

**THE UNIVERSITY OF ZAMBIA**

**SCHOOL OF LAW**

**Directed Research L410**

**TITLE: THE IMPACT, IF ANY, OF THE CITIZENS ECONOMIC  
EMPOWERMENT COMMISSION IN ZAMBIA FROM  
INCEPTION TO DATE.**

By

**EVANS KACHUNGU**

Computer No. **26067706**

A dissertation submitted to the University of Zambia, School of Law in partial fulfillment  
of the requirements for the Award of the Bachelors of Laws (LLB) Degree

UNZA

April 2011

## DECLARATION

I **Evans Kachungu**, Computer Number 26067706, do hereby declare that the contents of this Directed Research, are entirely based on my own research and represent my own work and that they have not previously been submitted for a degree at the this University or another University. Further, any other person's work consulted has been duly acknowledged.

I absolutely bear responsibility for errors, defects or any omissions contained herein.

Student's Name: Evans Kachungu

Signature

Date

20<sup>th</sup> APRIL 2011

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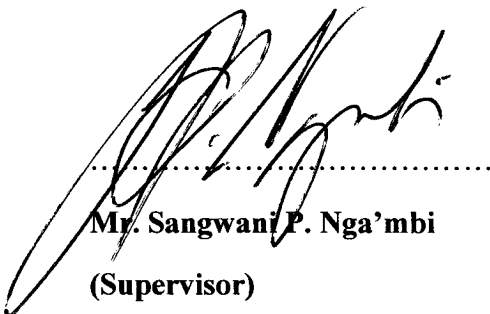
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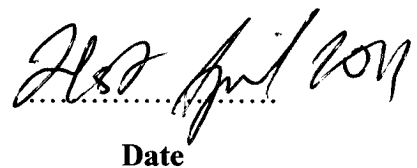
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**The impact, if any, of the Citizens Economic Empowerment Commission in  
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**Date**

## **ABSTRACT**

The desire to empower citizens in Zambia has been a common call for all successive governments in one way or the other. Through the policy of nationalization, the government had hoped to plough all the nations' resources in on central place. The next government thought privatization was going to improve people's living standards through ownership of businesses. The failures of these programmes are well documented. Against this background the Citizens Economic Empowerment Act was enacted in 2006 and it gave birth to Zambia's first empowerment Commission whose sole purpose was to target the most vulnerable in Society.

This study traced the background leading to the establishment of the Citizens Economic Empowerment Commission. Its functions and aims were fully discussed, in that it provides a mechanism through which citizens are empowered by being availed with loans for project finance and other startup businesses. This is done under chapter two which looked at the operations of the Commission in detail. Issues to do with interest rates applicable, the preferred form of collateral, the process of loan evaluation applicable documentation and eligibility requirements were the highlights of this chapter.

The research under chapter three analyses the successes achieved as a result of the Commission's formation and its challenges have been documented as well. Factors that have contributed to the Commission's failure to perform adequately have been stated as including lack of financial resources both for administration or operational and actual fund capital meant for loan approvals. Other challenges cited include poor staffing levels in districts other than the provincial capitals, shortage of skilled empowerment officers, failure to introduce online approvals as well as the stringent accounting financial statements as a preliquisite for loan finance for business applicants. Lack of autonomy, adequate office space as well as limited publicity concludes the challenges. The concern of chapter four was the analysis of the Empowerment Act's capacity in advancing the aims of the Commission. The empowerment trust fund has been discussed. The author concludes under chapter five that the Commission has not performed in a satisfactory manner and unless some of the concerns are addressed, in line with the recommendations, no meaningful impact shall be felt in the nearest future.

## **ACKNOWLEDGEMENTS**

The Completion of this Directed Research has been made possible with the assistance of others. Therefore, I wish, at this moment to acknowledge the various contributions and thereby express my heartfelt gratitude.

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## **DEDICATION**

To my late sister Rabbecca, whom I so dearly miss, and wish she were around to me see graduate. To my wife Ireen and my off springs Kainda, Siza, Bupe and Mutango for having been there for me.

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