



# **JUBILEE-ZAMBIA VISITS THE G7 EMBASSIES CAMPAIGN**

The idea of visiting the G7 embassies was born in the Netherlands during the EURODAD Annual Convention in November, 2004.

The year 2005 throws a lot of challenges to the Zambian society and the global village as a whole especially that it is 10 years away from the Millennium Development Goals (MDGs) target. While the whole world mourns the disastrous effects of the Tsunami, there are still numerous difficulties, not so divergent from the Tsunami, which the Zambian population faces. The problems of health, education and socio-economic failures have been on the increase and in the long run lead to unprecedented high poverty levels.

Close relations have been made between the existing depressing economic situation and the huge external debt that Zambia owes the bilateral and multilateral communities. Civil societies and religious bodies under the umbrella of Jubilee-Zambia have continued to champion the calls for total debt cancellation. This year, 2005 Jubilee-Zambia has embarked on a serious programme to advocate and call for debt cancellation by commencing with a joint annual planning session for both the strategic partners and the provincial teams at Barn Motel in Lusaka from January 18<sup>th</sup> to 20<sup>th</sup> 2005. The Visit the G7 Embassies took place on January 18, 2005.

At least 26 people drawing membership from Jubilee Zambia Provincial teams namely Monze, Mongu, Livingstone, Kasama and Ndola; strategic partners among which are Non Governmental Organisations Coordinating Committee (NGOCC), Women in Agriculture, Operation Young Vote (OYV), Zambia Young Christian Students (ZYCS), Forum For Democratic Process (FODEP), People Action Forum (PAF), Federation of Free Trade Unions of Zambia (FFTUZ), Women in Agriculture, Catholic Centre for Justice, Development and Peace( CCJDP), Zambia Community Schools Secretariat (ZCSS), Zambia Young Christian Students (ZYCS) and many others, including the Jubilee-Zambia Secretariat participated.

### ***Background to Embassy Visitations***

In order to provide a uniform platform for all the participants visiting the embassies, a background had to be elaborately provided. This also provided common understanding of the essence and targeted outcome of the visits.

The idea of visiting the G7 embassies was born in the Netherlands during the EUODAD Annual Convention in November, 2004. EUODAD looked at the efforts that are being made to reach the 2015 MDGs targets. The year 2005 is ten (10) years away from the MDGs targets and makes it suitable for a check on progress and development. The convention offered 3 suggestions, which member countries would want to carry in the period 18<sup>th</sup> to 20<sup>th</sup> January 2005, these being:

1. Pick a day and visit embassies
2. Carry out mass demonstrations
3. Engage in dialogue with embassies on the status of indebted countries

Jubilee Zambia chose option three that is dialogue with the donor community. Of particular interest to Jubilee Zambia were the G7 namely France, German, America, Canada, Italy, Japan and Britain because they form part of Zambia's major bilateral creditors and they are the principle stakeholders of the International Monetary Fund (IMF) and World Bank (WB) to which Zambia is heavily indebted.

## *Nature of the Message to the Embassies*

The participants divided into six groups to visit the respective embassies.

The groups' main task was to choose facilitators who were to set the pace and tone of the discussions and also to decide on the specific context of presenting the issues to the particular missions they were visiting. Emphasis was placed on highlighting the various problems affecting the provinces and the nation as a whole.

Groups were advised to relate the socio-economic problems such as unemployment, poverty, illiteracy, dilapidated infrastructure and HIV/AIDS to the tragic results of the Tsunami, while appreciating and acknowledging the aid offered to the victims.

The climax of each discussion was to carry a strong appeal and demand for, among other things, the total cancellation of Zambia's external debt through the sell or re-evaluation of the IMF Gold reserves and honouring of the G7s (plus Russia) pledge to offer 0.7% of their total GNP as aid to developing countries.

# Jubilee Zambia's Message to the Bilateral Creditors

## *(Highlights on meetings with the Embassies)*

### *Japanese Embassy*

A group of 5 people visited the Japanese embassy. They were led by Mr. Ray O. Mwape of Jubilee-Zambia Ndola (Copperbelt Province) and included Mr. Jack Jones Zulu from the Secretariat, Mr Andrew Njovu of Jubilee-Zambia Kasama (Northern Province), Lucy Kasanga, member of Jubilee-Zambia, Lusaka, Josephine Muyowambuya from Jubilee-Zambia (Western Province), Speedwell Mapuchi and Mwale both from the Media.

Mr. Tatsuro Koga the Embassy of Japan's first Secretary of Economic Cooperation represented the Japanese embassy.

The group highlighted the following major problems faced by the Zambian people and attributed them to huge sums of money from the national budget going towards debt servicing:

- Unavailability of drugs and other essential facilities in hospitals leading to high Child mortality rates
- Rampant poverty among the majority of Zambians
- Depression among people culminating from social and physical distress
- Failure of Government to release resources to other sectors of development like education, health and other basic needs.
- Too many street children as a result of high school fees and poverty
- Retrenchments leading to lack of employment opportunities
- Poor road network hampering the effective delivery of goods and services, especially to the rural areas
- Long time taken by Government to pay retrenchees and retirees.
- Unbalanced trade between the developed countries and low-income countries including Zambia.

The delegation petitioned the Japanese Government to consider 100% cancellation of Zambia's debt owed to Japan in order for the government of Zambia channel more funds and resources to other needy areas such as agriculture and in turn create jobs. This will result in reduced poverty and enhanced social livelihoods.

Jubilee Zambia highlighted the various measures to control the loan contraction process. These included, among others, the provision that all loans to pass through parliament, a recommendation that was submitted to the Constitution Review Commission (CRC) by all the Jubilee-Zambia Provincial teams.

The Japanese government was further promised that Jubilee-Zambia, in all the provinces, would critically follow the transparent use of debt relief resources through a debt mechanism to be agreed upon by the Zambian Government and civil society.

In response, Mr. Koga stressed that total debt cancellation was difficult to ascertain as this may have detrimental effects on the Japanese community at home. Nevertheless the Zambian people were urged to change their attitude towards work and concentrate more on appropriate technology, agriculture and set priorities right.

### **Visit to the Italian Embassy**

Mr. Valerio Parmigian, first Secretary at the Italian Embassy hosted the Jubilee team, led by Pastor Nyathi of Jubilee-Zambia Copperbelt team. The other team members were Ms Imanga Lubasi of Jubilee-Zambia Western Province team, Miss Ginna M. Fundafunda from Peoples' Action Forum, Lusaka, Fr. Misheck Kaunda Jubilee-Zambia Copperbelt team, and Miss Charity Musamba from Jubilee-Zambia Secretariat.

Upon highlighting the essence of the visit, that is to press for total debt cancellation in order to offer Zambia a new start for economic recovery, the delegation presented the following critical issues facing the Zambian people as a result of debt:

- Impact of closure of the mines as a direct consequence of privatisation
- High personal and corporate taxes
- Deplorable state of hospitals and high user fees
- High mortality rates
- High levels of poverty with particular emphasis to Western province
- Food insecurity
- Uncontrollable animal diseases
- High levels of unemployment
- Illiteracy as a result of few schools and the deplorable state of the schools
- Failure to curb erratic spread of epidemics like cholera leading to high mortality rates
- Dilapidated infrastructure and poor road network

Some of the good works such as opening community schools for both children and adults, training of teachers and budget tracking were sampled as some of the work of the civil society and government, however debt servicing made it difficult to improve and expand such developmental initiatives. In this regard the Italian government was petitioned to totally cancel the debt owed to it by the Zambian people.

The Italian government acknowledged the efforts made by J-Z in the campaign against debt and expressed its commitment to poverty eradication by highlighting the following

- In December 2003, Italy pledged 10 million Euros as aid to Zambia for poverty reduction. However, the Zambian Government has not yet met the 10% provision conditionality, and therefore the money is still in the Italian Bank.
- Italy cancelled US\$100m debt relief for development owed to it by Zambia
- Dr Morros' team working with CCJDP is an Italian initiative.
- Italian Government has continued to cooperate with Zambia in poverty eradication

## Visit to the American Embassy

The Jubilee team visiting the American embassy comprised Mr. Victor Simulyampondo from the Jubilee-Zambia Monze team (Southern Province), Choomba Chibende from Zambia Young Christians (Lusaka), Mr. Arnfield. Mulala from Jubilee-Zambia Livingstone (Southern province), Saul Banda, Jr and Charity Musamba both from the Secretariat. The meeting was hosted by Ms. Katherine Dhanani and Mr. James Garry the Economic & Political Chief and Second Secretary, respectively.

The group indicated to the American Embassy officials that Jubilee-Zambia is campaigning for total debt cancellation so that the country can be given a fresh start in development. Additionally, Jubilee-Zambia, through the Provincial teams, has also submitted proposals on loan contraction process and the role of parliament on debt issues to the Constitutional Review Commission. In this view, the Campaign needed support of the US government.

The embassy representatives were presented with the prevalent situation in Zambia with different examples from various places:

- Difficulties in agriculture, particularly Gwembe, which is a valley and sidelined by the unfavourable geographic location.
- High levels of poverty especially in southern province where harvests have been poor
- Low pupil enrolment in schools especially girls.
- Understaffed schools due to government's desire to meet donor demands in the previous year (2004).
- Lack of schools with a regular curriculum especially that most schools are government schools, which face a lot of sit-ins and strikes.
- Problems of HIV/AIDS and related Orphan Vulnerable Children (OVCs).
- Negative effects of low funding of ministries like the Ministry of Agriculture.

Additionally the team explained that Jubilee-Zambia is working with Members of Parliament (MPs) and plans to request political parties to identify particular MPs dealing with issues of debt and trade.

In response the American Embassy officials highlighted the following:

- ☞ Cancellation would imply that the US government has no leverage on the Zambian Government and this offered uncertainty on use of debt relief regarding poverty reduction
- ☞ Multilateral debt is difficult to cancel as opposed to bilateral debt, which is possible upon reaching the HIPC Completion Point
- ☞ The role the civil society would play after the debt is cancelled is of prime concern
- ☞ Parliamentary reforms should focus on fiscal reform while the Budgeting process should change
- ☞ Opportunities exist in the Millennium Challenge Account (MCA), which the Zambian Government failed to meet due to issues surrounding corruption, inflation and budget deficits, lack of investment, civil liberties, and poor governance record.

## Visit to the British High Commission (BHC)

The delegation that visited the British High Commission (BHC) was met by Mr. Richard Montgomery, the Deputy-Head at the Department for International Development (DFID). The Jubilee-Zambia team comprised Mr. Emmanuel Mutale (team leader) from the Livingstone team, Pamela Hamweemba from Non-Governmental Organizations Coordinating Committee (NGOCC), Ms Phoebe Moono of Jubilee-Zambia Monze team, Mr F. Mwanza from Zambia Open Community Schools (ZOCs), Edmond Kangamungazi representing the Economic Association of Zambia (EAZ), Muyatwa Sitali of Jubilee-Zambia Lusaka and Mr. Saul Banda, Jr from the Secretariat.

The delegation appreciated the efforts made by the British government to help several nations including victims of the Tsunami in Asia. Among other things, the group acknowledged the various concerns that the British Government have on governance, corruption, transparency and public expenditure but assured the BHC that these areas were receiving heightened attention by civil society. In this regard, Jubilee-Zambia, through its provincial teams, had made submissions to the CRC.

The following issues were highlighted in the discussion and are regarded as pertinent problems affecting Zambians with respect to debt servicing:

- Poverty and its related implications like crime, prostitution, high child and maternal mortality
- HIV/AIDS, particularly as it affects mainly the women either as care givers or patients
- Unemployment and poor working conditions leading to perpetual strikes
- Lack of access to quality education and health care.
- Dilapidated infrastructure including roads

Other than calling for total cancellation of Zambia's debt, the delegation also called on the British government to disclose how much Zambia owes it. Additionally, an appeal was made to the British government to champion the campaign for debt cancellation, as it will be privileged to assume the presidency of the European Union and the G7/G8 chairmanships in the year 2005. Furthermore, calls for all funds to Zambia to come in form of grants rather than loans were emphasised.

The BHC representative noted with gladness the work that Jubilee-Zambia is doing and also attributed the reason behind Zambia's failure to attract high profile visitors like Gordon Brown, Britain's' Chancellor of the Exchequer who was in Africa at the time, to governance, transparency, public expenditure, management of public resources and the disbanding of the National HIPC Monitoring and Expenditure tracking team. Nevertheless, the British government representative mentioned that Britain is 100% committed to cancelling Zambia's debt but difficulty lies on how to get the G7 to sign up for it and how soon this will be done.

Jubilee-Zambia was advised to concentrate on calling for better use or sell of the IMF gold as called upon by Mr. G. Brown. Additionally all civil society organisations like Jubilee-Zambia were cautioned not only to lobby but also to look at how debt relief is used. Furthermore, the government should have an activity-based budget and elaborately explain the breakdown of each allocation such as allocation to Poverty Reduction Programmes (PRPs) priority areas by announcing which areas in particular will benefit from such an allocation.

The British Government is trying to determine exactly how much money Zambia owes it. However Britain has stopped giving loans but now all aid to Zambia comes in form of grants.

### Visit by the Canadian High Commissioner

The delegation from the Canadian Commission opted to meet the Jubilee-Zambia at the Jesuit Centre for Theological Reflection (JCTR) Conference Room. The High Commissioner and one official from the high commission attended the meeting. The JCTR Director, Fr. Peter J. Henriot thanked the High Commissioner for accepting our request for a brief discussion on debt

He also informed the High Commissioner about the work of JCTR – the various projects – Debt and Trade, hosting Jubilee-Zambia, (that mobilises Zambians to campaign for total cancellation of Zambia's external debts), The Social Conditions Research Project (highlighting the living conditions of majority of poor Zambians), The Church's Social Teaching –CST: (value basis of JCTR's work) and the two major task forces – enculturation and integrity of creation.

Specifically on the Debt and Trade Project: JCTR's interest is promoting justice by looking at the ethical, economic, political and social effects of debt on the development of Zambia, especially on the lives of the poor.

The introductory remarks were made by Ms. Charity Musamba, Jubilee-Zambia Coordinator. She mentioned the importance of this meeting – national and internationally – Anti-debt groups were meeting various bilateral creditors to repeat the call for total debt cancellation

She also gave reasons as to why bilateral embassies were targeted in this exercise. The G-7 countries are still receiving debt repayments from poor countries, some have not fulfilled their pledges under the HIPC initiative and more importantly, they have a strong and influential position in the World Bank and the IMF.

The participants at the meeting raised the following issues,

- The Impact of Privatisation (mines) – has led to high unemployment levels and lack of sustainable livelihood alternatives, poor health and education services, high mortality rates, disease, hunger and street children.
- Liberalisation of Agriculture services – reduced the participation of majority small-scale farmers, especially in the rural areas. This has led to huge rural-urban drifts and crisis of unemployment especially amongst the Youth
- Poor state of schools and health infrastructure – This is contributing to the high illiteracy levels, high unemployment levels and poverty situation. Poor health is resulting in high mortality rates especially in light of the HIV/AIDS pandemic
- Poverty crisis in both urban and rural areas needs serious intervention of Government.

Therefore, the call for total debt cancellation is based on two reasons

- In order for Zambia to mobilise additional resources to address the plights mentioned above – through saving resources meant for debt repayments

- In order for Zambia to be given fresh space for appropriate policy formulation – through a critical re-examination of some the current policies imposed by the creditor community and seek for better alternatives

In response, the Canadian High Commissioner expressed the following views,

- The Canadian Government is committed to debt cancellation: stopped giving commercial loans in 1988 (does not receive repayments too) and has concentrated on giving grants.
- The Government also supports the importance of promoting development using local resources – human and material
- The Government is still concerned about the levels of good governance – political and economic. Therefore, civil society should enhance its role in ensuring that Government puts in place systems that will facilitate public participation, accountability and transparency.
- He also urged Jubilee-Zambia to pay particular attention to the issue of investment – and also to work closely with the private and informal sector stakeholders. He showed concern over the quality of investment in Zambia – both local and international – it has implications on Zambia's financial position and development

## **Visit to the Germany Embassy**

The entourage to the Embassy was led by Mr. Saxon Simachembele of Jubilee-Zambia Livingstone team and comprised Josephine Moyowambuya from Western province team, Mr. Alexander Ngoma from the Monze team, Mr Chansa Gabriel from Operation Young Vote (OYV), Catherine Mtonga of Jubilee-Zambia Kasama team, Mr Mwansa representing the trade unions and Mr Jack Jones Zulu from the Jubilee-Zambia Secretariat.

The delegation highlighted the various ailments faced by the Zambian people in the various provinces of Zambia. The group elaborated the woes of poverty, health, education and HIV/AIDS and failure of other sectors to develop.

The visit to the Germany embassy established that the Government of the Federal Republic of German cancelled Zambia's Debt in 2000 and that it now helps Zambia through grants. The grants are for development of sectors like agriculture, water, sanitation and health. The German government is ready to help in the role of civil society, youths and women.

## *Petition Presented to the Embassies*

### JUBILEE-ZAMBIA'S CALL TO THE BILATERAL CREDITORS 18 JANUARY 2005 SOLIDARITY MESSAGE

#### **Background and Context of the Discussions**

Zambia is a very rich country in natural resources and peace, yet is very poor with shocking socio-economic indicators. Between 70% and 80% of the people fall below the poverty line. Child and maternal mortality rates are stubbornly high while morbidity cases are on the upswing. In addition, close to 20% of the adult population is infected with the HIV while the majority of the people are affected in various ways. Currently, a number of people in Zambia are increasingly finding it difficult to meet their basic needs.

We (Jubilee-Zambia) are here as part of the global campaign and in solidarity with other civil society movements in Europe and elsewhere who are meeting various creditors and donors between the 18<sup>th</sup> and 19<sup>th</sup> January 2005 to press for cancellation of poor countries' debts as a basis for a restart to economic recovery. We strongly feel that if debts for poor countries are cancelled in full particularly this year when we are exactly 10 years away from the 2015 target on the MDGs, such a move will be able to breathe some new lease of life in impoverished nations across the world.

We are also aware that the world is still mourning the victims of the Tsunami disaster particularly in Asia. Certainly we share the grief with the affected families. However, through this natural calamity and crisis in Asia, world leaders, ordinary citizens, musicians, etc, have been able to overcome artificial human barriers by coming together to mobilise resources and other forms of assistance to help the affected nations. This is how it ought to be in our globalising world and we certainly commend the people that have rendered assistance to the earthquake-hit countries. Your Excellency, the regrettable situation in Asia is not significantly different from the day-to-day deplorable living conditions in most poor countries where people are dying in large numbers because of lack of food and decent healthcare. Children are also not attending school. Our own country Zambia, nearly 70% of the population lives in sub-human conditions because the Government cannot cater for them, as it has no money.

Your Excellency, we are here through this dialogue space offered to us make a petition for support through you from your Government to consider granting Zambia a 100% debt write off in order to mitigate the immense social suffering among the vulnerable and poor people across the country. We strongly feel that if granted full cancellation and with the right policies and priorities in place, Zambia is capable of rising above its many development challenges.

In light of the dismal socio-economic indicators stated above, Jubilee-Zambia wishes to make the following demands....

- ❑ Immediate cancellation of Zambia's bilateral and multilateral debts in order to release money for investment in the social and productive sectors of the economy
- ❑ IMF and the World Bank should use reserves at their disposal to fund full cancellation of poor countries' debts. The sale or revaluation of IMF gold reserves represents a strong and viable option to secure the additional of this cancellation

- ❑ Developed countries (G7 Plus Russia) should now honour their pledge of 0.7% of their GNP as development assistance to poor countries
- ❑ There should be an end to imposition of austere policy conditionality on Zambia (e.g. restrictive fiscal ceilings on investments in the social sectors, wholesale privatisation or marketisation of social services without seeking recourse to the capacity of the people to afford the basic commodities that hitherto were provided by the State (e.g., healthcare and education)
- ❑ Debt cancellation should be delivered in an environment which prioritises prudent use of debt relief resources for investment in poverty eradication and promotes transparency particularly in the constitutional loan contraction process
- ❑ Aid to Zambia should be provided in form of grants as opposed to loans. If adopted, this policy initiative will avoid another build up of unsustainable debts now and in the future
- ❑ Creditor community, especially the bilateral creditors, should disclose all relevant information on their loan dealings with the Zambian government