



Competition & Consumer Protection Commission

Draft - Annual Report - 2022

**Theme: Competition in the Agriculture and Agri-Business Sectors -
Breaking barriers**

CONTENTS

- 1.0. STATUTORY MANDATE
 - 2.0. VISION/MISSION STATEMENTS
 - Mission
 - Vision
 - Organisational Values
 - 3.0. ORGANISATIONAL STRUCTURE
 - 4.0. CORPORATE GOVERNANCE
 - Board Committees
 - Board and Committee Meetings
 - Board Members
 - Executive Management Team
 - 5.0. CHAIRMAN'S STATEMENT
 - 6.0. EXECUTIVE DIRECTOR'S REPORT
 - 7.0. MERGERS AND MONOPOLIES
 - Strategic Objectives:*
 - Develop and implement a predictable and efficient merger regulation regime
 - Ensure free and fair markets with minimal barriers to entry
 - 8.0. RESTRICTIVE BUSINESS PRACTICES
 - Strategic Objectives:*
 - Reduced incidences of Cartels and Restrictive Business Practices on the Zambian market
 - 9.0. CONSUMER PROTECTION
 - Strategic Objectives:*
 - Enhance Consumer protection in Zambia
 - Empower consumers with knowledge on their rights and obligations in the marketplace
 - Improve the handling and resolution of Consumer complaints
 - 10.0. LEGAL AND REGULATORY
 - Strategic Objectives:*
 - Provision of legal services and support to CCPC in the discharge of its statutory functions
 - 11.0. INSTITUTIONAL DEVELOPMENT/OPERATIONAL EFFICIENCY
 - Strategic Objectives:*
 - High performing market regulator
 - Review and Strengthen the Governance and Oversight Functions
 - Improve quality of Research, Development and Advocacy
 - Improve the provision of Corporate Affairs Services
 - Enhance capabilities and performance of Staff
 - 12.0. KEY CHALLENGES, RECOMMENDATIONS AND OPPORTUNITIES
 - 13.0. FINANCIAL
-

ACRONYMS

ACER	Annual Competition and Economic Regulation
ACF	Africa Competition Forum
ACSZ	Agriculture and Commercial Society of Zambia
ACT	Competition and Consumer Protection Act No. 24 of 2010
Board	Board of Commissioners for the Commission
BAZ	Bankers Association of Zambia
BoZ	Bank of Zambia
CCC	COMESA Competition Commission
CCPT	Competition and Consumer Protection Tribunal
CCRED	Centre for Competition, Regulation and Economic Development
COMESA	Common Market for Eastern and Southern Africa
Commission	Competition and Consumer Protection Commission
COVID-19	Corona Virus Disease 2019
CUTS	Consumer Unity and Trust Society
FRA	Food Reserve Agency
ICN	International Competition Network
ICPEN	International Consumer Protection and Enforcement Network
MCTI	Ministry of Commerce, Trade and Industry
MoF	Ministry of Finance
NFIS	National Financial Inclusion Strategy
NPA	National Prosecution Authority
PIA	Pensions and Insurance Authority
SADC	Southern African Development Community
SEC	Securities and Exchange Commission
UNCTAD	United Nations Conference on Trade and Development
ZCSA	Zambia Compulsory Standards Agency
ZICTA	Zambia Information and Communication Technologies Authority

**The Honourable Minister,
Ministry of Commerce, Trade and Industry
Lusaka**

Hon. Minister

According to Paragraph 13 of the First Schedule of the Competition and Consumer Protection Act No. 24 of 2010, the Commission is required to present to the Minister of Commerce, Trade and Industry an Annual Report on the activities of the Competition and Consumer Protection Commission, relatively to the year immediately preceding.

I hereby submit to you, Honourable Minister, the Annual Report together with the audited Statement of Financial Position and the Statement of Income and Expenditure. The Report covers the year 2022.

Yours sincerely

**Dr. Chenga.S.Chisha
Commissioner & Chair-Finance and Administration Committee**

STATUTORY MANDATE

The Competition and Consumer Protection Act (CCPA) No.24 of 2010 is a statute under which the Competition and Consumer Protection Commission (CCPC) was established.

The Commission is a primary advocate for competition and consumer protection in Zambia and its mandate cuts across all economic sectors including those sectors with specific sector regulators. In general terms, the Commission's principal aims are twofold, that is:

- ❖ To promote a culture of competition for a sustained economic growth and wealth creation.
- ❖ To protect and enhance consumer welfare in the economy for the benefit of all Zambians.

The core functions for the Commission's mandate and objectives are detailed below: -

COMPETITION REGULATION

- ❖ Review the operation of markets in Zambia and the conditions of competition in those markets
- ❖ Investigate and assess restrictive agreements, abuse of dominant positions and mergers
- ❖ Undertake and publish general studies on the effectiveness of competition in individual sectors of the economy in Zambia

CONSUMER PROTECTION REGULATION

- ❖ Provide information for the guidance of consumers regarding their rights under this Act
- ❖ Investigate unfair trading practices and unfair contract terms and impose such sanctions as maybe necessary

GOVERNMENT ADVISORY

- ❖ Advise Government on laws affecting competition and consumer protection
- ❖ Advise the Minister on agreements relevant to competition and consumer protection and on any other matter relating to competition and consumer protection

GENERAL

- ❖ Review the trading practices pursued by enterprises doing business in Zambia
- ❖ Act as a primary advocate for competition and effective consumer protection in Zambia
- ❖ Co-operate with and assist any association or body of persons to develop and promote the observance of standards of conduct for the purpose of ensuring compliance with the provisions of this Act
- ❖ Liaise and exchange information, knowledge and expertise with competition and consumer protection authorities in other countries
- ❖ Do all such acts and things as are necessary, incidental or conducive to the better carrying of its mandate under tis Act

VISION/MISSION STATEMENTS

The Commission's Vision and Mission Statements are articulated in line with its goals and objectives to fulfil its mandate with emphasis on the Organisational Values which govern how the Commission discharges its functions. This includes its investigations, advocacy programmes, public outreach and stakeholder engagement.

VISION STATEMENT

To be a global model in protecting and maximizing economic welfare.

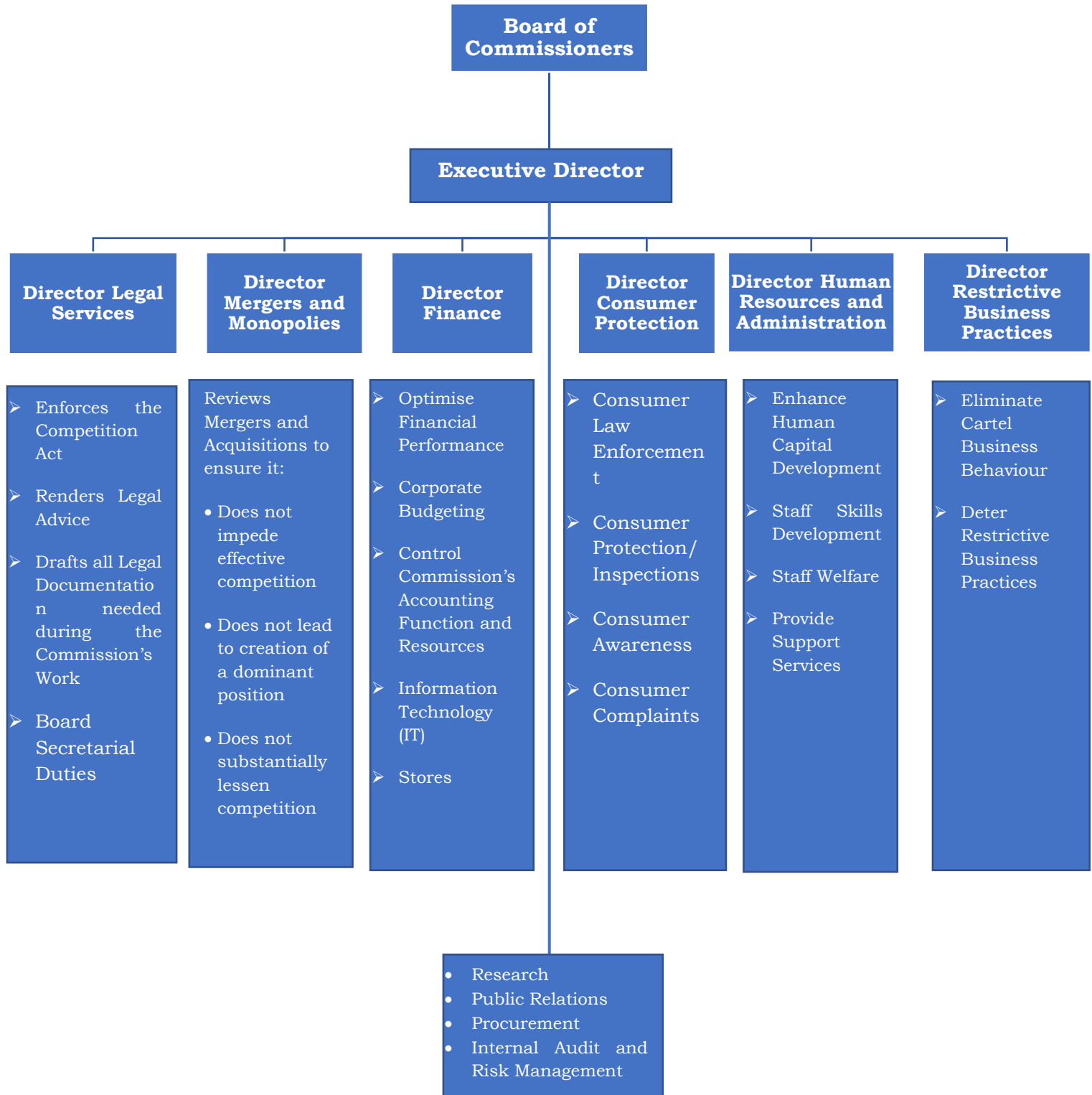
MISSION STATEMENT

To safeguard and promote economic welfare by prohibiting anti-competitive and unfair business practices in Zambia.

ORGANISATIONAL VALUES

1. Professional – We act in a skilled and diligent manner, exhibiting good judgment and polite behaviour.
2. Integrity – We act fairly, ethically and transparently in all we do.
3. Respect– We respect and value all our stakeholders.
4. Excellence– We use our energy, skills and resources to deliver the best service.
5. Responsive – We proactively engage with all our stakeholders and respond in a timely manner.
6. Transparency – We are accountable and respect due process.

ORGANISATIONAL STRUCTURE



CORPORATE GOVERNANCE

The Commission's affairs are guided and governed by the Board of Commissioners, a body appointed by the Minister responsible for Commerce, Trade and Industry. The Board has both corporate governance and adjudicative functions under the Act. The Board also appoints the Executive Director who manages the Secretariat.

The strategic focus of the 8th National Development Plan (8NDP) and the Ministry of Commerce, Trade and Industry (MCTI) provide the Commission with policy direction in its operations. In terms of performance contract obligations, the Board is responsible for ensuring that competition and consumer welfare are promoted and protected respectively.

The Board Charter directs procedures and processes of the Board. This is done in order to ensure that the Board adheres to good ethical corporate governance principles and the Public Finance Management Act of 2018 provisions. All Board Members are amenable to this law and the charter. The Board further ensures that the Commission remains prudent and sound in its daily operations.

BOARD COMMITTEES

The Board Committees are as stipulated below with their respective Terms of Reference:

Technical Committee

- Adjudicating matters referred to it by the Commission
- Overseeing the establishment of Guidelines, Regulations and standards of practice and procedure.
- Suggest amendments to the law.
- Giving guidance on other legal and technical matters.

Audit and Risk Management Committee

- Review the Commission's financial related statutory and non-statutory reporting obligations.
- Advise on risk identification, assessment and mitigation measures, and check on the reasonableness of the effectiveness and robustness of internal control measures.
- Periodically review the Commission's financial reports in liaison with the External and Internal Auditors.
- Strategic Planning.

Finance and Administration Committee

- Advise on Financial issues requiring policy input such as the budgetary Process, Finance Operating Systems and applications;
- Procurement policy guidelines (as promulgated by the ZPPA Act) relating to the procurement of goods and services; and,
- Staff affairs.

BOARD AND COMMITTEE MEETINGS

Both the Finance and Administration Committee and the Audit/Risk Management Committee held five (5) meetings each while the Technical Committee had twelve (12) meetings.

Below is a summary of Board and Committee Meetings held in 2022:

Committee Meetings	Number
Technical Committee	12
Finance and Administration Committee	5
Audit and Risk Committee	5

In 2022, the Commission held a total of six (6) Board Meetings for Adjudication of Cases and five (5) Board Meetings for Finance and Administration/Audit Matters.

Board Meetings	Number
Board Adjudications	6
Board Finance, Administration, Audit and Risk	5

BOARD OF COMMISSIONERS

The Board of Commissioners of the Competition and Consumer Protection Commission comprises seven (7) members who are appointed by the Minister of Commerce, Trade and Industry in accordance with the Act. The Commissioners are appointed on a part-time basis for a term of four-years. They are vested with the responsibility for adjudicating on regulatory applications, making determinations and issuing orders. The Executive Director is also an Ex-Officio member of the Board.

In 2022, the Board operated without a Board Chair and thus respective members performed Board Chair responsibilities upon election from amongst themselves before each Board meeting.



Dr. Chenga.S.Chisha
Commissioner &
Chair-Finance and Administration Committee



Dr. Aubrey. M. Chibumba
Commissioner &
Chair-Audit and Risk Management
Committee



Mr. Fredrick Imasiku
Commissioner & Chair-Technical Committee



Mr. Nsangwa.A. Ngwira
Commissioner



Mr. Chilufya Sampa
Ex Officio

EXECUTIVE MANAGEMENT TEAM

The Executive Director heads an Executive Management Team of Six (6) Directors responsible for the operational divisions. The Executive Director has a legal mandate to oversee the daily operations of the Commission.



Mr. Chilufya Sampa

Executive Director



Mrs. Maureen Mwanza

Director Legal Services



Mrs. Naomi Fulaza

Director Restrictive Business Practices



Mr. Vestus Chungu

Director Finance



Mrs. Luyamba Kapembwa

Director Mergers & Monopolies



Mr. Brian Lingela

Director Consumer Protection



Mrs. Beene Siyumbwa

Director Human Resource & Administration

Chairman's Statement

The Zambian Government has for decades actively supported the agricultural sector through mechanisms such as fertiliser subsidies and affordable finance, among others. Government's support is also evident through prioritization of the sector by major policies such as the Vision 2030, the Second National Agricultural Policy (SNAP) and the 8th National Development Plan (8NDP). All these Policies have been put in place with an understanding that a well performing agricultural sector contributes to employment creation, broadens the country's tax base and ultimately translates into significant growth in the Gross Domestic Product (GDP).

However, it is with no doubt that despite the improvements largely necessitated by Government's support, the agricultural sector, just like any other sector, has not been spared from competition challenges that have characterised various value chains in the Zambian economy. To ensure continued thriving of this sector, the Commission identified Agriculture as a key sector that has great potential to enhance economic development for Zambia. The Commission's 2022 Annual Report seeks to address the detrimental effects that competition barriers have on Small and Medium Enterprises (SMEs) in the agricultural sector; hence its theme dubbed, **"Competition in Agriculture and Agri-business Sectors-Breaking Barriers."**

The many barriers to entry facing the sector such as high prices of inputs, high importation and transport costs as well as policy inconsistencies in the past, have underscored the need for the Commission to strengthen competition regulation so as to make the sector more competitive. As an institution mandated to promote competition and consumer protection in the country, the Commission continued to monitor the sector and its value chains with the goal to evaluate what stifles effective competition in various subsectors.

The Commission worked closely with relevant stakeholders from both Government and the Private Sector in sharing key recommendations in order to find long lasting solutions to the identified problems. Several bottlenecks key to policy changes were shared with relevant regulatory bodies which have contributed to opening markets for MSMEs' participation in the economy. The result of the Commission's intervention has been well received by the Government through the Ministry of Commerce, Trade and Industry.

In addition to the Commission's advisory role to Government on laws affecting competition and consumer welfare in Zambia, enhanced collaboration was another strategy that the Commission used to work with like-minded institutions. This included establishing Memoranda of Understanding with sector regulators in Zambia. Such partnerships yielded good grounds for the right application and enforcement of consistent policies that promote competition and consumer welfare.

The Commission also dedicated itself to building internal capacity in order to effectively handle competition concerns faced in the sector. The African Market Observatory (AMO) initiative was one such project that the Commission participated in to identify the competition issues that small holder farmers and food producers were facing in Eastern and Southern Africa (ESA). The project accorded the Commission a great opportunity to improve its capacity to identify best practices in dealing with competition issues across borders and ultimately make the sector more competitive in Zambia.

The Commission also focused on promoting competitive practices through conducting compliance training programmes with different market players of various value chains in the

agricultural sector. These programmes received overwhelming support as numerous market players welcomed the idea and consequently subscribed to it. Virtual platforms made the educational programmes much easier for the Commission to easily relay messages on anti-competitive and unfair trading practices. Such interventions contributed to enhanced compliance and competitiveness of the sector which in turn drew public confidence in the sector and the Commission at large.

In addition to empowering consumers, effective regulation remained an integral component in promoting the competitiveness of the agricultural sector. Thus, through reviewing the conditions of competition in the sector, the Commission has continued to identify various legislative and regulatory issues that stifle competition as well as create barriers to market entry. The Commission strove to make the agricultural sector, more competitive and with less barriers to market entry by identifying anti-competitive laws and recommending for their amendments.

Empowered market players refrain from engaging in anti-competitive business practices while competitive markets enjoy productive, dynamic, and allocative efficiencies. It is in this regard that the Commission will continue empowering market players through various educational and training programmes. This will be simultaneously done with the review of competition cases in the sector and making relevant recommendations.

As the outgoing Board of Commissioners, I wish to thank my fellow Commissioners for their professionalism and excellence exhibited in all the duties we have undertaken together. May I also convey my gratitude to the Executive Director, Management and staff for their resilience and dedication in the enforcement of the Competition and Consumer Protection Law in Zambia. Our collective efforts continue to contribute to inclusive growth and development of Zambia even as we implement our Strategic Plan for 2022 to 2026.

.....

Dr. Chenga. S. Chisha

Chairman

Finance & Administration



Executive Director's Report

The year 2022 was an eventful one in which the Commission embarked on refining its strategic orientation and streamlining its advocacy processes. The Commission began implementing its 2022-2026 Strategic Plan whose focus is on effective stakeholder engagement, strategic collaboration and capacity building. The implementation of the five-year Strategic Plan will see the Commission setting strategic priorities that focus on impactful goals and the attainment of economic benefits for the people of Zambia.

The year 2022 was characterised by sluggish economic growth but yet promising recovery of markets from the scarring effects of the COVID-19 Pandemic. The external shocks from the Russia/Ukraine war could not have come at a worse time for the Zambian economy than at a time when Zambia was beginning to recover from the Pandemic. Despite these economic imbalances, the Commission remained committed to playing its critical role of safeguarding and promoting a competitive business environment and enhancing consumer welfare by prohibiting anti-competitive and unfair trading practices in the country.

In a bid to promote and safeguard competition in the economy, the Commission reviewed and processed several mergers and acquisitions in different sectors. A total of eighty-five (85) mergers were reviewed which facilitated investments worth approximately K434,435,000 (equivalent to about US\$25,555,000) worth of both local and Foreign Direct Investment ("FDI"). These mergers translated in the creation of 3,505 new jobs and the maintenance of 3,203 existing jobs.

The Commission also prioritised the elimination of cartels in various economic sectors. Notable of the seven (7) cartel cases handled during the period under review were three (3) cases which involved Associations of small-scale businesses whose members were not registered as enterprises. These enterprises were sensitized about competition law and its benefits thereof. The Commission further continued to offer the Leniency and Settlement programmes to attract co-operation from persons or enterprises that were in contravention of the Act. These programmes have proven to be a good initiative in sourcing for information in the fight against cartels in Zambia.

In addition, the Commission intervened to prevent the creation of market power and subsequent abuse of a dominant position in some markets which had the potential to stifle competition. In some instances, the Commission intervened in the betting and gaming market where Airtel Money had engaged in discriminatory conduct by charging betting companies different fees for a similar service. Through the Commission's Board of Commissioners, Airtel Money was fined 3% of its Annual turnover for unfairly increasing cash collection and cash disbursement fees among different sports betting companies and applying dissimilar conditions to equivalent transactions contrary to the Act. Similarly, the Commission intervened and eliminated restrictive business practices in the Poultry Sector where its Board of Commissioners fined Farm Deport 3% of its annual turnover for tying the purchase of Day-Old Chicks (DOCs) to buying chicken feed. Such enforcement of the law acted as a deterrent measure for other would-be offenders and further led to the opening up of the markets for other players to compete fairly.

Another notable achievement in the Commission's investigations was the rooting out of unfair trading practices such as unsuitable services, defective products and misrepresentation in the retail sector. Through its multi-faceted relationships with key stakeholders on competition and consumer protection, the Commission recovered over five million Kwacha

(K5,000,000) in product refunds and replacements on behalf of consumers. Curbing unfair trading practices has continued to position the Commission as a credible organisation whose priority hinges not only in promoting competitive markets but also protecting the welfare of consumers. I am pleased to report that through leveraging off the competences of our stakeholders like the Ministry of Health and Local Councils, the Commission inspected 1,401 trading premises in 51 districts across Zambia where goods close to one million Kwacha (K1,000,000) were seized and destroyed for not being fit for consumption.

The Commission is cognizant of the fact that market intelligence and knowledge of key economic sectors play a key role in its operations. As such, the Commission conducted a study in the telecommunications sector to uncover competition concerns in the provision of roaming services in Zambia.

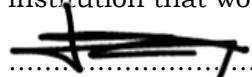
The findings of the study were used to develop regional and continental competition policy priorities that address the identified competition concerns in the telecommunications sector. Additionally, another study in the Generic Pharmaceutical Industry was conducted. This study was aimed at understanding the barriers to entry and expansion in the generic medicines market and to assess market trends in prices of generic and branded medicines in Zambia. The Commission is hopeful that the knowledge obtained from these studies would lead to major investigative strides that would in turn promote the competitiveness of the two sectors as well as attract Foreign Direct Investments (FDI) for Zambia.

In the period under review, the Commission expended a lot of its efforts nurturing stakeholder relationships owing to their significance as an investigative institution. The Commission attended numerous virtual international interactions such as the International Competition Network (ICN), International Consumer Protection and Enforcement Network (ICPEN) and the United Nations Conference on Trade and Development (UNCTAD) among others. These platforms were helpful to the Commission as they assisted to build capacity, develop strong linkages with other competition and consumer protection agencies and enhanced exposure to best global practices on matters relating to competition and consumer protection.

To avoid painting a picture that reflects the Commission as an institution that only focuses on investigations and stakeholder engagements, allow me to make mention that the Commission equally prioritises issues around the welfare of its employees. Engaging and developing the employees of the Commission through training among other activities had yielded an excellent workforce in line with the Commission's high-performance culture. I am delighted to disclose that our biannual performance assessments of employees on average for the year 2022 was eighty seven percent (87%).

As I conclude, let me thank our Minister, Hon. Chipoka Mulenga, M.P, the Office of the Permanent Secretary, Ministry of Commerce, Trade and Industry and the Board of Commissioners for the support, guidance and leadership rendered to the Commission in 2022.

Finally, I sincerely thank the Commission Staff for the continued dedication, professionalism and hard work exhibited in executing their duties which had seen the Commission attain all the achievements described in this Annual Report. I am confident that even as we implement our new five-year strategic plan, the Commission would be transformed into a more effective institution that would see fair markets and promote consumer welfare.



Chilufya Sampa
Executive Director

MERGERS AND MONOPOLIES



Key Strategic Objectives:

Mergers and Monopolies

- Develop and implement a predictable and efficient merger regulation

Abuse of dominance

- Ensure free and fair markets with minimal barriers to entry

Mergers and Monopolies

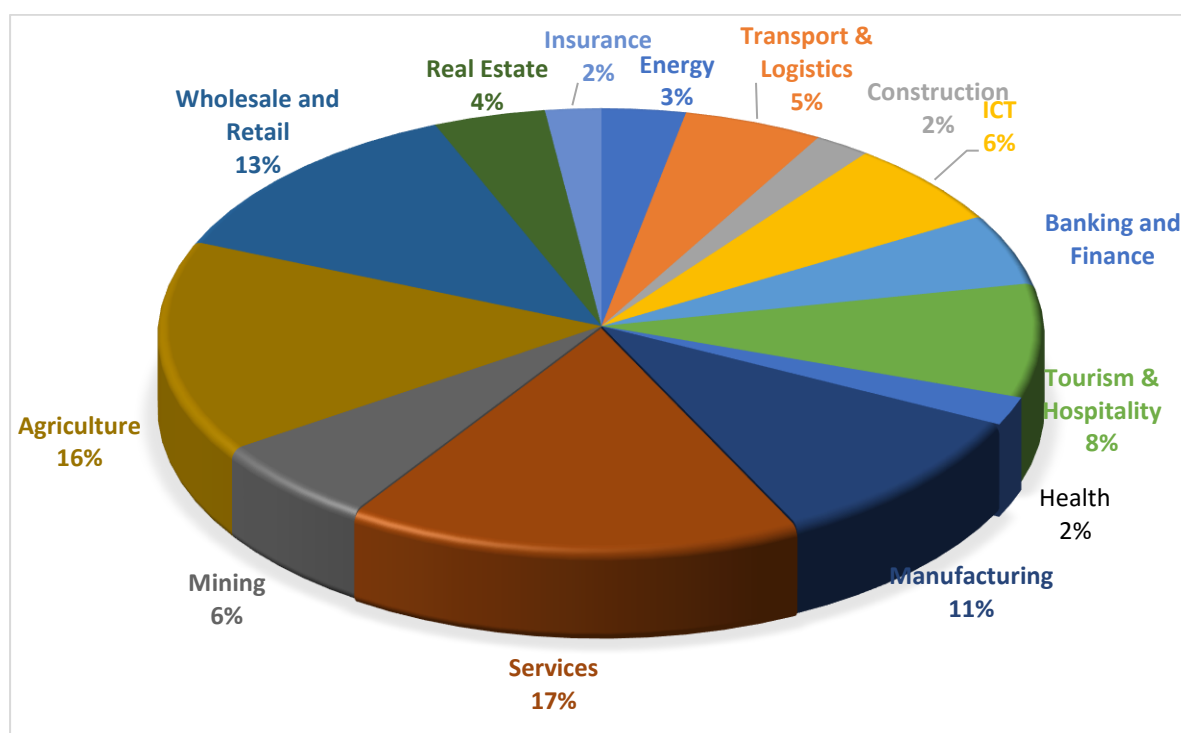
In 2022, the Commission handled eighty-five (85) notifications of merger cases. Seventy (70) of these merger notifications were received in 2022 while fifteen (15) were brought forward from 2021. The Commission reviewed and closed seventy-three (73) out of the eighty-five (85) merger cases in 2022. The reviewed and closed cases were from such key sectors as Banking & Finance, Retail and Wholesale, Manufacturing, Transport and Logistics, Agriculture, Real Estate, Services, Tourism and Hospitality, Health, Information and Communication Technology, Energy, Construction, Mining and Insurance.

The table below shows the summary of merger cases handled closed:

Case statistics – Mergers

Brought Forward to 2022	Cases Received 2022	Total Cases Handled	Total Cases Closed	Carried Forward to 2023
15	70	85	73	12

The pie chart below shows the percentages of merger cases handled in each sector:



Notable mergers handled in 2022 included;

- Merger involving 100% sale of shares in Micro Finance Zambia Limited held by African Banking Corporation Zambia Limited T/A Atlas Mara Zambia and Atlas Mara Financial Services Limited to DBF Capital Partners Limited. The merger positively impacted the financial literacy program fostering financial inclusion through enhanced access to financial products and services and saved 127 jobs with prospects of creating more jobs.
- Merger involving Lubambe Copper Mines Limited, Lubambe Holdings Limited and Novum Metals Limited. This merger resulted in an initial investment of USD15,000,000 into Zambia with further investments scheduled to come post transaction. The merger also resulted in the creation of 113 jobs, supported the development of SMEs, provided youth empowerment, and invested in community and skills development.
- Proposed Merger involving Mpongwe Milling (2009) and Atheneon Millers Limited which saved 176 jobs and assisted in the overall enhancement of economic development among the locals in Mpongwe.
- Merger involving Zoon Transactions Zambia Limited and Chipper Technologies (Mauritius) Limited. The transaction resulted in an investment of USD1,500,000 into Zambia and is set to contribute to the efficiency of payment platforms and implementation of Chipper Technologies (Mauritius) Limited's community-based project that fits the outlook of Zambian communities.

In 2022, the Commission continued to review its processes and procedures to ensure that the merger regime in Zambia is more predictable and efficient. This was done through the holding of thirty-six (36) pre-merger virtual meetings with clients and other stakeholders including collaboration with the Southern African Development Community (SADC) and the Common Market for Eastern and Southern Africa (COMESA). Pre-merger meetings were meant to provide adequate information required for successful filing of merger applications.

Collaboration with SADC

In 2022, the Commission continued with its Chairmanship of the SADC Mergers Working Group where it spearheaded four (4) meetings in addition to other engagements that positively benefited all Member countries. The SADC Mergers Working Group is a platform where Competition Authorities from the SADC region interact and share various country specific experiences relating to merger regulation. The information shared is usually non-confidential information relating to cases handled in various SADC jurisdictions. It includes case statistics. Such collaboration is key to the Commission because it enables the Commission to continuously improve its procedures and processes.

The SADC Mergers Working Group interactions have continued to contribute to the formulation of predictable regulations for effective enforcement of competition laws and ease the process of doing business in Zambia and in the region.

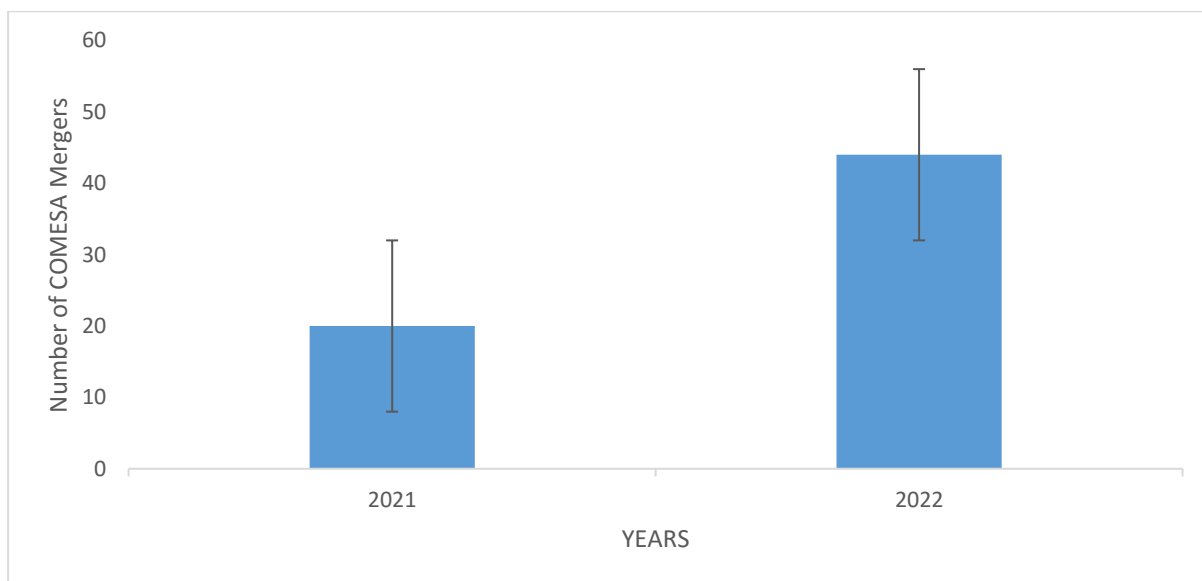
Cooperation with the COMESA Competition Commission

The Commission continued its cooperation with the COMESA Competition Commission (CCC) on merger review and other competition issues. The fruitful collaborations between CCC and the Commission led to the renewal of the Memorandum of Understanding between the two institutions, which was signed in November 2022. The collaboration with CCC in the year 2022 was aimed at enhancing predictability, avoiding duplicity in notifications and promoting

efficiency in merger regulation thereby reducing the cost of business (duplicated merger fees), among others.

COMESA mergers handled by the Commission increased from twenty (20) in 2021 to forty-four (44) in 2022. The increase was largely due to post Covid-19 effects which saw an increase in business activities.

The chart below shows the number of cases received through CCC in 2022 and those that crossed over from 2021.



Staff Capacity Development

In 2022, the Commission participated in a Regional Mergers Training Workshop in Eswatini, organised by the CCC. The training focussed on Merger Assessment for case handlers aimed at building capacity in the case handlers who undertake merger assessment on a day-to-day basis in the region. This was to enhance their skills in investigation and evidence gathering techniques.

The Commission also attended the 7th Annual Competition and Economic Regulation Week for Southern Africa (“ACER Week”) in Malawi. The ACER Week offered three concurrent courses which included the Advanced Competition and Regulatory Economics Course; the Competition and Regulatory Economics for Practitioners Course; and the Law in Competition Policy Course. Further the Commission attended the African Competition Forum (ACF) Mergers Workshop held in Malawi. The focus of the workshop was on merger control best practices; screening/determining complexity of mergers with detailed discussions on regional case studies. The training was aimed at equipping participants with knowledge and skills regarding merger control best practices with greater reference on the post Covid-19 emerging issues.

ABUSE OF DOMINANCE

Investigations on Abuse of Dominance

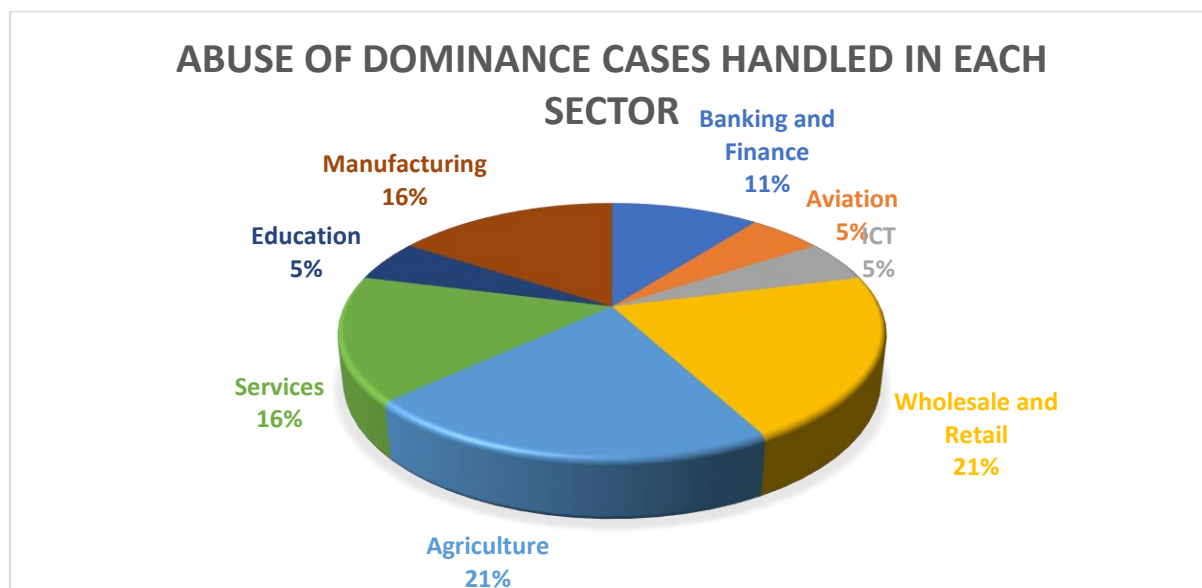
In 2022, the Commission investigated twenty-three (23) enterprises that were alleged to have abused their dominant positions of market power in various markets as compared to nineteen (19) cases investigated in 2021. Seventeen (17) of the twenty-three (23) cases were closed with no fines being imposed. The sectors that recorded the most alleged abuse of dominant position conduct included; Information and Communication Technologies, Aviation, Retail and Wholesale, Services, Agriculture (Livestock) and Manufacturing. Some of the alleged anti-competitive practices investigated by the Commission were exclusive dealing, tying and bundling, limiting /restricting production and imposing unfair trading conditions.

The table below shows the summary of abuse of dominant cases handled and closed:

Case statistics – Abuse of Dominance

Brought Forward 2022	to	Cases Received 2022	Total Cases Handled	Total Cases Closed	Carried Forward to 2023
10		13	23	17	6

The pie chart showing the percentages of abuse of dominance cases handled in each sector



Notable Abuse of Dominance cases

- Complaint by City TV against Topstar Communications Company Limited (Topstar)
- Allegations of Anti-Competitive Business Practices Against Yango Taxi Services.
- Allegations of Anti-Competitive Trade Practices Against United Gypsum Investments Limited

- Complaint by Southern Africa Network Against Corruption against Topstar Communications Company Limited (Topstar).

Activities to promote Compliance and Competition Law

Operationalizing Mergers and Abuse of Dominance Guidelines

In 2022, the Commission focused on the continued operationalisation of the Abuse of Dominance and merger regulations in face of the post Covid-19 emerging issues. The guidelines gave practical advice and guidance on the application of the relevant procedures and assessment methods in Abuse of Dominance Cases and merger regulations.

The Commission participated in several international fora dealing with Abuse of Dominance, and Unilateral Conduct cases under the Africa Competition Forum (ACF), International Competition Network (ICN), Southern African Development Community (SADC), Common Market for Eastern and Southern Africa (COMESA) as well as engagements with other Competition Authorities within the region. With regards to regional competition authorities, the Commission continued sharing non-confidential information on cases with different countries on emerging issues such as abuse of dominance in digital platforms and financial sectors. Sharing has been among other countries like Zambia, Eswatini, Botswana, South Africa, Zimbabwe while at international level with countries like Brazil, Australia and Germany among others.

RESTRICTIVE BUSINESS PRACTICES



Key Strategic Objective:

- Reduced incidences of Cartels and Restrictive Business Practices on the Zambian market

Restrictive Business Practices

Investigations of Restrictive Business Practice (RBP) Cases

Competitive markets result in lower prices, better quality products and services, greater efficiency and more choice, all of which benefit consumers. The Commission enhances the welfare of markets within the country by investigating restrictive business practices and reviewing agreements notified in the public interest. In the year 2022, the Commission handled a total of thirty-six (36) restrictive business practice cases and closed twenty-nine (29) cases as compared to forty cases (40) handled and twenty-seven (27) closed in 2021.

The Act mandates the Commission to consider applications for authorisation of vertical and horizontal agreements which fall above the threshold of 30% and 15% market share respectively. The authorisations provide businesses with an opportunity to engage in various business arrangements with approval of the Commission. In 2022, the Commission handled a total of five (5) notifications for authorisation of vertical and horizontal agreements. The Commission gave approval to all the agreements notified after assessing them for potential effects on competition.

The table below shows the summary of the restrictive business practice cases handled and closed:

Case Statistics – Restrictive Business Practices

Brought Forward to 2022	Cases Received 2022	Total Cases Handled	Total cases Closed	Carried Forward to 2023
13	23	36	29	7

Sectors Investigated

The Commission strengthened its sector specific monitoring initiatives in 2022 through enhanced market surveillance. Among the thirty six (36) cases handled, the Services sector dominated investigations and accounted for 26%, followed by the Wholesale and Retail sector which accounted for 18% while the Agriculture sector accounted for 17%. Other sectors investigated included Banking and Finance and Manufacturing which accounted for 15% each while Transport, Telecommunications and Tourism accounted for 3% each.

Among the twenty-nine (29) cases closed included cases against Distributors of Zambian Breweries clear beer products who were tying and bundling Zambian Breweries clear beer brands. The Commission fined two Respondents three percent (3%) and another Respondent four percent (4%) of their total annual turnover. These fines were in line with the 2017 Fines Guidelines.

The figure below shows the percentage of cases handled in each sector



Combating Cartels

Elimination of Cartels in the Economy

In 2022, the Commission enhanced its investigations into cartel conduct by engaging in surveillance and monitoring activities in the various sectors of the economy, where it suspected that businesses had agreed with their competitors to either fix prices, rig bids, share markets or restrict supply of products and services. The Commission conducted two (2) undercover search and seizures on enterprises in the Agriculture and Telecommunications sectors that were suspected of having engaged in cartel conduct.

The Commission handled a total of fourteen (14) cartel cases in various sectors. Seven (7) of the investigations were concluded in 2022 while seven (7) of the cases were carried forward to 2023. The Commission noted that of the seven (7) cartel cases concluded three (3) cases related to Associations of small-scale businesses whose members were not registered as enterprises. However, the Act only prohibits cartel conduct against enterprises. The Commission therefore conducted several advocacy programmes to educate small-scale enterprises about the tenets of competition law.

Advocacy

In 2022, the Commission continued to create awareness on Competition Law in relation to Cartel and Restrictive Business Practices compliance. The Commission engaged various stakeholders through physical and virtual meetings which included sensitisation activities. The Commission also continued to employ internal capacity building initiatives to enhance its vantage point on competition matters across its provincial offices namely; Lusaka, Kitwe, Mongu, Mansa, Solwezi, Kasama, Chinsali, Livingstone, Kabwe and Chipata. The Commission in collaboration with the COMESA Competition Commission (CCC) also commemorated the World Competition Day on 5th December 2022, whose theme was "Competition Law and Climate Change", by issuing a joint press statement, which was shared with the media, uploaded on website and further posted on social media.

Compliance and Awareness Programmes

In 2022, the Commission engaged various players who intended to engage in vertical agreements and other types of collaborative initiatives provided under the Act. These agreements were from the Finance, Agriculture, Retail and Wholesale and Services sectors. The Commission engaged the enterprises with the view of making applications in the prescribed manner and form for the Commission to proactively assess the proposed agreements for any possible anti-competitive clauses.

Collaboration with Regional and International Bodies

Strong collaboration with regional and international bodies such as the International Competition Network (ICN), Africa Competition Forum, Southern African Development Community (SADC), Centre for Competition, Regulation and Economic Development (CCRED) and the COMESA Competition Commission remained a key activity for the Commission in 2022.

Through such interactions, the Commission participated in virtual meetings that were aimed at addressing challenges of anti-cartel enforcement and investigating anticompetitive trade practices amid the outbreak of COVID-19 pandemic. In 2022, Commission Staff participated as Virtual Speakers on the theme “Ideal Team Make-up for Cartel investigations” at the Annual ICN Conference held in Auckland, New Zealand. Practical lessons on the leniency programme, evidence and intelligence gathering, cross border cartels, enforcement and other salient issues in competition law were learnt.

In addition, the Commission hosted the SADC Cartel Conference which saw ten (10) countries from the SADC as well as the COMESA regions come together and share ideas and best practices in conducting successful cartel investigations.

Cases Handled

Tying and Bundling of Zambian Breweries Clear Beer Products

The Commission initiated investigations against some distributors of Zambian Breweries (“ZB”) PLC products namely Red Sea Import and Export Zambia Limited, Prav Holdings Zambia Limited and Jimuceci Enterprises Limited. The Commission through its investigations established that the distributors were tying and bundling low demand Zambian Breweries (ZB) clear beer brands to those on high demand. The Commission fined the aforementioned distributors between 3% and 4% of their respective total annual turnovers.

Notification of Vertical Agreements

The Commission is mandated under Section 14 of the Act to review agreements meeting a stipulated threshold. The review of agreements is meant to ensure that the competitive process is observed during the tenure of the agreement as well as to ensure that consumer welfare is upheld. These agreements were assessed on exclusivity, tied selling and confidentiality of customer information. As such, in 2022, the Commission reviewed eight (8) agreements which met the criteria for an enterprise in a vertical agreement that supplies or acquires, at either level of the markets that are linked by the agreement, 15% or more of goods or services in a relevant market in Zambia. One such agreement was between ZANACO Bank and European Investment Bank (EIB) in the implementation of £30,000,000 (about K635,000,000) agricultural loan meant for the Zambia Agriculture Value Chain Facility to help smallholder farmers with finances to grow their businesses. Under the loan scheme which will run from 2021 to 2027, farmers will be helped with long-term and affordable loans to finance their businesses.

CONSUMER PROTECTION



Key Strategic Objectives:

- Enhance Consumer protection in Zambia:
 - Empower consumers with knowledge on their rights and obligations in the market place
 - Improve the handling and resolution of Consumer complaints

Consumer Protection

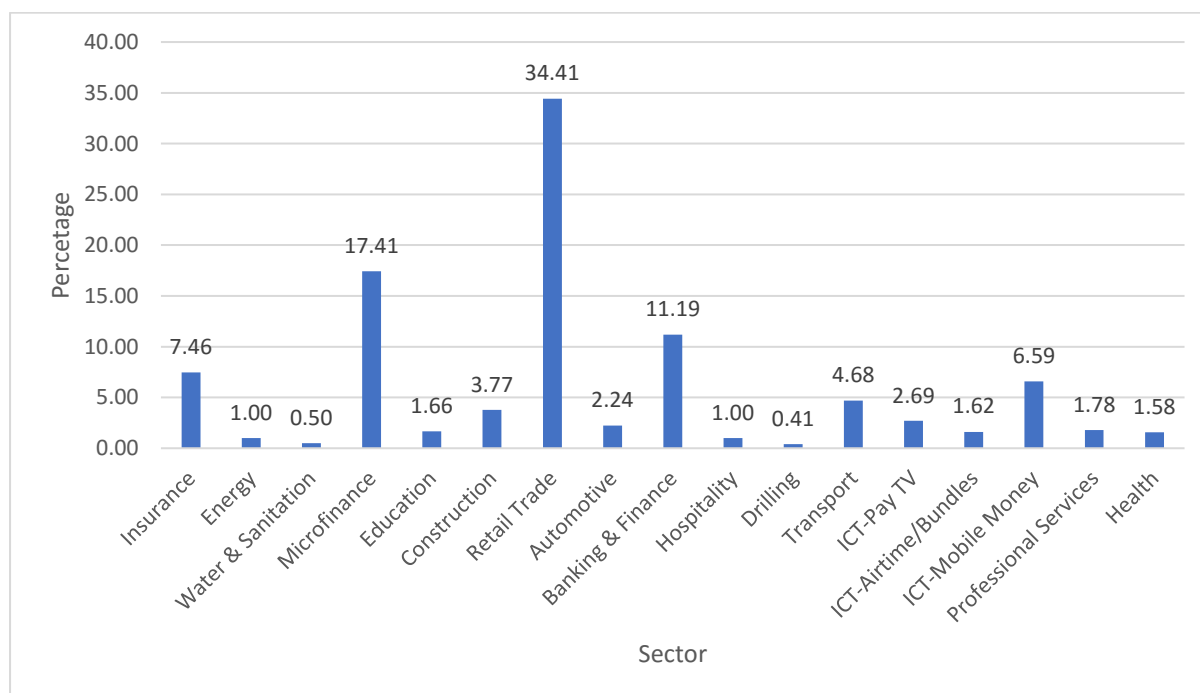
Consumer Complaints – Cases Investigated and Resolved

In 2022, the Commission resolved a total of two thousand and sixty-four (2,064) cases involving two thousand four hundred twelve provisions (2,412) as compared to two thousand three hundred sixty-six (2,366) cases involving two thousand nine hundred thirty-three (2,933) provisions resolved in 2021. The decrease was attributed to the Commission’s referral of insurance related complaints to the Pensions and Insurance Authority (PIA).

The Commission successfully helped consumers recover K3,258,261 and K1, 922,897 in refunds and replacements, respectively. The total value recovered for consumers amounted to K5,181,159.

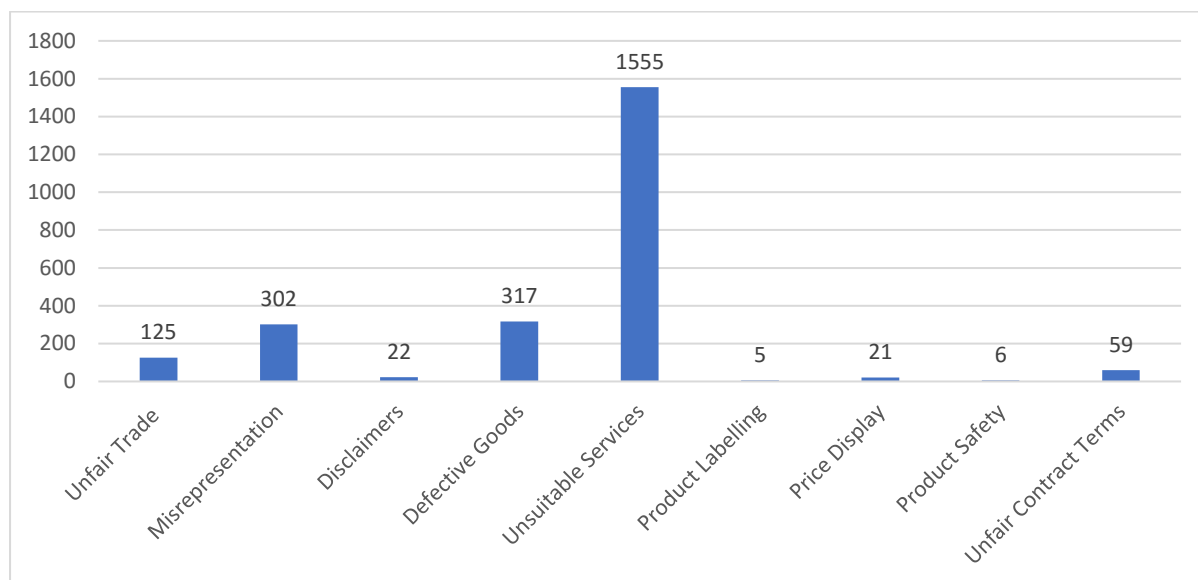
This number of cases was primarily driven by complaints of unsuitable services, unsolicited pay slip deductions, failure to stop deductions timeously, undelivered goods; and sale of defective products, especially electrical and electronic products. Further, the said complaints were captured from various sectors of the economy as shown in the graphical presentation below.

The graph below shows the percentages of complaints handled by sector.



The most prevalent violated provisions were to do with unsuitable services and constituted 1,555 out of the total of 2,412 provisions; representing 64.47% of all the violations. This was followed by provisions to do with defective goods that amounted to 317 representing 13.14% of the total provisions. Provisions to do with misrepresentation followed with 302 representing 12.52%. The rest of the provisions represented 9.8% of the total provisions and included issues of unfair trading, display of disclaimers, product labelling, price display, product safety and unfair contract terms.

The graph below shows the number of consumer complaints across various categories (by provisions).



Inspections – Compliance and Enforcement

In 2022, the Commission through its Inspector’s Project, joint inspections with Local Authorities, the Zambia Compulsory Standards Agency (ZCSA) and Zambia Metrology Agency (ZMA), Ministry of Health and Zambia Police Service inspected one thousand four hundred one (1401) trading premises in fifty one (51) districts across the country and goods worth K989,068 were seized for not meeting the provisions of the Act or the Food Safety Act No. 7 of 2019. The goods seized were either expired, improperly labelled, dented, contaminated or had damaged packaging. Thus, the seized goods were further destroyed by the respective Local Authorities in the districts. Such interventions enhanced the traders’ compliance with the provisions of the law as most traders desisted from engaging in the selling of goods that were not in conformity with the law.

The table below shows the highlights of the inspections and seizures conducted:

Quarter	Inspections and Recoveries - 2022
First	<p>147 business outlets were inspected countrywide and goods valued at K282, 157 were seized. The goods that were seized were either expired, did not have proper labelling or were underweight.</p> <p>The inspections were conducted in Solwezi, Mushindamo, Luanshya, Mansa, Kasama, Chinsali, Kabwe, Lusaka, Chipata, Livingstone and Mongu.</p>
Second	<p>329 business outlets were inspected countrywide and goods valued at K427, 703 were seized. The goods that were seized were either expired, did not have proper labelling or were underweight.</p> <p>The inspections were conducted in Kalumbila, Mansa, Mungwi, Kasama, Chinsali, Kabwe, Kapiri Mposhi, Lusaka, Chipata, Katete, Zimba, Kazungula, Mongu, Kaoma and Limulunga.</p>
Third	<p>339 business outlets were inspected countrywide and goods valued at K121, 363 were seized. The goods that were seized were either expired or did not have proper labelling. The Commission also conducted a joint inspection with the Zambia Compulsory Standards Agency (ZCSA) and Zambia Metrology Agency (ZMA) of a fuel plant in Lusaka.</p> <p>The Commission also conducted a joint inspection with ZMA in Kabwe focusing on the weight of mealie meal.</p> <p>Other districts covered are Kasempa, Mufumbwe, Mbala, Mpulungu, Chinsali, Mpika, Chibombo, Mkushi, Mwandu, Sesheke and Mongu.</p>
Fourth	<p>586 business outlets were inspected countrywide and goods valued at K157, 844 were seized. The goods that were seized were either expired, dented, contaminated or did not have proper labelling. Three shops in Lusaka district were also found having displayed disclaimers.</p> <p>The Commission conducted a joint inspection with the Zambia Compulsory Standards Agency (ZCSA) of two supermarkets in Chipata.</p> <p>The Commission also conducted a joint inspection with the Zambia Metrology Agency (ZMA) in Kasama focusing on the weight of fertilizer.</p> <p>The inspections were conducted in the districts namely; Lusaka, Ikelenge, Manyinga, Mwinilunga, Zambezi, Nchelenge, Chembe, Samfya, Mwense, Kalabo, Mongu, Chipata, Nyimba, Vubwi, Monze, Mazabuka, Kalomo, Luano, Mumbwa, Luwingu, Mungwi, Mbala, Mporokoso, Chinsali, Mafinga, Kanchibiya, Mpongwe and Lufwanyama.</p>

Education and Advocacy

With a newfound emphasis on the private sector as a major driver of economic growth and development, the Commission elected to revamp the engagement of industry players and the general public through its education and advocacy program using popular virtual platforms such as Zoom and Microsoft Teams, Facebook, Twitter and LinkedIn and where possible physical training sessions to enhance compliance. Enterprises that were engaged included

ZANACO, IHS Zambia, First National Bank (FNB), Atlas Mara, Zamtel, members of the Poultry Association of Zambia, Young Phiroz General Dealers and Builders Warehouse among others. Priority had been given to sectors with a high potential to engage in conduct that was likely to be inconsistent with the Act. The Commission had also through its school clubs, continued to engage pupils by incorporating them into activities such as inspections, essay writing competitions and radio programs. The activities were used as a communication tactic in promoting a competitive and consumer protection culture among pupils who are conduits of information sharing.

World Consumer Rights Day (WCRD) 2022

On 15th March 2022, the Commission commemorated the World Consumer Rights Day (WCRD) event under the theme **“Fair Digital Finance”**. One of the key activities for the commemoration was the national essay writing competition in which 32 Commission’s school clubs participated. Other activities that took place included radio and television programs, a media briefing, edutainment videos, a TV documentary, newspaper articles and a virtual conference that was live streamed on Facebook raise awareness for the importance of fair digital finance.

Monitoring and Evaluation of CCPC Activities in 2022

Client Feedback Survey

The Commission undertook quarterly Client Feedback Surveys whose scope covered all the ten (10) Commission offices in the country in order to assess its stakeholder perception on service delivery and performance. The Client Feedback Survey enhanced service delivery by the Commission through the tracking and meeting of quarterly performance objectives.

Local and International Fora’s/Conferences

The Commission actively participated in local, regional, and international foras/conferences such as the International Competition Network (ICN), International Consumer Protection Enforcement Network (ICPEN), United Nations Conference on Trade and Development (UNCTAD) etc., on matters relating to competition and consumer protection. The Commission participated in various activities which included attending virtual meetings, teleconferences, webinars and answering several questionnaires.

National Financial Inclusion Strategy (NFIS)

To complement Government’s effort to promoting financial inclusion under the 2017-2022 National Financial Inclusion Strategy (NFIS) agenda, the Commission as Secretariat of the Financial Consumer Protection and Capabilities Working Group 7 (FCPCWG7) worked with several stakeholders in the financial sector to raise awareness on financial consumer protection. The players which the Commission collaborated with included the Pensions and Insurance Authority (PIA), Securities and Exchange Commission (SEC), Bank of Zambia (BoZ), Ministry of Finance (MoF), Consumer Unit and Trust Society (CUTS), Bankers Association of Zambia (BAZ) and Zambia Information and Communication Technologies Authority (ZICTA).

LEGAL AND CORPORATE SERVICES



Key Strategic Objective:

- Provision of legal services and support to CCPC in the discharge of its statutory functions

Legal Services

Prosecution and litigation of cases

The Commission in the year 2022 saw an increase in the number of cases going by way of appeal to the Courts as follows:

- i. There was one (1) case pending judgment before the Supreme Court;
- ii. There were two (2) cases before the Court of Appeal, one (1) case was withdrawn, while one (1) case was yet to be determined;
- iii. In the High Court there were seven (7) cases in total of which, four (4) cases were pending judgment. While three (3) cases were yet to be determined;
- iv. There were four (4) cases before the Subordinate Court, relating to enforcement of fines at the end of the fourth quarter. Of the same, three (3) cases were concluded, while one (1) was yet to be determined.

The figures have been tabulated in the table below.

Table of Summary of Cases in Court

Supreme Court	Court of Appeal	High Court	Subordinate Court
1	1	3	4

Appeals received against decisions of the Board of Commissioners

The year 2022 was a busy year in terms of a growing number of appeals against the decisions of the Board of Commissioners. A total of 45 cases stemming from Restrictive Business Practices, Consumer Protection, and Abuse of Dominance, were appealed to the Competition and Consumer Protection Tribunal (CCPT). The Commission also made applications for Mandatory Orders relating to cases where Respondents failed to adhere to directives of the Board of Commissioners. The Tribunal delivered a total of four (4) judgments while nine (9) cases were pending delivery of judgment and fourteen (14) cases were settled. As At the end of the year 2022, the Tribunal had a total of eighteen (18) cases pending to be heard.

Summary of the number of cases before the Competition and Consumer Protection Tribunal

<i>Total number of cases in 2022</i>	<i>Number of cases settled</i>	<i>Number of cases judgments delivered</i>	<i>Number of cases pending judgments</i>	<i>Number of cases still active at the end of 2022</i>
45	14	4	9	18

Compliance with Board Decisions

The Commission as at May,2022 introduced a Compliance Unit which ensures that fines and outstanding fines are collected under the Department of Legal Services. During this period, the Commission collected a total of K34,271,244 from 29 enterprises that had violated the Act. The Commission is expecting to see an increase in the enterprises complying with the directives of the Board, now that there was a monitoring system in place.

Strengthening Regulatory Affairs

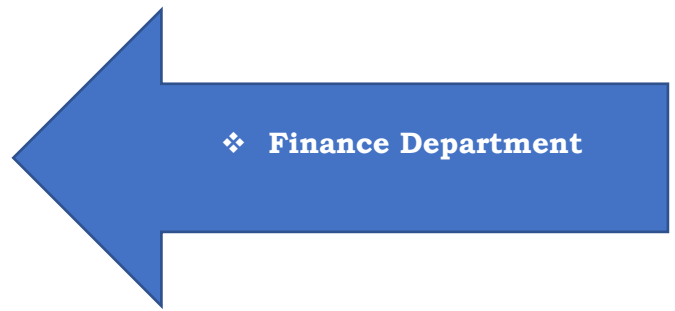
During the year 2022 the Commission worked on additional amendments to the Competition and Consumer Protection Act No. 24 of 2010 as the Draft Bill was subjected to further stakeholder comments and now awaits tabling before the Ministry of Justice Internal Legislation Committee as well as the Cabinet Legislation Committee. The Commission has also amended the Regulations under Statutory Instrument No.97 of 2011, specifically Regulation 8(1) relating to the threshold for authorisation of a merger. The threshold has been increased from 50 million fee units to 100 fee units. This is meant to reduce the cost of doing business for Small and Medium Enterprises (SMEs). The amendment of the SI came into effect on 1st January 2023.

The Commission's Board and Management attended a Corporate Governance Capacity Building Workshop from 7th-8th June 2022 at Chaminuka Lodge in Chongwe.

INSTITUTIONAL DEVELOPMENT



❖ Human Resource and Administration Department



❖ Finance Department



- ❖ Internal Audit
- ❖ Procurement
- ❖ Stores
- ❖ Research
- ❖ Public Relations

Key Strategic Objectives:

- High performing market regulator
- Review and Strengthen the Governance and Oversight Functions
- Improve quality of Research, Development and Advocacy
- Improve the provision of Corporate Affairs Services
- Enhance capabilities and performance of Staff

Institutional Development

Audit and Risk

Strengthen Governance and Internal Controls

The Internal Audit Unit had continued providing value to the Commission in 2022 by addressing complexities faced in delivering assurance, advice and insight against the Commission's culture, operational maturity, budgets goals and priorities. To achieve the objectives of risk-based auditing, internal audit's key approach was to take integration considerations and the flexibility to deliver value based on context and the most imperative objectives and risks facing the Commission, departments, or processes.

In 2022, nine (9) planned provincial offices and seven (7) Head Office audit reviews were undertaken to ascertain the efficiency and effectiveness of resource utilisation, check compliance with policies and procedures, laws, and regulations, verify whether assets were safeguarded, determine the accuracy of financial/management reporting and to obtain reasonable assurance whether controls and governance processes as designed by management were adequate, robust, and operational.

External Auditors, PKF Zambia Chartered Accountants, continued to provide external assurance up to the end of 2021 through financial reviews to ascertain whether the financial statements gave a true and fair view of the operations of the Commission, its assets and liabilities. Mark Daniels were expected to take over as auditors for 2023 and 2024.

Operational Risk Management

An organisational-wide and proactive risk management system is key to good governance as it helps to ensure the best possible decisions are made. Risk Management over the last few years has had a shift with emerging risks relating to cybersecurity, corporate culture, big data, and artificial intelligence becoming more pronounced with the increased use of electronic devices in day-to-day operations.

The Commission's activities expose it to several operational risks. To abate these risks, the Commission has developed a Risk Profile, which is a Control Structure Assessment Tool used not only to consider the likelihood and impact of selected risks but also to plan an overview of activities which contribute to the treatment of risk and thus increase the likelihood of achieving objectives and positive outcomes.

The operational risks identified include those relating to inadequate transport and funding, high staff turnover, delayed receipt of fines as well as lack of internal electronic equipment testing experts. However, the Commission has put in measures to mitigate all the identified operational risks.

Research

In 2022, the Commission undertook several research projects and contributed to local/international fora and conferences.

Study of the Roaming Charges in Africa

In the telecommunications sector, the sticky and often high international roaming charges for voice calls have been of concern to roaming customers for years. While price caps have been attempted in some jurisdictions, this has had little to no effect in bringing the roaming

charges down. One of the reasons for the inflexible charges was the wholesale roaming agreements by Mobile Network Operators (MNOs) that were linear and often unresponsive to developments in the telecom sector over their duration. The Commission was part of a regional study into the roaming sector which included South Africa, Botswana, Zambia, Zimbabwe and Angola. Findings requiring regulatory scrutiny included the ability of the multinationals to charge uniform rates across their operational areas regardless of the country specific circumstances.

As part of its recommendations, the study highlighted the need for review of wholesale roaming agreements by Competition agencies to ensure that they were procompetitive in nature and that MNOs should charge flexible rates within boundaries to create price competition and fully reflect market conditions.

Study on the Generic Pharmaceutical Industry

The Zambian pharmaceutical sector remains small with the country being heavily reliant on imports of generic and branded medicines. The manufacturing sector currently only supplies 10-15% of the national needs with the rest coming into the country as imports. Paramount to the weak pharmaceutical sector has been the tax system which makes it cheaper to import finished pharmaceutical products and expensive to import critical active pharmaceutical ingredients for the local manufacturers.

The study findings from the pharmaceutical sector found that 83% of the drugs on the Zambian market were generic with 17% being originator drugs. On average, the originator drugs were 116% higher in prices with the difference in other classes of drugs such as Lower Respiratory Tract Infection drugs being as high as 746%. Generic medicines were generally expected to offer competitive pressure not only on originator drugs but were equally expected to create intra-generic drug market competition.

There was a need to strike a balance between making available affordable generics and growing the country's potential and capacity to produce its own generic drugs and or patented drugs by expanding the approved drug list of generics for Zambia, remodelling applicable duties to promote the importation of Active Pharmaceutical Ingredients and providing for public investment in research and development.

African Market Observatory (AMO) Project

The Commission participated in the African Market Observatory (AMO) project spearheaded by the Centre for Competition, Regulation and Economic Development (CCRED), with support from the COMESA Competition Commission. The project which ran from 2021 to 2022 monitored prices within and across countries in Eastern and Southern Africa at different levels of supply chains and assessed other market dynamics of the workings of markets for staple foods. Value chains of interest included maize, soya beans and fertilizer with Zambia, Kenya, and Malawi as participating countries while comparisons were across the Southern and Eastern regions of Africa.

Findings indicated that Zambia was a maize surplus market with a per ton price being lower when compared to its regional peers, an indication of lack of bargaining power for small-scale farmers who grow and supply 95% of the crop. Similarly, soya bean prices remained on the lower range compared to regional peers despite fertilizer prices for Zambia being \$250-400 per ton higher compared to world prices. Despite Zambia having consistently lower maize and

soya bean prices compared to regional peers, this did not necessarily have corresponding lower prices of upstream products such as stock feed and maize meal.

While fertilizer prices are expected to stabilise due to aggressive overhauls in the procurement processes and the coming on board of new fertilizer plants, several other interventions would be required in the crop market. Post-harvest, maize prices were largely influenced by the Food Reserve Agency (FRA) which defacto set the floor price. There was need to have farmers organised to increase bargaining power to have better returns in addition to increased regional market access such as East Africa. Creating strong demand from oil and cake market through limitations of crude/finished oil imports is also likely to drive better returns and attract farmers to the soya bean crop.

Public Relations

The Commission undertook to realign its communication strategy by conducting activities aimed to increase awareness from 40% in 2022 to 85% in 2026 as envisaged in its 2022- 2026 Strategic Plan. This enabled the Commission to market its services to different stakeholders and increase visibility, create trust with consumers as well as to improve brand awareness and recognition. To achieve this deliverable, the Commission focused on strengthening and enhancing public awareness by engaging with the media to communicate important corporate messages on the Commission's enforcement actions including its roles and responsibilities in promoting competition and consumer welfare in Zambia.

Increase the Commission's Visibility

The Commission delivered a range of targeted and general information campaigns on its website (www.cccpc.org.zm) and social media channels (Facebook, Twitter and LinkedIn). These platforms enhanced consumer interaction and have had an increase in followers from nineteen thousand four hundred eleven (19,411), two thousand five hundred seventy-seven (2,577) and three hundred thirty-three (333) to twenty-three thousand eighty-nine (23,089), two thousand nine hundred ninety- nine (2,999) and one thousand two hundred forty-eight (1,248) for Facebook, Twitter and LinkedIn accounts respectively.

Media Relations

In 2022, the Commission proactively issued nineteen (19) media releases covering a range of topics. Commission news that dominated the media included recalls of unsuitable products, directed or forceful selling of school items, fining of firms as well as Provincial Inspections and product seizures among others.

During the period under review, the Commission appeared seventy (70) times on TV and featured four hundred twenty-nine (429) times on Radio and twenty-five (25) times in the daily newspapers. The Commission also aired two hundred twenty-four (224) adverts across the country in English and local languages aimed at raising awareness on Consumer rights.

Two (2) Media briefing releases with information on the Commission operations bi-annually were circulated and two in-house media briefing events were conducted.

Newsletters

As a distinct tool used to explain the Commission's work delivery and how its outcomes benefit consumers, the bi-annual newsletter was produced and circulated to various stakeholders electronically and in hard copy. The circulation of the Commission's bi-annual newsletter was done twice in 2022.

The Commission also reached out to its stakeholders through distribution of thirty-one thousand two fifty-three (31,253) IEC materials. The IEC materials distributed included posters, bookmarks and brochures on cartelistic conduct, merger control regulation, guide for businesses, financial literacy, consumer rights, and financial consumer protection in the digital era, among others.

Participating in Local Fairs and Exhibitions

The Commission participated in the Zambia International Trade Fair in Ndola, Commercial and Agriculture Show in Lusaka, and the Provincial Trade and Investment Exposition in Western Province. These platforms accorded the Commission an opportunity to enhance its visibility as it enabled it to interact with business houses and individual consumers.

Human Capital

Staff Capacity Development

The Commission continued to undertake its main duties which included strategic resourcing, training and development, performance management, reward management, departmental relationship, and general operations. This was to ensure that the Commission had an organized, productive, and thriving workforce.

The Commission ensured that the right people were employed in the right positions at the right time and were working at the highest level of performance and delivering superior results.

Training

The Commission continued to support staff development based on the premise of creating opportunities for employee growth which would in turn benefit both the employee and the Commission as a whole. As such, the Commission trained 43 Investigators in investigative processes which included identifying assessments elements; advocacy and interviews; evidence handling and research. Other in-house trainings conducted include First Aid management and Emotional Intelligence for the Administrative Officers.

Recruitment

A total of twelve (12) new employees were recruited and inducted in 2022. New employee induction was conducted to help the new employees appreciate their role and their strategic fit at the Commission. Induction conveyed the Commission's culture and values to them.

Management Trainee Program

The Commission embarked on a Management Trainee Program whose purpose was to train and prepare selected Management Trainees for future Management roles within the Commission as a Succession Planning initiative and a motivational tool. Management Trainees were exposed to various planned trainings and on the job leadership experience which enhanced their managerial skills. Out of the ten trainees, three (3) were promoted to middle and senior management positions.

Performance Management

Performance management is essential to building the workforce of excellence required to achieve the set-out goals and objectives of the Commission. Effective performance management was based on a strong performance culture and a healthy workplace ecosystem, supported by individual and management capabilities and accountabilities.

The Commission continued with the culture of mainstreaming high performance in the everyday work activities since its accreditation in 2016. Areas of focus continued to be employee quality; management quality; long term planning and orientation; openness and action oriented; and continuous improvement.

As new employees joined the Commission, they were oriented into the high-performance work culture so that they are aligned to the expected high-performance standards.

Bi-annual performance assessments were done for all employees and the average performance score for the year 2022 was eighty seven percent (87%).

Employee Satisfaction Survey

The Commission conducted an Employee Satisfaction Survey to get a better understanding of how happy employees were at the Commission. The main purpose of the employee satisfaction survey was to allow the Commission Management better insight into how they could improve systems and processes that are in place.

From the survey conducted, the Commission had an employee satisfaction survey rate of sixty-seven percent (67%) and a sixty-five percent (65%) staff retention rate.

Health and Wellness

The Commission organised wellness talks on various topics of interest like mental health, integrity and values as well as substance and drug abuse among others.

CCPC COVID 19 Preparedness Plan

The Commission continued to monitor the CCPC COVID-19 Workplace Preparedness Guidelines that were put in place for employees to follow in order to mitigate the spread of the COVID-19.

Commemoration of International Days

- *Women's Day and Labour Day*

The Commission commemorated the International Women's Day (IWD). The 2022 IWD was celebrated under the theme "Gender equality today for a sustainable tomorrow, recognizing the contribution of women and girls around the world, who are leading the charge on climate change adaptation, mitigation, and response in order to build a more sustainable future for all".

In addition, the Commission participated in the Labour Day Awards giving ceremony where twelve (12) members of staff were awarded for being the *Most Hardworking* and *Most Dependable* employees. Honouring hardworking employees with awards was very motivating and worked as a retention tool as well.

- *Africa Public Service Day*

The Commission also participated in the Africa Public Service Day (APSD) from 20th - 23rd June 2022. The Commission participated in the roadshow, exhibition, public discussions as well as participating in the Awards Categories. The Commission scooped the First Prize and was conferred with the award of being the **'Most High Performing, Ethical and Responsive Public Institution'** by the Public Service Management Division (PSMD) at Cabinet Office.



CCPC Acting Executive Director, Mr. Brian Lingela receiving the award given to the Commission as the 'Most High Performing, Ethical and Responsive Public Institution' in Zambia. The award was presented to him by the then Acting President, Her Honour Mrs. Mutale W.K Nalumanga during the APSD held at Lusaka's East Park Mall.

- *Sixteen (16) Days of Activism Against Gender Based Violence (GBV)*

The Commission participated in the Sixteen (16) Days of Activism Against Gender Based Violence (GBV) from 25th November 2022 to 10th December 2022. This was to raise awareness about GBV, challenge discriminatory attitudes and call for improved laws and services to end GBV permanently.

Integrity Committee

The Integrity Committee (IC) was established at the Commission in accordance with Anti-Corruption Act No. 3 of 2012 and Section 7.2.6 of the National Anti-Corruption Policy in 2020. The IC was established with the primary responsibility of spearheading the prevention of corruption and related malpractices and/or maladministration.

In 2022, in line with the Annual Corruption Prevention Action Plan (ACPAP), the IC undertook several activities to ensure the prevention of corruption and related malpractices. The activities conducted are as indicated below:

- Developed the *Declaration of Interest Forms* to be used when conducting interviews to enhance transparency during the recruitment process.
- Developed the *Monitoring Tool* for analysing internal audit reports in order to identify areas that were prone to corruption.
- Appointed Anti-Corruption Champions in the eight (8) Provincial Offices that would act as the contact people for the IC and carry out activities assigned by IC.
- Conducted a mid-year performance review with Anti-Corruption Commission (ACC) to keep track of the progress made and the impact of the activities undertaken by the IC.

- Facilitated various sensitization talks to members of staff which included but not limited to Code of Conduct, Whistle Blower Policy and Conflict of Interest Policy.
- Distributes copies of Code of Conduct, Gift Policy, Conflict of Interest, Whistle Blower to members of staff for ease of reference.
- Printed and framed the CCPC Service Charter and was displayed in all the ten (10) Provincial Offices. This was to enable clients understand what service to expect from the Commission.
- Held collaborative meetings with other ICs from other Institutions for information sharing and benchmarking.
- Developed the 2023 Annual Corruption Prevention Action Plan (ACPAP) outlining activities to be undertaken in year 2023.
- Participated in the Chief Executive Officers (CEOs) Integrity Forum in September 2022 facilitated by ACC and hosted by the Secretary to the Cabinet.

KEY CHALLENGES, OPPORTUNITIES AND RECOMMENDATIONS

CHALLENGES

High Staff Turnover

The Commission has continued losing experienced employees to sector regulators who have consumer protection mandates and pay better.

Information Technology Infrastructure

The Commission's IT Infrastructure continued to be inadequate and obsolete and this affected the workflow for some members of staff.

Inadequate Transport

Transport inadequacy has adversely affected the Commission's operational capacity due to inadequate vehicles required for outreach programmes such as public sensitizations, research studies, inspections and investigations among others.

Lack of Economic Data Availability

The Commission continued to work closely with other sector regulators and the Zambia Statistical Office meet its data needs. The private sector had also been encouraged to keep data and information in order to assist in informed decision making.

Loan for the Commission's Office Building

The Commission obtained a loan facility to co-fund the purchase of its head office premises. Loan repayments affected the budget and the operations of the Commission. The K10 million loan facility is scheduled to be repaid over a period of 10 years.

RECOMMENDATIONS

Adequate Funding

Due to increasing economic activity and corresponding expansion of the Commission, there is need to ensure that the Commission is adequately resourced in order to prevent the erosion of gains that had accrued to the country from the benefits of competition and consumer protection.

Information Technology Investment

The Commission is encouraged to continue to pursue its digitalisation program through the support of Government through the Smart Zambia Institute and other willing cooperating partners.

Redemption of the Loan on Building

The Commission will continue engaging Government on the possible early repayment of the K10 million co-financing loan obtained for the procurement of the building. This will free financial resources to other needy areas.

OPPORTUNITIES

Online and Social media

The Commission has now developed a Mobile Phone Application that allows Consumers to report various Cases to the Commission. The APP also enables applicants to initiate the application process of various agreements by Companies.

The Commission plans on further enhancing the mobile application by extending it to USSD function. This will enable users without smart phones to submit Cases, mostly Consumer related Cases.

Interface with Sectorial Regulators

The Commission utilised constant interfacing with sector regulators in order to leverage of their respective competences key to promoting fair markets in Zambia. Such interactions contributed to better coordination, strengthened already existing collaborations with other sector regulators and increased the Commission's levels of communication and information sharing with stakeholders.

Case Management System

The Commission's Case Management System has worked well for the past year. Case Officers can track cases more efficiently and effectively. The system provides Case Officers with various details that help them to make informed decisions when processing Cases.

In the period of January 2022 to December 2022, a total of 2289 Cases were logged into the Case Management System. These include both Consumer, and Restrictive Business Practices Cases.

Cooperation with Smart Zambia Institute

In addition, the network infrastructure will be enhanced by having the system run on the Government Wide Area Network (GWAN). The Commission has started collaborating with Smart Zambia institute to further enhance its ICT systems. The Commission has plans of integrating its Case Management System with the Government Service Bus (GSB) system developed by Smart Zambia institute. The Government Service Bus (GSB) will bring on board extra features, and these include, user identity verification, data exchange with other government institutions like PACRA and a payment gateway.

These enhancements will translate into a more robust ICT infrastructure, and a reduction in recurring costs for Internet services.

Commission Office Premises

The Commission procured new office premises located in Lusaka's Olympia township at Stand No. 3827 off Parliament Road. The procured premises are in future expected to lessen the operational challenges faced by the Commission as a result of using rented office premises. This would also improve the asset base of the Commission. The new offices would also be easily accessible by complainants.

Amendments to the Act

The Amendment of the Act would address current lacunae in the law, and it would also enhance regional cooperation and interactions as well as international best practices.

New Strategic Plan

The new Strategic Plan seeks to increase the efficiency of the Commission, realign its functions and automate its processes.