

All correspondence should be addressed to  
the Permanent Secretary.  
Telephone: +260 211 237 384  
+260 211 228 467  
E-mail: labour.commissioner@mlss.gov.zm



REPUBLIC OF ZAMBIA

In reply please quote:

No.:.....

DL 101/9/1497

# MINISTRY OF LABOUR AND SOCIAL SECURITY

DEPARTMENT OF LABOUR  
OFFICE OF THE COMMISSIONER  
NEW GOVERNMENT COMPLEX  
INDEPENDENCE AVENUE  
KAMWALA  
P. O. BOX 32186  
LUSAKA

11<sup>th</sup> August, 2022.

The Director,  
National Road Fund Agency  
**LUSAKA**

The General Secretary,  
Zambia Union of Financial Institution and Allied Workers  
**LUSAKA**

Dear Sir/Madam,

## RE: APPROVAL OF RECOGNITION AGREEMENT

Reference is made to the above captioned matter.

I am pleased to inform you that your Recognition Agreement has been approved and dully registered pursuant to section 65 (3) of the Industrial Labour Relations Act, chapter 269 of the Laws of Zambia.

The effect of this registration is that you are required to commence negotiations (collective bargaining) within three months for the purpose of concluding and signing a collective agreement as provided by section 66 (1) of the same Act. Further, be advised that section 69 (1) (1) of the Industrial Labour Relations Act makes it mandatory for you to notify the Labour Commissioner in writing within 14 days after the commencement of the negotiations of the date on which negotiations were commenced.

Should the Bargaining Unit need any assistance, please do not hesitate to contact the Ministry.

Enclosed herewith are copies of the said document for your records and necessary action.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Bupe Kunda'.

Bupe Kunda (Ms.)  
**Labour Officer**  
**For/LABOUR COMMISSIONER**

MEMORANDUM  
of  
**RECOGNITION AGREEMENT**

BETWEEN



**NATIONAL ROAD FUND AGENCY**

AND



**ZUFIAW**

Zambia Union of Financial  
Institutions and Allied  
Workers

**ZAMBIA UNION OF FINANCIAL INSTITUTIONS AND ALLIED  
WORKERS**



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## 1. THE PARTIES AND PREAMBLE

**THIS RECOGNITION AGREEMENT** is made on the ..... day of ..... 2022  
**BETWEEN**

The **National Road Fund Agency** a Statutory Body incorporated under the National Road Agency Act No. 13 of 2002 of the Laws of Zambia and having its principal place of business at Plot 33 Fairley Road, Ridgeway, Lusaka of the first part (hereinafter referred to as the "Agency") which expression shall include its successors and assigns,

### AND

The Zambia Union of Financial Institutions and Allied Workers duly constituted under the Industrial and Labour Relations Act Chapter 269 of the Laws of Zambia and having its principal place of business at Plot 6579 Chainama Road, Olympia Extension, P. O. Box 31174, Lusaka, Zambia of the second part (hereafter referred to as the "Union") which expression shall include its successors and assigns and collectively referred to as the parties.

**WHEREAS** the parties are desirous to enter into a Recognition Agreement to allow the Union free access to recruit members from the Agency's Non-Management workforce for representation in all labour matters.

### 2. THE PARTIES AGREE TO:

- (i) Maintain a harmonious working relationship based on mutual cooperation which is essential to ensure that the Agency and all its stakeholders achieve optimum results through the working relationship.
- (ii) Seek reasonable and satisfactory resolutions to disputes which may arise between them and shall pursue the most expeditious approach to resolve disputes.
- (iii) Do everything in their power to promote good industrial relations.
- (iv) Early consultation between them where the Agency is considering the introduction of significant new technology or major change in working methods which will affect the staff.
- ((v) Be committed to the continued promotion of equal opportunities in employment regardless of employee's gender, marital status, ethnic origins, religion or political affiliations.
- (vi) Bind themselves to the terms and conditions below, which shall be enforceable at law.

### 3. DEFINITIONS

In this Agreement unless the context otherwise requires, the following terms and expressions shall be construed to mean the following:

"Act" means the Industrial and Labour Relations Act Chapter 269 of the Laws of Zambia as such Act may be modified, amended or repealed and replaced from time to time.

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"Bargaining Unit" shall have the same meaning as that contained in the Act which in this case shall mean:

- (a) The Management of the Agency and the most representative Trade Union representing employees in the Agency where Collective Bargaining is at the level of the Agency, rather than an industry or
- (b) The negotiating team representing the Agency and the negotiating team representing the trade union in the industry concerned where collective bargaining is at level of an undertaking or industry.

"Collective Agreement" shall have the same meaning as that contained in the Act.

"Collective Dispute" shall be construed in accordance with the meaning in the Act.

"Committee" means a Committee appointed by the Bargaining Unit to deal with specific issues or matters.

"Consultative Forum" shall mean a Forum where the Agency and the Union meet for purposes of consultation.

"Court" shall mean the Industrial Relations Division of the High Court of Zambia and/or the Supreme Court.

"Day" means a day on which institutions are open for business in the Republic of Zambia.

"Dispute" means a disagreement or any matter pertaining to the employment relationship between the parties to a Recognition Agreement or Collective Agreement.

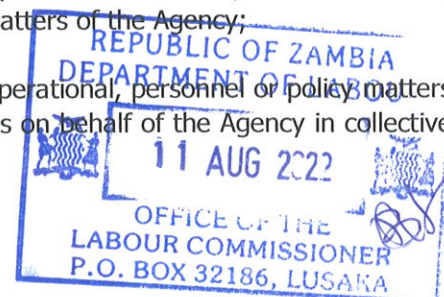
"Eligible Employee" means a unionizable employee other than a Manager or member of the Management of the Agency.

"Member or Union Member" means any person who has entered into, or works under a written contract of employment with the Agency, is an eligible employee and who is a paid up member of the Union in accordance with the Union Constitution other than:

- (a) any individual serving a trial or probationary period of employment, a casual employee, a part time employee, a seasonal employee, a person engaged to do piece work or an employee engaged on a temporary basis for work of an intermittent or seasonal nature or to do relief work for a specific period in the absence of a substantive employee; or
- (b) an employee who ceases to be an eligible employee during the course of their employment with the Agency.

"Manager" or "Management" in relation to an employee shall be construed in accordance with the Act and shall mean a person:

- (a) Who is a head of the institution and has authority to hire, suspend, promote or demote an employee of the Agency;
- (b) Who is a head of a department in the Agency and has authority in the financial, operational, human resource, security or policy matters of the Agency;
- (c) With decision-making authority in the financial, operational, personnel or policy matters of the Agency and who represents and negotiates on behalf of the Agency in collective bargaining or negotiations with trade unions; or



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- (d) With written authority of the Agency, to perform the functions referred to in paragraphs (a), (b) or (c)

In case of disagreement, as to whether or not an employee is a member of management, either party may refer the matter to the Labour Commissioner for interpretation. Any party aggrieved by the decision of the Labour Commissioner may appeal such decision to the Court within fourteen (14) days of the decision.

"Union Official" shall mean an employee elected by the members to serve on the structures of the Union in terms of the Union Constitution.

"Officer of the Trade Union" shall mean a duly elected or appointed office holder of a trade union including a trustee, but does not include its employees.

"Parties" shall mean parties to this agreement.

"Union Constitution" means the document attached as Appendix F and as may be amended from time to time.

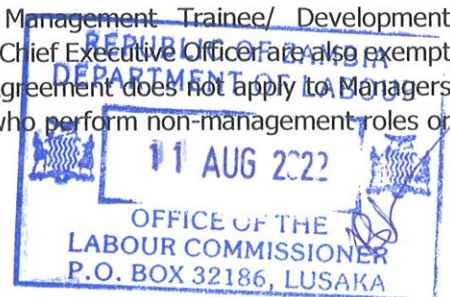
"Workplace" shall be interpreted collectively and shall mean all premises of the Agency where the Agency carries out its business.

#### 4. RECOGNITION

- (a) The Agency agrees to recognize the Union as the bargaining agent for Eligible Employees for so long as the Union remains registered in accordance with the Laws of Zambia (including but not limited to the Act) in force from time to time affecting industrial and labour relations, and for so long as both parties continue to observe the terms of this agreement and this agreement remains in force.
- (b) The Agency recognizes that the Union has the right to conduct its affairs in accordance with the Union Constitution and the Act.
- (c) The Union recognizes the Agency's responsibility to manage and direct its operations in order to achieve the organisation's goals with due regard to the employees' growth, development and employment needs.
- (d) The Agency shall have the right to recognize any other trade union to enjoy organizational rights, represent its members and participate in collective bargaining with the Agency in recognized negotiation and consultation forum in accordance with the Act.
- (e) It is the spirit and intention of this agreement to further the best possible relations between the Parties. In accordance with this principle and the terms of this agreement, the Parties agree to do everything within their power to promote good industrial relations and the Members will respect the rights of other Employees.
- (f) The Parties share a common aim in promoting and maintaining good industrial relations in order to contribute to the efficiency and prosperity of the Agency and its staff.

#### 5. SCOPE OF THIS AGREEMENT

This Agreement applies to Union Members only and does not apply to employees performing Human Resource functions and employees on the Management Trainee/ Development Programmes (MDPs). Employees reporting directly to the Chief Executive Officer are also exempt from this Agreement. For the avoidance of doubt, this Agreement does not apply to Managers or Management and only covers members of the Union who perform non-management roles or equivalent corporate grades.





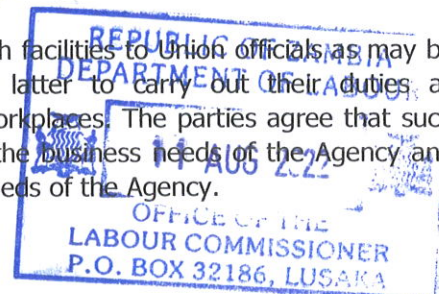
It is understood that the matters negotiated between the parties to this Agreement shall be confined to all eligible employees and that employees who stop being eligible employees during the course of their employment with the Agency will automatically cease to be members of the Union as at the date of their elevation into Management or otherwise ceasing to be eligible employees.

## 6. FREEDOM OF ASSOCIATION

- (a) The Agency shall endorse and respect the entitlement of its employee's freedom of association as contained in the Act.
- (b) The Union agrees that it will not initiate or support any actions or proceedings designed or calculated to compel any employee in the Agency to be or to become a Member against his or her will.
- (c) The Agency agrees that it will not take any disciplinary action against a Union Official on account of any legitimate activities in his or her capacity as Union Official. The Agency acknowledges that it is the prerogative of the Union to discipline its officials for any unconstitutional or improper acts committed by them in their capacity as Union Officials.
- (d) The Agency undertakes not to discriminate against, penalize, victimize or disadvantage any employee on account of his or her Union membership and will not interfere with the affairs of the Union. The Union likewise undertakes not to interfere with the normal functions of Management and undertakes not to intimidate non-Members.
- (e) The parties to this agreement recognize that their officers and elected representatives shall accept responsibility for compliance by their members with the conditions and procedures laid down in the Agreement and agree to take all possible steps to prevent or bring to an end as speedily as possible any action taken by their members which is at variance with the Agreement or any other Agreement subsequently negotiated between the Agency and the Union.
- (g) The Union agrees that employee representatives will not leave their Workplaces during working hours for any purpose in connection with their duties as representatives without permission of their appropriate Agency officers. The Agency reserves the right to deny such permission where it conflicts with the business needs. Such permission shall not be unreasonably withheld.
- (h) The Union agrees that the Members will not be required to participate in Union activities within working hours without the consent of the Agency. The Agency agrees not to interfere with the Members' participation in Union activities outside working hours.
- (g) The Union recognizes that it is the prerogative of the Agency to discipline its employees (whether Union Officials or Members) for any improper acts done by them in their capacity as employees, whether or not such improper act relates to the employee's membership or participation in union activities, provided that in the case of Union Members, the Union is informed within three (3) working days of the disciplinary hearing. Such action shall be in accordance with the Disciplinary and Grievance Procedure of the Agency in place, as may be updated from time to time.

## 7. ACCESS TO AND MEETINGS ON FUND PREMISES

The Agency may, where practicable, provide such facilities to Union officials as may be mutually agreed as being necessary for the latter to carry out their duties as representatives of Union members at Various workplaces. The parties agree that such facilities may be provided without prejudice to the business needs of the Agency and shall be based on availability and the business needs of the Agency.



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## 8. ELECTIONS AND NOTIFICATIONS

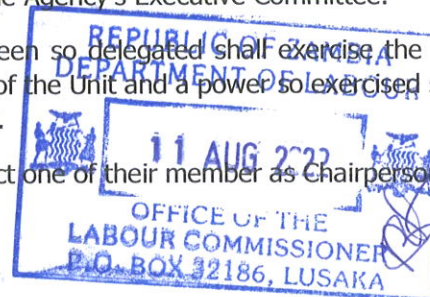
- (a) Both parties recognize the Union's right to duly elect Union Officials or to appoint Union Officials as representatives of its Members, to act on their behalf in terms of the Union Constitution.
- (b) **Union Officials**
- (i) Notification
- a. Disciplinary action related to union activities against a Union Official (Branch Executives) shall not be taken without notice to the Union.
  - b. The Agency undertakes to notify the General Secretary of the Union in writing of the names and designations of Officials in Human Resources Department and the Executive Committee and to advise the change thereof within 30 days of that change being effected.
  - c. The Union undertakes to notify the Agency's Head of Human Resource of the names and designations of Union Officials within 30 days of the date of any changes.
- (ii) **Rights & Duties of Union Officials**
- a. The Union Officials, Management and Members shall, in order to maintain sound employee relations ensure that they are conversant with and observe the provisions of this agreement and other applicable policies and procedures.
  - b. The Agency undertakes to ensure that a copy of this Agreement is accessible to all Members and Managers at each Workplace in hard or soft copy format, whichever is more accessible.
  - c. Union Officials and Management shall endeavor to settle problems, which they or any Members may have within the Agency and shall perform their duties by utilizing the applicable procedures and channels provided for and or referred to in this Agreement.

## 9. BARGAINING UNIT

- (i) The Bargaining Unit hereafter referred to as ("the Unit") will undertake collective bargaining by considering and negotiating proposals which may be initiated by the Agency or by the Union relating to matters which are of common interest to the Parties.

The Parties agree that the negotiations will be undertaken in accordance with the provisions of the Laws of Zambia (including but not limited to the Act) and this Agreement

- (ii) The Unit may delegate any of its powers to a committee or committees consisting of such of its member as it deems fit by notice to the Agency's Executive Committee.
- (iii) A Committee to which any powers have been so delegated shall exercise the powers delegated in accordance with any direction of the Unit and a power so exercised shall be deemed to have been exercised by the Unit.
- (iv) The members of such a Committee may elect one of their member as Chairperson of the meeting.



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- (v) It is hereby agreed that the subjects listed in Appendix "A" hereto are for negotiation between the parties.
- (vi) It is hereby agreed that the subjects listed in Appendix "B" hereto shall not be for negotiation.
- (vii) It is hereby agreed that the subjects listed in Appendix "C" hereto shall be for consultation between the parties.

**10. COLLECTIVE BARGAINING CLAIMS/DEMANDS PROCEDURE**

- (i) These shall mean all claims/demands for alterations to matters specified in Appendix "A" of the Agreement which may affect Eligible Employees or any group of Eligible Employees of the Agency.
- (ii) Such claims/demands shall be raised in writing by either Party. If raised with the Agency, by the Union's General Secretary and if raised with the Union, by the Head of Human Resources or a member duly authorized by the Agency. Full details of the claims/demands will be given.
- (iii) On receipt of such claims or demands, either party shall, as soon as possible and within fourteen (14) business days from the date of such claim, indicate in writing their acceptance or otherwise. In the event of either Party expressing itself in writing of the dissatisfaction, the matter shall be referred to a meeting at the Bargaining Unit within fourteen (14) business days from the date of the communication. If no settlement is reached at Bargaining Unit level, either party can refer the dispute to conciliation in accordance with the Act.

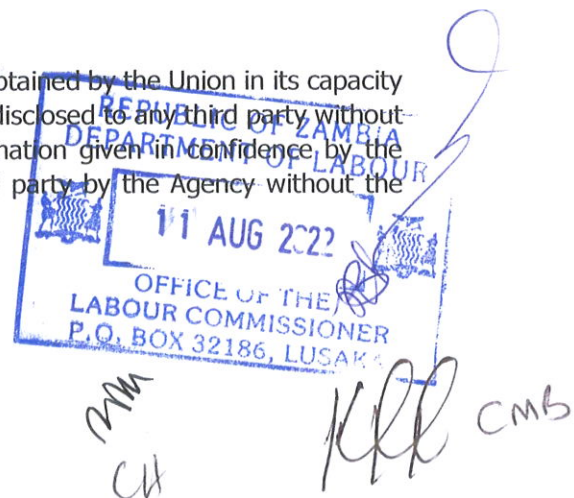
**11. COMMUNICATION AND DISCLOSURE OF INFORMATION**

**(i) Press Statements**

- (a) All negotiations between the Parties shall be conducted on a confidential basis and no unilateral press statements on the subject of any negotiations shall be released by the Parties whilst negotiations are in progress, provided that this shall not prevent the Union from consulting with its members and provided that either party may publish reports on progress made at the negotiation in its own internal communication media.
- (b) Any press statement, electronic media or radio and television coverage on any agreement reached shall prior to release be agreed to by the Parties concerned.
- (c) Any internal publication of the Union may only be distributed through the Agency's network of facsimile machines, electronic mailing system and / or internal mail system, or be posted to the branches for distribution to Members, with the specific permission of the Head of Human Resources.
- (d) The Parties agree that any statement or any publication on any matter whatsoever shall reflect and honour the spirit of this agreement.

**(ii) Disclosure of Information**

Any information relating to the Agency of its employees obtained by the Union in its capacity as the representative of the Union Members shall not be disclosed to any third party without the express permission of the Agency. Similarly, information given in confidence by the Union, to the Agency shall not be disclosed to any third party by the Agency without the express permission of the Union.





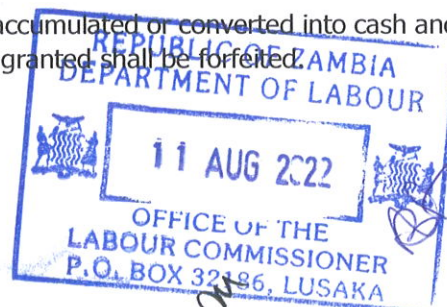
### (iii) General Communications, Notices and use of Notice Boards

- (a) The Union agrees that the Agency shall maintain uninterrupted communications with its employees in addition to the provision of procedural rights to the Union. The Agency similarly recognizes the Union's rights to maintain uninterrupted communications with its Members and in normal circumstances the Agency also agrees to provide the Union with Facilities, where practicable, for the distribution of material which is not in the opinion of the Agency, either inaccurate in its content or harmful to labour relations.
- (b) The Union shall not display or distribute any notices, pamphlets or publications on the Agency's notice boards or elsewhere on the Agency's premises without prior permission from the Head of Human Resources which permission shall not be unreasonably withheld.
- (c) Written permission may, subject to whatever conditions may be set, be granted by Management to the Union for the erection of permanent notice boards for use by the Union on the Agency's premises, to be located in a position agreed to by both Parties.
- (e) Union notices, pamphlets or publications placed on the Agency's notice boards with the consent of the Agency shall be treated with the same respect and not be removed or damaged in any manner that the Agency's notices would not be.

### 12. PAID LEAVE/LEAVE OF ABSENCE FOR UNION OFFICIALS

- (i) Union Members who are Union Officials shall normally be granted leave of absence with pay by the Agency on formal request and with reasonable notice to the Agency to attend meetings. Such leave of absence shall not be unreasonably withheld.
- (ii) Union Officials who are part of the Bargaining Unit or Consultative Forum shall, upon written request made not less than [14] days in advance, be afforded a reasonable amount of paid time off not exceeding 7 (seven) days in a calendar year to attend sittings and activities of the Bargaining Unit or Consultative Forum between the Agency and the Union, which paid time off will be for the purposes of preparation for (directly prior to Bargaining Unit meetings) and participation in the said meetings. Such paid time off shall be granted at appropriate times and in accordance with the business needs of the Agency and shall not be unreasonably withheld. .
- (iii) Whenever the Union requests paid leave of absence for its Members to attend meetings of the Union, the Agency agrees not to unreasonably withhold permission of such absence. Notice of such absence shall be given at least thirty (30) calendar days before the date on which a meeting is to be held. Request for leave of absence must be addressed to Head Office Human Resources Department of the Agency clearly marked for the attention of the Head of Human Resources.
- (iv) All leave in terms of this Clause shall be subject to the discretion of the Agency and granted at appropriate times in accordance with the business needs of the Agency, but may not be unreasonably withheld.
- (v) Leave granted in terms of this Clause cannot be accumulated or converted into cash and any leave not taken during the period which it is granted shall be forfeited.

### 13. AMENDMENT TO AGREEMENT



- (i) This Agreement shall be reviewed every two years and in any case, not later than every fourth year following its signing. This provision is solely for the purpose of ensuring that the agreement is in line with the Agency's policies, international best practice and in accordance with the law. It may not be employed by either party to terminate or amend the agreement.
- (ii) This agreement may be amended by the Unit by agreement of the Parties. A proposal to amend this agreement shall be dealt with under Clause 8 except that at least 28 calendar days shall be allowed for consideration of the proposal before the meeting of the Unit.

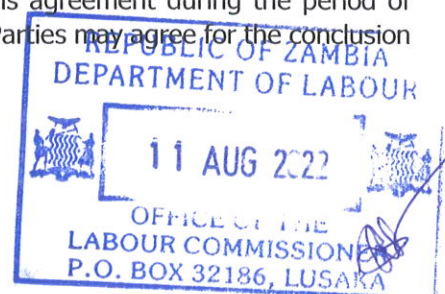
**14. UNION SUBSCRIPTIONS**

- (i) In accordance with Section 22 of the Act, the Agency agrees, with the consent of Eligible Employees who are members of the Union, to recover subscription fees on a monthly basis as prescribed from time to time and to remit the same to the Union.
- (ii) The remittances referred to in (a) above shall be transmitted by electronic payment means directly to the Union's designated accounts, of ZUFIAW and 10% of the collected Union dues to FFTUZ in line with the provisions of the industrial relations and labour laws as may be amended from time to time.
- (iii) The Union undertakes to notify the Head of Human Resources at least one month prior to any changes in Union subscriptions.
- (iv) The Union undertakes to advise the Agency account details to which these monthly subscriptions shall be remitted to in writing.
- (v) The Union shall duly inform the Agency to stop any deductions by way of stop order when a Member ceases to be required to pay subscriptions in accordance with the Union Constitution. The Union agrees to indemnify the Agency from any liability due to any failure or delay to do so.
- (vi) The Agency undertakes to remit any Union member subscriptions not later than 10<sup>th</sup> day of the following month after which such deductions have been made.

**15. TERMINATION OF AGREEMENT**

- i) This agreement may be terminated by either party by applying to the Labour Commissioner three months prior to the date of termination and stating the reasons for the termination. The party making the application shall serve a copy of the application on the other party at the same time as the application is made to the Labour Commissioner. Grounds for termination of the agreement shall be:
  - (a) by mutual consent
  - (b) on breach of any provision of this agreement or
  - (c) the need to amend or replace the agreement by a new one negotiated by the parties, hereto or
  - (d) when one or both of the parties cease to be a legal entity
  - (e) when the Union ceases to have sufficient level of membership as required by the Act
  - (f) any other ground in accordance with the Act.
- ii) As from the date of such notice, the Unit shall not be empowered to consider new proposals. Proposals before the Unit shall be dealt with under this agreement during the period of notice only, subject to such other arrangements as the Parties may agree for the conclusion of business.

**16. UNION CONSTITUTION**



*Handwritten signatures and initials:*  
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The Union shall provide the Agency with a copy of its constitution and shall send the Agency a copy of any amendments, which may be made to its constitution from time to time within one month or the enactment of such amendment.

#### 17. WHOLE AGREEMENT

This agreement including the annexures, constitutes the whole Recognition Agreement between the Parties.

#### 18. SETTLEMENT OF COLLECTIVE DISPUTES

As per PART IX of the Act and as per Appendix E of this Agreement.

#### 19. ADDRESS FOR SERVICE OF NOTICES

The Parties choose the following address for the purpose of the giving of any notice, the payment of any sum, the service of any process and for any other purpose arising from the agreement as follows:

##### The Agency

NATIONAL ROAD FUND AGENCY, Plot No. 33, Fairley Road, P.O. Box 50695, Ridgeway, Lusaka.

Email: [nrfa@zamnet.zm](mailto:nrfa@zamnet.zm) or [roadfund@nrfa.org.zm](mailto:roadfund@nrfa.org.zm)

ATT: The Head of Human Resources

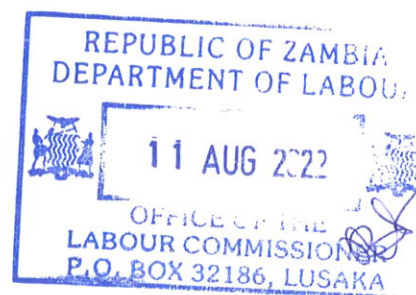
##### The Union

ZUFIAW  
Plot 6579 Chainama Road,  
Olympia Extension,  
P. O. box 31174  
Lusaka

ATTN: The General Secretary

#### 20. GOVERNING LAW

This agreement shall be governed by the laws of the Republic of Zambia.



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**APPENDIX 'A'**  
**SUBJECTS FOR NEGOTIATION**

1. Rates of Pay including applicable rewards philosophies applied and Overtime
2. Leave and Leave Pay
3. Principals of Redundancy, Retirement and Redundancy Package
4. Uniforms and Protective Clothing
5. Breastfeeding
6. Funeral Grant
7. Long Service Awards
8. General terms and conditions of service
9. Disciplinary and Grievance Procedures Code
10. Staff Allowances
11. Medical Scheme/ Insurance
12. Sickness Benefits Education Assistance (Employee)
13. Occupational Health and Safety
14. Home ownership and staff loans

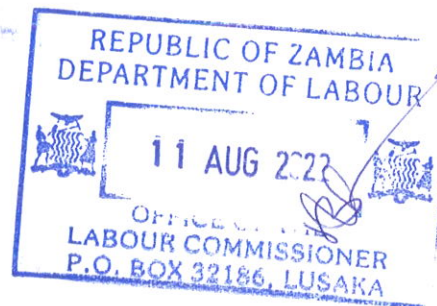


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**APPENDIX 'B'**  
**SUBJECTS NOT FOR NEGOTIATION**

1. Targets and objectives for all areas
2. All staff Bonuses, incentive schemes, other discretionary payments and performance based payments. Capability Procedures and Disciplinary Code amendments. The Agency shall give the Union notice of any amendments made to its Capability Procedures as well as the Disciplinary Code.
3. Management Methods
4. Ethics, qualifications and professional standards of the Agency.
5. Social events and sports activities. The Agency may notify the Union of any social or sports activities which in its discretion, is relevant to the Union as the Members representative. However, all sports activities intended to be held by the Union shall be communicated on time to the Agency to allow adequate preparations.



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**APPENDIX 'C'**  
**SUBJECTS FOR CONSULTATION**

1. Pension and Social Security Benefits
2. Any other issues as may be deemed appropriate by both parties

**PENDIX 'D'**  
**.TATIVE FORUM**

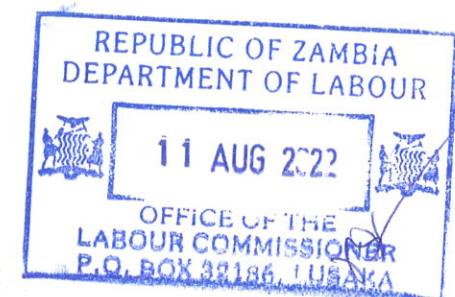
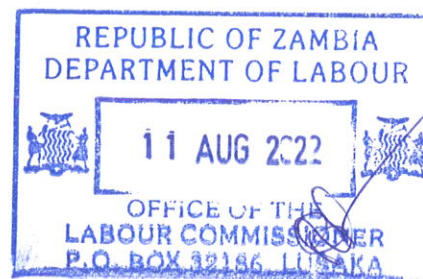
Forum through which all formal engagements shall  
forum are set out in this appendix.

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of any matter specifically outlined as requiring  
he Parties may mutually agree as appropriate for

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ely to decide and manage the affairs of the Agency  
employees.



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