

COMMUNIQUE OF THE ZNFU SPECIAL COUNCIL MEETING

The Zambia National Farmers' Union (ZNFU) held a Special Council Meeting on February 15, 2016 at Mulungushi International Conference Centre in Lusaka.

The purpose of the Special Meeting was to:

- a) Inform the ZNFU Council members of the background and current status of the on-going special audit at ZNFU
- b) Consider the road map of finalizing the on-going audit as proposed by the meeting of the ZNFU board and Co-operating partners on February 5, 2016.
- c) Agree on the way forward of expediting the winding up of Lizara Investment Ltd.

The Special Council Meeting reaffirmed ZNFU's commitment to upholding the highest standards of transparency and accountability of all ZNFU and Donor resources. The Council also reassured all ZNFU members, Co-operating partners and Stakeholders that all necessary, appropriate and legal measures within its mandate, will be taken to resolve any audit finding that will be contained in the Final Report.

The Council RESOLVED the following:

- (i) The Council reiterated the need to speed up the conclusion of the on-going audit so that the final audit report is used to provide the basis for the Council to make necessary decisions and/or take appropriate action(s) at its next ordinary meeting scheduled for April/beginning of May 2016.
- (ii) The Council requested the ZNFU management to provide responses to the second formal draft audit report as requested by and agreed with the co-operating partners.
- (iii) The Council requested the ZNFU board to follow up with the Zambia Institute of Chartered Accountants (ZICA) and obtain a response on the progress made this far on the request by the ZNFU Board for ZICA to review the entire audit process and the findings of the preliminary audit report.
- (iv) The Council urged the ZNFU Board and management to continue engaging the cooperating partners until the audit process is completed.

On Lizara, the ZNFU Council reaffirmed its 2014 resolution to dissolve Lizara Investment Ltd and requested the ZNFU board to seek legal representation to expedite the winding up of Lizara and the transfer of Zanaco shares to ZNFU.

Issued By
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