Performance Monitoring System</li> <li>Oversight structures in place for LED</li> <li>Inter-departmental LED committee in place</li> <li>Clear LED roles and responsibilities assigned within the administration</li> </ul>	<ul style="list-style-type: none"> <li>Growth in rural economic investment and activity</li> <li>Improved access to quality basic services</li> <li>Increased food security</li> <li>Increased access to social protection</li> <li>Improved skills base</li> <li>Improved education levels for girls</li> <li>Increased access to extension services</li> <li>Increased land security for businesses and communities</li> <li>Improved transportation systems</li> <li>Infrastructure development</li> <li>Increased economic participation by women</li> </ul>
<b>Finances</b>	<b>Human Resources</b>
<ul style="list-style-type: none"> <li>Expanded municipal revenue base</li> <li>Improved municipal collection rate</li> <li>Updated valuation rolls in place and maintained</li> <li>Positive audit outcome</li> <li>Improved financial health indicators</li> <li>Increase in the percentage of own revenue in the municipal budget</li> <li>Improved capital budget spend</li> </ul>	<ul style="list-style-type: none"> <li>LED roles clearly defined within job descriptions</li> <li>Suitably qualified personnel engaged in LED planning, programmes and projects</li> </ul>
<b>LED Planning</b>	<b>LED Implementation</b>
<ul style="list-style-type: none"> <li>Integrated urban spatial planning</li> <li>Integrated planning within the municipality</li> <li>LED integrated into the DDP</li> <li>Ward level planning undertaken</li> <li>Level of participation of central government ministries and institutions in the planning process</li> </ul>	<ul style="list-style-type: none"> <li>Improved customer satisfaction</li> <li>Functioning Ward Development Committees</li> <li>LED Programme Steering Committee in place</li> <li>Visible LED leadership by the Executive Mayor and Town Clerk</li> </ul>

Table 18 Proposed National Indicators for Monitoring Local Authority Performance in LED – Level 1 Local Authorities

<b>Governance and Administrative Systems</b>	<b>Socio-Economic Results</b>
<ul style="list-style-type: none"> <li>Oversight structures in place for LED</li> <li>Inter-departmental LED committee in place</li> <li>Clear LED roles and responsibilities assigned within the administration</li> </ul>	<ul style="list-style-type: none"> <li>Improved access to quality basic services</li> <li>Increased land security for businesses and communities</li> <li>Improved transportation systems</li> <li>Infrastructure development</li> <li>Increased economic participation by women</li> </ul>
<b>Finances</b>	<b>Human Resources</b>
<ul style="list-style-type: none"> <li>Expanded municipal revenue base</li> <li>Improved municipal collection rate</li> <li>Improved financial health indicators</li> <li>Improved capital budget spend</li> <li>Donor spend</li> </ul>	<ul style="list-style-type: none"> <li>LED roles clearly defined within job descriptions</li> </ul>
<b>LED Planning</b>	<b>LED Implementation</b>
<ul style="list-style-type: none"> <li>Integrated planning within the municipality</li> <li>LED Strategy in place</li> <li>Level of participation of central government ministries and institutions in the planning process</li> </ul>	<ul style="list-style-type: none"> <li>Improved customer satisfaction</li> <li>Visible LED leadership by the Executive Mayor and Town Clerk</li> <li>LED Programme Steering Committee in place</li> <li>Functioning Ward Development Committees</li> </ul>

The MLGH must co-operate with relevant sector Ministries, such as Finance, the Auditor-General's Office and the CSO, to collect the relevant data to support the monitoring system. The system of Local



authority reporting could be strengthened to include all these indicators. Local authorities should provide monthly, quarterly, bi-annual and annual performance reports. The performance reports should inform Central Government’s support programmes to the local tier of government. This system would enable a more targeted and responsive approach to local authority support. The support can be co-ordinated by the MLG and relevant sector Ministries and institutions could be requested to assist. The performance reports should also inform the training programme of the Chalimbana Institute.

The Planning Ministry, in partnership with the Central Statistical Organisation (CSO), is currently undertaking detailed sub-national analysis through the collection of socio-economic data from 103 of the 106 districts. This information is to be made available to local authorities. This is a significant step forward as local authorities have battled with data availability and access. In the past data was mainly collected at provincial and national levels. Local authorities have been required to prepare Situational Analyses in the past, but this information has not always been regarded as credible by the CSO. The CSO district-level data could provide the base-line data required for measuring the impact of LED over time.

In addition, the MLG will also be required to monitor the broader enabling environment for LED within Zambia. There are several key national institutions that have significant responsibilities for creating an enabling environment, such as the Ministries of Finance, Planning and Decentralisation, the Local Government Service Commission and the Chalimbana Institute. The following indicators could be used for the monitoring of these institutions and a reporting system would need to be put in place at least on a bi-annual basis:

*Table 19 Monitoring of National LED Role-Players*

<b>Institution</b>	<b>Indicators</b>
Ministry of Finance	Adequate increase in the Local Government Equalisation Fund
	Adequate financing of devolved powers and functions
	Valuation rolls in place at Council level
	Improved revenue collection rates within the local tier
	Improved Council audit outcomes
	Improved Council capital expenditure rates
	Alignment of national budgets with Council IDPs or DDP/LED Strategies
Ministry of Planning	Capacitation of Councils for Integrated Development Planning
	Socio-economic data provided at district level
	Socio-economic data provided at ward level
	Alignment of sector Ministry plans with Council IDPs or LED Strategies/ DDPs
Ministry of Decentralisation	Adequate funding of devolved functions
	Re-design of the fiscal architecture resulting in adequately funded local government tier
	Capacitation (both financial and non-financial) of Councils for the performance of devolved functions
LGSC	LED capacity included in Council administrative structures
	Suitably qualified LED staff in place
	LED Performance part of all the contracts of Town Clerks and senior managers
	Review of job descriptions to include LED responsibilities
	LED responsibilities included in Council performance management systems
Chalimbana	Institution capacitated to provide LED training
	Package of LED programmes (short and long-term) offered by Chalimbana
	LED programmes targeting public, private and civil society sectors
	Number of senior Council managers trained
	Percentage of Councils with senior managers trained
	Number of LED officials trained
	Percentage of Councils with LED officials trained

Institution	Indicators
	Number of Councils supported by non-classroom based LED training instruments

The MLG should set up a LED monitoring system that uses the current year as the base-line year. The Ministry will populate the monitoring data on an annual basis where possible. Certain data, such as the socio-economic data, may only be available at less regular intervals. This information may be collected by the CSO in terms of national surveys and censuses. The populating of this data over time will ensure that the MLG can monitor trends and measure whether local authority capacity is being built and the desired LED outcomes are being achieved.

Table 20 provides an example of a template for capturing monitoring information for a Capacity Level 3 municipality<sup>23</sup>. It is based on the indicator set in Table 16 and the template should be modified for Capacity Level 2 and 1 local authorities as per Tables 17 and 18. The template should be customised for Zambia together with the CSO to ensure that the information required is obtainable and aligned to existing national data collection systems. Some of the indicators will require direct engagement with local authorities and the submission of other forms of evidence, such as minutes of meetings, Council decisions and documents.

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<sup>23</sup> Zambian LED Trainers' Resource Handbook Tool 25

Table 20 Template for Monitoring Councils in LED

Council LED Indicators	Base-Line 2016	Year Two 2017	Year Three 2018	Year Four 2019	Year Five 2012
<b>Governance and Administrative Systems</b>					
Evidence LED part of Council performance monitoring system (yes/no)					
Evidence oversight structures in place for LED (yes/no)					
Evidence innovation and risk-taking in LED encouraged (yes/no)					
Inter-departmental LED committee in place (yes/no)					
Clear LED roles and responsibilities assigned (yes/no)					
<b>Socio-Economic results</b>					
Growth in rural economic investment (Value and number of new businesses)					
Improved access to quality water services (% hhs with all basic services)					
<ul style="list-style-type: none"> <li>• % of population with access to sanitation</li> </ul>					
<ul style="list-style-type: none"> <li>• % of population with access to electricity</li> </ul>					
<ul style="list-style-type: none"> <li>• % of population with access to refuse removal</li> </ul>					
Increased food security (% households below national poverty level)					
Increased access to social protection (% hhs with access to a social grant)					
Improved skills base					
<ul style="list-style-type: none"> <li>• % population with Grade 12</li> </ul>					
<ul style="list-style-type: none"> <li>• % population with tertiary qualification</li> </ul>					
<ul style="list-style-type: none"> <li>• % population of under 5's with access to early childhood development</li> </ul>					
Improved education levels for girls					
<ul style="list-style-type: none"> <li>• % women with Grade 12</li> </ul>					
<ul style="list-style-type: none"> <li>• % women with tertiary qualification</li> </ul>					
Increased access to extension services (% of small farmers with agricultural extension support)					
Protection of heritage sites, water sources and national parks					
<ul style="list-style-type: none"> <li>• % of heritage sites with formal protection</li> </ul>					
<ul style="list-style-type: none"> <li>• Number of hectares of land protected versus national protected area target</li> </ul>					
Increased land security for businesses and communities					
<ul style="list-style-type: none"> <li>• Number of land title deeds issued</li> </ul>					
<ul style="list-style-type: none"> <li>• Number of rural land leases entered for 30 years or more</li> </ul>					
Decrease in housing backlog					
<ul style="list-style-type: none"> <li>• Number of households with no housing or in informal settlements</li> </ul>					

• Percentage of households with freehold tenure					
Improved transportation systems					
• % of population with public transport access within 300 metres of their abode					
• % of population using buses					
• % of population using taxis					
• % of population using bicycles					
Infrastructure development					
• Bulk water backlog					
• Bulk electricity backlog					
• Bulk sanitation backlog					
Increased economic participation for women					
• % of women owned businesses					
• % of women employed					
• % of women benefitting from business loans					
Finances					
• % own revenue of total municipal revenue					
• Municipal collection rate					
• Dependence of municipality on central government grants					
• Valuation roll in place and updated every 5 years					
• Audit outcome					
• Capital spend					
• Donor funds leveraged					
• Borrowing level					
Human Resources					
LED roles clearly defined in job descriptions (yes/no)					
LED Planning					
Evidence Integrated urban and spatial planning (yes/no)					
Evidence LED integrated into the IDP (yes/no)					
Evidence of Ward level planning undertaken (yes/no)					
Evidence of Central government departments aligning plans with IDP (Yes/no)					
LED Implementation					
Number of partnership agreements in place					
Improved level of customer satisfaction					
LED Steering Committee in place (yes/no)					

## Section 2: LED Monitoring System for Local Authorities<sup>24</sup>

Local authorities can measure LED programmes and actions on several levels. To enable accurate measurement, it is useful to distinguish input, output, outcome and impact measures. These terms

Table 21 Definition of LED Performance Measures Source: Indego

LED PERFORMANCE MEASURES
<p>➤ <b>Inputs</b></p> <p>Inputs are the resources and capacity that are mobilised to achieve an LED project or programme. Inputs can refer to a range of resources, such as money, effort, time and personnel. These resources are called inputs as they are necessary to make something happen.</p>
<p>➤ <b>Outputs</b></p> <p>Outputs are the specific activities, processes and deliverables that directly result from the inputs. For example, the resources that are allocated to an LED marketing campaign (inputs) may result in the production of brochures and posters (outputs). Resources that are allocated to a tourism route development project (inputs) may result in the launch of a new tourism route and a route management structure (outputs).</p>
<p>➤ <b>Outcomes</b></p> <p>Outcomes refer to the direct consequences or results that follow from the outputs of an LED action or programme. Outcomes are the changed conditions that result from these outputs. Outcomes are the direct results of LED actions or programmes in the short-term. For example, the resources that are allocated to an LED marketing campaign (inputs) may result in the production of brochures and posters (outputs), which may result in broader community awareness of LED and participation in LED processes (outcomes). Resources that are allocated to a tourism route development project (inputs) may result in the launch of a new tourism route and a route management structure (outputs), which may result in increased visitor numbers to and the duration of visitor stays in a locality (outcomes).</p>
<p>➤ <b>Impacts</b></p> <p>Impacts reflect the implication of an LED action or programme for broader society. Impacts are felt in the longer term. For example, the resources that are allocated to an LED marketing campaign (inputs) may result in the production of brochures and posters (outputs), which may result in broader community awareness of LED and participation in LED processes (outcomes), which may result in economic growth and increased social capital in the area (impacts). Resources that are allocated to a tourism route development project (inputs) may result in the launch of a new tourism route and a route management structure (outputs), which may result in increased visitor numbers to and the duration of visitor stays in a locality (outcomes), which may result in economic growth, protection of heritage and natural assets and increased economic resilience in the locality (impacts).</p>

are explained in the Table 21.

Indicators that measure the inputs, outputs, outcomes and impacts of an LED action or programme are all useful result measurements. The relationship between inputs, outputs, outcomes and impacts can also provide worthwhile measures.

The relationship between inputs and outputs can be used to assess how efficiently an action or programme was implemented. For example, a local authority could measure its efficiency in setting up a business support centre and compare it to the efficiency of other local authorities in setting up their business support centres. The inputs could be the cost, time and staffing required for the Centre and the output would be actual business centre – its size and functionality.

The effectiveness of an LED action or programme would be measured through comparing the relationship between inputs and outcomes. This relationship will show how the resources allocated resulted in the desired changes from the action or programme. For example, the resources allocated to the development of a Business Support Centre may have resulted in the establishment of five new businesses collectively employing thirty people. This can assist decision-makers in deciding whether

<sup>24</sup> Zambian LED Trainers' Resource Manual Tools 23 and 24

they are achieving the desirable return on their investment and compare it to the effectiveness of other actions.

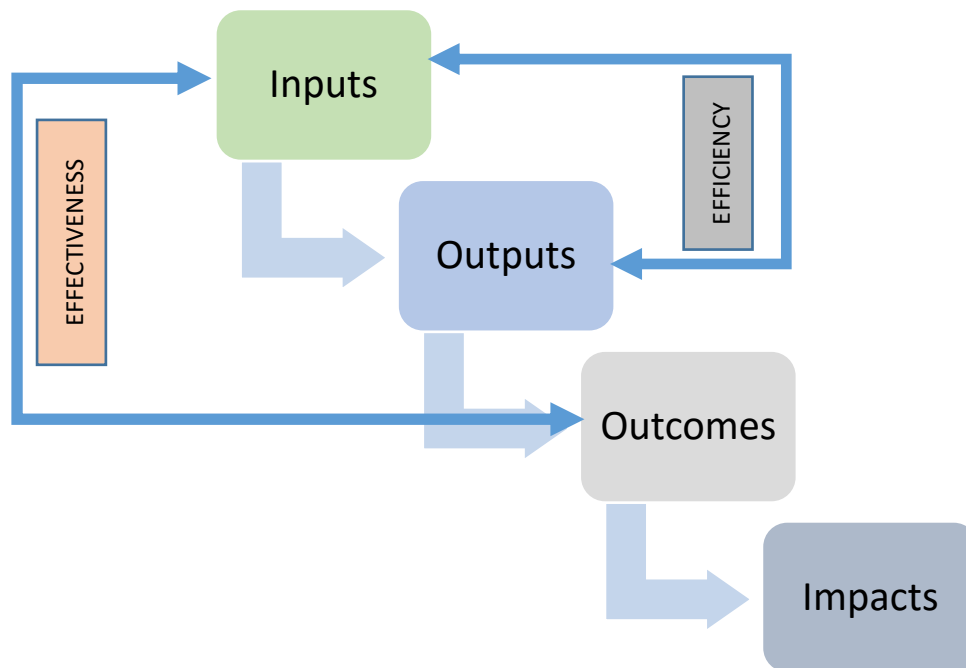


Figure 4 Types of LED Measures

Measuring inputs and outputs is usually simpler than measuring outcomes and impacts. For example, it is possible to determine the inputs of an LED action by quantifying the resources (such as time, budget, personnel etc.) that were invested. It is also possible to establish outputs by quantifying the results of the LED action.

Measuring outcomes and impacts is more difficult and is often subject to interpretation. One difficulty in measuring outcomes is that it is difficult to always attribute changes directly to an LED action. For example, a local authority could invest time, personnel and money (inputs) to run a marketing campaign (output). Ten new businesses could locate in the local authority area. However, it is difficult to know whether the ten new businesses located in the area as a direct result of the marketing campaign (outcome) or whether they located there for other unrelated reasons. It is even more difficult to determine whether impacts that are felt in the locality (e.g. higher incomes, higher employment levels etc.) are a direct result of an LED action or not. Impacts, furthermore, can only be determined over a long period. The most reliable data source for determining impacts is usually through a national Census.

Because impact is so difficult to measure, local authorities may wish to focus on input, output, outcome, and efficiency and effectiveness indicators. However, it is always desirable to know what kind of impact a proposed LED action or programme aims to have when it is being planned. The types of LED measures are illustrated in Figure 4.

### Section 3: Data collection and monitoring systems

An LED Strategy should identify the means of verification of the selected performance indicators to ensure that the measure may be substantiated. The means of verification must be specific to the indicator. Examples of data sources for measures are included in Table 22.

Table 22 Possible Data Verification Sources in Zambia

Types of Indicators	Examples of Means of Verification
<b>Input</b>	Local authority budgets Local authority organograms Central government budgets Income and expenditure records Correspondence or agreements reflecting stakeholder contributions Project budgets Project team monthly and quarterly reports <sup>25</sup>
<b>Output</b>	Media that has been designed and printed Buildings and other forms of infrastructure Records of work completed e.g. loans granted, maintenance sheets Beneficiary registers Partnership agreements Project team monthly and quarterly reports
<b>Outcome</b>	Signed staff /worker attendance registers Visitor / consumer records Training registers Business registrations Customer satisfaction survey Project team monthly and quarterly reports
<b>Impacts</b>	Central Statistics Office censuses or research reports.

A simple approach would be to develop project folders for each LED action and to keep copies of all the supporting evidence in the file. This would facilitate auditing of the LED programme by local government auditors and would also increase accountability of the local authority to the public.

If the local authority has an existing monitoring and evaluation system, then the monitoring of LED actions should be integrated into this system.

In addition to measuring individual LED actions, it is necessary to monitor the implementation of the LED programme. This could be done by requesting each LED action or project manager to produce monthly and quarterly reports for submission LED Steering Committee or Council Planner responsible for the LED programme.

## Conclusion

These Guidelines have been developed through a participatory process. A Project Steering Committee led by the MLG guided the process. Key informant interviews in key central government Ministries and Agencies were interviewed. Consultative workshops were held with district councils and key district stakeholders in provincial cluster workshops. The MLG will take primary responsibility for the roll-out of the Guidelines. The intention is for all local authorities to adopt a proactive LED approach, thereby contributing significantly towards the achievement of the national vision and implementation of the national development plan. It is hoped that through the adoption of an LED approach, that the local tier of government's contribution to addressing development challenges of inequality, poverty and unemployment will be vastly improved.

<sup>25</sup> Zambian LED Trainers' Resource Handbook Tool 24

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## Interviews

1. The LED Programme PSC, including the four pilot municipalities
2. Ministry of Finance, Budget Office, District Officer for the MLG&H, Patrick Fungu
3. Chalimbana Local Government Training Institute, Mr James Paipi
4. Acting Chief Economist, Mr Aaron Mutale
5. Zambian Development Agency: Mr Innocent Melu
6. Director: Decentralisation Secretariat: Mr Mathengu, M&E, Mr Sakwiya
7. Ministry of National Planning, Principal Planner Economics, Ms Chitembo Chunga

## Consultative Workshops

Four provincial-level workshops took place in Choma, Lusaka, Kasama and Ndola in the week of the 10<sup>th</sup> – 14<sup>th</sup> October 2016 to engage on the draft LED Guidelines. A workshop report was submitted to the MLGH and informed the revision of the draft Guidelines and the preparation of this final LED Guideline.