



ANNUAL REPORT 2019

ZAMBIA
QUALIFICATIONS
AUTHORITY

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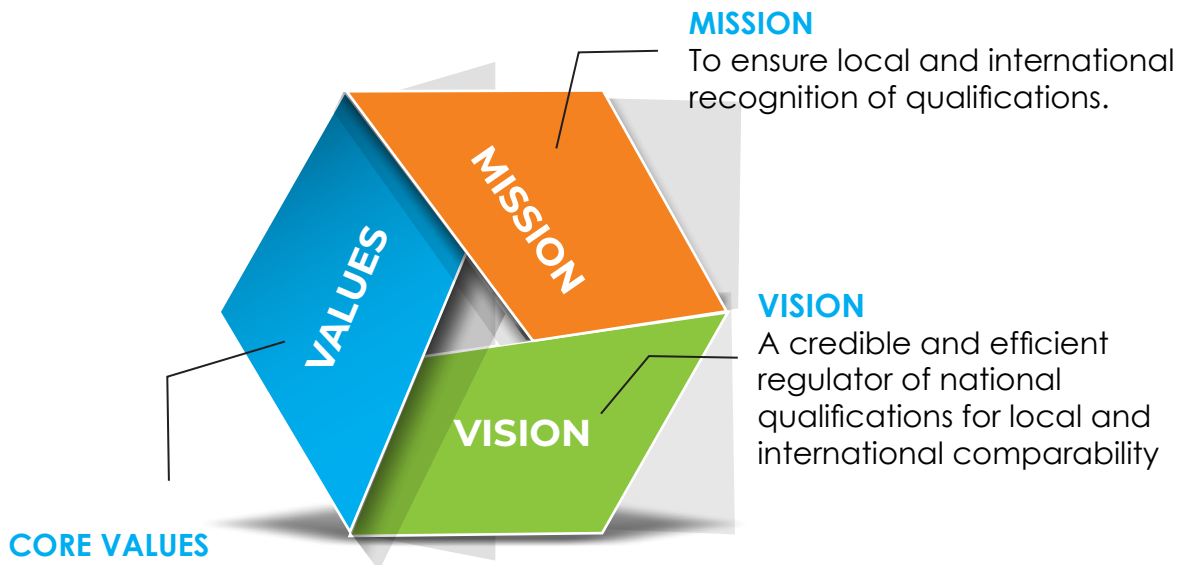
Our Independent Auditors

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Chartered Accountants
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Lusaka, Zambia

ACRONYMS AND ABBREVIATIONS

ACCA	Association of Chartered Certified Accountants
AGM	Annual General Meeting
AQVN	African Qualifications Verification Network
CATS	Credit Accumulation and Transfer System
CBU	Copperbelt University
COL	Commonwealth of Learning
ECZ	Examinations Council of Zambia
EIZ	Engineering Institution of Zambia
GNCZ	General Nursing Council of Zambia
HPCZ	Health Professions Council of Zambia
ICT	Information Communication Technology
MDD	Management Development Division
NAPSA	National Pension Scheme Authority
NIPA	National Institute of Public Administration
NOKUT	Norwegian Agency for Quality Assurance in Education
PAYE	Pay As You Earn
QMIS	Qualifications Management Information System
QQI	Quality and Qualifications Ireland
RPL	Recognition of Prior Learning
SAQA	South African Qualifications Authority
SADC	Southern African Development Community
SADCQF	Southern African Development Community Qualifications Framework
SADCQVN	Southern African Development Community Qualification Verification Network
SI	Statutory Instrument
TCCA	Technical Committee on Certification and Accreditation
TEVETA	Technical Education, Vocational and Entrepreneurship Training Authority
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNHCR	United Nations High Commissioner for Refugees
UQP	UNESCO Qualifications Passport
ZAQA	Zambia Qualifications Authority
ZCILT	Zambia Chartered Institute of Logistics and Transport
ZICA	Zambia Institute of Chartered Accountants
ZIPs	Zambia Institute of Purchasing and Supply
ZIM	Zambia Institute of Marketing
ZIHRM	Zambia Institute of Human Resource Management
ZICA	Zambia Institute of Chartered Accountants
ZQF	Zambia Qualifications Framework

ZAQA VISION, MISSION AND CORE VALUES



Professionalism



We exhibit competence, commitment, good judgment, conduct and behavior and promote a positive corporate image in the execution of our duties.

Integrity



We put the obligations of the Authority above one's personal interests and conduct ourselves in a manner beyond reproach.

Transparency



We are open and communicate effectively in the discharge of our duties.

Team Work



We cooperate with others and work to the best of our abilities, despite any personal conflict that may arise between individuals to foster unity of purpose.

Excellence



We provide superior and meritorious services beyond our clients' expectations.

Confidentiality



We are trustworthy by not revealing or disclosing privileged information to unauthorised persons.

PICTURES OF SOME ACTIVITIES CONDUCTED DURING THE YEAR



The Director and CEO Mrs Mirriam Chiyaba during the familiarisation meeting for the Minister of Higher Education, Hon. Eng. Dr Brian Mushimba – MP at the Ministry of Higher Education



ZAGA and NOKUT credential evaluators at the Meheba settlement in Solwezi working on issuance of the first UNESCO Qualifications Passports.



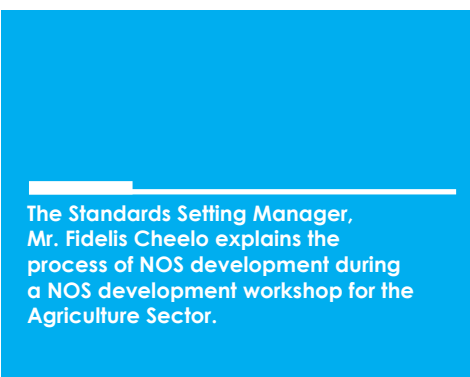
ZAGA and the Ministry of Higher Education Team with support of the Irish Embassy in Zambia conducted a study tour of the Quality and Qualifications Ireland (QQI)



The Assistant Director Corporate Services- Mrs. Mercy Ngoma Attended the pre-conference workshop on employability guidelines in Edinburgh, Scotland.



The Minister of Higher Education Hon. Eng Dr. Brian Mushimba – MP and the Director and CEO Mrs. Mirriam Chiyaba signing the UNESCO Qualifications Passports for the successful refugee applicants from Meheba settlement in Solwezi.



The Standards Setting Manager, Mr. Fidelis Cheelo explains the process of NOS development during a NOS development workshop for the Agriculture Sector.



In 2019, ZAQA operated without a duly appointed Board. Governance oversight was provided by the Special Committees put in place by the Permanent Secretary, Ministry of Higher Education. These Committees reported to the Permanent Secretary.

GOVERNANCE



Mr. Mabvuto Sakala
Permanent Secretary –
Ministry of Higher Education
(Jan 2019 to Sep 2019)



Mrs. Kayula Siame
Permanent Secretary –
Ministry of Higher Education
(Sep 2019 to Dec 2019)

EXECUTIVE MANAGEMENT



Mrs. Mirriam M.A Chiyaba
Director & Chief Executive Officer



Mrs. Mercy Ngoma
Assistant Director – Corporate
Services



Mr. Tyson Simuzingili
Acting Assistant Director – Technical

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EXECUTIVE SUMMARY

INTRODUCTION

The Zambia Qualifications Authority (ZAQA) is a statutory body under the Ministry of Higher Education established by the ZAQA Act No. 13 of 2011 to develop, oversee and maintain a national qualifications framework for Zambia. The functions of ZAQA include the registration and accreditation of qualifications, validation and evaluation of qualifications and ensuring that standards and registered qualifications are internationally comparable. The detailed functions of ZAQA are outlined in the ZAQA Act No. 13 of 2011. ZAQA is also guided by Statutory Instrument (SI) No. 4 of 2018 on Accreditation, Validation and Evaluation of Qualifications.

OPERATIONAL OVERVIEW

The operations of the Authority during the year under review were guided by an approved Annual Work Plan and Budget whose focus was on the implementation of the Zambia Qualifications Framework (ZQF). Statutory Instrument No. 4 of 2018 provided guidance to the Authority on the registration and accreditation of qualifications. By end of the year, 48 qualifications had been evaluated for registration and accreditation on the ZQF. In the year under review, the Authority launched its Strategic Plan for the period 2019 to 2021.

The Authority recognises that successful implementation of the ZQF requires concerted efforts from all stakeholders who include Quality Assurance Bodies, Awarding Bodies, institutions of learning, industry/employers and all those that have an interest in the quality of qualifications being issued in Zambia. To put this in effect, the Authority engaged various stakeholders through different platforms in order to share the objectives of the ZQF.

During the year, the Authority embarked on the review of the ZAQA Act and the Zambia Qualifications Framework in order to keep it current and ensure that the Zambian Qualifications remain internationally comparable.

ZAQA continued to accredit and register qualifications on the ZQF. In 2019, the Authority accredited a total of 48 qualifications. Further, the Authority continued to validate qualifications for authenticity. During the year under review, the Authority validated 2,506 qualifications out of which 2.2% were found to be misrepresented.

There were no new staff recruitment in the year. However, the Assistant Technical Director was seconded to the Technical Education, Vocational and Entrepreneurship Training Authority (TEVETA) while one employee was awarded a scholarship to study a masters' degree through the Irish Aid Fellowship Programme. The total staff complement at the end of the year was twenty-one (21) out of an establishment of thirty-three (33).

CORPORATE GOVERNANCE

The Authority operated without a duly appointed Board. However, the Ministry of Higher Education constituted special committees to provide governance oversight and support to the Authority. These committees reported to the Permanent Secretary – Ministry of Higher Education.

FINANCIAL PERFORMANCE

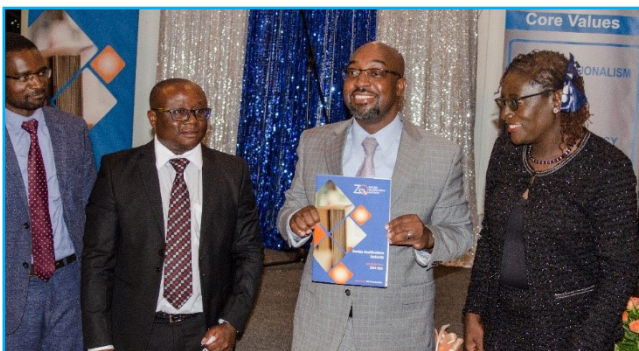
A total of ZMW 11,196,487 was received in the period under review with 79% being Government Revenue Grant. The Authority only received seven (7) complete grants in the year. The Authority raised €50,000 (Fifty Thousand Euros) from the Embassy of Ireland as revenue grant. This represents 7% of total funds received in 2019. The Authority recorded an operating deficit of ZMW3,897,183 in the year under review.

INTRODUCTION

1.1 MANDATE

The Zambia Qualifications Authority was established under the Zambia Qualifications Authority Act No. 13 of 2011. The functions of the Authority among others are as follows: -

- a) develop, oversee and maintain a national qualifications framework for Zambia;
- b) develop and implement policy and criteria, after consultation with the appropriate authority, for the development, accreditation and publication of qualifications and part- qualifications, which shall include the following requirements:
 - (i) the relevant sub-framework shall be identified on any document relating to the accreditation and publication of a qualification or part - qualification; and
 - (ii) each sub-framework shall have a distinct nomenclature for its qualification types which is appropriate to the relevant sub-framework and consistent with international practice;
- (c) accredit a qualification or part-qualification recommended by an appropriate authority if it meets the relevant criteria;
- (d) develop policy and criteria after consultation with the appropriate authorities for assessment, recognition of prior learning and credit accumulation and transfer;
- (e) develop the content of level descriptors for each level of the Framework and reach agreement on the content with the appropriate authorities;
- (f) publish the agreed level descriptors in the Gazette and ensure that the levels remain current and appropriate;
- (g) ensure that standards and accredited qualifications are internationally comparable;
- (h) determine national standards for any occupation;
- (i) recognise and validate competencies for purposes of certification obtained outside the formal education and training systems;
- (j) recognise and validate competencies for purposes of certification obtained outside the country;
- (k) collaborate with its international counterparts on all matters of mutual interest concerning qualification frameworks;
- (l) keep a database of learning achievements in Zambia;
- (m) advise the Minister on matters pertaining to the Framework; and
- (n) do all such things as are necessary or conducive for the achievement of the purposes of this Act.



The Minister of Higher Education Hon Eng. Dr. Brian Mushimba – MP launches the ZAQA Strategic Plan for the period 2019 - 2021



The ZAQA Strategic Plan 2019 to 2021



ZAQA Staff at the launch of the ZAQA Strategic Plan



The high table at the launch of the ZAQA Strategic Plan

2.0 OPERATIONAL REVIEW FOR THE YEAR

In line with the mandate in the ZAQA Act No. 13 of 2011, the Authority's Annual Work Plan and Budget for 2019 focused on consolidating the operations of the Zambia Qualifications Framework. In this regard, the strategic objectives as espoused in the Strategic Plan (2019-2021) guided the Authority in 2019. The achievements recorded under each objective are as shown below:

2.1 Strategic Objective 1: To Improve Management of the Qualifications Framework

Under the Qualifications Accreditation and Validation Excellence Strategic Theme, ZAQA has committed to improving the management of the Qualifications Framework in the 2019 to 2021 Strategic Plan. The Strategic Theme is aimed at strengthening the mechanism for accreditation and validation of qualifications thereby increasing the recognition of Zambian qualifications. Further the Authority in the Strategic Plan period intends to achieve the following results; increased accreditation of qualifications, increase validation of qualifications and improved standards. In doing so, the Authority within the ambit of the Strategic Plan, has planned various activities aimed at ensuring that the Framework is not only operational but its operations enhanced.

2.1.1 Enhance the recognition of Zambian Qualifications

2.1.1.1 2014 Revised Addis Convention on the Recognition of Studies, Certificates, Diplomas, Degrees and Other Academic Qualifications in Higher Education in African States

The 2014 Revised Addis Convention on the Recognition of Qualifications, a second generation Convention after the 1981 Arusha Convention on the Recognition of Qualifications, entered into force in November 2019 following the ratification by eleven (11) African member states. Zambia being a strong advocate of the Convention has made significant strides towards ratification.

The Revised Convention provides for the recognition of qualifications held by refugees and other displaced persons. Zambia was identified by UNESCO as the first country in Africa to pre-pilot the UNESCO Qualifications Passport (UQP) for refugees and displaced persons. The project was conducted by ZAQA, UNESCO, NOKUT, UNHCR and Commissioner for Refugees with Meheba Refugee Settlement as the test site. Eleven (11) UQP's were awarded providing an opportunity of recognition of qualifications for education or employment purposes.

2.1.1.2 African Continental Qualifications Framework (ACQF)

The ACQF development process was launched in September 2019 by the African Union (AU) and its member states to equip the continent with the necessary conditions and mechanisms to facilitate mobility and transparency of skills and qualifications, in support of the AU Agenda 2063. ZAQA is a member of the Advisory group representing Zambia and the African Qualifications Verification Network (AQVN).



Participants at the Inaugural Meeting of the African Continental Qualifications Framework Addis Ababa Ethiopia 2nd – 4th September, 2019

2.1.1.3 African Qualifications Verification Network (AQVN)

In the year under review, ZAQA participated in the third annual meeting of the African Qualifications Verification Network (AQVN) held in South Africa. African states committed to continue collaborating in areas of qualification recognition. Further, the AQVN re-affirmed and urged members to expedite the ratification of the Revised Addis Convention by member states. Involvement in the AQVN has assisted ZAQA expedite most verifications from the Continent. ZAQA is the current Chairperson for the AQVN.



ZAQA attended the SADC Technical Committee on Certification and Accreditation (TCCA) and African Qualifications Verification Network Meeting (AQVN) in Johannesburg, South Africa

2.1.1.4 Southern African Development Community - Technical Committee on Certification and Accreditation (SADC – TCCA)

Regionally, the Authority participated in the Southern African Development Community - Technical Committee on Certification and Accreditation (SADC – TCCA) meeting held in South Africa. The TCCA meeting outcomes focused on: -

- i. Member states providing feedback on the proposed regional visa for students, academics, researchers and scientists;
- ii. Members states submitting alignment reports (alignment of national qualification frameworks to the SADCQF) by June 2020 for consideration by the TCCA EXCO;
- iii. Members states to providing mobility statistics by April 2020;

The Authority subsequently gave feedback in support of the regional visa for students, academics, researchers and scientists. The Authority has prioritized the Zambia Qualifications Framework (ZQF) alignment to the Southern African Development Community Qualifications Framework (SADCQF). ZAQA coordinates the Advocacy and Communication Implementation focus area of the SADCQF.

2.1.1.5 Other Qualification Framework Engagements

In order to ensure recognition of Zambian Qualifications, the Authority engaged with following partners:

- (i) **National Recognition Information Centre for the United Kingdom (UK NARIC)**
The UK NARIC during the year under review indicated that Zambian qualifications had been downgraded. ZAQA has continued engaging UK NARIC who provided basis of the recognition level arising from entry requirements for undergraduate programmes. Engagements are ongoing and the Authority has embarked on a comprehensive review of the ZQF to address some notable areas of improvement.
- (ii) **Quality and Qualifications Ireland (QQI)**
The Authority with the support of the Embassy of Ireland entered into a partnership with QQI aimed at enhancing the management of the ZQF.

(iii) **The Groningen Declaration Network (GDN) and United Nations Educational, Scientific and Cultural Organization (UNESCO)**

The Authority continued advocating for support towards strengthening the ZQF at meetings of the GDN and UNESCO. The GDN is a worldwide network that brings various qualification stakeholders together to create new opportunities to support equitable learner mobility through digital credential sharing and recognition.

The engagement by ZAQA in these meetings have opened capacity development opportunities for the Authority in Qualification Management. The ZAQA Chief Executive Officer serves on the GDN Board representing the AQVN and ZAQA.

2.1.2 Intended results 1: Increased accreditation of qualifications

During the year under review, the Authority received Thirty-Four (34) new qualifications and Twenty-three were brought forward from 2018 for accreditation on the Zambia Qualifications Framework. Forty-Eight (48) qualifications were accredited, Six (6) were not accredited while Three (3) were pending evaluation as at end of the year.

Table 1: Number of Qualifications Received, Accredited and Not Accredited During 2019:

	2018	2019
Qualifications Brought Forward from previous year	0	23
Qualifications Received	111	34
Qualifications Accredited	50	48
Qualifications Not Accredited	38	6
Pending Accreditation as at 31 December 2019	23	3

2.1.2.1 Challenges in accrediting Qualifications

The Authority encountered the following challenges in accrediting qualifications of the ZQF:-

- i. Most of the Appropriate Authorities were financially constrained and could not meet the fees charged by the Authority for the accreditation of qualifications;
- ii. The Authority faced funding challenges in the year which effected the execution of some activities hence some evaluation workshops could not be conducted within the 30 days stipulated in the Statutory Instrument No. 4 of 2018;
- iii. Qualifications received from foreign qualifications bodies were not tailored to the ZQF standards in terms of duration, nomenclature, entry requirements and many other key criteria. This led to the delay in accrediting these qualifications on the ZQF as the qualifications were returned to the Appropriate Authorities for improvement;
- iv. The Authority did not accredit and register the targeted 680 (170 per quarter) qualifications because Appropriate Authorities did not submit qualifications as anticipated. No qualifications were received from the Higher Education sub-framework.

2.1.2.2 Strategies to Address the Challenges

The following strategies were put in place in order to address the challenges identified above:-

- i. Targeted sensitisation workshops for the Appropriate Authorities to appraise them on the criteria used for registration and accreditation of qualifications and also to encourage them to submit qualifications for accreditation on the ZQF;
- ii. Engaged the Higher Education Authority (HEA) with a view to streamline the

process for the registration and accreditation of qualifications under the higher education sub-framework.

2.1.3 Intended results 2: Increased validation and evaluation of qualifications

During the year under review, the Authority received a total of Two Thousand Nine Hundred and Fifty-Nine (2,959) applications for validation and evaluation. A total of Two Thousand Five Hundred and Six (2,506) were validated while Eight Hundred and Thirteen (813) qualifications are still pending as at close of the year. The largest number of received applications for validation was from Zambia (1,693), followed by the rest of Africa (428), Asia (315), Europe (217) and the rest of the World (306). During the year under review Fifty-Six (56) qualifications were established to be misrepresented representing 2.2% of validated qualification. Consequently, notices of rejection were issued to the applicants. The largest proportion of misrepresented qualifications were from the United Kingdom. Most of the affected applicants obtained qualifications from Institutions that were not regulated in the country of origin or the qualifications did not meet the requirements for recognition on the Zambia Qualifications Framework (ZQF).

The distribution of received, validated and pending qualifications by region is as represented in Table 2.

Table 2: Received, Validated and Pending Qualifications

REGIONS	BROUGHT FORWARD FROM 2018	RECEIVED 2019	VALIDATED 2019	PENDING 2019
AFRICA	41	428	355	114
ASIA	124	315	252	187
AUSTRALIA	1	39	21	19
EUROPE	21	217	134	104
NORTH AND SOUTH AMERICA	62	78	51	89
UNITED KINGDOM	28	189	132	85
LOCAL	83	1,693	1,561	215
TOTALS	360	2,959	2,506	813

2.2.2.1 Challenges in the validation and evaluation of Qualifications

The following challenges were encountered in the validation and evaluation of qualifications during year under review: -

- i. Delayed confirmations of awards from awarding bodies despite sending several reminders;
- ii. Communication challenges due to language barriers especially with non-English Speaking Countries. Some confirmations from awarding bodies are also sent in different languages other than English.
- iii. Some awarding bodies have been closed and cannot be traced hence making difficult to get verifications;

2.2.2.2 Strategies to Address the Challenges

The following strategies were put in place to address the challenges identified in the validation of qualifications: -

- i. Targeted sensitisation of local awarding bodies on the importance of validation of qualifications and the need to respond promptly to validation requests by the Authority;

- ii. The Authority engaged and collaborated with Embassies to facilitate the validation of qualifications from countries where we had challenges;
- iii. The Authority strengthened information sharing between ZAQA and Appropriate Authorities managing the sub-frameworks;

2.1.4 Intended results 3: Increased compliance to set standards

During the year under review, the Authority conducted two (2) stakeholders' workshops on the development of National Occupational Standards (NOS) in Lusaka and Kitwe. The targeted priority sectors are; Tourism, Agriculture, Manufacturing, Energy, Construction and Mining.

2.1.4.1 National Occupational Standards Development

The Authority developed a total of twelve (12) National Occupational Standards under the Tourism and Agriculture sectors (6 per sector). The Authority also developed 4 draft National Occupational Standards for the Mining Sector. In addition, a consultative meeting was held with the Manufacturing sector were Twelve (12) occupations were identified for possible NOS development in 2020. The occupational standards are primarily aimed at ensuring that the outcome from the education system respond to Industry needs.

Further, the Authority worked with the Commonwealth of Learning (COL) to develop employability guidelines that will ensure that graduates are relevant to industry and have requisite soft skills for the job. These guidelines were piloted at CBU, Mulungushi University, Kwame Nkrumah University and Zambian Open University.



Acting Assistant Director Technical Mr. Tyson Simuzingili Participants at the Nos Development workshop for the addressing participants at the NOS Workshop for Tourism Tourism Sector



Participants to the NOS Workshop for the Tourism Sector

2.1.4.2 Review of the Zambia Qualifications Framework & Level Descriptors

The Authority convened a stakeholders' engagement meeting in May, 2019 to address issues surrounding the down-grading of some Zambian qualifications by the National Recognition Information Centre of the United Kingdom (UK NARIC). This meeting was held in line with the ZAQA mandate of ensuring that the national qualifications framework is kept current. The meeting resolved that the current Zambia Qualifications Framework (ZQF) be revised as one way of addressing issues raised by UK NARIC and noted by the Authority during the implementation of the ZQF over the past four years. Further, the review would ensure the continued relevance and responsiveness of the ZQF to the needs of the education and training sector in the country.

The Authority revised the Zambia Qualifications Framework Structure and the Level Descriptors that were submitted to the Ministry of Higher Education for approval in principal pending wider stakeholder consultation.

2.1.4.3 Development of Guidelines for Credit Accumulation and Transfer (CATS)

During the year under review, the Authority developed the Guidelines for the Development of CATS that will be subjected to wider stakeholder consultation in 2020.

2.1.4.4 Review of the ZAQA Act No. 13 of 2011

The Authority initiated the process of reviewing the ZAQA Act to ensure that the noted lacunas in the Act are addressed. The Authority anticipates to undertake the stakeholder consultations and finalisation of the reviewed ZAQA Act in 2020.

2.1.4.5 Quality Assurance

During the year under review the Authority undertook quality assurance audits of the National Institute of Public Administration (NIPA), Zambia Institute of Logistics and Transport (ZCILT), Chartered Institute of Risk and Security Management (CIRSM) and Association of Business Executives (ABE). Further, the Authority undertook RPL monitoring visits at Zambia Institute of marketing (ZIM), Zambia Institute of Tourism and Hospitality Studies (ZITHS) and Zambia Institute of Purchasing and Supply (ZIPS);

The Authority in conjunction with other Quality assurance agencies held quarterly meetings to ensure the coordination of the outputs from the education and training sector.

Further, the Authority worked with UNESCO in strengthening quality assurance in Higher Education under the Schezhen Project by sharing best practice across Africa.

2.1.4.6 Recognition of Appropriate Authorities

During the year under review, the Authority received applications for recognition as Appropriate Authorities from the following local institutions: Zambia Institute for Tourism and Hospitality Studies (ZITHS), Zambia Chartered Institute of Logistics and Transport (ZCILTS) and the Zambia Institute of Purchasing and Supply (ZIPS). Applications were also received from foreign awarding bodies for recognition namely: The Chartered Institute of Purchasing and Supply (CIPS); The Association of Business Executives (ABE) and The Chartered Institute of Risk and Security Management (CIRSM) of Zimbabwe.

The approval of applications for recognition as Appropriate Authority was delayed to allow for consultation with Ministry of Justice following the launch of the Higher Education Policy that provided for streamlining of the functions related to education and training regulatory roles in Zambia.

Foreign Awarding Boards recognised during the year under review were the Chartered Institute of Purchasing and Supply and the Association of Business Executive.

The Chartered Institute of Risk and Security Management (CIRSM) was not recognized because it was not accredited as an examining and awarding board in the country of origin. Consequently, CIRSM and as such, had no legal mandate to examine and confer qualifications that could be recognized in Zambia.

2.1.4.7 Challenges Encountered during the year under Review

The following were the challenges encountered during the period under review: -

- i. The Authority experienced apathy from some sector stakeholders to provide comprehensive comments and information on the draft National Occupational Standards. In addition, the scarcity of source documents to be used in NOS drafting for manufacturing sector occupations posed a huge challenge;
- ii. The non-availability of funds to conduct NOS Development and Team of Experts meetings negatively affected the development of the NOS;

- iii. Some experts, demonstrated some levels of unfamiliarity with some of the technical content in the draft NOS and the NOS development process; and
- iv. The process of assessing applications for recognition as Appropriate Authorities was delayed by Institutions who took long to provide feedback or address issues raised during audits.

2.1.4.8 Strategies to Address the Challenges

The following strategies were put in place to address challenges identified: -

- i. The Authority will emphasise on the nomination and appointment of competent NOSDT members with relevant qualifications, experience and expertise to be able to carry out the drafting of NOS for the identified occupations from scratch. Further, capacity development measures will be instituted;
- ii. The Authority will continue engaging government for adequate and timely release of funds for timely execution of activities on NOS development;
- iii. The Authority will target to invite experts to serve on NOSDTs with relevant qualifications, demonstrated technical know-how and necessary expertise to positively contribute to development of NOS in a given sector;

2.2 Strategic Objective II: Enhance Stakeholder Collaboration

Under this Strategic objective, it is expected that the Authority will put in place mechanisms that will increase stakeholder support which will be evidenced through increased financial and technical support.

2.2.1 Intended Result 1: Increased stakeholder support

In the year under review, the Authority constituted a Resource Mobilisation Coordinating Team in order to attract alternative financing to the Authority. Further, the Authority engaged the Embassy of Ireland for possible funding opportunities through a project proposal aimed at providing capacity development to ZAQA by QQI. The Embassy approved Two Hundred Thousand Euros (€200,000) for a four-year period from 2019 to 2022. As at end of the year, the Embassy had disbursed Fifty Thousand Euros (€50,000) to ZAQA.

In addition, the pre-pilot of the UNESCO Qualifications Passport (UQP) was conducted in the year under review. Eleven (11) UQPs were awarded out of the 29 potential beneficiaries. The outcomes were widely publicised at the UNESCO General Conference by both local and international media. The partners in this pre-pilot included ZAQA, UNESCO, NOKUT, UNHCR and the Commissioner for Refugees in Zambia.



The Minister of Higher Education Hon. Eng. Dr. Brian Mushimba - MP and the Director and CEO Mrs Mirriam Chiyaba sign UNESCO Qualifications Passports for the successful refugee applicants from Meheba settlement in Solwezi.



The Director and CEO Mrs. Mirriam M. A Chiyaba on the panel organised by Institute of International Education the Education (IIE) discussing the UNESCO Qualifications Passport (UQP), on the Side lines of the United Nations General Conference .

Some stakeholder sensitisation activities conducted in the year included the following: -

2.2.1.1 Show Exhibitions

The Authority participated in the Zambia Agriculture and Commercial Show whose Theme was **“Embracing Industrial Development”**. It was a six-day show event, whose main aim was to interact with various members of the public and sensitive them on the operations and services offered by the Authority.

ZAQA shared the exhibition stand with the Higher Education Authority (HEA) and Technical Education, Vocational and Entrepreneurship Training Authority (TEVETA), Higher Education Loans and Scholarships Board (HELBS) and the Zambia Institute of Advanced Legal Education (ZIALE) with a view to increase visibility and reduce costs.

The Authority also participated in the 55th Zambia International Trade Fair (ZITF) whose theme was **“Inclusive Growth through Entrepreneurship”**. The ZITF was not well attended as it was held at the same time as the Copperbelt Investment Expo.



The Director & CEO, Mrs. Mirriam Chiyaba poses for a photo with staff at the Zambia Agricultural and Commercial Show



ZAQA Staff at the Zambia International Trade Fair

Further, ZAQA participated in the Zambia National Education Conference and Exhibition held at Mulungushi International Conference Centre from the 15th - 17th January 2019 organised by the Ministries of General and Higher Education in collaboration with Envoys Zambia Limited. The theme of the Conference was **“Improving the Quality of Zambia’s Education System - The Education we want”**. All these events provided visibility of the Authority.



ZAQA stand during the Zambia National Education Conference and Exhibition held at Mulungushi International Conference Centre



The Accountant, Mrs Vera Chaikatisha interacts with learners during the Education Expo organised by Elevate Foundation Zambia

2.2.1.2 Other Sensitisation Activities

Other sensitisation activities conducted in 2019 included: -

- i. Exhibition at the Education Expo organised by Elevate Foundation Zambia;
- ii. Airing of ZAQA adverts on various radio stations;
- iii. New adverts were drafted and are yet to be translated into Nyanja, Tonga, Lozi, Bemba and Kaonde. These will be aired on various community stations around the country in 2020;
- iv. Targeted institutional sensitisations on the services offered by ZAQA.

2.3 Strategic Objective III: Improve Human Resources

Under the Service Excellence theme, the Authority will improve human resources capacity. In order to improve human resources, a performance appraisal system has been put in place and appraisals for the year 2019 finalised. The Authority engaged Management Development Division for the review of the ZAQA Organisation Structure and job descriptions to be concluded in 2020.

2.4 Strategic Objective IV: Enhance Management Systems

In order to enhance management systems, ZAQA will develop and implement a Service Delivery Charter and a Communication Strategy. Further, the Authority will develop, automate and integrate management systems. These efforts are aimed at enhancing the effectiveness and efficiency of service delivery.

The Qualifications Management Information System (QMIS) was still under development in 2019. In addition, the Authority engaged a service provider to integrate e-certification with the QMIS.

2.5 Strategic Objective V: Improve the sources and management of financial resources

In order to improve sources and management of financial resources, the Authority embarked on the revision of the Finance Manual aimed at strengthening of internal controls and ensuring that all changes in accounting standards and laws are adhered to.

2.6 Strategic Objective VI: Improve Institutional Infrastructure

In order to improve institutional infrastructure, the Authority included a budget for the construction of own offices in the 2020 budget. The Authority will work with the Ministry of Higher Education to ensure that the project is initiated in 2020.

Table 3: 2019 Output Matrix indicating targets and the level of achievement by end of the year.

	2018	2019					
OUTPUT	UNIT OF MEASURE	OUTPUT TARGET	ACTUAL NUMBER	ACTUAL %	2019 OUTPUT TARGET	ACHIEVED	STATUS
Qualifications accredited on the ZQF	Percentage	Accredit at least 75% of received applications	81 qualifications evaluated	78% of qualifications received evaluated	95% of received applications processed within 30 days	48 Qualifications evaluated and accredited on the ZQF. 75% of received applications have been processed	The Authority had not received the planned qualifications from the Higher Education Sub-Framework
Appropriate Authorities recognised	List	0	0	0	A database (list) of Appropriate Authorities established - baseline	Not achieved	The process of recognising Appropriate Authorities within Zambia was delayed in order to streamline and harmonise with the Higher Education Policy of 2019 The recognition of Appropriate Authorities was put on hold pending guidance from ministry of Justice in view of New Higher Education Policy.
	Number (2017-18) Percentage (2019)	10	4	40%	95% of all existing Appropriate Authorities recognised by the Authority	Not achieved	
Qualifications / competences validated and evaluated	Number (2017) Percentage (2018-2019)	At least 90% of received applications processed	1,519 qualifications validated	72% of received applications processed	90% of applications for validation of foreign qualifications processed within 30 days and 90% of applications for validation of local qualifications processed within 14 days	2,506 qualifications validated and evaluated translating to 84%	The Authority validated more qualifications than the planned 1,700. This was because most professional bodies have made it mandatory for their members to have qualifications validated by ZAQA before they are considered for membership. Further, HEA has made it mandatory for Universities to have qualifications of their staff validated as a pre-requisite for registration.
Quality assured qualifications	Percentage	0	0	0	50% of appropriate Authorities incorporating level descriptors in developing learning programmes	The 6 Appropriate Authorities (60%) that have submitted some of their qualifications were adhering to ZQF Level Descriptors. These are TEVETA, NI-PA, GNCZ, EC-Z, ZICA and ZIM. (Refer to comment in the next column)	The Authority has not been able to ascertain the actual numbers because most of the Appropriate Authorities have not yet submitted qualifications for accreditation in view of the grace period contained in the SI No. 4 of 2018 that gives the deadline to Appropriate Authorities until end of February 2021 to submit qualifications.

	2018	2019					
OUTPUT	UNIT OF MEASURE	OUTPUT TARGET	ACTUAL NUMBER	ACTUAL %	2019 OUTPUT TARGET	ACHIEVED	STATUS
Quality as-sured qualifications	Percentage	0	6 audits conducted. 4 institutions compliant	67% of audited institutions compliant	80% of audited quality assurance and awarding bodies compliant	100% of audited quality assurance and awarding bodies were compliant	1 audit carried out at NIPA and the Institution was found to be complaint to ZQF standards
ZQF kept current	Number	0	No survey / research planned	No survey / research conducted	1 survey conducted to evaluate the impact of the ZQF	Not achieved	The Research Proposal on the "Impact of the Zambia Qualifications Framework on Education, Training and Employment" was prepared however the survey could not be conducted because the Authority was still in its infancy and impact can only be realistically measured after at least five years of implementation.
Internal Quality Management System Developed (M & E System)	Number	0	0	0	System commissioned	Not achieved	Could not be conducted due to financial challenges
Improved financing	Number	0	0	0	Resource mobilisation strategy developed	Not achieved	A resource mobilisation coordinating team was put in place to spearhead the development of a resource mobilisation strategy.
	Percentage	0%	0%	0%	5% of budget funded from other sources other than GRZ and ZAQA services	8% of budget from other sources other than GRZ and ZAQA services	7% received from Embassy of Ireland while 1% was from interest on Fixed Deposit. Further, the Embassy of Ireland funded the study tour undertaken by ZAQA to Ireland
	Percentage	0	0	0%	5% of stakeholder groups providing technical support to the Authority	43% of stakeholder groups provided support to the Authority.	ZAQA worked with UNESCO, UNHCR, Commissioner for Refugees and NOKUT on the implementation of the UNESCO Qualifications Passport. Also worked with Irish Embassy on implementation of NOS, COL on Employability Guidelines, Cabinet Office on the development of the Strategic Plan, professional bodies on validation of qualifications, awarding bodies on accreditation of qualifications and industry on the development of NOS.

	2018	2019					
OUTPUT	UNIT OF MEASURE	OUTPUT TARGET	ACTUAL NUMBER	ACTUAL %	2019 OUTPUT TARGET	ACHIEVED	STATUS
Occupational Standards developed	Number (2018) Percentage (2019)	6	0	0%	50% of key priority areas with NOS	Developed NOS in two sectors out of Five Key sectors translating into 40%	12 draft National Occupational Standards were developed in the Tourism and Agriculture sectors respectively. Planned NOS for other key sectors in the Seventh National Development Plan could not be done due to financial challenges
RPL implemented by awarding bodies	Number (2018) Percentage (2019)	5	4	List of Appropriate Authorities yet to be compiled. 4 awarding bodies encouraged to develop RPL policies	90% of Appropriate Authorities implementing RPL	5 Appropriate Authorities whose qualifications are registered by ZAQA were adhering to the guidelines on RPL representing a 100%. These are, TEVETA, ZICA, GNCZ, NIPA, ZIM.	Majority of Appropriate Authorities have incorporated RPL as an admission criterion. TEVETA has developed a stand-alone RPL policy for use by various Institutions accredited by TEVETA
Guidelines on delivery of Open and Distance Learning Programmes Developed	Number	0	0	0	Guidelines developed and implemented	Not achieved	Due to financial constraints, the Authority is yet to develop the guidelines on delivery of Open and Distance Learning Programmes
Quality assured Open and Distance Learning Programmes	Percentage	0	4	66% of submitted ODL qualifications evaluated	95% of qualifications received for accreditation of open and distance learning programmes accredited	Not achieved	Due to the grace period stipulated in the SI, no qualifications offered through open and distance learning were submitted for accreditation
Continuing Professional Development and part qualifications recognised on the ZQF	Number	0	0	0	Guidelines on the recognition of CPD and part qualifications developed and implemented	Not achieved	No guidelines have been developed on account that professional qualifications are just like any other qualifications recognised by ZQF. The ZQF does not recognise part qualifications. Consequently, the Authority initiated the review of the Act to align this provision.
Capacity built in the implementation of qualification frameworks	Number	4	1	25% of plan achieved	Undertake 4 study tours	Only 1 study tour was undertaken in 2019 due to financial challenges	ZAQA undertook a study tour to Ireland. The trip was funded by the Embassy of Ireland.

	2018	2019					
OUTPUT	UNIT OF MEASURE	OUTPUT TARGET	ACTUAL NUMBER	ACTUAL %	2019 OUTPUT TARGET	ACHIEVED	STATUS
Capacities of ZAQA staff developed	Number	0	CPD implemented but haphazardly	CPD implemented but haphazardly	Develop and implement a Continuing Professional Development Plan	Not achieved	Could not be conducted due to financial challenges
	Percentage	0	60% of ZAQA staff achieved 85% of set targets	60% of ZAQA staff achieved 85% of set targets	80% of ZAQA staff achieving at least 85% of set target	50% of ZAQA staff achieved at least 75% and above of set targets	
Qualifications Management Information System (QMIS) commissioned	Number	0	Developed and under pilot	Developed and under pilot	System commissioned	System was still under testing at the end of 2019	System to be commissioned in March 2020
	List 2017-2018 Percentage 2019	0	4	List of Appropriate Authorities & awarding bodies not compiled. 4 awarding bodies linked to QMIS (UNILUS, CBU, UNZA & Rusangu)	50% of Appropriate Authorities linked to the QMIS and able to upload learner records	Not achieved	Could not be achieved because the system had not been commissioned although University of Lusaka submitted some learner records to ZAQA. To be implemented in 2020
Qualifications Management Information System (QMIS) commissioned	Setup space for application	0	2 Computers, 2 tables, scanner and printer in place for online applications	2 Computers, 2 tables, scanner and printer in place for online applications	ICT infrastructure set up for clients to make online applications	Online application hub was still operational in 2019 although no new infrastructure was added during the year under review due to financial constraints	There are plans to make the online application hub very functional in 2020 and reduce on manual applications
	Number	4	0	0%	4 visits per quarter to Appropriate Authorities to validate inputs into the QMIS	Not achieved	Visits to Appropriate Authorities were not conducted. This was because the QMIS was still under testing
Improved accountability of financial resources	Number	0	0	0%	Zero audit queries	5 queries were raised by auditors in the 2018 annual audit	The Authority did not have control of the 3 out of 5 queries raised by auditors. Management has addressed the queries within its control
	Number	0	0	0	Unqualified audit report	Unqualified audit report issued by auditors for the 2018 audit	

	2018	2019					
OUTPUT	UNIT OF MEASURE	OUTPUT TARGET	ACTUAL NUMBER	ACTUAL %	2019 OUTPUT TARGET	ACHIEVED	STATUS
	Percentage	0	90% of activities conducted within budget	90% of activities conducted within budget	95% of activities conducted within budget	96.4% of activities were conducted within approved budget in 2019	
Service Delivery Charter Developed and Implemented	Percentage	0	Base line data not available	Base line data not available	70% reduction on client complaints	Client feedback mechanisms had not been put in place by the end of December 2019	The delay was mainly due to financial challenges. This will be done in 2020
	Percentage	0	Base line data not available	Base line data not available	85% increase in client compliments	Client feedback mechanisms had not been put in place by the end of December 2019	The delay was mainly due to financial challenges. This will be done in 2020
Service Delivery Charter Developed and Implemented	Percentage	0	Base line data not available	Base line data not available	90% of services provided in line with the Service Delivery Charter	Service delivery charter had not been developed by the end of December 2019	The delay in developing the Service delivery charter was due to financial challenges.
ZAQA Staff adhering to ZAQA Core Values	Percentage	0	No measurement set in 2018	80% of staff adhered to ZAQA core values.	100% adherence to ZAQA Core Values	All staff adhered to ZAQA Core Values	No disciplinary matters were raised in 2019 regarding non-adherence to ZAQA Core Values

3.0 CORPORATE SERVICES

The Corporate Services of the Authority comprises the following support functions: - Information Communications Technology; Human Resources and Administration; and Finance.

3.1 Information Communications Technology

The following activities were conducted under Information Communications and Technology in 2019: -

3.1.1 Digital Certification Integration

After approval of the Service Level Agreement by the Attorney General, ZAQA signed an agreement with a service provider for the integration of digital certificates with the QMIS. This system will ensure the issuance of electronic certificates that can be accessed by the client from anywhere. Advantages include: -

- i. Portability of certificates and sharing because they are in digital form and can be accessed anywhere;
- ii. The digital certificates are enhanced with security features which makes it difficult to forge them unlike hard copy certificates.

The development of an API that will integrate the QMIS and e-certificate platform was underway as at close of the year and testing had commenced.

3.1.2 Upload of Learner Records

In 2019, the Authority received learner records from the University of Lusaka. The records received included records for the Masters in Business Administration, Masters in Business Administration with Education, Bachelors' in Public Health, Bachelor of Laws and Bachelor of Accountancy.

3.1.3 Internet Connection

The contract with CEC Liquid for the provision of internet services ended on 31st May 2019. FibreCom was contracted as the new Internet Service Provider (ISP), providing a 4MB dedicated connection and a changeover was successfully done.

3.1.4 Application & Email Tracking

The Authority developed and implemented a system for logging all incoming emails through the qualifications mailbox. Tickets are issued to clients who send emails to qualifications@zaqa.gov.zm. The emails are then assigned to members of staff by the supervisor who is also able to track performance of the team.

3.2 Human Resources and Administration

3.2.1 Staff establishment

At the end of the year, 21 positions were filled from an establishment of 33 as shown below.

Table 4: Staffing levels by Department

DIVISION	STAFF ESTABLISHMENT	FILLED POSITIONS	VACANCIES
Office of the Director	6	4	2
Technical Division	14	10	4
Corporate Services Division	13	7	6
Total	33	21	12

The Assistant Director – Technical was seconded to the Technical Education, Vocational and Entrepreneurship Training Authority as Director General. The Registration and Accreditation Manager was appointed to act in his absence.

The Qualifications and Advisory Services Specialist proceeded on study leave in Ireland under the Irish Aid Fellowship Programme. In his absence, the Administration Officer was appointed to act.

3.2.2 Office Space

The Authority continued to operate from Finsbury Park with the hope of acquiring or constructing own office accommodation by December 2021 with the support of Ministry of Higher Education.



3.3 Finance

The following section looks at financial performance for the Authority in the year under review.

3.3.1 Budget Performance

The total approved budget for 2019 was ZMW20,429,075. Of the budgeted amount, the Authority received ZMW11,196,486.61 as indicated in table 5 below.

Table 5: Budgeted and received income

	Actual Performance Vs Annual Budget			
	Actual	Budget	Variance	Variance
	ZMW	ZMW	ZMW	%
Government funding	8,831,502.99	14,054,075.00	(5,222,572.01)	-37%
Registration & accreditation	65,000.00	3,775,000.00	(3,710,000.00)	-98%
Validation and Evaluation	1,450,020.64	1,328,500.00	121,520.64	9%
Donor Funding	790,000	1,021,500.00	(231,500.00)	-23%
Other Income	59,962.98	250,000.00	(190,037.02)	-76%
Totals	11,196,486.61	20,429,075.00	(9,232,588.39)	-45%

Funding from Government for the months of September 2019 to December 2019 was not received by the Authority. Further, part of the August 2019 grant was not received.

Under performance on Registration and Accreditation of qualifications was due to the fact that the Authority did not receive qualifications from the Higher Education Sub Framework for accreditation. The Authority was working with the Higher Education Authority on mechanisms for the submission of these qualifications.

Compared to other years, the Authority performed well on donor income. The ZMW790,000 received from the Embassy of Ireland was the first donor grant for the Authority. A Resource Mobilisation Coordinating Committee has been put in place to ensure that the Authority raises other funds other than government funding.

The Authority had anticipated to receive at least ZMW250,000 from interest on fixed deposits. However, due to financial challenges, the Authority only managed to place 14% of accrued staff gratuity on fixed deposit.

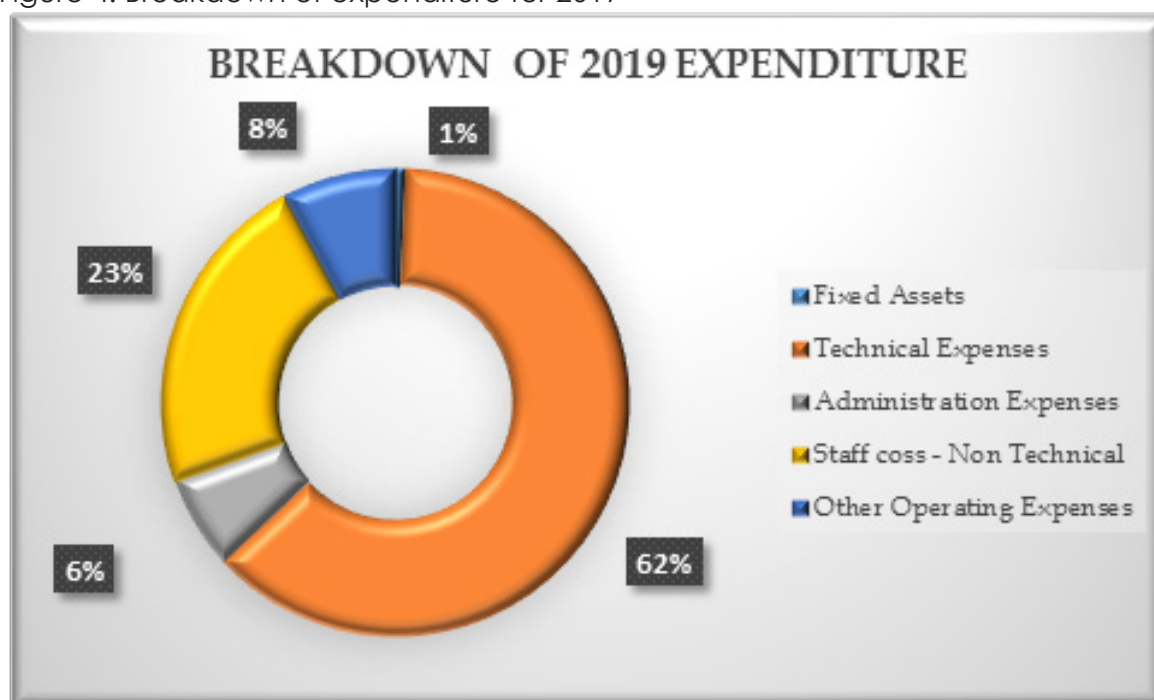
The Authority performed well on the validation and evaluation of qualifications budget line because a number of professional bodies requested their members to have their qualifications validated by ZAQA. Further, the Higher Education Authority made it mandatory for University staff to have their qualifications validated by ZAQA as a prerequisite for registration.

3.3.1 Financial Performance

The Authority recorded an operating deficit of ZMW3,897,183 (2018: Deficit ZMW933,214) in the year under review. Expenditure for the year amounted to ZMW15,093,670 (2018: ZMW11,627,939). The Authority also purchased fixed assets at a cost of ZMW103,917 (2018: ZMW890,339).

The Pie Chart shows a breakdown of expenditure in the year 2019.

Figure 4: Breakdown of expenditure for 2019



5.0 FINANCIAL STATEMENTS

Management has the pleasure in submitting their report on the operations of the Zambia Qualifications Authority covering the year to 31st December 2019.

Nature of Entity

The Zambia Qualifications Authority is a statutory body under the Ministry of Higher Education established by the Zambia Qualifications Authority Act No. 13 of 2011.

Principal Activities

The principal activities of the Authority are: -

the development and implementation of a national qualifications framework; registration and accreditation of qualifications;

provision of measures to ensure that standards and registered qualifications are internationally comparable; and provision for matters connected with, or incidental to, the foregoing.

Financial Results

	Year Ended 31 December 2019	Year Ended 31 December 2018
	ZMW	ZMW
Income	11,196,487	10,694,725
Expenditure	(15,093,670)	(11,627,939)
(Deficit) / Surplus for the Year	(3,897,183)	(933,214)

Property, Plant and Equipment

During the year under review, the Authority purchased property, plant and equipment amounting to ZMW103,917 (2018: ZMW890,339). In the opinion of the Directors, the fair values of the Fixed Assets are not less than the amounts at which they are included in the financial statements.

Number of Employees

The total remuneration paid was ZMW10,856,005.84 (2018: ZMW7,701,442) and the Authority had Twenty-one (21) employees at the close of the year under review (2018: 21)

Events Subsequent to the Year End

There have been no circumstances, facts or events of a significant or material nature impacting the business that have occurred between the period end and the date of this report.

Directors

The Authority operated without a duly appointed Board in 2019. The Permanent Secretary - Ministry of Higher Education, put in place interim committees to provide overall guidance. The two committees reported to the Permanent Secretary.

Statement of Responsibility and Approval of Financial Statements

Section 22 and 23 of the Zambia Qualifications Authority Act requires the Authority to maintain proper books of accounts and to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the Authority and of the surplus or deficit for that period. In preparing these financial statements, Management of the Authority have selected suitable accounting policies and then applied them consistently, made judgements and estimates that are reasonable and prudent and followed the applicable accounting standards. Management are responsible for ensuring that the Authority keeps proper accounting records which disclose with reasonable accuracy at any given time, the financial position of the Authority. Management are also responsible for safeguarding the assets of the Authority and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

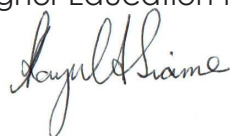
In accordance with Sections 22 and 23 of the Zambia Qualifications Authority Act No. 13 of 2011, we, the Management of the Authority are of the opinion that: the Statement of Financial Position is drawn up so as to give a true and fair view of the state of affairs of the Authority as at 31 December 2019;

The Statement of Comprehensive Income is drawn up so as to give a true and fair view of the performance of the Authority for the year ended 31 December 2019; and

There are reasonable grounds to believe that the Authority will be able to pay its debts as and when they fall due.

Management are also responsible for the Authority's system of internal controls. These controls are designed to provide reasonable, but not absolute assurance as to the reliability of the financial statements and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatements and loss. Nothing has come to the attention of Management to indicate that any material breakdown on the functioning of these controls, procedures and systems has occurred during the period under review.

The financial statements which appear on pages 25 to 36 were approved by the Ministry of Higher Education through the office of the Permanent Secretary.



Permanent Secretary
Ministry of Higher Education
Date: 20/03/2020



Director and Chief Executive Officer
Zambia Qualifications Authority
Date: 20/03/2020

The logo for M Sakala + Associates Chartered Accountants, featuring the letters 'MS+A' in white on a blue square background.

**M Sakala + Associates
Chartered Accountants
M Sakala + Associates
Chartered Accountants
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P O Box 320180
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Independent Auditors' Report

To the Directors of the Zambia Qualifications Authority

Opinion

We have audited the financial statements of the Zambia Qualifications Authority which comprise the Statement of Financial Position as at 31 December 2019, the Statements of Comprehensive Income, Changes in The Fund and Cash Flows for the year then ended, and the summary of significant accounting policies and other explanatory notes as set out on pages 26 to 36.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Authority as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS for Small and Medium Sized Enterprises).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
- We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unqualified audit opinion

Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements of Zambia Qualifications Authority as at 31 December 2019, and its financial performance and its cash flows for the year then ended have been properly prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities. The accounting and other records have been kept in accordance with the requirements of the Zambia Qualifications Authority Act No. 13 of 2011.



M. Sakala (Mr.)

Partner

Certificate No. AUD/F001510

M SAKALA & ASSOCIATES

Registered Auditors

Date: 16/03/2020

Statement of Comprehensive Income
For the year Ended 31 December 2019

		2019	2018
	Note	K	K
Income	6	11,196,487	10,694,725
Technical Expenses	7	(9,478,233)	<u>(6,879,900)</u>
Surplus before Operating Expenses		1,718,254	3,814,824
Administrative Expenses	3	(990,516)	(654,270)
Other Operating Expenses	4	(4,624,920)	<u>(4,093,769)</u>
Deficit for the year		(3,897,183)	(933,214)
Other Comprehensive Gains and Loses		<u>0</u>	<u>0</u>
Total Comprehensive deficit		<u>3,897,183</u>	<u>(933,214)</u>

The significant accounting policies and the notes set out on page 28 – 32 form an integral part of these financial statements

**Statement of Changes in the Fund
For the year Ended 31 December 2019**

	Accumulated Fund	Total
	K	K
At 1 January 2018	1,432,607	1,432,607
Comprehensive Income		
Deficit for the Year	<u>(933,214)</u>	<u>(933,214)</u>
Total Comprehensive Deficit for the Year	<u>(933,214)</u>	<u>(933,214)</u>
At 31 December 2018	<u>499,393</u>	<u>499,393</u>
At 1 January 2019		
Comprehensive Income		
Deficit for the Year	<u>(3,897,183)</u>	<u>(3,897,183)</u>
Total Comprehensive Deficit for the Year	<u>(3,397,790)</u>	<u>(3,397,790)</u>

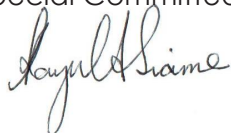
The significant accounting policies and the notes set out on page 28 – 32 form an integral part of these financial statements

Statement of Financial Position

For the year Ended 31 December 2019

	Notes	2019 K	2018 K
Assets			
Non – Current Assets			
Property, Plant and Equipment	2	<u>1,373,312</u>	<u>1,951,086</u>
		<u>1,373,312</u>	<u>1,951,086</u>
Current Assets			
Trade and Other Receivables	3	290,479	379,440
Cash and Cash Equivalents	4	<u>2,642,874</u>	<u>1,986,494</u>
		<u>2,933,354</u>	<u>2,365,934</u>
Total Assets		<u>4,306,665</u>	<u>4,317,020</u>
Funds Employed and Liabilities			
Accumulated Fund		<u>(3,397,790)</u>	<u>499,393</u>
		<u>(3,397,790)</u>	<u>499,393</u>
Other Liabilities			
Capital Grant	10	<u>-</u>	<u>4,488</u>
		<u>-</u>	<u>4,488</u>
Current Liabilities			
Trade and Other Payables	5	<u>7,704,455</u>	<u>3,813,139</u>
		<u>7,704,455</u>	<u>3,813,139</u>
Total Equity and Liabilities		<u>4,306,665</u>	<u>4,317,020</u>

These financial statements were approved by the Finance, Administration and Human Resources Special Committee on **20 / 03 / 2020** and signed on its behalf by:



Permanent Secretary
Ministry of Higher Education

Date: 20/03/2020



Director and Chief Executive Officer
Zambia Qualifications Authority

Date: 20/03/2020

Statement of Cash Flows**For the year Ended 31 December 2019**

	Notes	2019	2018
		K	K
Operating Activities			
Operating (Deficit) / Surplus		(3,897,183)	(933,214)
Items Not Involving Movement of Funds			
Depreciation	2	681,692	505,896
Loss on Disposal of Fixed Assets		-	88,216
Profit on Disposal of Fixed Assets		-	(2,139)
Grant Amortisation		(4,489)	-
Adjustments for Changes in Working Capital			
(Increase) / Decrease in Trade and Other Receivables	3	88,960	(296,711)
Increase / (Decrease) in Trade and Other Payables	7	<u>891,318</u>	<u>1,787,209</u>
Cash Generated from Operating Activities		<u>760,298</u>	<u>1,149,257</u>
Net Cash inflow from Operating Activities		<u>760,298</u>	<u>1,149,257</u>
Investing Activities			
Acquisition of Property, Plant and Equipment	2	(103,917)	(890,340)
Adjustment on Disposal of Assets		<u>-</u>	<u>80,157</u>
		<u>(103,917)</u>	<u>(810,183)</u>
Net Change from Cash and Cash Equivalents		656,381	339,074
Cash and Cash equivalents at Beginning of year		<u>1,986,493</u>	<u>1,647,419</u>
	6	<u>2,642,874</u>	<u>1,986,493</u>
Consisting of:			
Cash at Bank and in Hand	6	<u>2,642,873</u>	<u>1,986,493</u>

The significant accounting policies and the notes set out on page 28 – 32 form an integral part of these financial statements

Significant Accounting Policies

Basis of Accounting and Preparation of the Financial Statements

The financial statements have been prepared in line with the requirements of the International Financial Reporting Standards for Small to Medium-sized Entities.

Income Recognition

Income represents the value of Government of the Republic of Zambia Grants appropriated to and actually received by the Authority. Government Grant Income is recognized in the income statement when it is actually received and the amount received can be measured with certainty. Grant income is recognized in the income statement over the period necessary to match it with related costs that is intended to compensate

Income also includes the value of services rendered in respect of evaluation and verification of qualifications, accreditation of qualifications as well as interest earned on securities. In recognising income from rendering services, the requirements of IFRS 15 have been duly considered and complied with.

Property, Plant and Equipment

Property, plant and equipment are stated in the statement of financial position at cost or valuation less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment comprise of its purchase price and any cost directly attributable to bringing it into working condition for its intended use.

Depreciation is charged to write off the cost of property, plant and equipment over their estimated useful lives, on a straight line basis, at the following annual rates:

Fixtures and Fittings	25%
Motor Vehicles	25%
Office Equipment	25%
Computer Equipment	33%
Software	25%

Capital Grants

Grants related to assets are either offset against the carrying amount of the relevant asset or presented as deferred income in the statement of financial position. Surplus or deficit will be affected either by a reduced depreciation charge or by deferred income being recognised as income systematically over the useful life of the related asset.

e) Impairment of Assets

At each reporting date, property, plant and equipment are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset or group of assets, is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount and an impairment loss is recognised immediately in the statement of comprehensive income.

If an impairment loss subsequently reverses, the carrying amount of the asset, or group of related assets, is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset or group of assets in prior years. A reversal of an impairment loss is recognised immediately in the statement of comprehensive income.

f) Income Tax

No Income Tax is applicable to the Authority as it was granted tax exempt status upon successful application to the office of the Commissioner General of the Zambia Revenue Authority.

g) Deferred Taxation

No Deferred Tax is provided for as the Authority is exempt from Income Tax.

Significant Accounting Policies (Continued)

h) Foreign Currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

Foreign exchange gains and losses arising from translations are included in other income or operating expenses in the period in which they occur.

2. Property, Plant and Equipment

	2019			2018		
	Cost/ Valuation	Accumulated Depreciation	Carrying Value	Cost / Valuation	Accumulated Depreciation	Carrying Value
	K	K	K	K	K	K
Computer Equipment	338,128	(242,612)	95,516	290,811	(178,703)	112,108
Motor Vehicles	1,354,702	(773,631)	581,071	1,354,702	(434,955)	919,747
Fixtures and Fittings	320,356	(232,049)	88,308	313,756	(169,426)	144,330
Office Equipment	125,173	(80,871)	44,302	125,173	(52,424)	72,749
Software	752,153	188,038	564,115	702,153	-	702,153
	<u>2,890,512</u>	<u>(1,517,201)</u>	<u>1,373,312</u>	<u>2,786,595</u>	<u>(835,509)</u>	<u>1,951,086</u>

The carrying values of Property, Plant and Equipment can be reconciled as follows: -

	Carrying value at the Beginning of the Year	Additions for the Year	Depreciation Charge for the Year	Depreciation on disposals	Depreciation/write back / adjustments	Carrying Value at End of Year
	K	K	K	K	K	K
2019						
Computer Equipment	112,108	47,317	(63,909)	-	-	95,516
Motor Vehicles	919,747	-	(338,676)	-	-	581,071
Fixtures and Fittings	144,330	6,600	(62,622)	-	-	88,308
Office Equipment	72,749	-	(28,447)	-	-	44,302
Software	702,153	50,000	188,038	-	-	564,115
	<u>1,951,086</u>	<u>103,917</u>	<u>(681,692)</u>	<u>-</u>	<u>-</u>	<u>1,373,312</u>
2018	Carrying value at the Beginning of the Year	Additions for the Year	Depreciation Charge for the Year	Depreciation on disposals	Depreciation/write back / adjustments	Carrying Value at End of Year
Computer Equipment	65,291	100,642	(51,464)	2,639	(5,000)	112,108
Motor Vehicles	790,950	649,702	(357,030)	360,525	(524,400)	919,747
Fixtures and Fittings	126,133	89,220	(71,022)	-	-	144,330
Office Equipment	48,351	50,776	(26,379)	-	-	72,749
Software	-	702,153	-	-	-	702,153
	<u>1,732,878</u>	<u>890,339</u>	<u>(505,896)</u>	<u>363,164</u>	<u>529,400</u>	<u>1,951,086</u>

3 Trade and other Receivables	2019	2018
	K	K
Trade Receivables	-	191,500
Prepaid Rent	71,082	73,360
Medical arrangements	30,706	30,906
Insurance	24,318	11,593
Staff Receivables	84,691	13,366
Inventory Account	78,077	56,752
Fuel Prepayment	<u>1,605</u>	<u>1,963</u>
	<u>290,479</u>	<u>379,440</u>
4 Cash and Cash Equivalents		
Cash in Hand	3,000	2,976
Investgo Card	10,000	350
Fixed Deposit	586,570	1,634,272
Cash at Bank	<u>2,043,304</u>	<u>348,896</u>
	<u>2,642,874</u>	<u>1,986,494</u>
5 Accumulated Funds		
At Beginning of Period	499,393	1,432,607
Deficit for the period	<u>(3,897,183)</u>	<u>(933,214)</u>
	<u>3,397,790</u>	<u>499,393</u>
6 Trade and other payables		
Statutory Payments	1,608,914	441,468
Staff Payables	4,139,703	2,122,825
Prepayments by Customers	1,521,934	881,810
Other Payables	<u>433,904</u>	<u>367,037</u>
	<u>7,704,455</u>	<u>3,813,139</u>
7 Income		
GRZ Revenue Grant	8,831,503	9,369,380
Validation and Evaluation Fees	1,450,021	615,695
Registration and Accreditation Fees	65,000	500,000
Revenue Grant	790,000	-
Interest on Fixed Deposit	54,968	103,793
Capital Grant	4,488	4,356
Sundry Income	507	99,362
Profit on Disposal of Fixed Assets	<u>-</u>	<u>2,139</u>
	<u>11,196,487</u>	<u>10,694,725</u>

8 Technical Expenses	2019	2018
	K	K
Direct Salaries & Related Expenses	7,416,665	4,761,625
Accreditation od Qualifications	303,464	627,642
Motor Vehicle Running Expenses	142,920	134,182
Advertising and Promotion	81,332	152,220
Information Technology Expenses	131,166	213,972
Validation and Evaluation Expenses	194,519	92,443
Qualification Network Meetings / Conferences	552,508	350,160
Development of National Occupational Standards	190,422	-
Developing Technical Documents	114,875	-
Stakeholder and Public Sensitisation	250,674	335,542
Collaborative Meetings	37,770	17,248
Qualification Management Information System	5,444	32,886
Study Tours	52,514	161,981
Recognition of Appropriate Authorities	3,000	-
Audits of Appropriate Authorities	960	-
	<u>9,478,233</u>	<u>6,879,900</u>
9 Administrative Expenses		
Rent	823,294	505,431
General Expenses	12,188	29,371
Cleaning	32,861	17,812
Office Refreshments	22,435	16,297
Newspapers and Periodicals	14,280	5,810
Insurance – Office equipment & furniture	6,957	7,016
Building Repairs	21,738	18,700
Bank Charges	56,762	53,831
	<u>990,516</u>	<u>624,270</u>
10 Other Operating Expenses		
Staff Salaries & Related Costs	3,439,341	2,939,817
Board of Directors and Related Costs	65,610	7,834
Depreciation	681,693	505,895
Printing and Stationery	163,320	48,849
Professional Fees	82,226	74,750
Procurement Expenses	25,810	32,201
Communication Expenses	40,746	39,473
Recruitment Expenses	-	26,959
Penalties and interest	6,689	-
Strategic Plan & AWPB Development	119,485	329,775
Loss on Disposal of Fixed Assets	-	88,216
	<u>4,624,920</u>	<u>4,093,769</u>

11 Capital Grant	2019	2018
	K	K
Opening Balance	4,488	8,844
Received During the Year	-	-
Amortised	<u>(4,488)</u>	<u>(4,356)</u>
Balance at End of Year	<u><u>-</u></u>	<u><u>4,488</u></u>

12 Risk Management

Capital Risk Management

The Authority's objectives when managing funds is to safeguard it's ability to continue as a going concern in order to assure the attainment of its mission.

The capital structure of the Authority consists of cash, cash equivalents and accumulated fund.

Financial Risk Management

The ultimate responsibility for managing financial risk rests with the directors. The key financial risk for the organisation is liquidity. The organisation manages the risk against its liquidity by managing and monitoring relationships with suppliers and continuously monitoring forecasts and actual cash flows and matching maturity profiles of financial assets and liabilities.

Liquidity Risk

The risk to liquidity may arise from non-availability of funds to cover future commitments. The organisation manages liquidity risk through an ongoing review of future commitments and credit facilities.

	On Demand
At 31 December 2019	
Trade and Other Receivables	290,479
Cash and Cash Equivalents	2,642,874
Trade and Other Payables	<u>(7,704,454)</u>
	<u>(4,771,100)</u>
At 31 December 2018	
Trade and Other Receivables	379,440
Cash and Cash Equivalents	1,986,494
Trade and Other Payables	<u>(3,813,139)</u>
	<u>(1,447,205)</u>

Fair value

All assets and liabilities have fair values similar to the carrying amounts due to their short term nature.

13 Capital commitments

There were no capital commitments as at 31 December 2019 (2018: Nil).

14 Contingent liabilities

There were no known contingent liabilities at 31 December 2019 (2018: Nil).

15 Subsequent events

There were no known subsequent events post 31 December 2019 (2018: Nil).

