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REPUBLIC OF ZAMBIA

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22nd December, 2025

To the News Editor

PRESS STATEMENT

For Immediate Release

SUBJECT: RELEASE OF THE 2024 CONSTITUENCY DEVELOPMENT FUND (CDF) AUDIT REPORT

The Acting Auditor General, Dr. Ron Mwambwa, has issued the 2024 Constituency Development Fund (CDF) Audit Report, which identifies weaknesses in the management and utilisation of the Fund, that are undermining the Fund's objective of delivering meaningful social and economic benefits to communities across the country.

Dr. Mwambwa has stated that notable concerns in the report reveal a general non-enforcement of CDF guidelines, resulting in several systemic challenges, such as weak budget utilisation and fund management, which have led to delayed project implementation and the accumulation of unspent funds at the end of the financial year, thereby denying communities timely access to essential services.

He observed that the Misapplication of youth and women empowerment grants, with some beneficiaries diverting funds to unauthorised activities diminishes the intended impact of empowerment programmes and weakens public confidence in CDF interventions.

In addition, the audit identified ineffective management of soft loans, characterised by poor loan recovery processes and weak enforcement of penalty provisions. This he said has resulted in significant outstanding balances, limiting the Fund's ability to support additional beneficiaries.

Dr. Mwambwa also cited weak bursary management, including cases where beneficiaries failed to report to learning institutions after payments were made, as well as the funding of non-skills courses contrary to the CDF guidelines, which undermine the objective of enhancing skills development and youth participation in the labour market.

Further, Dr. Mwambwa expressed concern over poor procurement and contract management, evidenced by inadequate due diligence, abandoned projects after advance payments, delayed deliveries, and the supply of defective goods, noting that these shortcomings compromise value for money and slow the delivery of critical community infrastructure.

The Acting Auditor General stated that the highlighted weaknesses pose a significant risk to the achievement of the CDF's intended outcomes and underscored the need for strengthened oversight and accountability mechanisms, from the parent ministry down to individual local authorities.

To address the identified shortcomings, Dr. Ron Mwambwa has recommended a comprehensive strengthening of controls across the entire CDF framework. Some of the key recommendations include the enforcement of stringent measures against contractors who abandon projects after receiving advance payments, improved monitoring of budget utilisation, strengthening project tracking systems and enhancing contractor accountability to ensure timely and effective project delivery.

Other recommendations are having stronger oversight of empowerment grants and soft loan recovery processes, including stricter enforcement of repayment and penalty provisions. In addition, the Auditor General emphasised the need to improve bursary verification processes and introduce robust post-disbursement monitoring to ensure compliance with CDF guidelines.

The acting Auditor General emphasised that addressing these issues is critical to safeguarding public resources and ensuring that the Constituency Development Fund delivers tangible and sustainable benefits to communities throughout Zambia.

The report was tabled on the floor of the National Assembly of Zambia today and is now a public document that can be accessed on the Office's website at www.ago.gov.zm

(Original Signed)

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FOR/ AUDITOR GENERAL