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What You Pay

Extracting The Truth

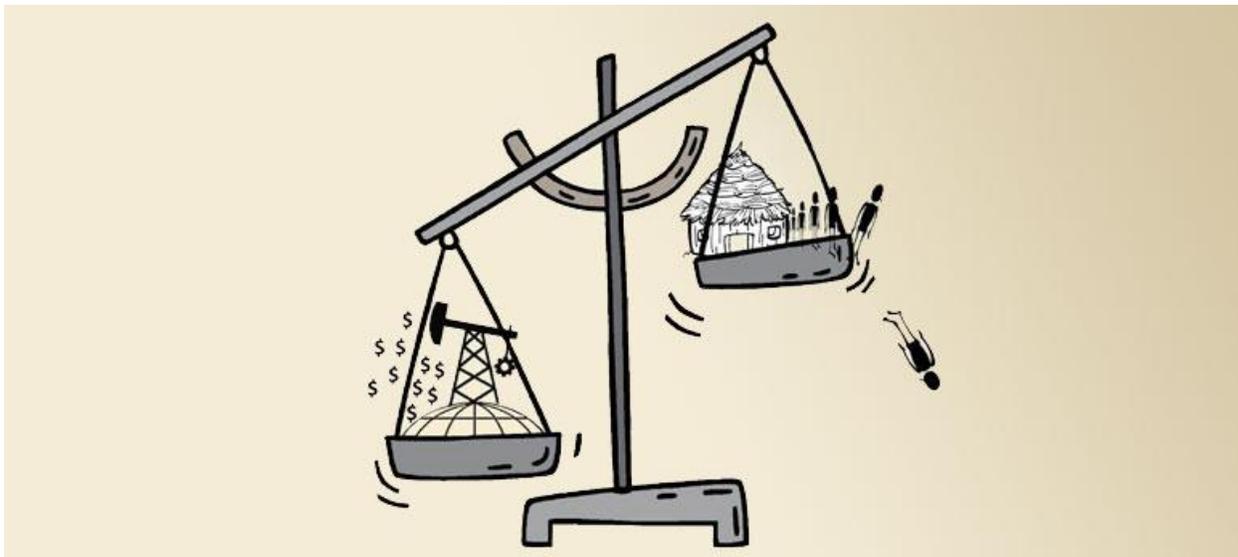
**PUBLISH WHAT YOU PAY ZAMBIA
ADVOCACY STRATEGY
2015-2017**

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The Publish What You Pay (PWYP) Zambia 2015-2017 Advocacy Strategy is expected to propel the PWYP-Zambia Chapter into a legitimate, representative, broad, effectively coordinated advocacy platform addressing issues concerning natural resource management in Zambia. It is envisaged that the goals, operational objectives and activities outlined in this document will facilitate constant interaction between PWYP-Zambia Chaptermembers and other critical stakeholders such as the community members, media, traditional leaders, donors, civic and political party leaders on concerns related to Extractive Industries (EIs) in Zambia. To ensure the achievement of these, PWYP-Zambia will put to use its relevant skills, materials and information to engage evidence-based advocacy and lobby activities, thereby transforming itself into an important reference point on the subject of EIs in Zambia and beyond. Overall, PWYP-Zambia will look forward to empowering and conscientizing the local communities on natural resource management.

"Paying taxes is a pain, no doubt about it, but it's less of a pain if everyone bears their fair share of the tax charge. It's intolerable, however, when not everyone pays their contribution: and the poor end up paying for the rich. Worse still when the rich choose every now and then to raise the level of taxes, but the poor are made to pay for them. What a scandalous confiscation!"
(Salvien of Marseille, a priest who lived in the 5th century)¹



1.0 Background

¹ Cited on; http://www.taxjustice.net/cms/front_content.php?idcatart=175&lang=1&client=1.

Publish What You Pay (PWYP) is a global network of civil society organizations united in our call for an open and accountable extractive sector, so that oil, gas and mining revenues improve the lives of women, men and youth in resource-rich countries. The global Publish What You Pay network is made up of more than 800 member organizations across the world, inclusive of human rights, development, environmental and faith based organizations. The global goal of the Publish What You Pay coalition is a world where all citizens benefit from their natural resources, today and tomorrow.

The Publish What You Pay (PWYP) Zambia Chapter was launched in June 2009. The launch of the coalition was motivated by the fact that Zambia is a country that has naturally been endowed with a lot of natural resources; however, the extractive industry does not benefit the lives of most ordinary Zambians. It is a well-known fact that natural resource revenues are an important source of income for governments of over 50 developing countries, Zambia inclusive. When properly managed, these revenues should serve as a basis for poverty reduction, economic growth and development rather than exacerbating poverty, corruption, conflict and social divisiveness. Hence in order to contribute to the debate and enhance transparent, accountable and just management and distribution of natural resources in Zambia for poverty reduction, the PWYP Zambia was formed. PWYP-Zambia aims at attaining the following goals:

- To provide civil society with a broad and effective coordination and advocacy platform that is legitimate and representative to address issues concerning natural resource management in the extractive industries and in government;
- To ensure that PWYP members coordinate and work together in ensuring that the government and extractive industry operators adhere to and implement the Extractive Industries Transparency Initiative (EITI) standards in Zambia;
- To ensure that PWYP members have the relevant competence and skills to address issues concerning natural resource management in the extractive industries and in government;
- To ensure that PWYP members are actively engaged in evidence based rooted advocacy; and
- To ensure that local communities represented by its members are empowered to engage on natural resource management issues affecting them.
- To promote African initiatives that aim to ensure that its citizens benefit from Natural resource Management e.g. the African Mining Vision (AMV).

2.0 *Socio-Economic Analysis – Defining The Operational Context of PWYP Zambia*

2.1. Current Extractives Industries Landscape and Challenges

Zambia is rich in mineral resources, mineral resources account for 80% of its exports earnings, and this far only 60% of the country has been geologically surveyed. The mining sector in Zambia contributes about 10% to GDP. Zambia is recognised by the international mining industry as having good mineral potential with 6% of known world copper reserves in Zambia². In addition, the country has a rich endowment of cobalt, gold, manganese, gemstones, emeralds, uranium and possibly oil³. This, together with recent successful exploration, should be sufficient to sustain the industry well into the middle of

²World Bank (2011: ii), *what would it Take Zambia's Copper Mining Industry to achieve its Potential?* (Report No. 62378-ZM), USA: World Bank.

³Ibid

the twenty-first century. In 2011-2013, Zambia's extractive revenue was roughly US \$1.5bn annually, which represented around 30% of total government revenue. In 2011, Foreign Direct Investment (FDI) into mining represented 86% of total FDI. Foreign investment has helped push production levels up. In 2012 alone more than US \$4bn was invested in the mining sector. As a result, copper production increased by over 8% from 2012 to 2013⁴.

Despite Zambia being a mineral rich country, Zambia has been recorded to be one of the poorest countries in the world where 62.8% of the population lives in multi-dimensional poverty⁵, this looks at the level of poverty prevailing in a country based on access to health, education and income to determine the standard of living of the people. Recent reports highlight that seven out of ten people live on less than two dollars a day.⁶ As of 2014, the average life expectancy in Zambia is 51.85 years, 50.24 years for males and 53.48 years for females⁷. With good governance and transparency, the exploitation of these mineral resources can generate large revenues that can cultivate a robust economy and contribute substantially to poverty reduction. Yet, governance in the extractive industry in Zambia is weak, which is compounded by several factors: 1) to date the government does not know the true operational cost of the mines; 2) the companies do not declare their financial statements; 3) no analysis and scrutiny is being done on the mining companies balance sheets; 4) the companies do not declare the amount they pay in taxes to the government; and, 5) with regards to the information that the government does have, it does not adequately declare or account for the amounts received from the extractive industry companies.

“Maximizing benefits from the extraction of natural resources without transparency and accountability is like a man standing in metal bucket trying to lift himself by the handle. It’s unheard of!!!”



2.2. Legal and Policy Framework

The Ministry of Mines, Energy and Water Development (MMEWD) is responsible for drafting legislations for the mining sector in Zambia. The principle legislation governing the mining industry has

⁴Source: EITI Report 2013

⁵http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/ZMB.pdf

⁶<http://www.presscave.com/top-poorest-countries-in-the-world/>

⁷http://www.indexmundi.com/zambia/life_expectancy_at_birth.html

been the mines and minerals development act no. 7 of 2008⁸, the act broadly deals with licensing and regulation of mining activities and is currently being reviewed to ensure a balance that will create a competitive environment thriving on a sustainable mining industry to benefit Zambians concurrently rewarding investors. Government however recently approved the bill of the Mines and Minerals act of 2015 that sets the royalty tax at nine per cent for open cast and six per cent for underground mines. It has also approved the Income Tax 2015 (Amendment) Bill which seeks to implement the changes to the mine tax system.

Zambia launched the Mine and Mineral Development Policy in 2013 which aims at enhancing the development of the mining industries contributing to the sustainable economic development of the country. The policy further seeks to address the challenge of the minimal contribution of the mining sector to the treasury despite high metal prices and increasing production.⁹ However, the governments highlighted that they intend to review the mineral policy to trigger increased economic growth that will culminate into the country attaining a middle-income status by the year 2030. The revision of the act will seek to address various challenges being faced in the sector including, activities across the mining value chain, redressing unnecessary bureaucracy in the issuance of mining rights as well as reviewing the inadequate size and duration of prospecting licences, it will also seek to redress the appeal procedures and also retain a tenement in situations where progression to mine development becomes impossible because of adverse economic conditions¹⁰.

In 2014, Government launched the Mineral Value Chain Monitoring Project. A scheme focusing on the physical flow of minerals from mining the ores through processing into concentrates and refined products, and exporting. This project is hosted by Zambia Revenue Authority (ZRA). With a goal of designing and develop a multi-purpose and multi-stakeholder scheme for monitoring the country's mineral resources throughout the value chain with an objective to provide accurate and reliable data and information on the mining sector relevant for effective policymaking and improving tax administration and mining sector oversight. Complimenting this, is the an EU supported Mineral Production Monitoring Support Project, being carried out under the supervision of the MMEWD, whose objective is strengthen the ability of the MMEWD to fulfil its mandate as a mining authority to effectively monitor mining activities and mineral production in Zambia, and to share this information with other relevant Government agencies, in order to facilitate the mobilization of the appropriate levels of domestic revenue. Inclusive of the projects planned interventions is the Assessment of the overall legislative framework of the mining industry in Zambia and suggesting improvements or additions that would facilitate improved governance by the MMEWD for the benefit of Zambia.

Zambia's policy and legal and regulatory (mining, labour, gender) environment though gender neutral continues to pose challenges due to historic practices. Mining has historically been the preserve of men, consequently little to no consideration of the special needs of women have been factored into mining practices and technology, occupational health and safety standards.

2.3. Transparency and Accountability in the Extractive Industries:

⁸Available at www.azmec.co.zm/downloads/acts

⁹Available at <http://www.azmec.co.zm/downloads/acts/2013%20Mineral%20Resources%20Development%20Policy%20Zambia.pdf>

¹⁰<http://www.miningnewszambia.com/zambia-to-revise-mineral-laws-to-foster-increased-investment/>

One of the measures Zambia has taken to address this is to join the Extractive Industries Transparency Initiative. Zambia became an EITI Candidate country in May 2009. In 2011, the country underwent its first validation, and the EITI Board declared that meaningful progress had been made but not all requirements were met. Following a review by the international secretariat, Zambia was declared EITI Compliant in September 2012. To date, six EITI reports have been published, covering years 2008-2013¹¹. The EITI has not yet been legislated; both mining and government agencies are complying through a memorandum of understanding, signed by the three stakeholders (the government, mining companies and civil society), which is not legally binding. Zambia currently has a draft of the EITI Bill aimed at compelling mining companies and government to mandatorily disclose payments of revenue, this bill was due to be presented to cabinet in December 2013.¹²The pillars of the draft bill are beneficiation, ownership, utilization of revenue, and community empowerment.

3.0. *Strategic Focus 2015-2016*

Based on the lessons learnt during the past six (6) years, PWYP-Zambia commissioned the development of an Advocacy Strategic Plan 2015-2017. The Plan is aimed at providing the national Chapter with a foundation and direction on how to pursue its mandate effectively for the purpose of attaining its mission. On this basis, this Plan is based on the on-going activities but also provides a strategic way forward within the given socio-economic and political conditions existing at local, national and international levels. The strategic plan is aligned with the Publish What You Pay Extracting Equity Guide which integrates gender perspectives into natural resource governance and the Publish What You Pay strategic menu “*PWYP a la carte*”¹³ this has an overall of four strategic pillars inclusive of, the mining sector as ;

- a. Publish what you pay and how you extract
- b. Publish what you pay
- c. Publish what you earn and how you spend
- d. Practice what we preach

2.1. **Identification of Issues and priority areas**

PWYP Zambia held a series of planning activities meant to identify the priority issues that formed the core of this Advocacy Plan. Specifically, a stakeholders' planning workshops was held in 2014 and early 2015 and this was followed by a series of planning meetings with the PWYP international secretariat and also the PWYP steering committee. Further, a comprehensive identification of issues was conducted, as this helped PWYP Zambia to be clear on what change it was attempting to bring about and the ways in which it could make that change to happen. Substantial research and analysis of the priority issues was conducted and the issues identified are as follows:

Publish What You Pay Zambia will focus on four(4) main core priority areas of intervention to be achieved in the timeframe from 2015-2017. These are;

¹¹<http://eiti.org/Zambia/>

¹²<http://allafrica.com/stories/201312100246.html>

¹³Available at www.extractingthetruth.org/

1. Participatory mining legislation, policy and planning framework developed
2. Advancement and Legislation of Extractive Industries Transparency Initiative (EITI)
3. Tackling illicit financial flows, transfer pricing, budget prioritization and monitoring
4. Strengthening the PWYP coalition's governance systems

4.0. Objectives of PWYP Advocacy Strategy 2015-2017

These objectives are hence inclusive of;

1. Contributing to strengthening the legislative, policy and institutional framework governing the extractive sector in Zambia by 2017
2. Enhancing transparency and accountability through the Zambia EITI process by 2017
3. Ensuring transparency & accountability in the management of resources from the extractive Industries at local & national level by 2017
4. Strengthening the governance systems of PWYP Zambia to effectively monitor and influence the governance of the Zambian extractive industry by 2017

FOCUS 1: Participatory mining legislation, policy and planning framework developed

Mining by nature causes direct and indirect impacts on the economy and different players in the community inclusive of women, men, youth and children. However the legislative framework does not adequately protect the, different needs of the community from these effects of mining. One of the underlying causes governing mining is a lack of enforcement legal and regulatory frameworks. The direct social and environmental impacts of mining areas are those caused through its direct value chain activities including prospecting, exploration, site development (including mine surface facilities), and ore/coal extraction from rock in situ, mineral dressing, smelting, refining /metallurgy, transportation and post mining. In this value chain, the communities and the economy are affected in different phases of the mining cycle in various ways.

There has been significant change in policy and legislative issues around mining in Zambia and government responses to the issues not only towards transparency and accountability in the mining sector, but also the gender perspective of mining. As a matter of fact government recently passed the Mines and Minerals Bill of 2015 into law. However, the changes in the legislative framework have not been sufficiently referenced to the Africa Mining Vision (AMV) and its objectives.

The Africa Mining Vision (AMV) was adopted by Heads of State at the February 2009 AU summit following the October 2008 meeting of African Ministers responsible for Mineral Resources Development. The AMV is Africa's own response to tackling the paradox of great mineral wealth existing side by side with pervasive poverty. The AMV is holistic. It advocates thinking outside the "mining box". Accordingly it's not just a question of improving mining regimes by making sure that tax revenues from mining are optimized and that the income is well spent – although that is clearly important. Rather it's a question of integrating mining much better into development policies at local, national and regional levels. That means thinking about how mining can contribute better to local development by making sure workers and communities see real benefits from large-scale industrial

mining and that their environment is protected. It also means making sure that nations are able to negotiate contracts with mining multinationals that generate fair resource rents and stipulate local inputs for operations.

However there has been a huge challenge in implementation the AMV in Zambia, which has been exacerbated by a generally inadequate understanding of the AMV and its objectives. This has resulted in much hollow rhetoric with regards to the government's implementation on the AMV.

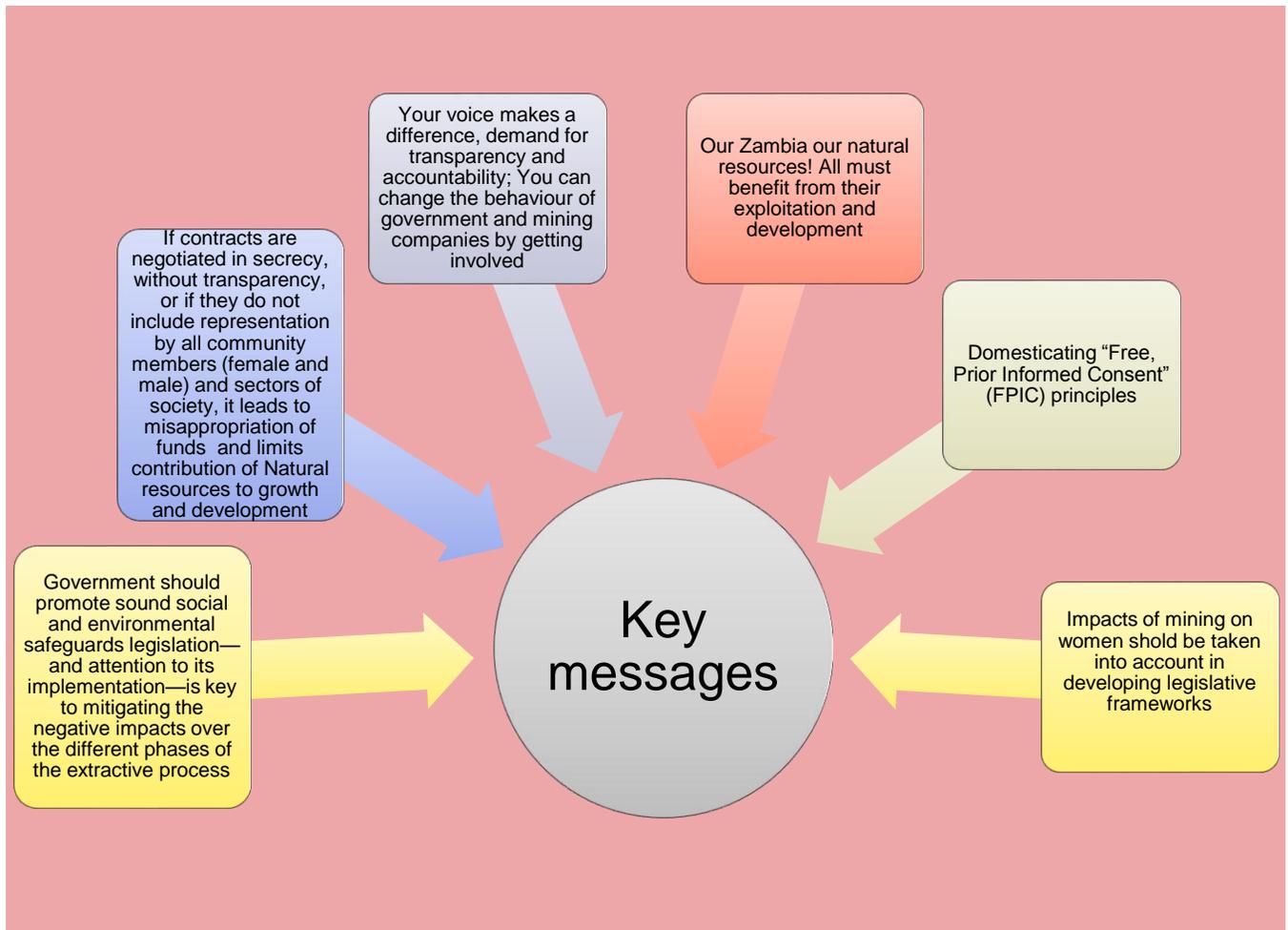
PWYP Zambia will hence explore opportunities to advocate for the domestication of the AMV in Zambia in the strategic plan period. In addition PWYP also recognises that despite laws, regulations and policies to regulate mining companies, the monitoring and enforcement of laws governing extractive industries is weak due to inadequate funding and skilled manpower to regulate adherence to regulations. Mining companies' compliance with number of other regulations and conventions should be monitored, and those laws and conventions should be more strictly enforced, including:

- Zambia is a state party to a number of Conventions and Agreements on the management of the environment and natural resources. Among these is the Convention on International Trade of Endangered Species of Flora and Fauna (CITES), Convention on Biological Diversity (CBD) and the Ramsar Convention (Convention on Wetlands of International Importance).
- Zambia under the Mines and Minerals Act has a number of Statutory Instruments intended to address aspects of the environment linked to all mining processes. Among these are the demands that a mine operator should have an Environmental Management Plan, a plan for decommissioning and rehabilitation and an estimated cost for environmental protection.

In a bid to contribute to **strengthening the legislative, policy and institutional framework governing the extractive sector in Zambia by the year 2017**, PWYP Zambia will lobby for the development, review and enactment of key EI legislation and their adequate enforcement. In this strategies time frame, PWYP Zambia will seek to advance both women and men's community level views on legislation that relate to mining and Natural resource management, mining related Bills tabled in parliament, develop position papers and participate in the review of the 2015 Mines and Minerals Act and its advancement, advocate at the national level for the implementation of the Mineral Royalty Sharing Mechanism, advocate for legislation that addresses issues on Transfer Pricing and advocate for legislation that addresses illicit financial flows.

The operation objective of the focus area will be:

1. Contributing to strengthening the legislative, policy and institutional framework governing the extractive sector in Zambia by 2017



FOCUS 2: Advancement of EITI

Transparency and accountability of the extractive industries are really important issues in Zambia and it is a significant step forward that Zambia has become an EITI candidate country. The EITI has intentionally narrow focus on transparency of payments. However, EITI needs to broaden its focus if it wishes to address the human rights concerns that were part of the reason for its development. The recent development of the Guiding Principles on Business and Human Rights underscores the need for EITI to expressly expand its mandate to include human rights. Another limitation on the mandate has been that EITI does not address transparency of flows leaving implementing countries; illicit financial flows leaving the developing world may lead to significant amounts of lost revenue, which could otherwise be used to improve human rights. EITI has not required implementing countries to disclose subnational transfers, although many EITI implementing countries make these transfers; transparency of these payments can help ensure that local communities enjoy the benefits of revenue-sharing arrangements.

EITI in addition is voluntary in Zambia and the EITI implementation need to be backed by law if its objectives have to be met. The non-legal status of the memorandum of understanding, signed by the three stakeholders (the government, mining companies and civil society), leaves lots of loop holes in the accurate disclosure of revenues, as companies and government are not mandated to make

disclosures, as a matter of fact, companies many aswell chose to withhold some vital information, it is observed that most mining companies do not submit reporting template certified by external auditors.Zambia currently has a draft of the EITI Bill aimed at compelling mining companies and government to mandatory disclose payments of revenue, this bill was due to be presented to cabinet in December 2013.¹⁴ But little has been heard from enactment of the bill to law since then.

The EITI reports language (only restricted to English) is too technical, there is need for simplification and for an ordinary citizen to read and understand. Widening the scope of the EITI is also an important. There is need to ensure there is accountability in the use of the moneys paid from the mining companies and also ensure the discrepancies and social payments are properly documented and beneficiaries are unknown.

The following will be the operation objective of this focus area,

1. Enhancing transparency and accountability through the Zambia EITI process by 2017

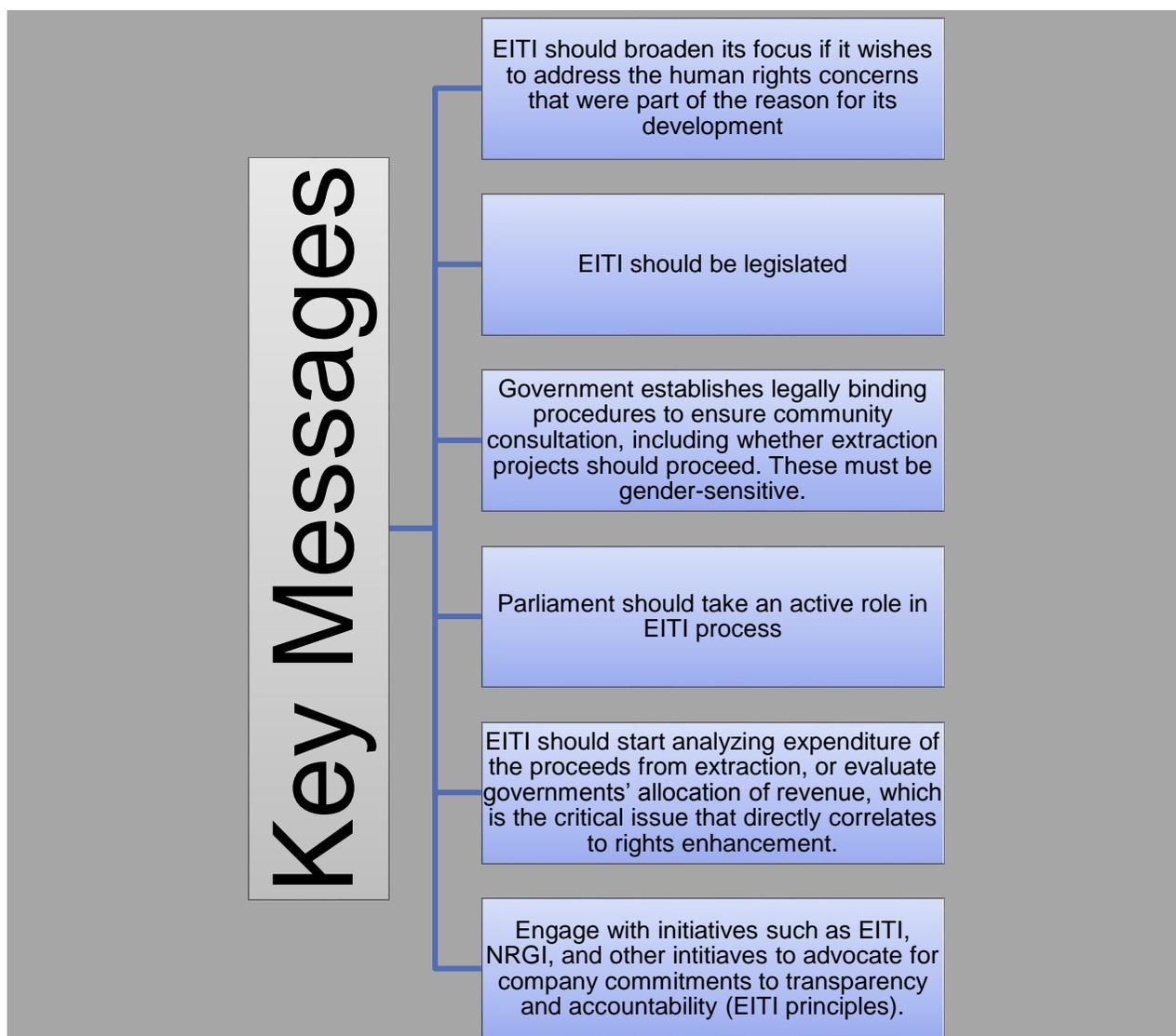
To enhance transparency and accountability through the Zambia EITI process by 2017, PWYP Zambia Chapter will; enhance dialogue on the ZEITI reports amongst stakeholders, support CSO involvement and good governance processes on the ZEITI and ensure information flow from the MSG meetings to other CSO constituents. This is in addition to ensuring that law backs EITI, which can also ensure that EITI starts analyzing expenditure of the proceeds from extraction, or evaluate governments' allocation of revenue, which is the critical issue that directly correlates to rights enhancement.



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¹⁴<http://allafrica.com/stories/201312100246.html>

¹⁵Picture sourced from: Tanzania Policy Forum; Parliamentary Advocacy in Extractive Industries



FOCUS 3: Tackling Illicit Financial Flows, Transfer Pricing, Budget Prioritization, Monitoring

Zambia has had a serious problem of illicit financial flows, for instance between 2001 and 2010 Zambia lost \$8.8 billion illicit financial flows. Of that, \$4.9 billion can be attributed to trade mis-invoicing, which is a type of trade fraud used by commercial importers and exporters around the world. Zambia's GDP was \$19.2 billion in 2011, Its per-capita GDP was \$1,413.¹⁶ The Zambian government collected a total of \$4.3 billion in revenue. Zambia definitely can't afford to be hemorrhaging illicit capital in such staggering amounts.

Zambian transfer pricing provisions are enshrined in the Income Tax Act (ITA), chapter 323 of the laws of Zambia. There are no detailed rules on transfer pricing in Zambia. However, the Zambian tax regime recognizes the OECD Guidelines where there is no specific guideline under the ITA.¹⁷ Hence, Zambia

¹⁶<http://financialtransparency.org/news/zambia-lost-8-8-billion-in-illicit-outflows-from-2001-2010-according-to-forthcoming-report/>

¹⁷KPMG (2012) Global Transfer Pricing Review: Zambia. KPMG International. Pg 1

does not have a clear cut set of transfer pricing penalties too; the penalties enshrined in the act generally apply on Transfer Pricing cases as well.¹⁸ This is precisely what some companies have exploited. For instance, companies registered in Switzerland have copper producing subsidiaries in Zambia. One such Zambian based subsidiary reportedly sells copper to its Swiss-based counterpart at below-market price. Then, the Swiss-based company sells the copper at world prices as if it originated from Switzerland (netting the price difference as profit whilst consistently reporting losses in Zambia). Switzerland has in effect become a “major copper exporter”¹⁹. Zambia also continues to record cases of black market sells of its minerals with illegal mining activities on the rise²⁰

\$991.2bn was funnelled out of developing and emerging economies through crime, corruption and tax evasion in 2012 alone, developing countries lose more money through illicit financial flows (IFF) than they gain through aid and foreign direct investment²¹. Combat against capital flight and tax havens have emerged in the development agenda in recent years. Also questions of harmful tax practices and tax avoidance have come into the arena of development policy. According to the Paying Taxes 2009-report from the World Bank, the total tax rate of Zambia (16.1%) is the lowest in Africa and 8th lowest in the whole world.²² This does not however mean that the tax burden of an average Zambian would be low. If anything, the explanation is regressive taxation policy.



'GOLD DIGGERS'

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¹⁸ TPA 2014, Transfer Pricing Country Summary Zambia

¹⁹This story is excellently captured by a documentary entitled Stealing Africa – Why Poverty? See www.youtube.com/watch?v=WNYemuiAOofU

²⁰<https://www.daily-mail.co.zm/?p=3961>

²¹<http://www.theguardian.com/global-development-professionals-network/2014/dec/16/illicit-financial-flows-asset-recovery-versus-fraud-prevention>

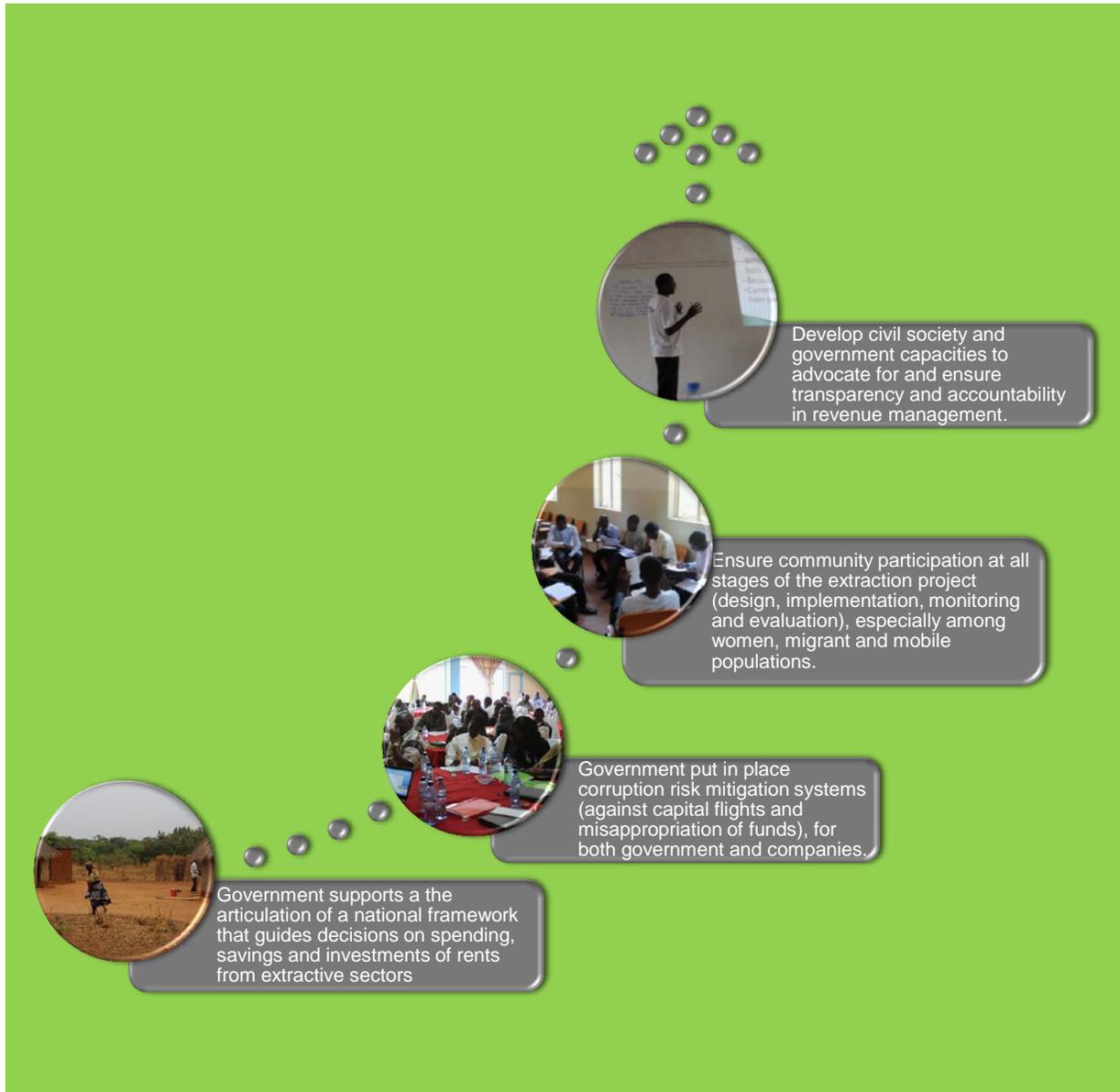
²²World Bank (2009).Paying Taxes 2009: *The Global Picture*, p. 14.

²³Sourced at www.polyp.org.uk

To ensure transparency & accountability in the management of resources from the extractive Industries at local community & national level by 2017, PWYP Zambia will embark on Strengthening community engagement & participation in the budget process.

The following will be the operational objectives that will guild the activities

Ensuring transparency & accountability in the management of resources from the extractive Industries at local & national level by 2017



FOCUS 4: Strengthening the Coalition’s Governance Systems

To strengthen the governance systems of PWYP Zambia to effectively monitor and influence the governance of the Zambian extractive industry, there is a realization among the coalition members that the ability of PWYP Zambia to successfully influence the extractive industry governance reform is predicated on the strength of the coalition itself. PWYP Zambia, within the proposed time frame commits itself to work to ensure that all governance systems are in compliance with national laws, the PWYP Zambia governance framework and the PWYP Global Standards for coalitions. This means that the coalition will work to ensure that PWYP Zambia, finalise PWYP Zambia coalition governance systems, strengthen PWYP Zambia coalition processes and increasing the visibility of PWYP Zambia.

The following will be the operational objective that will guide the activities.

Strengthening the governance systems of PWYP Zambia to effectively monitor and influence the governance of the Zambian extractive industry by 2017

This will be done with efficient communication and participation from all PWYP members.

4.0 PWYP Zambia Advocacy Principles

In the design as well as implementation of various advocacy activities, the steering committee, members and secretariat, will adhere to a set of core principles.

1. PWYP Zambia in its advocacy will first and foremost supplement the advocacy activities of Network members;
2. Where possible, PWYP Zambia will seek to undertake advocacy which addresses policy and institutional reforms vis-à-vis pro poor development;
3. PWYP Zambia will conduct advocacy on key strategic issues aimed at promoting pro-poor development;
4. Advocacy will be conducted within the confines of the law;
5. PWYP Zambia will strive to uphold its reputation and image;
6. PWYP Zambia will seek to manage ad-hoc advocacy and ensure that such advocacy adheres to the broader objectives of the coalition and its members;

5.0 Audiences

The impact on Extractive industries on sustainable development and their potential, existing, projects and future projects- extractives, will depend on many factors and stakeholders involvement, but in particular on the policies governments put in place to manage the extractive projects and the revenue

flows that they generate. Stakeholders need to be more aware and conscientised on now in general of the risks and of approaches needed to mitigate them.

To achieve the above objectives, PWYP Zambia, will target with among other; Community members, women community groups, civil society organisations, the media, public sector, Parliamentary committees, National assembly, Champions of EITI, Community Leaders, Local councils, Traditional leaders, Parliamentary committees, National assembly, and the office of the Auditor general, educationalists and Investors in Extractive Industries.

6.0 *Linkages and networks*

We are driven by a commitment to ensuring extractive industries contribute to sustainable development of the industry. As such, we shall promote an approach characterized by informed research, multi-stakeholder consultation, shared prosperity, capacity building and transparent and accountable action, so that our programmes deliver results at every level of society.

The coalition will work with national, grassroots institutions, trade unions, media organizations, donors and other organizations and other liked initiatives working on issues related to extractive industries and transparency and accountability in the management of Natural Resources to:

- Analysis and give recommendations on issues related Natural Resource management and extractive industries
- Work with members of Parliament, councillors and districts authorities to influence policy change based on the collected information, research and analytical work done
- Sensitize the public and communities on extractive industries.
- Collect information on government revenues collection from the extractive industry, government pattern of expenditures.
- Dialogue with the government and the extractive industry companies on the cost and benefit of natural resource exploitation and development
- Collect information on mining activity and how it is impacting on the daily livelihoods of local community members.
- Work with the above mentioned institutions and different local regional media institutions to influence the mind-sets of communities and demand transparency and accountability in the extractive sector.

7.0 **Assumptions**

- Availability of adequate resources to implement the Strategic Plan
- Opportunity and ability of PWYP-Zambia to secure additional and alternative sources of funding
- Ability to maintain the required human and material resources required to implement the Strategic Plan
- Support and willingness to collaborate by various stakeholders

- Continued recognition of the EITI as a mechanism for agreed-upon standard performance indicator in the EIs

8.0 *Advocacy Actions*

PWYP Zambia will employ a wide range of actions in order to successfully implement its advocacy plan. The following section highlights some of the major actions, which serve as a precursor to the presentation of the actual Action Plan featured in the next section. The four main actions to be taken include the following:

- a. **Public campaigning:** - this involves activities to engage the public, and to mobilise visible support for the coalition’s position. In this regard, PWYP Zambia will conduct activities like Indabas, marches, open days and petitions as part of the process of public campaign.
- b. **Lobbying:** this is the process of trying to directly influence key decision-makers including the Republican President, Cabinet Ministers, Parliament, International Cooperating partners, traditional leaders, company executives, etc. In this case, PWYP Zambia will directly get in touch with those that have the power and authority to bring about the desired changes especially at policy decision level.
- c. **Capacity building** - increasing the knowledge, skills and developing structures of those affected by a particular issue, enable them to carry out their own advocacy and effect change to improve their lives.
- d. **Media work:** - this is the use of both the print, electronic and social media (Facebook, twitter, etc.) in raising public awareness of the advocacy issues, with the intention of changing public attitudes, behaviour, and perception in order to encourage support for PWYP Zambia’s advocacy actions.

9.0 *Interpretative Material and Tools*

In this Advocacy Strategy Plan, the following constitute the main tools of the campaign:

- **Research and Analysis:** The success of a campaign focused on demanding transparency and accountability from government and operators in the EIs largely depends on constant research and analysis of topical issues in this sector. This information is vital for not only engaging other stakeholders but also for keeping the campaign together by providing information and positions that is required for the campaigners and their supporters to come up with positions vis-à-vis other actors. More importantly, the campaign will be anchored and supported by the timely and relevant generation of information that will meet the expected standards of various stakeholders – “facts and evidence” upon which the campaigners will engage and lobby various actors in the EIs processes.

- **Information Packaging and Dissemination:** Issues related to EIs are often complex. Therefore, the manner in which the generated information is packaged and disseminated is vital to the success of the campaign. In this regard, it is important that packaging and dissemination of information is tightly tied to the nature and level of the targeted constituency. The campaign will attract support and attention on the basis of how well the issues at hand will be understood and dissected by the various stakeholders.
- **Communication and Media:** Media, in its various forms, is critical to the dissemination and attraction of the attention of various stakeholders to the campaign cause. Therefore, it would be essential for PWYP to develop a communication and media strategy that will clearly identify the contact media points, messaging, dissemination and the M&E of the information given to various targeted audiences.
- **Advocacy and Lobby:** The ultimate goal of the PWYP campaign is to influence the behaviour of government and the operators in the EIs with regard to the concerns of transparency and accountability. In this regard, it is important to ensure that the campaign is grounded and based on sound advocacy and lobby strategies. For this reason, PWYP might consider developing an advocacy and lobby plan that would provide guidance on how to engage and track the campaign's engagements at various levels of society – local, national and international
- **Networking and Public Mobilisation:** Ultimately, the success of the campaign greatly depends on the solidarity, mass support and commitment of the various stakeholders to the cause. In this regard, it is vital to ensure that the campaign is “alive” at all levels – local, national and international. For this reason, PWYP might consider developing a network and mobilization plan that will help in keeping check, at all times, the levels of support, adversaries and allies to the cause.

10. Calendar of Events

This strategic plan stretches from the period of 2015 to 2017, and as such all advocacy activities will take place in the timelines as attached in M&E log-frame below.

M&E LOG-FRAME

PWYP Zambia Advocacy strategy 2015-2017

Strategy	Activities	Timelines (Quarters)						Indicators of Success	Targeted Audience	PWYP Zambia members to involve
		Q3	Q4	Q1	Q2	Q3	Q4			
Objective 1: Contribute to the strengthening of the legislative, policy and Institutional framework Governing the extractive sector in Zambia by 2017										
1. Lobby for the development, review and enactment of key EI legislation	EITI Bill									
	<ul style="list-style-type: none"> Seek community level views on the Draft 2013 EITI Bill 							<ul style="list-style-type: none"> Position paper on PWYP views on the Bill to the relevant parliamentary committee 	<ul style="list-style-type: none"> Parliamentary committees National assembly Champions of EITI General Public Community Members Youth groups?/ University groups? Women in Mining UN Women Zambia office 	ALL
	<ul style="list-style-type: none"> Hold parliamentary engagement meetings with relevant parliamentary committees 						<ul style="list-style-type: none"> Press statement on PWYPs Position on the Draft EITI Bill 			
	<ul style="list-style-type: none"> Submit PWYP views on the Draft Bill to the relevant parliamentary committee 						<ul style="list-style-type: none"> Social Media Campaigns reach atleast 3000 people 			
	<ul style="list-style-type: none"> Awareness raising media campaigns using through social media, print media and visibility materials Work with key women groups/ focused institutions to review the proposed EITI bill to ensure it is engendered 									
2015 Mines and Mineral Act										
<ul style="list-style-type: none"> Capacity building of communities to understand misalignments of existing laws to the African Mining Vision 							<ul style="list-style-type: none"> PWYP analysis of the 2015 mines and minerals act that identify gaps and 	<ul style="list-style-type: none"> Community Leaders Community members Local councils 	ALL	

Strategy	Activities	Timelines (Quarters)						Indicators of Success	Targeted Audience	PWYP Zambia members to involve
		Q3	Q4	Q1	Q2	Q3	Q4			
	<ul style="list-style-type: none"> Develop PWYP asks paper on the 2015 mines and minerals act and identify gaps and potential alignment areas with the African Mining Vision 							<ul style="list-style-type: none"> potential alignment areas with the African Mining Vision Press statement on PWYPs Position on the Draft EITI Bill Social Media Campaigns reach atleast 3000 	<ul style="list-style-type: none"> Traditional leaders University Groups Parliamentary committees National assembly 	
	<ul style="list-style-type: none"> Hold parliamentary engagement meetings with relevant parliamentary committees dialogue based on key asks and misalignments with AMV 									
	<ul style="list-style-type: none"> Hold media event to present key Asks on the mines and minerals act and potential alignments to the African mining vision 									
	<ul style="list-style-type: none"> Press conferences to popularise meeting on AMV misalignment asks 									
	<ul style="list-style-type: none"> Hold university forums on AMV misalignment asks to popularise CSOs asks paper 									
	<ul style="list-style-type: none"> Awareness raising through media campaigns using social media, print media and visibility materials 									

Strategy	Activities	Timelines (Quarters)						Indicators of Success	Targeted Audience	PWYP Zambia members to involve
		Q3	Q4	Q1	Q2	Q3	Q4			
	<ul style="list-style-type: none"> Work with key women groups/ focused institutions to push for engendering of proposed amendments 								UN Women Zambia office	
	Mineral Royalty Sharing Mechanism									
	<ul style="list-style-type: none"> Create awareness at the grassroots level on the Mineral Royalty Sharing Mechanism and gather input on MRSM PWYP position paper Hold special sittings with women groups at the grass root level to get their views on the MRSM 							<ul style="list-style-type: none"> PWYP position paper on the Mineral Royalty Sharing Mechanism At least two media interactive events. 	<ul style="list-style-type: none"> Local Community Leaders Local Community members Local councils Traditional leaders Parliamentary committees Religious groups/ leaders? Youth groups?/ University groups? 	ALL
	<ul style="list-style-type: none"> Develop PWYP position paper on the Mineral Royalty Sharing Mechanism 									
	<ul style="list-style-type: none"> Hold parliamentary engagement meetings with relevant parliamentary committees on to present and seek dialogue on PWYP position on the MRSM 									
	<ul style="list-style-type: none"> Hold media interactive platform seeking inputs on the MRSM 									

Strategy	Activities	Timelines (Quarters)						Indicators of Success	Targeted Audience	PWYP Zambia members to involve
		Q3	Q4	Q1	Q2	Q3	Q4			
	<ul style="list-style-type: none"> Awareness raising media campaigns using through social media, print media and visibility materials 									
	Illicit Financial Flows									
	<ul style="list-style-type: none"> Build capacities of PWYP members to understand issues on IFF's 							<ul style="list-style-type: none"> Position paper on PWYP views on Transfer Pricing. 	<ul style="list-style-type: none"> Parliamentary committees Office of the Auditor general National assembly Financial Intelligence Centre Zambia Revenue Authority Local communities 	ALL
	<ul style="list-style-type: none"> Build strategic partnerships with TJN/ Action Aid platforms on Tax justice and IFF 						<ul style="list-style-type: none"> Social Media Campaigns reach at least 3000 people 			
	<ul style="list-style-type: none"> Develop PWYP position paper on Transfer Pricing, 						<ul style="list-style-type: none"> At least 4 strategic partnerships built 			
	<ul style="list-style-type: none"> Advocate for legislation that addresses Transfer Pricing recognising OECD guidelines 									
	<ul style="list-style-type: none"> Popularise recommendations from the High Level Panel (HLP) on Illicit Financial Flows as affects Zambia 									
	<ul style="list-style-type: none"> Campaigns on Social Media and press releases in print media 									
Objective 2:Enhancing transparency and accountability through the Zambia EITI process by 2017										

	Strategy	Activities	Timelines (Quarters)						Indicators of Success	Targeted Audience	PWYP Zambia members to involve
			Q3	Q4	Q1	Q2	Q3	Q4			
1.	Enhance dialogue on the ZEITI reports amongst stakeholders	<ul style="list-style-type: none"> ▪ Simplify and popularise the 2012, 2013 and 2014, 2015 ZEITI reports for use for lobbying and advocacy initiatives targeted towards greater accountability by PWYP and community members ▪ Train PWYP members and other CSOs on EITI analysis ▪ Develop PWYP position papers that highlights advocacy ASKs from the 2012, 2013, and 2014, 2015 ZEITI reports ▪ Media briefing on the analysis of the EITI reports ▪ Social Media awareness on key recommendations and advocacy ASKs from the 2012, 2013, and 2014 ZEITI reports 							<ul style="list-style-type: none"> ▪ 50 CSO members and other CSOs in Zambia have received training on EITI and EITI analysis and triangulation ▪ Action plan developed by PWYP members on member engagement and commitment to the EITI processes after receiving training ▪ 2 simplified Zambia EITI report available for use by PWYP and community members 	<ul style="list-style-type: none"> ▪ Champions of EITI ▪ CSOs ▪ Local councils ▪ Traditional leaders ▪ Community Members 	ALL

	Strategy	Activities	Timelines (Quarters)						Indicators of Success	Targeted Audience	PWYP Zambia members to involve
			Q3	Q4	Q1	Q2	Q3	Q4			
		<ul style="list-style-type: none"> Hold through print media campaigns through social media and IEC materials on key PWYP ASKs from the ZEITI reports 							<ul style="list-style-type: none"> At least 200 community members using the simplified Zambia EITI reports to dialogue on resource transparency and accountability with their local governments Press statement on the disclosure of beneficial owners 		
		<ul style="list-style-type: none"> Have local exchange visits that encourage community to community learning on the use of the ZEITI reports to demand for accountability 									
		<ul style="list-style-type: none"> Lobby for companies to disclose accurate information on Beneficial Ownership 									
2.	Support CSO involvement and good governance processes on the ZEITI	<ul style="list-style-type: none"> Lead on drafting CSO governance processes for CSO representation on the MSG Coordinate the CSO MSG representation and election processes Collect CSO views before MSG meetings for consideration by CSO MSG representatives before MSG 							<ul style="list-style-type: none"> TOR on CSOs governance on the MSG developed and approved by at least 50 CSOs 		ALL

	Strategy	Activities	Timelines (Quarters)						Indicators of Success	Targeted Audience	PWYP Zambia members to involve
			Q3	Q4	Q1	Q2	Q3	Q4			
		meetings									
		<ul style="list-style-type: none"> ▪ Ensure information flow from the MSG meetings to other CSO constituents ▪ Encouraging CSO dialogue through various communication platforms on the ZEITI process ▪ Coordinate CSO feedback on the BO threshold levels for input to the MSG ▪ Coordinate quarterly MSG-CSO accountability mechanisms to ensure strong accountability of CSO MSG representatives 							<ul style="list-style-type: none"> ▪ Information from MSG circulated to at-least 50 CSOs 		

	Strategy	Activities	Timelines						Indicators of Success	Targeted Audience	PWYP Zambia members to involve
Objective 3: Tackling illicit financial flows, transfer pricing, budget prioritization and monitoring											
1.	Strengthen community engagement &	<ul style="list-style-type: none"> ▪ Build capacity of PWYP members, CSO'S and communities at local and 							<ul style="list-style-type: none"> ▪ 2016 budget analysis papers for Zambia 	<ul style="list-style-type: none"> ▪ Tax Justice 	ALL

	Strategy	Activities	Timelines					Indicators of Success	Targeted Audience	PWYP Zambia members to involve
	participation in the budget process	<p>national levels to push for budget prioritisation and allocation of resources from EI</p> <ul style="list-style-type: none"> ▪ Build capacities of PWYP chapters to track expenses from payments and revenues from the extractive industries to monitor flows and use ▪ Develop tools for monitoring the utilization of resources from the extractive Industries ▪ Develop advocacy messages to advocate for rectification of non-transparent budgeting and allocation processes for revenues from EI ▪ Develop 2016 and 2017 budget analysis papers focusing on Zambia mineral revenues ▪ Develop media events to popularise 2016 and 2017 budget analysis papers ▪ Develop IEC materials for community awareness ▪ Awareness raising media campaigns using through social media, print media and visibility materials 	■	■	■	■	■	<p>developed</p> <ul style="list-style-type: none"> ▪ At least two public dialogues communicate the contents of the budget analysis papers 	<p>Networks</p> <ul style="list-style-type: none"> ▪ Parliamentary committees ▪ Office of the Auditor general ▪ National assembly ▪ Financial Intelligence Centre ▪ Zambia Revenue Authority ▪ Local communities 	

	Strategy	Activities	Timelines				Indicators of Success	Targeted Audience	PWYP Zambia members to involve	
Objective 4: Strengthening the PWYP coalitions governance systems.										
1.	Finalise/develop PWYP Zambia coalition governance systems	<ul style="list-style-type: none"> ▪ Revise steering committee TOR and election/selection procedures ▪ Sign PWYP & Host organisation MOU ▪ Finalise PWYP Zambia By-laws ▪ Finalise PWYP Zambia communication strategy ▪ Ensure all members fill in the new PWYP membership forms ▪ Amend PWYP Zambia email list based on completed membership forms ▪ Launch the PWYP Zambia website ▪ Complete the PWYP Zambia Advocacy strategy (Strategic plan) ▪ Develop a PWYP Zambia campaignprotection strategy ▪ Finalise TORs for functional sub-committees ▪ Secure member commitment to the sub-committees ▪ Actively source for resources for the operationalization of the 						<ul style="list-style-type: none"> ▪ Advocacy strategy endorsed by members ▪ Advocacy strategy for Angola developed ▪ Fundraising strategy endorsed by members ▪ One Annual General Meeting (AGM) per country coalition held ▪ Elections for PWYP host organisation and steering committee members for each coalition held ▪ Members interacting on 	<ul style="list-style-type: none"> ▪ PWYP Member CSOs ▪ CSO dealing with the Extractive Industries Justice 	<ul style="list-style-type: none"> ▪ PWYP Steering Committee ▪ PWYP Copperbelt Chapter ▪ PWYP Northwestern Chapter

	Strategy	Activities	Timelines					Indicators of Success	Targeted Audience	PWYP Zambia members to involve
		PWYP Zambia strategy						Facebook and Twitter accounts <ul style="list-style-type: none"> ▪ At least half of country's membership is signed onto the coalition's social media pages ▪ At least one posting with information on the extractive sector per week 		
2.	Strengthen PWYP Zambia coalition processes	<ul style="list-style-type: none"> ▪ Conduct annual coalition-self assessment process ▪ Hold PWYP General Meeting's ▪ Ensure quarterly steering committee meetings ▪ Assess risk environment for PWYP activists on a yearly basis ▪ Strengthen the governance systems of PWYP Zambia chapters 							<ul style="list-style-type: none"> ▪ 	

	Strategy	Activities	Timelines						Indicators of Success	Targeted Audience	PWYP Zambia members to involve
3.	Increase visibility of PWYP Zambia	<ul style="list-style-type: none"> Daily/weekly information sharing through PWYP social media platforms and one Google mailing list 									<ul style="list-style-type: none">
		<ul style="list-style-type: none"> Constantly seek out joint programming/ fundraising opportunities with other PWYP CSO members and PWYP regional coalitions 									
		<ul style="list-style-type: none"> Coordinate the organisation of and delivery of the national and provincial indabas Participate in EI events by other platforms, CSOs, government, and development partners 									
		<ul style="list-style-type: none"> Monthly PWYP progress reports circulated to the membership 									
		<ul style="list-style-type: none"> Participate in regional alternative mining indabas 									