



Republic of Zambia

# **EIGHTH NATIONAL DEVELOPMENT PLAN (8NDP) 2022-2026**

***Socio-economic transformation for improved livelihoods***

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# FOREWORD

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# ACKNOWLEDGEMENTS

The Eighth National Development Plan is a nationally owned and comprehensive document that was formulated through a highly consultative and participatory process, involving stakeholders across all sectors. The consultations with various stakeholders were undertaken at all levels to develop consensus and establish ownership. I owe a special debt of gratitude to Cabinet under the leadership of His Excellency the President, Mr Hakainde S. Hichilema, who provided much valuable guidance in terms of strategic direction and focus.

I would like to express my deepest appreciation and special thanks to all Zambians from all walks of life for their substantial conceptual contributions to the formulation process of the Plan. These include all Government line Ministries; provinces and districts; spending agencies; private sector institutions and civil society organizations; all media persons and institutions for the awareness-raising and information dissemination critical to this process. This made the task less difficult to accomplish. To the consultants, it gives me a sense of pleasure to acknowledge your invaluable contribution for your diligent work in shaping this document.

Special thanks are also extended to the cooperating partners for their unwavering financial and technical support. Lastly but not the least, I would like to extend my sincere gratitude to all members of staff in the Ministry of Finance and National Planning who participated in formulating this Plan for providing extensive personal and professional guidance.

Hon. Dr. Situmbeko Musokotwane, MP  
**Minister of Finance and National Planning**

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# Abbreviations and Acronyms

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# **PART I: DEVELOPMENT CONTEXT**

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# 1. INTRODUCTION

**1** The Eighth National Development Plan (8NDP) sets out Zambia's strategic direction, development priorities and implementation strategies for the period 2022 to 2026. This Plan is a successor to the Seventh National Development Plan (7NDP) that was implemented over the period 2017 to 2021 and the fourth in the series of National Development Plans (NDPs) towards the national Vision 2030 in which Zambians aspire to live in a prosperous middle-income nation. As the penultimate Plan, the 8NDP will play a pivotal role as a building block towards the attainment of the national vision.

**2** The Plan is a critical vehicle to support the attainment of Zambia's international and regional commitments under various frameworks, including in the last decade of action towards the realisation of the Sustainable Development Goals (SDGs) and delivery on the Africa We Want, espoused in the African Union Agenda 2063 and the Southern African Development Community (SADC) Regional Indicative Strategic Development Plan (RISDP). These frameworks, therefore, inform the direction of the 8NDP given the consistency between their identified development priority actions and the country's developmental needs.

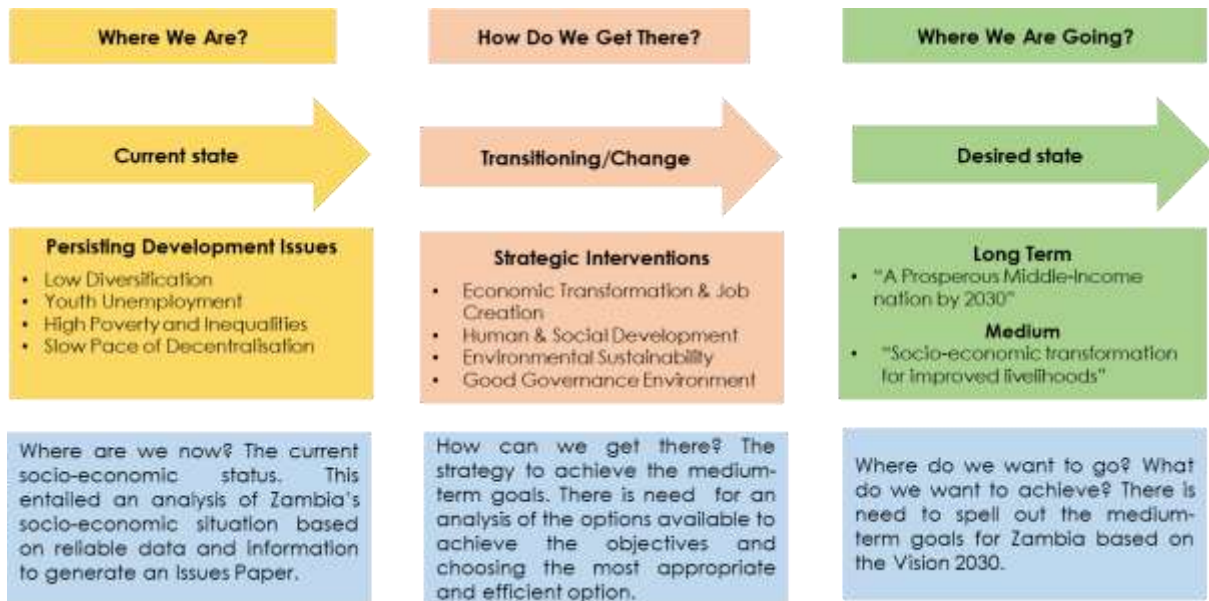
**3** The 8NDP takes cognizance of the country's developmental context, challenges and opportunities being faced towards actualising the Vision 2030. It has been formulated against the backdrop of a challenging economic situation exacerbated by the COVID-19 pandemic. The current state of development indicates persisting socio-economic challenges which include low diversification of the economy, high youth unemployment, high incidences of poverty and inequality, slow pace of decentralisation as well as low education outcomes, coupled with inadequate access to other social services. To overcome these challenges and attain the Vision 2030, the 8NDP introduces strategic interventions anchored on *Economic Transformation and Job Creation, Human and Social Development, Environmental Sustainability and a Good Governance Environment*.

**4** The *Economic Transformation and Job Creation* agenda will be the key Pillar of the Plan and aims at facilitating trade and increased investment by the private sector to increase production, value addition and diversification of goods and services. The key drivers for *Economic Transformation and Job Creation* will be the agriculture, mining, tourism, and manufacturing sectors, supported by strategic interventions in the energy, transport, and water development sectors. In addition, investments will be facilitated in information and communication technology (ICT) and science and technology to support digital transformation and innovation as key enablers under this Pillar.

**5** The other strategic development areas will ultimately support the country's economic transformation agenda. To this end, investments will be made towards the creation of a human capital reserve, coupled with interventions towards the eradication of poverty and inequality as well as reduction of socio-economic disparities among regions. The strategic development area on environmental sustainability will involve the mainstreaming of green interventions, including climate change adaptation and mitigation measures across all sectors for sustainable growth and development. The Government will also implement interventions that will provide a conducive and enabling socio-economic environment for *Economic Transformation and Job Creation*.

**6** A key intervention to accelerate the attainment of the development objectives in the Strategic Development Areas (SDAs), will be the full implementation of decentralisation by devolution. This will result in the transfer of functions, fiscal and other resources as well as power, ownership and responsibility of decision-making from the central government to the local government level.

7 Figure 1 illustrates the change process envisioned in the Plan.



8 Building on the success and lessons learnt from the implementation of the previous NDPs, and informed by the developmental challenges facing the country, the theme for the 8NDP is **"Socio-Economic Transformation for Improved Livelihoods."** The overall aim is to improve the efficiency and competitiveness of the economy to sustainably lift the living standards of the people. The theme emphasises the need to build and get back on track towards the realisation of the Vision 2030 through economic recovery, stabilisation and steady growth, coupled with interventions in the social sectors to realise the socio-economic transformation that will ultimately uplift the livelihoods of the Zambian people.

### 1.1 THE DEVELOPMENT APPROACH

9 The 8NDP was formulated in line with the provisions of the National Planning and Budgeting Act No. 1 of 2020 and the National Planning and Budgeting Policy of 2014. The legal and policy framework provides for a coordinated and integrated national development planning and budgeting process that is participatory, responsive and results-oriented.

10 The Plan builds on the multi-sectoral integrated development planning approach introduced in the 7NDP. This approach goes beyond articulating sectoral and provincial interventions by ensuring that there is horizontal and vertical integration and convergence in the execution of interventions across sectors and provinces. Further, this approach creates and enhances existing synergies among the different stakeholders and sectors, and increases the general effectiveness of programme budgeting, implementation and reporting. This approach also provides a framework for the domestication of international and regional multilateral and bilateral development strategies.

11 The formulation of the Plan used both the top-down and bottom-up approaches. On the one hand, the top-down approach entailed analysing the cause-effect of the country's developmental challenges and opportunities through research and extensive consultations. It also involved the setting, by policymakers, of the strategic direction for the country's development aspirations as well as the implementation of international commitments. On the other hand, the bottom-up approach involved the provision of input by the public and private sectors, civil society organisations, including the youth, women, the aged, persons with

disabilities and ordinary citizens. The academia and think tanks as well as Cooperating Partners, also participated in the formulation of the 8NDP. The stakeholders were engaged through in-person and virtual meetings, roundtable discussions as well as solicited written submissions. This was done to achieve ownership of the Plan.

## **1.2 OUTLINE OF THE PLAN (to be edited after the draft review of the Plan is finalised)**

**12** The Plan is structured in five parts as follows: Part I provides the development context by highlighting the past performance and opportunities and challenges of Zambia's development; Part II presents the macroeconomic framework and objectives on which the Plan is premised. Part III highlights what it will take to move towards the Vision 2030 and encompasses the goal and the strategic objectives of the 8NDP. Part IV, on the other hand, presents the strategic direction of the Plan. The financing framework as well as the implementation and coordination arrangements, including the monitoring and evaluation framework of the Plan is discussed in Part V.

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## 2. PAST PERFORMANCE

### 2.1. OVERVIEW

**13** The scope of the past performance analysis covers the period 2006 to 2021, which incorporates the Fifth to Seventh National Development Plans that were implemented towards the realisation of the Vision 2030. This provides an opportunity to reflect on the progress made thus far, lessons learned from the NDP implementation and the emergent local, regional and global environment in which the country's development trajectory is to be contextualised. The review of past performance provides the baseline upon which the objectives and strategies of the 8NDP are hinged. Further, it highlights the achievements scored and challenges faced in the implementation of the national development plans.

### 2.2. ECONOMIC PERFORMANCE

#### 2.2.1. Economic Growth

**14** In the Vision 2030, the Government's objective is to attain and sustain annual real economic growth rate of between 6 and 10 percent (Figure 1). During the period 2006 to 2010, annual real Gross Domestic Product (GDP) growth rate was favourable, averaging 8.7 percent, with a highest annual growth rate registered at 10.3 percent in 2010. Growth was mainly driven by the construction, transport, and mining sectors, spurred by increased investment in the mining sector during the period 2002 to 2005.

**15** Between 2011 and 2016, however, economic growth rate slowed down, and averaged 4.9 percent. The growth was driven by wholesale and retail trade as well as the ICT sectors (Figure 1). The ICT sector experienced significant structural growth due to the progressive migration from 2G to 4G technologies and the resulting increased adoption rates, increased data usage and wider signal penetration rates, especially in rural areas. Growth in the wholesale and retail trade was mainly driven by the country's import and export of manufactured food products as well as investment in retail outlets. The performance of the construction sector was mainly driven by increased public sector investment in infrastructure.

**16** During the period 2017-2020, growth declined further with real growth rate averaging 1.6 percent due in part to unfavourable weather conditions which impacted the agricultural and energy sectors. The resulting power deficits had an adverse impact on sectors such as manufacturing. The modest growth over the period was supported by information and communication, financial and insurance and the mining sectors. Growth in the mining sector benefited from increased global copper prices.

**17** Further, in 2020, economic growth contracted by 2.8 percent, registering the first recession since 1998 (Figure 1). This was mainly due to the country's worsening fiscal position resulting from increased borrowing on the domestic market which crowded out the private sector. The disruption in economic activity arising from adverse effects of the COVID-19 pandemic further dampened growth. The wholesale and retail trade and tourism sectors contracted by 12.4 percent and 26.5 percent, respectively. However, sectors such as agriculture, mining and information and communication technology performed better at 17.2 percent, 8 percent, and 14.3 percent, respectively.

**18** Figure 2 illustrates performance concerning real GDP growth since 2006 against the Vision 2030 targeted growth.

19 Figure 1: Real GDP Growth vs Vision 2030 Targeted Growth



Source: constructed

### 2.2.2. Fiscal Performance

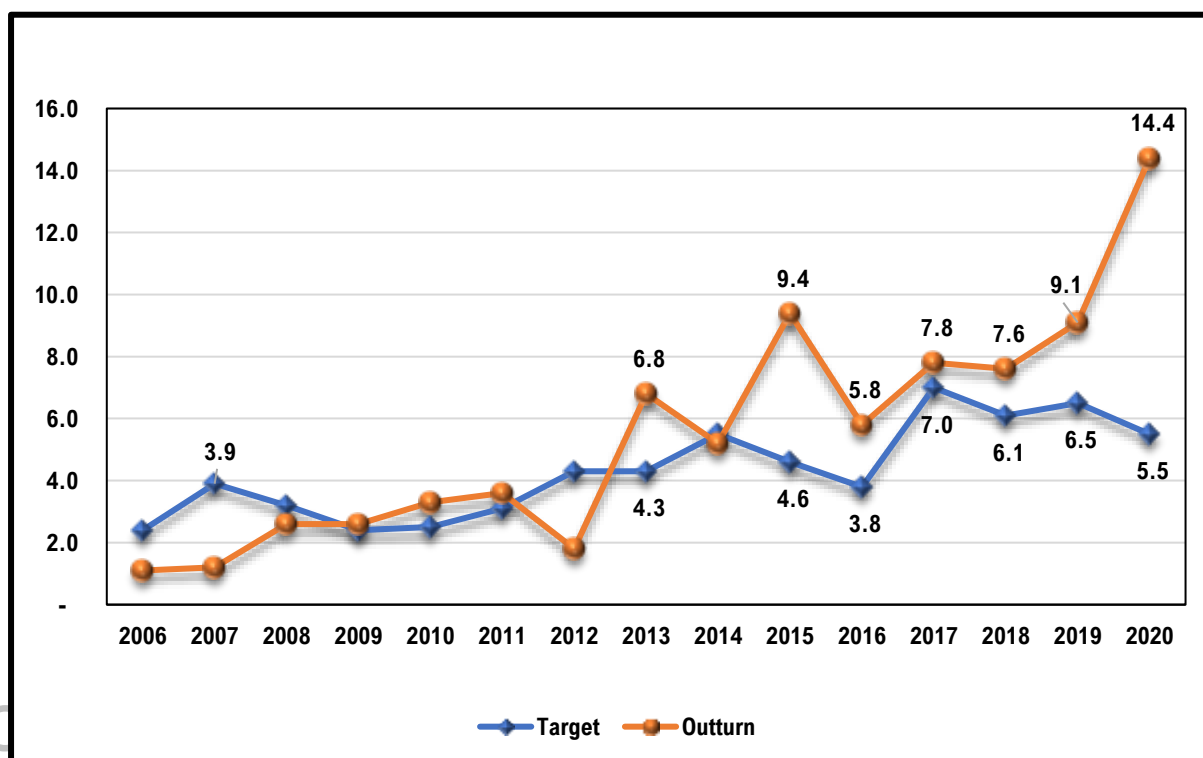
**20** Over the period 2006 to 2020, fiscal performance was characterised by a deterioration in the overall deficit from the FNDP to the 7NDP period. During the FNDP, the overall fiscal deficit averaged 1.9 percent of GDP against the target of 1.7 percent. This was attained due to relatively favourable revenue performance and fiscal restraint, with most expenditure targeted towards poverty reducing programmes in the education and health sectors, including recruitment of personnel. Total domestic revenue collections during the FNDP period averaged 17.5 percent, broadly in line with the target of 17.7 percent of GDP. Total expenditure averaged 23.1 percent of GDP, against an average target of 23.8 percent of GDP.

**21** During the SNDP (2011-2016), fiscal policy was largely expansionary, with Government increasing spending on infrastructure development, mainly roads and social infrastructure. In addition, wages increased substantially, especially in 2012. Expenditure pressures also emanated from fuel subsidies, emergency power imports and increased debt service, following a pick-up in debt. Consequently, the fiscal deficit increased from 3.6 percent of GDP in 2011, reaching a high of 10.0 percent in 2015, before declining to 5.8 percent in 2016. Domestic revenue collections averaged 17.4 percent of GDP while expenditures averaged 25 percent of GDP.

**22** During the period 2017 to 2020, the overall fiscal deficit remained elevated, averaging 8.6 percent, against the target of reducing it to 3 percent by the end of the 7NDP period. This was largely on account of expenditure pressures from higher than programmed expenditure on the Farmer Input Support Programme (FISP) and capital project financing. Higher than programmed interest payments on foreign debt also contributed to the high fiscal deficit. Total expenditure outturns were on average 7.2 percent above the set budget targets while total revenues were largely on track.



**23** Figure 2: Fiscal Deficits as a percentage of GDP 2006-2021



Source: Ministry of Finance

### 2.2.3. Debt Position

**24** In tandem with the increase in the fiscal deficit, the debt position of the country increased substantially over the review period. The stock of domestic debt (Government securities and bonds) increased by 59.6 percent to K9.96 billion in 2010 from K6.24 billion in 2006. By the end of the SNDP period in 2016, the stock had increased to K32.98 billion, rising to K130.20 billion by end 2020. The rapid increase in the debt stock over the period, in particular during the 7NDP reflected increasing recourse to domestic borrowing as external financing sources reduced.

**25** In addition, there was a sharp rise in domestic arrears, which almost doubled to K41.10 billion at end-2020 from K20.92 billion at the close of 2017. The pending bills are owed to road contractors, suppliers of goods and services, VAT refunds and personnel related emoluments to public service workers.

**26** On the external side, the debt stock increased from US \$961 million in 2006 to US \$1.1 billion at end of 2010. The stock of external debt increased substantially from 2012, following the issuance of euro bonds in 2012, 2014 and 2015. Consequently, the external debt stock reached US \$9.7 billion at the close of 2007. The stock increased further to US \$12.74 billion at the end of 2020. In addition, Government had guaranteed external borrowing amounting to US\$1.58 billion, mostly for power projects in the energy sector.

**27** Over the review period, therefore, and as a proportion of GDP, the public debt stock (domestic and external) increased from 22 percent of GDP in 2006 to 133 percent in 2020. This is significantly above internationally accepted solvency and liquidity thresholds.

**28** These developments in external debt led to the country facing challenges in meeting its external sector obligations, and a decision was made to withhold debt service payments, except to multilateral institutions in October 2020, pending restructuring of the country's external debt. The restructuring exercise will be a key precursor to successful implementation of the Plan. Government will continue to engage its creditors to ensure effective dialogue on outstanding debt and will undertake periodic Debt Sustainability Analysis so that debt is maintained within manageable levels.

#### 2.2.4. Monetary and Financial Sector Performance

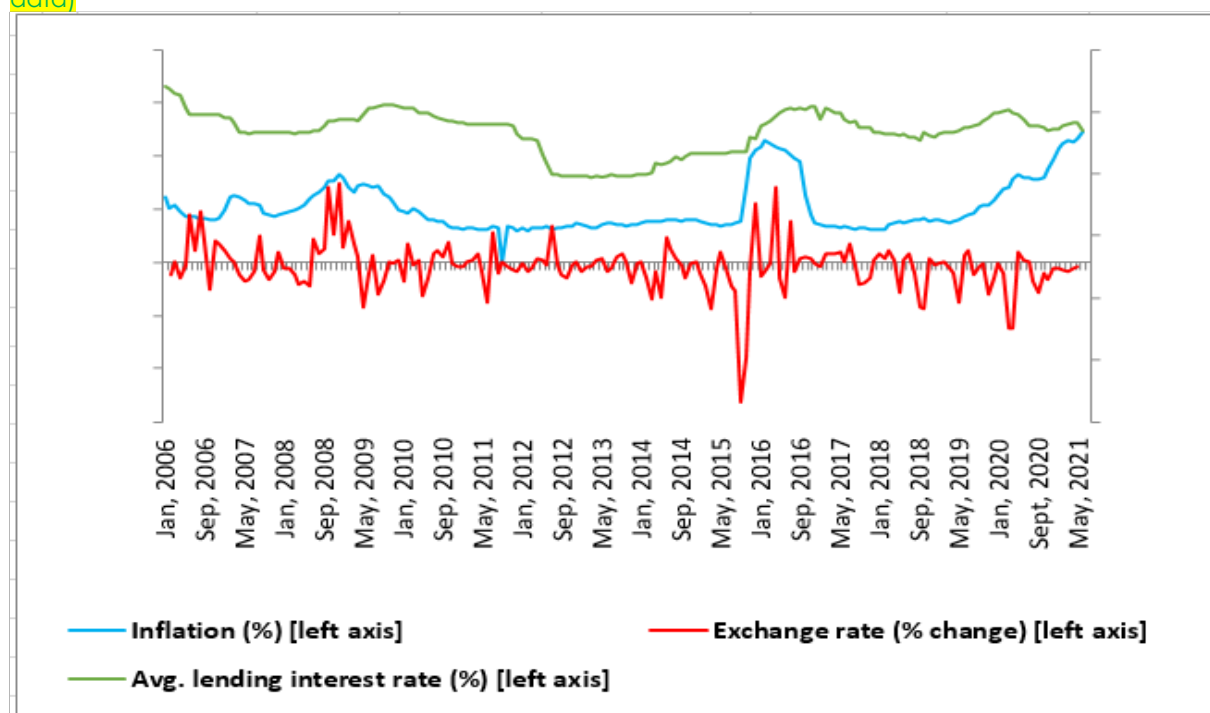
**29** Inflation remained relatively stable during the period 2006 to 2020, averaging 10.6 percent (Figure 3). However, this outturn is higher than the single-digit inflation envisaged in the Vision 2030. During the 7NDP period, inflationary pressures rose and inflation averaged 11.5 percent, up from an average of 9.6 percent during the previous Plan period. The rise in inflationary pressures was on account of increased food prices arising from the adverse impact of erratic rainfall on agricultural output and the pass-through from the depreciation of the Kwacha. High food prices that characterised the review period reflect structural bottlenecks in the agricultural sector, particularly the high dependence on rainfall, which tends to adversely impact crop production during periods of drought.

**30** The Kwacha depreciated against the United States dollar over the period 2006 to 2020 (Figure 3). Between 2006 and 2010, the exchange rate averaged K4.24 per US\$ and depreciated further to an average of K6.75 over the period 2011-2016. During the 7NDP period, the Kwacha depreciated further to an average of K14.35 per US\$. The economy's dependence on limited sources of foreign exchange earnings, imports for both production and consumption goods as well as the reduction in foreign exchange earnings on account of lower copper prices, amidst elevated external debt service, largely explain the sustained depreciation of the Kwacha during the 7NDP period. Going forward, therefore, policies will be put in place to diversify sources and increase foreign exchange earnings.

**31** As in previous development plans under the Vision 2030, lending rates remained high during the 7NDP period (Figure 3). High yield rates on Government securities due to increased domestic borrowing, kept lending rates at elevated levels averaging 25.1 percent in 2020. The resultant high lending rates crowded out the private sector from the credit market, thereby constraining its productive capacity, job creation capabilities and development in general. The relatively high inflation during the review period also contributed to elevated lending rates. This outturn undermines the attainment of the Vision 2030 aspiration of improved access to affordable credit to support private sector growth. In this regard, reducing Government domestic borrowing will be one of the critical policy measures to free up resources for private sector credit and contribute to a reduction in lending rates. In addition, creating a stable macroeconomic environment reflected in low inflation will help in reducing lending rates to affordable levels.

**32** Figure 3 highlights the performance of selected indicators of the sector for the period January 2010 to December 2019.

**33** Figure 3: Inflation, Exchange Rate Change and Lending Interest Rates (Reconstruct to annual data)



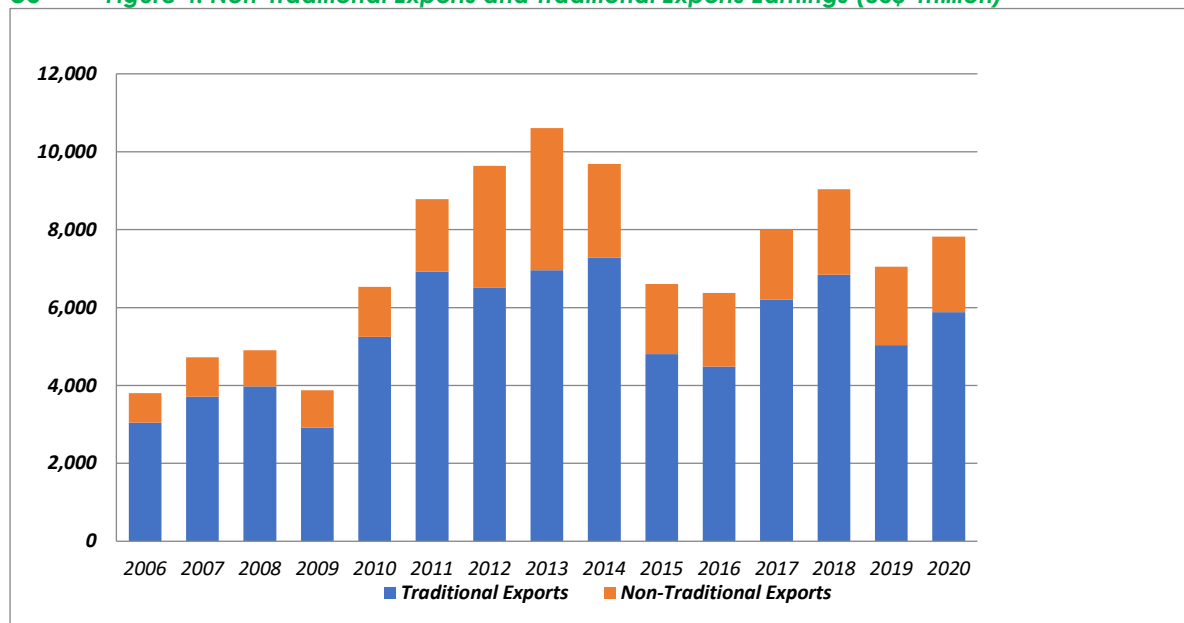
Source: Bank of Zambia

### 2.2.5. External Sector Performance

**34** During the period 2006 to 2020, the performance of the external sector was generally favourable as an average current account surplus of 1.4 percent of GDP per annum was recorded. During the 7NDP period, the current account surplus rose to an average of 3.6 percent of GDP. This was attributed to the accumulation of financial assets by the private sector, mostly mining companies.

**35** Merchandise exports continued to be dominated by traditional exports, particularly copper, over the period 2006 to 2020 (Figure 4). Traditional exports accounted for an average of 75 percent of total exports with the balance coming from non-traditional exports such as sugar, cement and agricultural products. This reflects the country's narrow export base and the need to diversify the source of export earnings.

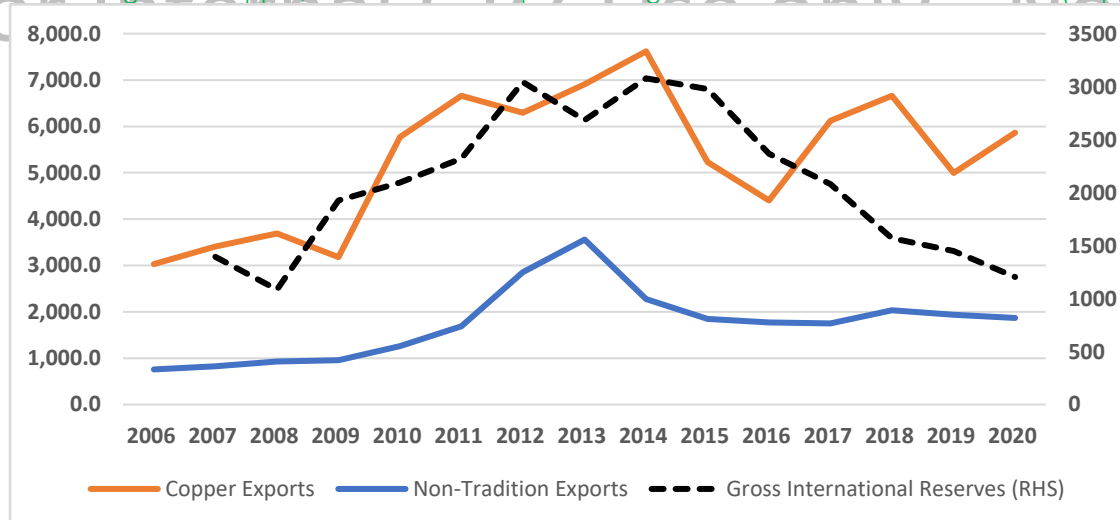
**36** Figure 4: Non-Traditional Exports and Traditional Exports Earnings (US\$' million)



Source: Zambia Statistics Agency

**37** Gross international reserves (GIRs) steadily increased between 2006 and 2014 (Figure 6). This was in part due to Zambia's attainment of the Highly Indebted Poor Countries (HIPC) Initiative Completion Point in 2006 which resulted in significant debt relief assistance and eased pressure on international reserves. Additionally, the issuance of three eurobonds amounting to US\$3.0 billion increased GIR to an all-time high of US\$3.1 billion in 2014.

**38** Figure 5: Copper, Non-Traditional Export Earnings and Gross International Reserves (US\$' million)



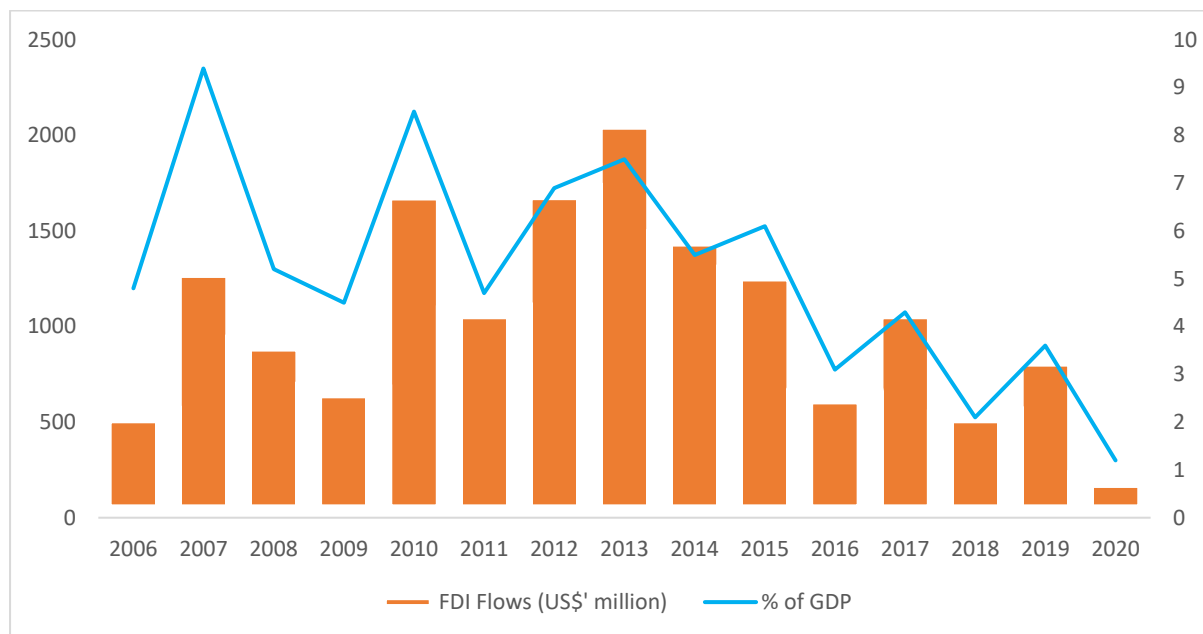
Source: Zambia Statistics Agency and Bank of Zambia

**39** International reserves however declined steadily to US\$1.2 billion dollars (equivalent to 2.4 months of import cover) in 2020 from US\$2.1 billion (equivalent to 2.9 months of import cover) in 2017. The decline was mainly on account of external debt service payments. At 2.4 months of import cover, international reserves remain far below the Vision 2030's aspiration of at least 12 months import cover. In this regard, there is need to step up efforts to enhance the accumulation of international reserves.

**40** Foreign direct investment (FDI) inflows averaged US\$1.1 billion per annum between 2006 to 2020. Mining continued to be the largest destination for FDI inflows. FDI declined steadily after 2013 largely attributed to changes in tax policy in the mining sector, volatile international commodity prices, particularly for copper and the unfavourable

macroeconomic environment. The concentration of FDI inflows in the mining sector calls for concerted efforts to attract investments in other key sectors such as manufacturing, agricultural and tourism sectors.

Figure 6: FDI Inflows (2006-2020)



Source: Bank of Zambia

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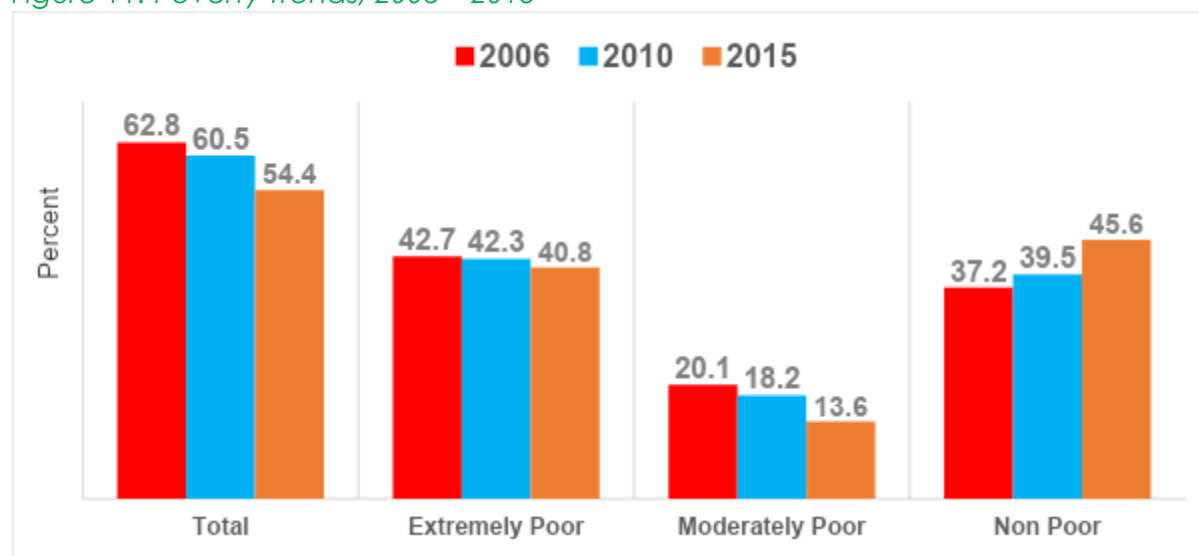
### 2.3. Human and Social Development

**41** Between 2005 and 2020, Zambia recorded significant improvements in human development measured by life expectancy, access to learning and knowledge and standard of living. Zambia's Human Development Index improved to 0.584 in 2019 from 0.471 in 2005. This largely reflected the increase in life expectancy at birth, to 63.9 years from 48.5 years. The average number of completed years of education of the Zambian population rose to 7.2 from 6.3 while the number of years a child of school entrance age was expected to spend at school increased to 11.5 from 10.9. In addition, Gross National Income per capita increased to US\$1,190 in 2020 from US\$720 in 2006.

#### 2.3.1. Poverty and Inequality

**42** Zambia still ranks among the countries with high incidences of poverty and inequality in Africa and globally. This is despite several interventions made in education and skills development, health, water and sanitation, job creation and empowerment support programmes. However, some reduction in poverty levels were recorded during the previous national development plan periods. Poverty levels in the period 2006-2015 reduced by 8.4 percentage points to 54.4 percent from 62.8 percent. This notwithstanding, extreme poverty or individuals whose consumption was less than the cost of the food basket only marginally improved to 41 percent from 43 percent of the total population. Analysis by rural-urban residence indicates that poverty in rural areas remained higher at 76.6 percent compared to 23.4 percent in urban areas as of 2015. Extreme poverty was also higher in the rural areas at 60.8 percent. These persistently high poverty levels in rural areas were mostly attributed to inadequate nutrition, households' inability to afford agricultural inputs, low wages or salaries and lack of capital to start or expand own business. Figure 9 below shows poverty trends for the period 2006-2015.

Figure 11: Poverty Trends, 2006 – 2015



Source: Zambia Statistics Agency, Living Conditions Monitoring Survey Reports

**43** The Multidimensional Poverty Index, which considers several elements of deprivation suffered by individuals in the areas of health, education and standard of living, improved to 44 percent in 2018 from 50 percent in 2014.

**44** High levels of poverty were more prevalent among female-headed households compared to male-headed households in both rural and urban areas. According to the 2015 Living Conditions Monitoring Survey, poverty for female-headed households at 56.7 percent, was higher than for households headed by their male counterparts, at 53.8 percent. Among the factors contributing to gender disparities included inequitable access to education and productive resources such as land, household labour and benefits of empowerment programmes, among others. Additionally, female-headed households were more likely to experience cultural discrimination in access to education and other public services.

**45** During the period under review, inequality in income distribution as measured by the Gini coefficient worsened due to the fact that growth was being driven by industries that were not labour intensive. This relegated most of the labour to low paying informal jobs. Further, productivity in the agricultural sector, which was the mainstay of the rural population, had not improved, resulting in stagnation in income levels. At the national level, the Gini coefficient worsened to 0.69 in 2015 from 0.60 in 2006. From 2011 to 2015, rural income inequality remained constant at 0.60 while in urban areas income inequality worsened from 0.60 in 2006 to 0.65 percent in 2015. Given that growth was sluggish in the 7NDP period, it was expected that this trend would remain the same if not worse. There was, therefore, need to invest in labour intensive industries that created job opportunities as well as come up with interventions that would improve productivity in key sectors such as agriculture and manufacturing, among others.

### 2.3.2. Employment and job creation

**46** The unemployment rate reduced during the first seven years of the review period from 16.0 percent in 2005 to 7.8 percent in 2012. However, the trend was reversed thereafter with the unemployment rate rising to 13.8 percent in 2020. The unemployment rate among the youth was higher than the national average and showed an increasing trend over the review period.

In 2020, the youth unemployment rate was 19.9 percent compared to 14 percent in 2005. The unemployment rate was also higher in urban areas than rural areas (see Table 3). Further, disparities in gender were observed with unemployment among females being higher.

**Table 1: Youth Unemployment Rate, 2005 to 2020 (make a chart)**

Year	Overall Unemployment Rate	Youth Unemployment Rate				
		Both Sexes	Male	Female	Rural	Urban
2005	16.0	14.0	4.0	22.0	7.0	23.0
2008	7.9	14.0	14.9	13.1	5.5	36.0
2012	7.8	10	8.5	11.3	4.4	17.2
2017	12.6	17.4	16.2	19.1	15.7	18.5
2020	13.8	19.9	17.6	22.9	18.	20.8

Source: Zambia Statistics Agency, Labour force Survey Reports

**46** In addition, in 2008 employment was largely concentrated in the informal sector with rural areas having a higher prevalence rate of informal employment at 95.8 percent than in urban areas at 70.5 percent. This pattern persisted with the prevalence of informal employment in rural areas recorded at 62.8 percent compared to 47.8 percent in urban areas in 2020 (see Table 4).

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**Table 2: Formal and Informal Sector, 2008 to 2020**

Year	Formal Sector			Informal Sector		
	Total	Rural	Urban	Total	Rural	Urban
2008	11.1	4.2	29.5	88.9	95.8	70.5
2012	15.4	5.5	31.3	84.6	94.5	68.7
2017	45.7	33.1	54.1	31.1	37.6	26.7
2020	29.4	14.2	37.3	52.9	62.8	47.8

Source: Zambia Statistics Agency, Labour force Survey Reports

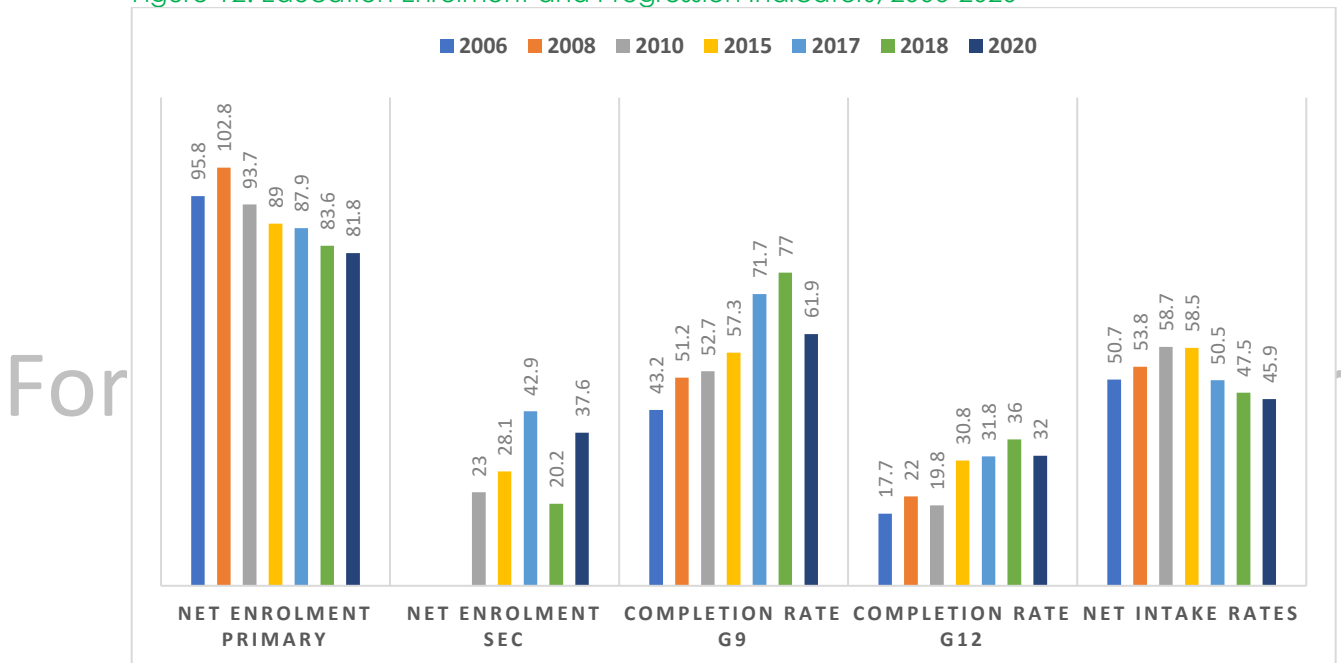
### 2.1.1. Education and skills development

**47** Government policy was for universal access to education as espoused by the Vision 2030 and the SDG target on education. Over the period 2005 to 2020, enrolments at grade 1 level increased by 22 percent to 543,675 pupils from 444,300. Although grade 1 entrants increased over the years, the average annual increase

was 1.5 percent which is below the population growth rate of 2.8 percent. In relation to gender, there were more female pupils accessing education at grade 1 in that for every 100 male pupils enrolled, there was a corresponding 105 female pupils. The net enrolment rates at primary level reduced to 81.8 percent in 2020 from 95.8 percent recorded in 2006, thus threatening the achievement of universal access to education.

**48** Secondary school net enrolment rates, though registering improvements from 23 percent in 2006 to 37.6 percent in 2020, still remain very low. The low enrolments at secondary school indicate low number of school places at grade 10 as indicated in low transition rates for grade 9 to grade 10 that stood at 46.8 percent in 2020. Due to the low transition rates, the completion rates at grade 12 stood at 32 percent in 2020 from 17.7 percent in 2006. This implies that less than one third of the young people in this category obtained sufficient functional literacy to allow them have a productive life of employment.

Figure 12: Education Enrolment and Progression Indicators, 2006-2020





**49** It is also important to note that the quality of education, as measured by the teacher-pupil ratio, is a concern as there was on average one teacher per 56.5 pupils at primary school level and one teacher per 26.1 pupils at secondary school level in 2020. Going forward, therefore, concerted efforts are needed to improve access to equitable education and retain the pupil population within the school system at both primary and secondary school levels, as well as ensure improvement in the quality on education.

**50** At the tertiary level, positive strides have been made in increasing access to tertiary education with good progress registered in the provision of university education, with public universities increasing to 9 from 3 and private universities increasing to 54 from 3 established to improve access to university training as of 2020. This was also accompanied by improvements in the proportion of learners in universities graduating in Science, Technology, Engineering and Mathematics (STEM) from 23 percent in 2016 to 30 percent in 2019.

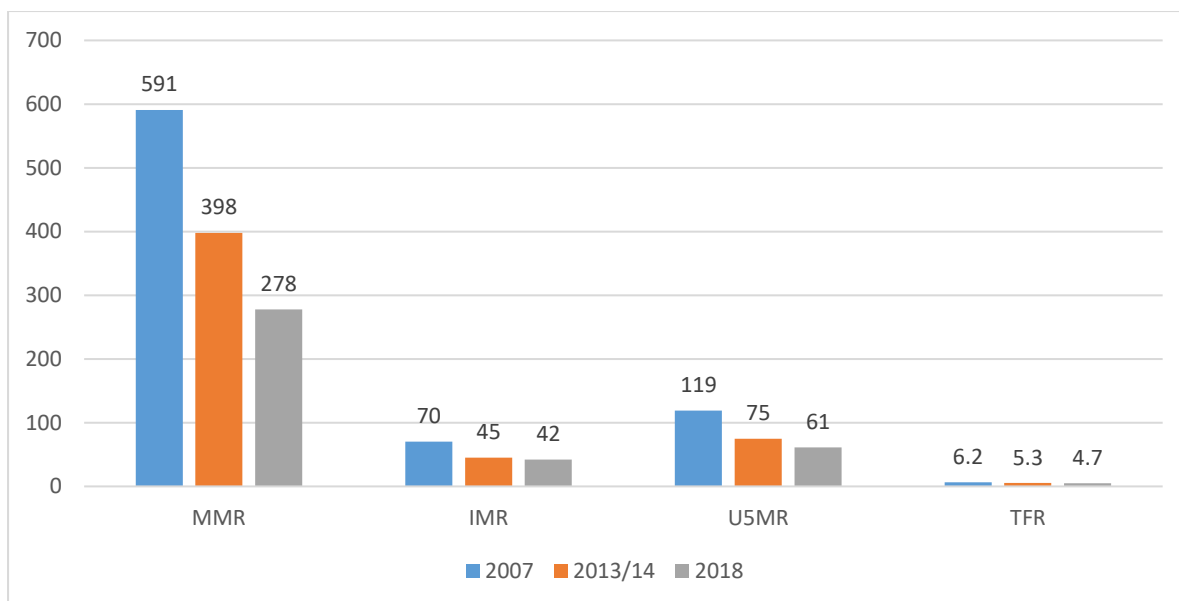
**51** Strides have further been made in the provision of vocational skills through TVET institution across the country as skills training has the highest potential to capacitate the youth for employability, many of whom form part of the young population not having completed their primary or secondary level education. However, the challenge that remains is improving the quality of TVET education. For instance, 62.3 percent of the registered TVET institutions were in grade three category, which is the lowest level in the quality grading system while 29.9 percent of the institutions were in grade two. Only 7.8 percent were in grade one. This, therefore, requires the reconfiguration of the way TVET skills are delivered which could, among others, include the early incorporation of skills training into the primary and secondary curricula; reconfiguration of the delivery of skills training in the local languages; recapitalization of TVET training institutions; as well as providing a framework for lifelong training in the area of skills training as is the case with most white-collar professions.

## For In 2.1.2. Health and nutrition

or

**52** National health status indicators have improved over the years. The maternal mortality ratio reduced from 591 deaths per 100,000 live births in 2007 to 278 deaths per 100,000 live births in 2018. The infant mortality rate (IMR) reduced from 70 deaths per 1,000 live births in 2007 to 42 deaths in 2018, while the under-five mortality rate (U5MR) reduced from 119 deaths per 1,000 live births in 2007 to 61 deaths in 2018. The country also experienced a reduction in the total fertility rate (TFR) from an average of 6.2 births per woman in 2007 to 4.7 births in 2018. The neonatal mortality prevalence reduced to 27/1,000 livebirths in 2018 from 34/1,000 in 2007 (see Figure 8).

Figure 8: Selected Health Status Indicators



Source: Zambia Statistics Agency

**53** The gains made were due to increased investments in health infrastructure such as the construction of general hospitals, specialist hospitals, and mini hospitals as well as health posts. Further, the population to doctor ratio improved to 5,900 per doctor in 2019 from 10,886 in 2016, while the population to nurse ratio also improved to 995 from 1,366. Additionally, interventions aimed at ensuring universal health access that were implemented, resulted in the proportion of eligible people covered by health insurance to significantly increase to 29 percent in 2020 from 3.9 percent in 2016.

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**54** However, challenges still remained in delivery of quality health services hence the need to ensure consistent supply of essential medical supplies and recruitment and placement of health personnel as well as effective management of non-communicable diseases. Rural communities continued to face challenges in accessing health services by the general population. This was mainly due to a low health-seeking culture among the citizens, low population to health personnel ratio, long distances to health facilities, inadequate supplies of medical commodities, and inadequate numbers of specialists to deal with complex medical conditions.

**55** The country equally made steady progress in various nutritional outcomes. Stunting for children under five years old reduced to 35 percent in 2018 from 40.1 percent in 2014. Underweight and wasting also reduced to 12 percent from 14.84 percent and to 4 percent from 6 percent, respectively. The multi-sectoral approach adopted in tackling nutrition through programmes such as micro-nutrients fortification and supplementation, especially during the first 1,000 critical days in the lifecycle of a child, contributed to the steady strides made during the review period.

**56** Efforts aimed at increasing access to health care, enhancing the nutrition status of pregnant women, improving ante-natal practices and care as well as maternal health service delivery, will continue to be undertaken.

### 2.1.3. Water and sanitation

**57** The country made progress towards increasing access to water and sanitation. Improvements in the percentage of the population that had access to an improved water source increased to 72.3 in 2018 from 41.1 percent in 2007. With regard to sanitation, the percentage of households with access to an improved sanitation facility at national level increased to 54.4 percent in 2018 from 35.5 percent in 2007. In rural areas, access increased to 37.2 percent in 2018 from 17.3 percent in 2007; while in urban areas it increased to 77.7 percent from 70 percent over the same period. This improvement can be attributed to consistent public sector investments in water and sanitation, coupled with support from cooperating partners (see Table XXX).

**Table 3: Access to Water, Sanitation, 2007-2018**

INDICATORS	2007	2013/14	2018
Access to an Improved Water Source (Households)			
Total	41.1	64.7	72.3
Rural	19.2	46.9	58.0
Urban	82.5	89.6	91.8
Access to an Improved Sanitation Facility (Households)			
Total	35.5	45.5	54.4
Rural	17.3	25.8	37.2
Urban	70.0	73.1	77.7

Source: Zambia Statistics Agency

**58** In spite of the gains made in improving access to water and sanitation in urban areas, increasing unplanned settlements were a major drawback on the Government's efforts to provide safe water and adequate sanitation. There is, therefore, need to improve town and country planning and implement decentralisation that will entrench participatory planning with communities in various constituencies and wards.

### 2.1.4. Governance environment

**59** During the review period, the foundation was set for the implementation of decentralisation. To this end, the 2004 Decentralisation Policy was reviewed in 2013 to provide a clear direction on the mode of decentralisation with identified functions to be devolved. The Constitution of the Republic of Zambia Amendment Act No. 2 of 2016 under Articles 162 and 163 further strengthened decentralisation through devolution.

**60** Further, the Local Government Act No. 2 of 2019 was enacted to provide a platform for citizen participation through the Ward Development Committees at sub-district level. This notwithstanding, the pace of transferring devolved functions to the local authorities was slow. Only HIV and AIDS coordination and management of district aerodromes were devolved.

**61** To improve the financial position of the councils as part of the decentralisation process, the Local Government Equalisation Fund was established in 2016 and a Debt Management Strategy put in place. During the period 2022-2026, focus will be on decentralisation by devolution.

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## **PART II: MACROECONOMIC POLICY FRAMEWORK**

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# 3. MACROECONOMIC POLICY OBJECTIVES

## 3.1. OVERVIEW

**62** The 8NDP was formulated against the backdrop of macroeconomic challenges worsened by the COVID-19 pandemic, leading to the contraction of the economy by 2.8 percent in 2020. However, in 2021, preliminary estimates indicated a real GDP recovery to 3.3 percent. Inflation declined to 16.4 percent at the end of 2021 from 19.2 percent at the end of 2020 against the medium-term target range of 6-8 percent. This was largely due to the appreciation of the exchange rate, partial dissipation of the shocks to food prices and improved supply of some food items, particularly maize. The fiscal position (including amortization) was 10.5 percent of GDP in 2021 compared to 14.2 percent in 2020 on account of strong revenue collection, despite expenditure exceeding the target. Gross international reserves improved to US\$2.8 billion (4.4 months of import cover) from US\$1.2 billion in 2020 (2.4 months in import cover) mainly boosted by the general allocation of SDR 937.6 million by the International Monetary Fund. External debt, at US\$14.7 billion dollars or X% of GDP, remained unsustainable.

## 3.2. MACROECONOMIC OBJECTIVES AND POLICIES

**63** During the 8NDP period, Government seeks to restore macroeconomic stability by raising real GDP growth as well as attaining fiscal and debt sustainability to improve the livelihoods of the Zambian people, especially the vulnerable. Attaining this will require strong policy action and the implementation of structural reforms.

**64** Pursuant to the above, the macroeconomic objectives for the 8NDP period (2022-2026) are to:

- (a) Achieve an annual real GDP growth rate of at least 4.5 percent by 2026;
- (b) Reduce the fiscal deficit to 3.6 percent of GDP by 2026;
- (c) Maintain at least an annual domestic revenue to GDP ratio of at least 21 percent;
- (d) Contain domestic borrowing to less than 4.7 percent of GDP;
- (e) Dismantle domestic arrears by 10 percent per annum and curtail accumulation of new arrears;
- (f) Reduce and maintain inflation within the target range of 6-8 percent;
- (g) Maintain international reserves of at least 3 months of import cover; and
- (h) Reduce the external debt to 60 percent of GDP and ensure sustainability.

Table 6 highlights annual projections for key macroeconomic indicators over the Plan period.

65 Table 4: Key Macroeconomic Indicators, 2022-2026

Key Performance Indicator	Baseline (2020)*	2022	2023	2024	2025	2026	Source of Statistics
Real GDP Growth Rate (%)	-2.8	3.5	3.7	4.4	4.2	4.5	ZamStats/MoFNP
GDP at constant prices (ZMW millions)	137,755.00	147,197.00	152,506.50	158,467.20	165,188.00	172,686.60	ZamStats/MoFNP-
GDP at Market prices (ZMW millions)							ZamStats/MoFNP-(dingi)
CPI inflation (% end period)	19.2	Less than 10	6-8	6-8	6-8	6-8	ZamStats/BoZ
Domestic borrowing (% of GDP)	37	5.9	4.7				MoFNP
Domestic revenue (% of GDP)	19	20.5	21.1	21.5	21.8	21.9	MoFNP-BoZ
Overall fiscal deficit (% of GDP)	14.4	6.7	6.3	5.2	4.9	3.6	MoFNP-BoZ
Gross International Reserves (Months of Import Cover) ≥	2.4	≥3.0	≥3.0	≥3.0	≥3.0	≥3.0	BoZ

\*Note that baseline data is for 2020 as 2021 data was not available at the time of publishing

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### 3.3. MACROECONOMIC POLICIES FOR THE 8NDP

#### 3.3.1. Achieving Higher and Inclusive Growth

**66** The policy over the Plan period is to improve living standards as well as reduce poverty and inequality by creating conditions for strong and inclusive growth. This is anchored on *Economic Transformation and Job Creation* through the implementation of interventions to enhance production and productivity in the agriculture, tourism, mining and manufacturing sectors. Further, the Government will pursue an export-oriented economic transformation agenda.

#### 3.3.2. Fiscal Policy and Reforms

**67** To achieve fiscal sustainability, a combination of measures, including domestic resource mobilisation, debt restructuring and expenditure rationalisation, will be pursued. In this regard, the focus will be on reducing the pace of debt accumulation to attain long-term debt sustainability.

**68** Key interventions on tax policy will include enhancing compliance while streamlining the tax incentives structure to support economic transformation. The capacity of local authorities will be strengthened to enhance revenue collection.

**69** Total expenditure (including amortization) is projected to reduce to **28.9** percent of GDP in 2026 from **33.5** percent in 2021, largely on account of significant reforms on subsidies, particularly in the energy and agricultural sectors, as well as rationalizing spending on capital projects with emphasis on public-private partnership (PPP) due to fiscal constraints.

#### 3.3.3. Debt Management Strategy

**70** During the Plan period, the Government will revise the Loans and Guarantees (Authorisation) Act of 1969 to enhance transparency in debt management and provide for Parliamentary oversight in the contraction of loans. A Medium-Term Debt Management Strategy covering the period 2023-2025 will be developed for the country to return to sustainable debt levels. Under domestic debt, the focus will be on the issuance of longer-dated instruments, taking into account market conditions and costs to reduce the refinancing risk. With regard to external debt, the Government will seek to restructure debt under the auspices of the G20 Common Framework on Debt Treatment.

#### 3.3.4. Dismantling of Domestic Arrears

**71** The Government has prioritised the dismantling of domestic arrears and will, therefore, develop an Arrears Dismantling Strategy to be implemented over the Plan period. The Strategy will address the existing stock of arrears relating to personal emoluments, bills for consumption of public utilities, value-added tax (VAT) refunds, FISP, crop purchases under the Food Reserve Agency (FRA), unpaid Pension benefits, outstanding bills on road construction under the Road Development Agency (RDA), other suppliers of good and services, awards and compensation and capital expenditure on civil works/contracts other than road projects. Further, fuel arrears and electricity (debt to independent power producers and power imports) arrears which are foreign currency-denominated will be addressed through this Strategy.

**72** The key features of the Strategy include increased budgetary allocation, debt and/or cheque swaps, debt refinancing and restructuring as well as halting or slowing down the pace of accumulation of new arrears. Clearance of domestic arrears will be undertaken in the medium to long-term.



### 3.3.5. Monetary and Financial Sector Policies

**73** During the Plan period, monetary and financial sector policies will aim at maintaining price and financial system stability which are critical to promoting sustainable growth. Monetary policy will continue to rely on the forward-looking monetary policy framework anchored on the Policy Rate as a key signal of the policy stance.

**74** To ensure financial system stability, the Bank of Zambia will strengthen both micro and macro-prudential regulations and supervision to mitigate the build-up in vulnerabilities and risks to the financial system. In addition, a Deposit Protection Scheme and Problem Bank Framework will be implemented.

**75** The Government will repeal and replace the Bank of Zambia Act of 1996 during the Plan period to strengthen central bank autonomy and enhance monetary policy credibility in line with the Constitutional (Amendment) Act No. 2 of 2016 and the adoption of the SADC Central Bank Model Law.

### 3.3.6. External Sector Policies

**76** During the 8NDP period, the Government will continue to promote exports as a strategy for long-term economic growth. In addition to increasing traditional exports of commodities such as copper, widening the export base of non-traditional exports will increase export earnings. This strategy will positively impact the country's international competitiveness, buttress the stability of the exchange rate and ensure current account sustainability. In this regard, focus will be on expanding export earnings from various sectors, especially mining, agriculture, manufacturing and tourism. Further, the Government will continue facilitating and formalising trade with neighbouring countries. With regard to the exchange rate policy, a flexible system will be maintained while mitigating excessive volatility.

To maintain reserves to at least 3 months of import cover, the Government will, in addition to promoting increased exports, continue with the policy requiring all mining companies to pay their tax obligations in US\$. Further, the Bank of Zambia will continue to add gold bullion to foreign reserves through the purchase of locally-mined gold.

## 3.4. KEY REFORMS TO SUPPORT THE MACROECONOMIC OBJECTIVES

**77** Over the Plan period, the Government will implement the following reforms to achieve the set macroeconomic objectives:

- a) **Strengthening public finance management:** This will be a central pillar to restoring budget credibility, improving the efficiency of public expenditures, and supporting private sector-led growth. The goals of Public Finance Management are enhancing domestic resource mobilization, increasing the efficiency of public expenditure, halting the accumulation of arrears and improving fiscal transparency. The Government will also ensure adherence to the legal provisions and guidelines on public investment management as well as enforce the penalty regime in both the Public Finance Management Act and the Public Procurement Act.
- b) **Fiscal risk monitoring:** In light of slowing growth, tighter fiscal conditions, and growing debt burden, the Government will closely monitor fiscal risks by developing a risk monitoring framework to anticipate expenditure pressures and revenue shocks.
- c) **Public-private partnership:** To leverage the public-private partnership (PPP) financing for developmental projects, the Public-Private Partnership Act No. 14 of 2009 will be revised to, among others, strengthen the framework for managing fiscal risks, such as fiscal commitments and potential contingent liabilities. In addition, the management of unsolicited proposals and state-owned enterprise (SOE)-implemented PPPs will be

improved. These changes are intended to support the delivery of cost-effective and sustainable infrastructure projects.

- d) **FISP reforms:** To make the Farmer Input Support Programme (FISP) more cost-effective, better targeted and equitable across beneficiaries, the Government will implement a new comprehensive agriculture support programme beginning in the 2022/2023 farming season. The scope of the comprehensive programme will include extension service support, access to finance, support to value addition, storage and logistics. Currently, FISP is only providing subsidized inputs to farmers.
- e) **State-owned enterprises:** To ensure a return on investment and improve the contribution of SOEs to the economy, the Government will provide a clear policy and sound legal and regulatory framework on SOEs. The SOE Policy will be revised and a law enacted to strengthen institutional arrangements and adherence to best practices in corporate governance, thereby providing for their sustainable performance. Supervision and performance monitoring of SOEs and collaboration among stakeholders will be strengthened. This will ultimately improve the overall performance of SOEs, with minimal fiscal outlays from the national treasury.
- f) **Strengthening fiscal decentralisation:** The design of fiscal decentralisation architecture will focus on strengthening prudent utilisation of resources, domestic revenue mobilisation, debt sustainability, sub-national borrowing and provision of inter-governmental transfers that are sufficiently large and flexible to influence aggregate demand and service provision at the local level. Government will also develop effective mechanisms on revenue sharing between central government and local authorities.

These reforms will be facilitated by an Extended Credit Facility Programme with the International Monetary Fund. The Programme will anchor policy, assist the Government in the restructuring of external debt and result in improved investor confidence and affordable international financing. It will also unlock financing from cooperating partners and enable the country to access concessional financing for budget support from multilateral institutions.

# **PART III: 8NDP – TOWARDS THE VISION 2030**

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# 4. TOWARDS THE VISION 2030

## 4.1. OVERVIEW OF THE VISION 2030

**78** Zambia aspires to become “A Prosperous Middle-Income Nation by 2030”. By 2030, Zambians want to live in a strong, dynamic, competitive and self-sustaining middle-income industrial nation, resilient to external shocks while providing opportunities for improving the wellbeing of all. The Vision coincides with the 2030 Agenda for Sustainable Development, which aims to end poverty, fight inequality and injustice and tackle climate change through the pursuance of the Sustainable Development Goals (SDGs). By this time, the country should have made substantial progress towards the attainment of the global goals. The 8NDP, therefore, provides an avenue to catalysing the nation’s response to addressing the developmental challenges over the 2022-2026 period in a quest to attain the Vision 2030, SDGs and other international commitments.

**79** By the end of this decade, the economy will be diversified with a balanced and cohesive industrial sector having strong linkages in the primary, secondary and tertiary sectors. The economy will also be technologically proficient by optimising human and natural resources. The people will have strong entrepreneurial capabilities, be self-reliant, outward looking and enterprising, and take advantage of the potential and available opportunities. Further, the country will be economically, socially and politically integrated within the sub-region, Africa and the rest of the world.

**80** Further, the country will have a shared destiny, be united in diversity, equitably integrated and democratic in governance and patriotic. Additionally, the nation should have devolved political systems and structures while retaining the roots and positive aspects of its own social, cultural and moral values.

## 4.2. MOVING TOWARDS THE VISION 2030: WHAT IT WILL TAKE

**81** Progress was made towards attainment of the socio-economic development objectives of the Vision 2030 during the implementation of the Fifth National Development Plan, Sixth National Development Plan/Revised Sixth National Development Plan and Seventh National Development Plan. However, the progress achieved so far has not been sufficient to enable the country to realise the Vision. Therefore, there is need to implement wide-ranging reforms and interventions to build on the achievements of the previous NDPs and address the constraints impeding development. To this end, the following strategic development areas will be pursued in the 8NDP:

**a) Economic Transformation and Job Creation:** Economic transformation will be anchored on industrialization with a focus on value addition in agriculture, mining and manufacturing with strong local forward and backward linkages. Priority will also be given to job-rich sectors such as tourism and construction. Focus will be placed on the development of micro, small and medium enterprises (MSMEs) across all sectors as they have high income and job creation potential. The economic transformation agenda will be led by the private sector while the Government will provide an enabling and supportive environment through the delivery of requisite policies, regulations and infrastructure. These interventions will result in increased productivity and the creation of employment opportunities, especially for the youth and women. Further, the economic transformation agenda will ultimately build the economy’s resilience to both external and domestic shocks.

**b) Human Development:** Human development entails having a well-educated, highly skilled and healthy labour force to propel Zambia to a thriving and industrialised economy as espoused in the Vision 2030. Thus, in the 8NDP, interventions will focus on

increasing access to and improving the quality of education, health and water and sanitation as well as enhancing social protection. This will contribute to reduction in poverty and inequality.

**c) Environmental Sustainability:** In pursuit of the economic transformation agenda, it is imperative that development pathways are sustainable. This entails sustainable utilisation of natural resources which are the basis for wealth creation, as well as building resilience to the adverse effects of climate change. Thus, the 8NDP prioritises measures aimed at safeguarding the environment and natural resources as well as enhancing climate change mitigation and adaptation.

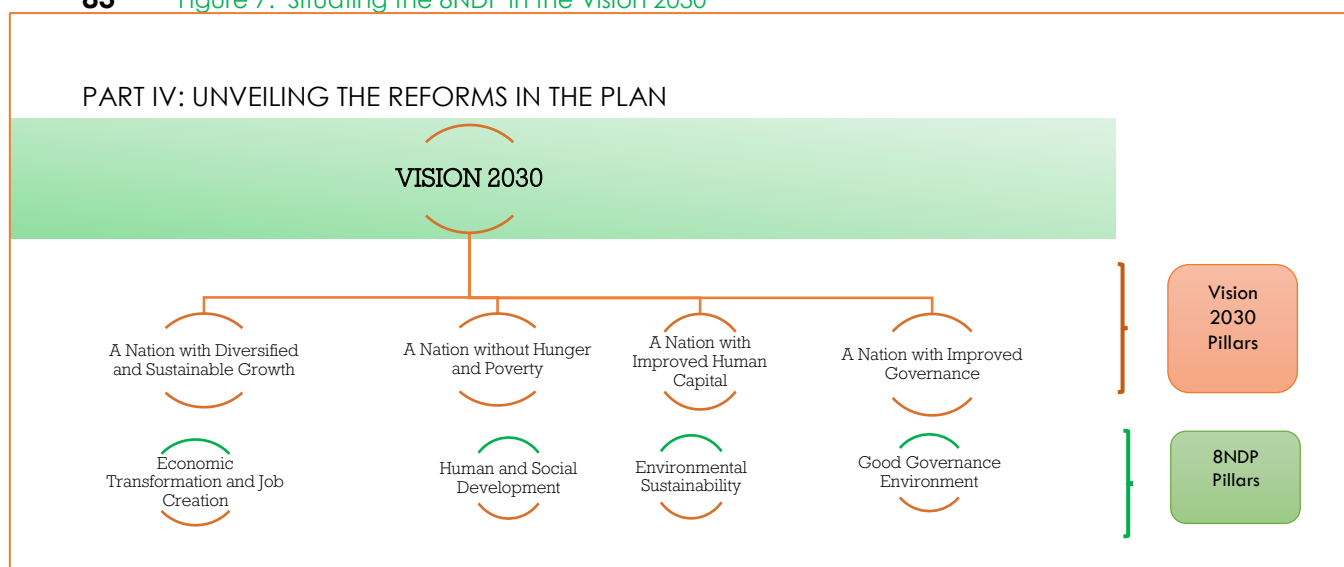
**d) Good Governance Environment:** Good governance entails creating a conducive environment characterised by participation, rule of law, transparency, accountability, consensus, responsiveness, equity and inclusiveness, effectiveness and efficiency. In this regard, the 8NDP will focus on improving the policy and governance environment as well as promoting adherence to the rule of law and constitutionalism.

### 4.3. LINK BETWEEN THE 8NDP AND THE VISION 2030

**82** The strategic development areas of the 8NDP outlined above are linked to the Pillars as outlined in the Vision 2030 (Figure 17). The strategic development area of Economic Transformation and Job Creation is linked to the Pillar on A Nation with Diversified and Sustainable Growth in the Vision, while the strategic development area of Human and Social Development is linked to the Pillars to A Nation without Hunger and Poverty and A Nation with Improved Human Capital. The Pillar on Good Governance Environment is linked to A Nation with Improved Governance in the Vision. Environmental Sustainability strategic development is a cross-cutting in nature and is closely linked to the first three Pillars in the Plan.

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**83** Figure 7: Situating the 8NDP in the Vision 2030



# **PART IV: THE STRATEGIC DEVELOPMENT AREAS OF THE 8NDP**

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# 5. STRATEGIC DEVELOPMENT

## AREA 1: ECONOMIC TRANSFORMATION AND JOB CREATION

### 5.1. OVERVIEW

**84** The economy is characterised by low diversification. The top three sector concentration ratio<sup>1</sup> as a percentage of GDP for the period 2017 to 2020, shows that wholesale and retail trade, mining and quarrying as well as construction dominated and accounted for almost 50 percent of GDP. The average contribution of the agriculture, manufacturing and tourism sectors to GDP was 11.8 percent over the same period.

**85** It is, therefore, the aspiration of the country to attain economic transformation. Economic transformation is marked by advancements in industrialisation and economic diversification. It entails shifting labour and other resources from low to higher productive activities between and within sectors over a period of time. Ultimately this will increase employment opportunities for all Zambians. In the 8NDP, the Government seeks to create a diversified and resilient economy for sustained growth driven by agriculture, mining, manufacturing and tourism.

### 5.2. CURRENT SITUATION

**86** Agriculture, mining, manufacturing and tourism are key drivers upon which the country's economic growth agenda is anchored. These sectors account for a significant proportion of employed persons.

**87** The agriculture sector provides livelihood to more than 70 percent of Zambia's population. In terms of performance, in the ten-year period between 2011 and 2020, agricultural growth averaged 0.4 percent while its share of GDP was 5.8 percent. Agricultural sector growth has been below the national population growth rate of 2.8 percent, yet it is the mainstay of a larger proportion of the population. Implicitly, the incomes of households that are dependent on this sector have been declining. The sector is characterised by low productivity, limited mechanisation and is largely rainfall dependent.

**88** Growth in the mining sector averaged 2.5 percent and its share of GDP was 14.8 percent between 2011 and 2020. The sector is characterised by low diversification, limited exploration and exploitation, low participation and productivity of small-scale miners and low value addition to mineral endowments with high levels of informality, particularly in non-copper mining activities. Additionally, export diversification remains low, with traditional exports largely dependent on copper which on average accounts for more than 70 percent of total exports. This situation demonstrates the strong need to increase investments, especially for non-traditional minerals as a means of transforming the economy and generating more jobs.

**89** Over the 2011-2020 period, the manufacturing sector recorded an average growth rate of 4.8 percent, albeit with fluctuations and its share of GDP averaged 7.2 percent. Strong performance of the manufacturing sector is an important indicator of both industrialisation

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<sup>1</sup>The top three sector concentration ratio as a percentage of GDP measures the sum of the shares of the top three sectors in GDP.

and economic diversification. This is because of its strong linkages with primary sectors, such as agriculture and mining which are expected to stimulate growth. However, the sector is characterised by low-value manufactured products and rudimentary value and supply chains that are vulnerable to shocks. In the last decade, the sector has been dominated by the food and beverage sub-sector which accounted for 32.5 percent of GDP, followed by base metals at 29.4 percent, giving a case for the need to transform the sector to manufacture high-value products. Thus, increased investment in manufacturing will promote strong backward and forward linkages with other sectors, which is a key catalyst of job creation.

**90** The tourism sector grew by an average of 3.1 percent and its share of GDP was 1.5 percent over the 2011-2020 period. Tourism has begun to take prominence in the economy as one of the significant sources of employment, accounting for 15.7 percent of employment in 2019. However, the sector was one of the hardest hit by COVID-19 as a result of travel restrictions, resulting in a 26 percent contraction in the growth rate in 2020. There is, therefore, need to revive the sector by encouraging domestic tourism as well as addressing the challenges of low product diversification, low investment, poor infrastructure and the high cost of doing business.

### 5.3. CONSTRAINTS

**91** Economic transformation requires a holistic approach to addressing the multi-faceted constraints that face key sectors of the economy. The major constraints to economic transformation and job creation continue to be low diversification and industrialisation, low citizen participation and low private sector competitiveness.

**92** Diversification and industrialisation are constrained by inadequate infrastructure in economic sectors such as transportation, energy, agriculture and ICT, especially in rural areas. This contributes to the high cost of doing business and ultimately affects productivity and the competitiveness of the economy. In addition, inadequate access to productive resources, especially low-cost financing, adversely impacts efforts to industrialise and diversify the economy at the desired rate. Further, limited research and development, coupled with low use of applied research and innovation have compounded the low rate of industrialisation and diversification.

**93** Effective citizens' participation in economic activities is hampered by the low savings rate, poor credit culture, high cost of borrowing that limits access to finance, lack of skilled labour and inadequate capacities in the development of bankable proposals. Other challenges include low entrepreneurial and vocational skills as well as inadequate apprenticeship programmes for the youth. Despite the Government's efforts to address these constraints, poor implementation of empowerment programmes characterised by inadequate business support services and poor loan recovery, has hindered progress. This is exacerbated by high levels of informality, limiting access to auxiliary support services.

**94** Policy inconsistency continues to be a constraint to private sector competitiveness. This has impacted long-term investment decisions by the private sector, especially in the mining and agricultural sectors, specifically in relation to taxation and export trade policies. Other constraints include high set-up costs, the multiplicity of regulatory fees and licenses, prolonged processes for accessing licenses and permits, land titling, electricity connection and business permits.

**95** Weak market information systems also limit the ability of the private sector to fully take advantage of domestic and international markets. Inadequate uptake and failure to meet standardisation, quality assurance and sanitary and phytosanitary requirements, particularly in international markets, coupled with inefficiencies at key border posts, which result in delays in clearing goods, all negatively impact the competitiveness on the market.



**96** To overcome these constraints, the 8NDP tabulates strategies and programmes aimed at achieving a diversified and industrialised economy, enhancing citizenry participation and promoting private sector competitiveness.

#### **5.4. DEVELOPMENT OUTCOME 1: AN INDUSTRIALISED AND DIVERSIFIED ECONOMY**

**97** Creation of a diversified and industrialised economy is a key development outcome of the 8NDP. To this end, the Government will implement a number of strategies. These will include increasing agriculture production and productivity, promoting mining of traditional and non-traditional minerals, promoting value addition and manufacturing, promoting rural industrialisation as well as tourism diversification.

**98** Other strategies will include enhancing generation, transmission and distribution of electricity, diversifying to other renewable and alternative energy sources, enhancing the management of petroleum products, improving transport and logistics, upscaling the provision of industry-relevant skills, investing in applied research and development, enhancing digital capacity and strengthening management and productive use of water resources.

##### **Strategy 1: Increase agricultural production and productivity**

**99** The Government will aim to increase production and productivity in the agriculture sector. To this end, the Government will create an enabling environment for private sector growth in the agriculture sector by providing a stable trade policy with emphasis on easing of restrictions on exports of agricultural commodities and facilitating access to finance. Additionally, a comprehensive agriculture support programme will be implemented beginning from the 2022/2023 farming season. The programme will go beyond the provision of inputs through the electronic agro-input system to include extension service support, support to value addition, storage and logistics. Further, the programme will provide for better targeting and equity across beneficiaries. Tree crop production and irrigation development will also be promoted.

**100** To increase hectareage under production and enhance productivity, agricultural mechanisation will be promoted. The Government will also promote farm block development with special focus on diversification of crops and expansion of the livestock and fisheries sub-sectors. Resettlement schemes will also be developed as centres for agriculture production.

**101** Interventions in fisheries will aim at promoting investments for increased fingerling production and establishing and operationalising of fish breeding and freezing centres, as measures to bridge the domestic fish deficit and expand into the regional market. Livestock production will be enhanced through established community-managed livestock service centres, provincial livestock insemination centres and veterinary laboratories. The Government will also devolve veterinary services to improve efficiency in the livestock sub-sector.

**102** These interventions will result in an agricultural growth rate of at least 10 percent per annum over the Plan period. Over the same period, agricultural exports are expected to increase to above US\$2 billion by 2026 from US\$756.2 million in 2021.

**103** To increase agriculture production and productivity, the following programmes will be implemented:

- a) Agriculture, fisheries and livestock infrastructure development
- b) Agricultural mechanisation
- c) Comprehensive farmer input support
- d) Agroforestry and tree crops development
- e) Agribusiness development
- f) Irrigation development
- g) Fisheries and aquaculture development

- h) Research and development
- i) Livestock development
- j) Extension services
- k) Early warning and surveillance systems
- l) Farm block development.

### **Strategy 2: Promote traditional and non-traditional minerals**

**104** Promotion of traditional and non-traditional minerals will be achieved through the opening of new mines and increasing production in existing ones. For copper, the aim is to increase production to 3 million metric tonnes by 2032. Diversification to other minerals such as gold, gemstones and manganese will also be promoted.

**105** Local beneficiation and value addition to minerals for the country, to tap into regional and global markets and value chains, will be encouraged. This will be done through a national supplier development policy that will be developed to promote local value addition and participation of local players in the mining supply chain. Key to this will be the promotion of both domestic and foreign direct investment in the production of end products such as electric motor vehicle components.

**106** The Government will also encourage the formation of cooperatives among artisanal and small-scale miners as well as facilitate access to support services to enhance their productivity, including linkages to value chains. This will open up opportunities for the youth, men and women at community level to participate in mining value chains in a more formalised and structured arrangement.

**107** With these interventions it is expected that by 2026, copper output will increase to 1.5 million metric tonnes from 868,000 metric tonnes in 2020. Over the same period, the value of mineral exports (excluding copper) is expected to increase to more than US\$1 billion from US\$XXX in 2021.

To promote production and export of traditional and non-traditional minerals, the following programmes will be implemented:

- a) Mineral and petroleum exploration and exploitation
- b) Mineral tax and mining reforms
- c) Mineral beneficiation and value addition
- d) Artisanal and small-scale mining development.

### **Strategy 3: Promote value addition and manufacturing**

**108** To successfully diversify and industrialise, the Government will implement interventions aimed at accelerating growth in the manufacturing sector. Among them will be ensuring increased local content and investment for value addition to products from the agriculture, forestry and mining sectors as well as facilitate trade. The value chains that will be prioritised include processed foods, engineering, wood and wood products, textiles, leather and leather products, metallic and non-metallic mineral beneficiation and value addition, and pharmaceuticals. The Government will also promote the development and operationalisation of multi-facility economic zones and industrial parks including through the provision of appropriate incentives.

**109** With these interventions, the target is to attain an average growth rate of at least 5 percent for the manufacturing sector over the Plan period. The share of manufactured goods in total non-traditional exports will increase to 55 percent from 44 percent over the Plan period.

**110** To promote value addition and manufacturing, the following programmes will be implemented:

- a) Value chain development
- b) Market linkages
- c) Investment promotion
- d) Multi-facility economic zones and industrial parks
- e) Industry-relevant skills promotion.

#### **Strategy 4: Promote tourism growth**

**111** The Government will revamp the tourism sector and support its recovery from the COVID-19 pandemic, as it presents opportunities for job creation for local communities through such activities as traditional ceremonies, basketry, local cuisine promotion, curio-making, music and dance, among others. The focus will be on the development of the Northern and Southern Circuits, particularly around Kasaba Bay and Liuwa National Park. This will be done through the development of infrastructure, coupled with a supportive regulatory and licencing framework to attract private investment. Further, the Government will promote the hosting of meetings, international conferences and events leveraging on recent infrastructure developments, such as the upgraded airports including the Kenneth Kaunda and Simon Mwansa Kapwepwe International Airports as well as increased hotels and conferencing facilities.

**112** With these interventions, it is expected that the tourism sector will register an average annual growth rate of at least 4.5 percent over the Plan period, from an annual average of 3.1 percent recorded for the 2011-2020 period. The number of international tourist arrivals per year will increase to 3 million by 2026 from 501,606 in 2020. Visits to national parks and tourism sites by domestic tourists are targeted increase to 100,000 and 300, 000 from 22,720 and 90,370 in 2020, respectively.

**113** To promote tourism growth, the following programmes will be implemented:

- a) Tourism infrastructure development
- b) Tourism product development
- c) Tourism promotion and marketing enhancement
- d) Wildlife management enhancement.

#### **Strategy 5: Improve transport and logistics**

**114** Improvements will be made in the transport and logistics sub-sectors, with the focus on positioning the country as a regional transport and logistics hub. This will be done through the maintenance, development, modernisation and integration of road, rail, air and water transport infrastructure. This will also contribute to the opening up of remote areas for development and enhancing participation of local communities in the economy. Among the key measures for the effective implementation of this strategy will be strengthening local-level capacities for planning and development of transport infrastructure. Further, the Government will take deliberate steps to ensure that at least 30 percent of bulk cargo is moved off the roads to the rail through improvements to rail infrastructure.

**115** The volume of cargo transported by roads, rail and air are also expected to increase annually by 5 million metric tonnes of cargo from 30.4 million metric tonnes recorded in 2020. With this increase, it is expected that the transport and logistics sub-sector will register an average annual growth rate of 5.5 percent from an annual average of 0.6 percent over the 2011-2020 period.

**116** To improve transport and logistics, the following programmes will be implemented:

- a) Aviation development
- b) Road development and maintenance
- c) Rail development and maintenance
- d) Inland water development and maintenance

- e) Inland dry ports development
- f) Trade centre development
- g) Warehousing development.

### **Strategy 6: Enhance generation, transmission and distribution of electricity**

**117** In the electricity sub-sector, reforms will be implemented to make the sector more efficient and effective. Focus will be on increasing electricity generation capacity and promotion of alternative renewable energy sources as well as scaling-up rural electrification. The increase in the generation capacity will be anchored on the reforms that will be undertaken in the electricity sub-sector to attract private sector investments. Further, the operations of ZESCO Limited will be streamlined to promote efficiency and sustainability. As part of the diversification agenda, the Government will continue promoting investments in green and clean energy solutions to make the energy sector more resilient and supportive of industrialisation.

**118** Increased investment in the sector will result in an increase in electricity generation capacity to 4,057 MW by 2026 from 3,307.43MW in 2021. The percent of renewable energy in the national installed electricity capacity, excluding large hydroelectricity generation, will increase to 10 percent from 3 percent over the same period. Fifteen additional renewable energy off-grid projects will be developed by 2026 in addition to the 7 in 2021.

**119** To enhance electricity generation, transmission and distribution, the following programmes will be implemented:

- a) Electricity generation and distribution
- b) Energy efficiency promotion
- c) Off-grid energy solutions promotion
- d) Renewable and alternative energy promotion.

### **Strategy 7: Enhance the management of petroleum products**

**120** The Government will enhance the management of the petroleum sub-sector by investing in infrastructure and implementing reforms aimed at reorganising the procurement and supply processes to ensure efficiency and sustainability. The Government will also promote the blending of petroleum products and biofuels to lower the cost of fuel.

**121** The total fuel storage capacity will be increased to at least 550,000 cubic meters by 2026 from 401,348 cubic meters in 2021 and the percentage of biofuel in the national fuel mix will be 20 percent by 2026 from nothing in 2021.

**122** To enhance the management of petroleum products the following programmes will be implemented:

- a) Petroleum pricing and supply management
- b) Petroleum infrastructure development
- c) Alternative fuel production promotion.

### **Strategy 8: Enhance management and productive use of water resources**

**123** Sustainable investment in water resources development and management will help meet the rising demand and productive use of water, while safeguarding water security. Interventions will include water harvesting and groundwater resources management.

**124** To enhance management and productive use of water resources, the following programmes will be implemented:

- a) Transboundary water cooperation and benefit-sharing promotion
- b) Water harvesting promotion

- c) Groundwater resources development
- d) Water resources management
- e) Inter-and intra-basin water transfer promotion
- f) Protection of aquifers and protected water sources promotion.

**Strategy 9: Enhance digital capacity**

**125** The integration of digital technologies into business processes will be key to enhancing efficiency and productivity for economic transformation. To advance the digitalisation agenda, the Government will continue with the roll-out of digital communications infrastructure, including the launch of a satellite. This will also ensure that citizens in rural areas are connected to socio-economic services through mobile phones and other electronic devices. Further, the Government will facilitate additional investments in building digital skills, especially among the youth to provide a sound foundation for innovation, including in science and technology. As a result, internet penetration will increase to 80 percent by 2026 from 52.9 percent in 2020.

- a) To promote the enhancement of digital capacity, the following programmes will be implemented: ICT infrastructure development
- b) Digital innovation and entrepreneurship
- c) Digital skills enhancement
- d) Digital services promotion.

**Strategy 10: Promote applied research and development**

**126** In pursuit of economic transformation through industrialisation and diversification, the Government will promote science, technology and innovation (STI) as well as applied research and development (R&D). A complementary strategy will be the promotion of science, technology, engineering and mathematics (STEM) in institutions of learning to build a critical mass of qualified human resource for R&D and leveraging digitalization. The Government will also reform the institutional and coordination arrangements in R&D to enhance investments and the commercialisation of innovations. This will include putting in place measures to incentivise innovation. It is expected that these interventions will increase product development, productivity and contribute to competitiveness of the economy.

**127** To promote applied research and development, the following programmes will be implemented:

- a) Research and development promotion
- b) Product development and commercialisation
- c) Intellectual property promotion and protection.

Strategy	Programme
1. Improve agriculture and productivity	<ul style="list-style-type: none"> <li>a) Agriculture, fisheries and livestock infrastructure development</li> <li>b) Agricultural mechanisation</li> <li>c) Comprehensive Farmer Input Support</li> <li>d) Agroforestry and tree crops development</li> <li>e) Agribusiness development</li> <li>f) Irrigation development</li> <li>g) Fisheries and aquaculture development</li> <li>h) Research and Development</li> <li>i) Livestock development</li> <li>j) Extension Services</li> <li>k) Early warning and surveillance systems</li> <li>l) Farm block development</li> </ul>

Strategy	Programme
2. Promote mining of traditional and non-traditional minerals	<ul style="list-style-type: none"> <li>a) Mineral and petroleum exploration and exploitation</li> <li>b) Mineral Tax and Mining Reforms</li> <li>c) Mineral beneficiation and value addition</li> <li>d) Artisanal and small-scale mining development</li> </ul>
3. Promote value addition and manufacturing	<ul style="list-style-type: none"> <li>a) Value Chain Development</li> <li>b) Market Linkages</li> <li>c) Investment promotion</li> <li>d) Multi-Facility Economic Zones and Industrial Parks</li> <li>e) Industry relevant skills promotion</li> </ul>
4. Promote tourism diversification	<ul style="list-style-type: none"> <li>a) Tourism infrastructure development</li> <li>b) Tourism Product Development</li> <li>c) Tourism Promotion and Marketing</li> <li>d) Tourism Investment Promotion</li> </ul>
5. Improve transport and logistics	<ul style="list-style-type: none"> <li>a) Aviation Development</li> <li>b) Road development and maintenance</li> <li>c) Rail development and maintenance</li> <li>d) Inland Water development and maintenance</li> <li>e) Inland dry ports development</li> <li>f) Trade centre development</li> <li>g) Warehousing development</li> </ul>
6. Enhance Generation, Transmission and Distribution of Electricity	<ul style="list-style-type: none"> <li>a) Electricity generation and distribution</li> <li>b) Energy efficiency promotion</li> <li>c) Promotion of off-grid energy solutions</li> <li>d) Renewable and Alternative Energy Promotion</li> </ul>
7. Enhance the management of petroleum products	<ul style="list-style-type: none"> <li>a) Petroleum pricing and supply management</li> <li>b) Petroleum infrastructure development</li> <li>c) Alternative fuel production and promotion</li> </ul>
8. Enhance management and productive use of water resources	<ul style="list-style-type: none"> <li>a) Transboundary water cooperation and benefit-sharing</li> <li>b) Water harvesting</li> <li>c) Groundwater resources development</li> <li>d) Water resources management</li> <li>e) Inter-and intra-basin water transfer</li> <li>f) Protection of aquifers and protected water sources</li> </ul>
9. Enhancement of digital capacity	<ul style="list-style-type: none"> <li>a) ICT infrastructure development</li> <li>b) Digital innovation and entrepreneurship</li> <li>c) Digital skills enhancement</li> <li>d) Digital services promotion</li> </ul>
10. Promote applied research and development	<ul style="list-style-type: none"> <li>a) Research and development promotion</li> <li>b) Product Development and Commercialisation</li> <li>c) Intellectual Property Promotion and Protection</li> </ul>

## **5.5. DEVELOPMENT OUTCOME 2: ENHANCED CITIZENRY PARTICIPATION IN THE ECONOMY**

**128** Citizens' participation in economic activity is important to achieve economic transformation and job creation. However, citizen participation has been relatively low with few major locally-owned enterprises and businesses. Therefore, the Government will provide incentives for Zambians, including those living in the diaspora, to participate in the economy. Further, the Government will promote enterprise development and technical, vocational and entrepreneurship skills training. This will be done through the following strategies:

### ***Strategy 1: Promote local and diaspora participation in the economy***

**129** In view of the low participation of Zambians in the economy, there is need to implement interventions to enable the effective and inclusive participation in job and wealth creation. This will be done through encouraging local investments by reserving particular businesses for Zambians, improving access to low-cost finance, targeting citizens for preferential procurements and formalising the informal sector.

**130** The Government will also strengthen the implementation of the Diaspora Policy to promote and facilitate increased remittances and investment. This will be done by addressing the high cost of remittances, providing comprehensive information on available opportunities in Zambia and providing an effective engagement framework that would allow the Zambians living abroad to actively participate in national development. These interventions will also have trickle-down effects on the employment and empowerment of youth in all provinces, districts, constituencies and wards.

**131** To promote local and diaspora participation in the economy, the following programmes will be implemented:

- a) Reservation scheme expansion
- b) Preferential procurement
- c) Diaspora investment promotion
- d) Women, youth and persons with disabilities empowerment
- e) Informal sector formalisation.

### ***Strategy 2: Promote enterprise development***

**132** Enterprise development is key for economic transformation and job creation. The Government will provide an enabling environment for formation of businesses and cooperatives, facilitation of mentorship and business services and promotion of access to domestic and external markets and credit for entrepreneurs. Further, the Government will provide credit guarantee schemes and operationalise industrial yards.

**133** To promote enterprise development, the following programmes will be implemented:

- a) Small and medium-scale enterprises development
- b) Cooperatives development
- c) Business development services provision
- d) Enterprise development initiative.

### ***Strategy 3: Promote technical, vocational and entrepreneurship skills***

**134** To support local participation in the economy, the Government will scale-up the provision of technical, vocational and entrepreneurship skills to support growth of enterprises. Further, measures will be put in place to incentivise the private sector in facilitating internships, mentorships and apprenticeships. The Government will also increase the disbursement of



resources to the sub-national level to support women, the youth and persons with disabilities with skills development at constituency and ward levels.

**135** To promote technical, vocational and entrepreneurship skills, the following programmes will be implemented:

- a) TEVET skills development
- b) Up-skilling and re-skilling
- c) Mentorship and apprenticeship.

**Table 16: How Should We Get There**

Strategy	Programme
1. Promote local and diaspora participation in the economy	<ul style="list-style-type: none"> <li>a) Reservation scheme expansion</li> <li>b) Preferential procurement</li> <li>c) Diaspora investment promotion</li> <li>d) Women, youth and persons with disabilities empowerment</li> <li>e) Informal sector formalisation</li> </ul>
2. Promote Enterprise development	<ul style="list-style-type: none"> <li>a) Small and medium scale enterprises development</li> <li>b) Cooperatives development</li> <li>c) Business development services provision</li> <li>d) Enterprise development initiative</li> </ul>
3. Promote technical, vocational and entrepreneurship skills	<ul style="list-style-type: none"> <li>a) TEVET Skills Development</li> <li>b) Up-Skilling and Re-Skilling</li> <li>c) Mentorship and Apprenticeship</li> </ul>

### 5.6. DEVELOPMENT OUTCOME 3: A COMPETITIVE PRIVATE SECTOR

**136** A competitive private sector is needed to change the economic fortunes of the country to achieve socio-economic transformation for improved livelihoods. In this regard, the Government will promote product quality and competition as well as facilitate increased domestic and international trade, including access to finance for production and exports. The Government will also provide a predictable and favourable policy and regulatory environment, including streamlining regulatory and licensing procedures. Further, the Government will establish a holistic framework for public-private sector engagement.

#### **Strategy 1: Promote quality and productivity**

**137** To promote the competitiveness of Zambian products in local and international markets, the uptake of standards and quality assurance as well as adherence to sanitary and phytosanitary (SPS) requirements will be enhanced and relevant institutions will be strengthened. In addition, the Government will strengthen measures for fair competition in the domestic market to spur innovations and improve the quality of goods and services. Productivity improvement will also be promoted through the implementation of programmes such as Kaizen, which is proven to promote both quality and productivity.

To promote product quality, productivity and competition, the following programmes will be implemented:

- a) Product standardisation and quality assurance
- b) SPS compliance support



- c) Fair competition promotion
- d) Quality and productivity enhancement.

**Strategy 2: Facilitate increased domestic and international trade**

**138** Facilitating access to domestic and international trade is important for private sector competitiveness. In this regard, the Government will implement measures to address trade-related bottlenecks that impede private sector competitiveness. Measures that will be taken will include supporting small and medium-sized enterprises' production lines by facilitating linkages with larger local and regional value chains. To increase trade opportunities, the Government will implement trade facilitation measures, trade promotion and facilitate the provision of market information services for both the domestic and foreign markets. The Government will also digitize processes and regulatory requirements concerning trade facilitation and market information services.

**139** To facilitate increased domestic and international trade, the following programmes will be implemented:

- a) Coordinated border management
- b) Market information services
- c) Commodity exchange platform
- d) Inter-country Trade Centre establishment
- e) International cooperation and economic diplomacy  
Business regulatory environment

**Strategy 3: Improve access to finance for production and exports**

**140** Concerted efforts will be taken to ease access to affordable finance, especially for small and medium enterprises. This will include export trade finance, third party credit risk mitigation and enhancing development of capital markets to provide long-term finance. The private sector will play a key role in the development and provision of financial products to support production and trade. The Government will also strengthen the alternative investment market on the Lusaka Stock Exchange as a vehicle through which small and medium enterprises can access long-term financing.

To improve access to finance for production and exports, the following programmes will be implemented:

- a) Credit guarantee scheme
- b) Capital markets development
- c) Impact capital investment
- d) Alternative finance promotion
- e) Trade finance
- f) Public-private sector joint venture promotion
- g) Zambia-foreign joint venture and partnership promotion.

**Table 5: How Should We Get There**

Strategy	Programme
1. Promote productivity and product quality	<ul style="list-style-type: none"> <li>a) Product standardisation and quality assurance</li> <li>b) SPS compliance support</li> <li>c) Fair competition promotion</li> <li>d) Quality and productivity enhancement</li> </ul>
2. Facilitate increased domestic and international trade	<ul style="list-style-type: none"> <li>a) Coordinated Border Management</li> <li>b) Market Information Services</li> <li>c) Commodity Exchange Platform</li> <li>d) Inter-Country Trade Centre Establishment</li> </ul>

Strategy	Programme
	<ul style="list-style-type: none"> <li>e) International Cooperation and Economic Diplomacy</li> <li>f) Business regulatory environment</li> </ul>
<p>3. Improve access to finance for production and exports</p>	<ul style="list-style-type: none"> <li>a) Credit guarantee scheme</li> <li>b) Capital markets development</li> <li>c) Impact capital investment</li> <li>d) Alternative finance promotion</li> <li>e) Trade Finance</li> <li>f) Public-private sector joint venture promotion</li> <li>g) Zambia-foreign joint venture and partnership promotion</li> </ul>

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# 6. STRATEGIC DEVELOPMENT

## AREA 2: HUMAN AND SOCIAL DEVELOPMENT

### 6.1. OVERVIEW

**141** Human and social development is fundamental to inclusive development and is a catalytic ingredient to the transformation of the country. This includes addressing the vicious cycle of poverty, inequalities and vulnerability. It also entails providing equal opportunities for every citizen to develop to their full potential and effectively contribute to the development of the country. This Strategic Development Area, therefore, addresses the need to develop human capacities, through investments and interventions in education and skills development, health and nutrition, water and sanitation and reducing poverty, inequalities and vulnerability. To achieve this, the Government will involve communities in the planning, decision making and delivery of public services.

### 6.2. CURRENT STATUS

The country has continued to register progress in service delivery for human development.

**142** With regard to education, the country has made strides in achieving universal primary education and gender parity. As at 2020 net primary enrolment rates stood at 81.8 percent as compared to 87.9 percent in 2017. Improvements have also been registered in the proportion of girls in school at primary level with the country attaining gender parity of 1.03 in 2020 compared to 1.00 in 2017. This means that in 2020, for every 100 boys enrolled in primary school, 103 girls were enrolled. At secondary level, in 2020 net enrolment stood at 37.4 percent compared to 42.9 percent in 2017. Gender parity stood at .94 in 2020 compared to .90 in 2017. This implies that in 2020 for every 100 boys enrolled at secondary level, 94 girls were enrolled.

**143** The teacher-pupil ratio at both primary and secondary education, a proxy for the quality of education, also registered improvements. A lower teacher-pupil ratio implies that the teacher spends more time with a learner. At primary level, the teacher-pupil ratio was one teacher per 57 pupils in 2020 from 58.5 in 2017, against the internationally acceptable threshold of one teacher per 40 pupils. Teacher-pupil ratio, however, at secondary school, in 2020 was 26.1 compared to 32.3 in 2017, which was within the acceptable standard of one teacher per 35 pupils. However, transition, retention and completion rates remained low.

**144** Under skills development, progress was made in increasing access to vocational and skills training through the construction of training facilities in selected rural districts. Further, the Government introduced the technical education, vocational and entrepreneurship training (TEVET) bursary scheme to encourage and increase the number of youths taking up skills training, especially females and person with disabilities for whom 30 percent and 10 percent, respectively, are reserved. However, more needs to be done to enhance access to TEVET as the 2020 National Skills Survey Report indicated a skills gap in the technical workforce in Zambia.

**145** The industries exhibiting high numbers of skills gaps include wholesale and retail trade, repairs of motor vehicles and motorcycles, manufacturing, accommodation and food services activities, education, other services as well as agriculture, forestry and fishing. Further, Zambia's TEVET system requires an improvement in the quality of training offered. For instance, 62.3 percent of the registered TEVET institutions were in the grade three category, which is the

lowest level in the quality grading system; 29.9 percent of the institutions were in grade two; while only 7.8 percent were in grade one in 2021. The foregoing indicates the need to enhance access and quality of technical and vocational training in the country.

**146** With regard to university education, while more universities have been established, there is a weak regulatory framework which has led to the compromise in the quality of university education. There is also inadequate qualified manpower to teach at higher levels.

**Add issues of access and stats on the number of public vis a vis private university**

**147** The country has made strides in improving the health status of citizens. Maternal mortality reduced from 398 in 2014 to 278 per 100,000 live births in 2018. Similarly, under 5 mortality rates reduced from 75 in 2014 to 61 per 1,000 live births in 2018. Infant mortality rate reduced from 45 in 2014 to 42 per 1,000 live births in 2018 while the child mortality rate reduced from 31 in 2014 to 19 per 1,000 live births in 2018. Despite these improvements, the mortality rates remain relatively high.

**148** The country currently experiences a high disease burden. The top five causes of mortality include malaria, anaemia, cardio-vascular diseases, pneumonia and tuberculosis. Among the major factors leading to the high disease burden are high prevalence and incidence of infectious diseases and the increase in non-communicable diseases.

Zambia's total fertility rate (TFR) remains high at 4.7 children per woman as at 2018. Teenage pregnancies are also high at 29.0 percent mostly due to high levels of child marriages, early sexual debut, and inadequate information on reproductive health. This has constrained women's participation in the economy, further leading to undesirable economic and social outcomes.

**149** Progress has been made in enhancing early childhood development and nutrition. The 2018 Zambia Demographic and Health Survey (ZDHS) showed slight improvements in nutrition indicators between 2013/14 and 2018, with stunting moving from 40 percent to 35 percent, wasting from 6 percent to 4 percent and underweight births from 15 percent to 12 percent. The improvement has been on account of nutrition programmes such as the first 1,000 critical days from conception, nurturing care for early childhood development, early childhood education, child immunisation and child-care and protection services, including birth registration. Evidence has shown that poor nutrition has a negative bearing on cognitive development, physical work capacity, health status and earnings in adulthood.

**150** In water and sanitation, progress has been made in increasing access to safe drinking water and adequate sanitation services. According to the 2018 ZDHS, the proportion of households with access to improved drinking water at national level increased to 72.5 percent from 64.5 percent in 2014. For urban and rural areas, the proportion of households accessing clean water increased to 93 percent and 58 percent from 89.5 percent and 46.6 percent, respectively, in the same period. The proportion of households with access to sanitation increased to 54.4 percent in 2018 from 25.4 percent in 2014. In urban areas, access to basic sanitation increased to 77.7 percent in 2018 from 35 percent in 2014, while in rural areas access increased to 37.2 percent from 18.5 percent. While water and sanitation coverage rates in the country have generally improved, aggregate figures mask disparities between urban and rural areas. Hence, strategic interventions are required to narrow the inequalities.

**151** The prevalence of poverty levels in the country is progressively reducing. Total poverty reduced to 54.4 percent in 2015 from 62.8 percent in 2006. Despite the reduction in total poverty levels, extreme poverty still remains significantly high at 40.8 percent in 2015. In rural areas, poverty remained higher at 76.6 percent compared to 23.4 percent in urban areas as of 2015. Notwithstanding, this, the Multidimensional Poverty Index showed an improving trend from 50 percent in 2014 to 44 percent in 2018. The reduction in poverty levels has in part been impacted by the expansion of social protection programmes such as the Social Cash Transfer programme and other livelihood adaptation programmes that have been piloted across the

country, especially in the rural areas that have in recent years suffered the effects of climate change.

### 6.3. CONSTRAINTS

**152** The attainment of human development is constrained by various factors with the inadequacy of infrastructure and dearth of human resources being the major issues.

**153** For education and skills development, the system is also characterised by limited furniture such as desks, lack of educational materials and inadequate ICT equipment to support learning. At early childhood education (ECE) level, factors contributing to poor quality of education include lack of appropriate facilities and teaching aids to allow for play and mental stimulation for early childhood learners. The level of deprivation is more pronounced in the rural and remote areas, thus most children enter primary school with no ECE experience, which delays their ability to acquire literacy and numeracy skills.

**154** The constraints in the health sector include inadequate and obsolete medical equipment and supplies; inadequate health personnel; long distances to health centres and inadequate transport facilities; poor health-seeking behaviour; and low coverage of national health insurance. Another constraint relates to inadequate dietary diversity to promote health and nutrition status of the people.

**155** In water and sanitation, the key constraint relates to inadequate and dilapidated infrastructure, especially in rural areas. Others include the increase in unplanned settlements, weak management and monitoring of water resources and unregulated access to water sources.

**156** Insert social protection write up.

**157** The 8NDP contains various strategies and programmes to address the constraints under this Strategic Development Area.

### 6.4. DEVELOPMENT OUTCOME 1: IMPROVED EDUCATION AND SKILLS DEVELOPMENT

**158** To improve education and skills development, Government will focus on expanding access and improving quality of early childhood, primary and secondary education as well as technical education, vocational and entrepreneurship training and higher education. The strategies outlined below will, therefore, be implemented.

#### **Strategy 1: Enhance access to quality, equitable and inclusive education**

**159** In the 8NDP period, the Government will ensure that all learners have access to equitable and inclusive quality education that prepares them to pursue higher education. This will be done through the recruitment and placement of more teachers in needy areas, provision of free education from early childhood to secondary school and provision of bursaries, using a decentralised approach. Additionally, construction of more secondary schools and other school infrastructure, including completion of incomplete classroom structures, and accommodation for teachers, especially in rural areas, will be undertaken. The delivery of education using ICT platforms will also be promoted. To ensure that schools are adequately equipped to deliver quality and relevant education, focus will be on enhancing the supply of educational requisites, including procurement of school desks and learning materials.

**160** Further, the education curriculum will be reviewed to ensure that it provides life-relevant knowledge and skills and promotes the application of national values and principles. This will include building the skills of learners to increase their uptake of science and

technology. The objective is, from an early age, to increase learners' interest in science and technology to facilitate innovation and entrepreneurship.

**161** Additionally, to ensure a lifecycle approach to education, priority will be given to nurturing and supporting early childhood development and facilitating a conducive learning environment to support early development of literacy, numeracy and problem-solving skills. The Government will continue supporting initiatives to improve the physical and cognitive health outcomes for children between aged 0-6, especially during the first 1,000 days of life, which are the critical years for a child's cognitive and healthy long-term development, productivity, and social cohesion under early childhood development. Further, the Government will continue implementing initiatives aimed at keeping girls in school as well as enhancing readmissions of school drop-outs, including adult learners.

**162** With the above measures, the net enrolment ratio is expected to increase to 100 by 2026 from 86.1 in 2020 for primary schools, while the ratio for secondary schools will increase to 60 from 37.6. In addition, the pupil-teacher ratio is targeted to reduce from the current 57 to 45 pupils per teacher for primary schools. For secondary schools, the country will attain the recommended pupil/teacher ratio of 1 to 35 from the 1 to 26.1 in 2020. Adult literacy for the population aged 15-49 years will increase to 85 and 90 percent by 2026 from 66.4 and 81.8 percent in 2020, for women and men, respectively.

**163** To enhance access to quality, equity and inclusive education the following programmes will be implemented:

- a) Early childhood education
- b) Primary education
- c) Secondary education
- d) Curriculum development
- e) Human resource development
- f) Infrastructure development
- g) Youth and adult literacy
- h) ICT promotion
- i) Science, technology, engineering and mathematics promotion
- j) Menstrual hygiene management.

### **Strategy 2: Improve technical, vocational and entrepreneurship skills**

To improve vocational, technical and entrepreneurship skills, the main focus will be on strengthening the regulatory and quality assurance frameworks; this should be extended to vocational skills training establishments in the private sector. Further, there will be regular upgrading of training equipment and expansion of training facilities. In addition, the qualifications for TEVET skills will be upgraded to allow for progression. To ensure that TEVET is relevant to industry, the curriculum will continuously be reviewed to ensure that it responds to the demands of industry. Additionally, learning pathways such as work-based learning, in particular internship and apprenticeship, will be promoted. The Government will also ensure sustainable financing of the TEVET system.

**164** In addition, the Government will scale-up and decentralise the skills development bursary scheme to the local level. This will enhance the targeting of beneficiaries as they will be identified by the communities and will improve access to skills training by vulnerable youths.

**165** By the end of the Plan period, the quality of TEVET services will be improved. This improvement will be manifested in the upgrading of TEVET institutions with 40 percent of institutions classified as grade one in 2026 from 7.8 percent in 2021 and the percentage of

grade three institutions reducing to 30 percent from 62.3 percent. The skills gap in the different industries will also be reduced.

To improve vocational, technical and entrepreneurship skills the following programmes will be implemented:

- a) Technical education, vocational and entrepreneurship training
- b) Curriculum review and development
- c) Research and development
- d) Internship and apprenticeship
- e) Digital skills development
- f) Human resource development.

### **Strategy 3: Increase access to higher education**

To increase access to public universities and other higher learning institutions, the Government will reform the bursary and student loan system so that students who cannot afford to pay fees are supported. Further, to enhance the development of an innovative society, the bursaries and student loans will be steered towards science, technology, engineering and mathematics. Investment will also be made in infrastructure and education-industry linkages to ensure that graduates have relevant and employable skills. The Government will continue creating an enabling environment for the private sector to thrive in the delivery of higher education.

**166** Insert quantitative targets for higher education e.g. bursaries/loans going towards STEM

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To increase access to universities and other higher learning institutions, the following programmes will be implemented:

- a) Infrastructure development
- b) Human resource development
- c) Loans and scholarship scheme enhancement
- d) Curriculum review and development
- e) Private sector participation promotion.

### **Strategy 4: Enhance science, technology and innovation**

**167** To promote science, technology and innovation, investment for research and development will be enhanced, including in institutions of higher learning. This will be done through utilisation of various funds such as the Strategic Research Fund and the Science, Technology and Innovation Youth Fund. Further, partnerships between higher learning institutions and state and non-state actors will be promoted to enhance the uptake of research. STEM education that promotes research, innovation, productivity and competitiveness for national and international demands will be promoted. The development and application of digital skills to support the country's transformation to a digital economy will also be promoted.

**168** Add quantitative targets

To enhance science, technology and innovation, the following programmes will be implemented:

- a) STEM promotion



- b) Research and development enhancement
- c) Curriculum development
- d) Industry linkages promotion
- e) Science and technology infrastructure development
- f) Digital skills development
- g) Partnership promotion.

Table 6: Strategies and Programmes

Strategy	Programme
1. Enhance access to quality, equitable and inclusive education	<ul style="list-style-type: none"> <li>a) Early Childhood Education</li> <li>b) Primary Education</li> <li>c) Secondary Education</li> <li>d) Curriculum Development</li> <li>e) Human resource development</li> <li>f) Infrastructure Development</li> <li>g) Youth and Adult Literacy</li> <li>h) ICT Promotion</li> <li>i) Science, technology, engineering and mathematics promotion</li> <li>j) Menstrual Hygiene Management</li> </ul>
1. Improve Technical, Vocational and Entrepreneurship skills	<ul style="list-style-type: none"> <li>a) Technical Education, Vocational and Entrepreneurship Training</li> <li>b) Curriculum Review and Development</li> <li>c) Research and Development</li> <li>d) Internship and Apprenticeship</li> <li>e) Digital Skills development</li> <li>f) Human Resource Development</li> </ul>
2. Increased access to higher education	<ul style="list-style-type: none"> <li>a) Infrastructure Development</li> <li>b) Human Resource Development</li> <li>c) Loans and Scholarship Scheme</li> <li>d) Curriculum Review and Development</li> <li>e) Private Sector Promotion</li> </ul>
3. Enhance science, technology, and innovation	<ul style="list-style-type: none"> <li>a) STEM Promotion</li> <li>b) Applied Research and Development</li> <li>c) Curriculum Development</li> <li>d) Industry linkages promotion</li> <li>e) Science and technology infrastructure development</li> </ul>

## 6.5. DEVELOPMENT OUTCOME 2: IMPROVED HEALTH AND NUTRITION

**169** To improve health and nutrition, the Government will focus on strengthening public health, increasing access to quality health care, promoting the participation of non-state actors in health care delivery, enhancing nutrition and strengthening integrated health systems.

### Strategy 1: Strengthen public health

**170** In the 8NDP Period, the Government will devolve the provision of district health services to enhance decision-making for effective service delivery. This will strengthen public health for



the prevention and control of communicable and non-communicable diseases, epidemic preparedness and control as well as health security and surveillance, among others.

#### **171 Add quantitative targets**

To strengthen public health, the following programmes will be implemented:

- a) Diseases prevention and control
- b) Health education promotion
- c) Maternal health care
- d) Child survival development
- e) Family planning
- f) Epidemic preparedness and control
- g) Health security and surveillance.

#### **Strategy 2: Increase access to quality health care**

During the Plan period, interventions will be aimed at increasing access to quality health care by scaling-up recruitment of health personnel to reduce the health personnel to population ratio, and ensuring availability of medicines and medical supplies. In addition, infrastructure development as well as the equipping of health facilities will be prioritised. Further, the national health insurance will be rolled-out to include the informal sector. The Government will leverage on the national health insurance scheme to facilitate wider health care delivery by bringing on board more private sector providers. The Government will also put in place measures to facilitate partnerships with the private sector to create centres of specialisation in the provision of health services.

**172** With this intervention it is expected that the health personnel to population ratio will improve to XXX by 2026 from xxx in 2020. It is also expected that the availability of essential drugs and medical supplies will increase to at least 90 percent fill rates by 2026 from 40 percent in 2020. Further, it is envisaged that the proportion of hospitals with fully functional recommended equipment should improve to 85 percent by 2026 from 20 percent in 2020. By 2026, all Zambians will be covered by the national health insurance from the coverage of 25 percent in 2021.

To increase access to quality health care, the following programmes will be implemented:

- a) Infrastructure development
- b) Medicines and medical supplies
- c) Equipment and transport
- d) Health insurance
- e) Mobile health services
- f) Specialised health services
- g) Human resource development.

#### **Strategy 3: Enhance nutrition**

**173** To enhance the nutrition status of Zambians the Government will eliminate all forms of malnutrition through support of appropriate feeding practices for school children and adolescents, support micronutrients fortification and supplementation, and scale-up nutrition programmes. The Government will further strengthen research in nutrition and food systems to facilitate formulation of appropriate interventions. Other interventions will focus on strengthening the institutional framework for coordination of national nutrition and sustainable food systems.

**174** With these interventions, it is expected that underweight prevalence will reduce to 8 per 1,000 population by 2026 from 12 per 1,000 population in XXX, while wasting is targeted to

reduce to 3 per 1,000 population by 2026 from 4 per 1,000 population in 2018. Stunting is equally expected to reduce to xxx over the Plan period from 36 in 2018.

To enhance nutrition, the following programmes will be implemented:

- a) Scale-up nutrition
- b) Supplementary school feeding
- c) Nutrition institutional governance
- d) Sustainable food systems
- e) Micro-nutrients fortification and supplementation
- f) Research and development
- g) Institutional feeding enhancement.

#### Strategy 4: Strengthen integrated health information systems

**175** During the Plan period, the Government will continue to strengthen the integrated health information system in order to improve efficiency and effectiveness of the health sector. Among the programmes to be implemented will include health processes automation, strengthening integrated health care financing, integrated health information system, civil and vital registration and research and development.

To strengthen integrated health systems, the following programmes will be implemented:

- a) Integrated health care financing strengthening
- b) Health information management system
- c) Civil and vital registration integration.

Table 7: Strategies and Programmes

Strategy	Programme
1. Strengthen Public health	<ul style="list-style-type: none"> <li>a) Diseases prevention and control</li> <li>b) Health education and promotion</li> <li>c) Maternal Health Care</li> <li>d) Child survival and development</li> <li>e) Family planning</li> <li>f) Epidemic preparedness and control</li> <li>g) Health security and surveillance</li> </ul>
2. Increase access to quality health care	<ul style="list-style-type: none"> <li>a) Infrastructure development</li> <li>b) Medicines and Medical Supplies</li> <li>c) Equipment and Transport</li> <li>d) Health Insurance</li> <li>e) Mobile health services</li> <li>f) Specialised health services</li> <li>g) Human Resource Development</li> </ul>
3. Enhanced Nutrition	<ul style="list-style-type: none"> <li>a) Scale-up nutrition</li> <li>b) Supplementary school feeding</li> <li>c) Nutrition Institutional Governance</li> <li>d) Sustainable food systems</li> <li>e) Micro-nutrients fortification and supplementation</li> <li>f) Research and development</li> <li>g) Institutional feeding enhancement</li> </ul>
4. Strengthen Integrated Health Information Systems	<ul style="list-style-type: none"> <li>a) Health information management system</li> <li>b) Civil and vital registration integration</li> </ul>

## 6.6. DEVELOPMENT OUTCOME 3: IMPROVED WATER SUPPLY AND SANITATION

To improve water supply and sanitation, the Government will promote investment in the water sector, enhance access to clean and safe water supply and access to improved sanitation. Further, the Government will establish a sustainable financing mechanism for the sector that will facilitate mobilisation of local and international financing for water supply and sanitation programmes including through public-private partnerships.

### Strategy 1: Improve access to clean and safe water supply

**176** In the Plan period, the Government will prioritise the provision of safe water and improved sanitation across the country, especially in districts, constituencies and wards where there have been water deficiencies. Key programmes to be implemented will include water supply infrastructure development and maintenance, water quality monitoring and protection of aquifers and protected water sources. Key programmes to enhance access to improved sanitation will include sanitation infrastructure development and maintenance, sanitation and personal hygiene promotion, capacity development, solid waste management and health and hygiene education.

**177** Constituencies and wards will be facilitated to identify areas of need for water and sanitation services and plan for the provision of such services to reduce developmental inequalities related to access to social services. Further, the enhanced allocation of the Constituency Development Fund will assist in accelerating investment in the water sector.

**178** The implementation of these measures will lead to an increase in access to safe water to 67 percent by 2026 from 58 percent in 2018 for rural areas and to 98 percent by 2026 from 91.8 percent in 2018 for urban areas. Further, access to sanitation will increase to 55 percent by 2026 from 37.2 percent in 2018 and to 90 percent by 2026 from 77.7 percent in 2018 for rural and urban areas, respectively.

**179** To improve access to clean and safe water supply and sanitation, the following programmes will be implemented:

- a) Water supply infrastructure
- b) Water quality monitoring.

### Strategy 2: Improve sanitation services

**180** Government will strengthen sewerage and solid waste management by enhancing financing to address the constraint of inadequate infrastructure in the sanitation sub-sector. Promotion of sustainable sanitation practices will also be scaled-up.

**181** To improve sanitation services, the following programmes will be implemented:

- a) sanitation infrastructure
- b) Solid waste management
- c) Sanitation and hygiene promotion
- d) Private sector investment promotion

Table 8: Strategies and Programmes

Strategy	Programme
1. Improve access to clean and safe water supply	a) Water supply infrastructure b) Water quality monitoring

Strategy	Programme
2. Improve Sanitation Services	<ul style="list-style-type: none"> <li>a) sanitation infrastructure</li> <li>b) Solid waste management</li> <li>c) Sanitation and hygiene promotion</li> <li>d) Private sector investment promotion</li> </ul>

## 6.7. DEVELOPMENT OUTCOME 4: REDUCED POVERTY, VULNERABILITY AND INEQUALITIES

**182** To reduce poverty, vulnerability and inequalities, the Government will focus on improving coordination of social protection programmes; enhancing welfare and livelihoods of poor and vulnerable people; reducing developmental inequalities; reducing vulnerability; mitigating violence against women and children; extending social security coverage; and enhancing multi-sectoral disaster management.

### **Strategy 1: Improve coordination of social protection programmes**

**183** The Government will continue to harmonise and strengthen social protection delivery systems at district and community level in order to address the multiple causes of poverty and vulnerability and ultimately improve efficiency in the delivery of social protection programmes. The Government will review and harmonise all social protection-related legislation and domesticate international and regional social protection agreements. Further, to assist in planning, policy formulation and eliminate duplication in social protection programmes, full use will be made of the Zambia Integrated Social Protection Information System. The pension system will also be reformed to increase coverage and protect the vulnerable, and make it financially sustainable. A key measure will be the creation of a statutory pension and an occupational pension, especially for public sector employees.

**184** To improve coordination of social protection programmes, the following programmes will be implemented:

- a) Social Protection integration
- b) Social protection legislation review
- c) Social security coverage expansion.

### **Strategy 2: Enhance welfare and livelihoods of poor and vulnerable people**

**185** The Government will continue to implement programmes aimed at improving welfare and livelihoods of people, especially the poor and vulnerable, such as the aged and people with disabilities. The number of beneficiaries and support offered to interventions such as the social cash transfer (SCT), food security pack and the keeping girls in school programme will be scaled-up. Further, the Government will link the SCT transfer value to economic trends through the "Cash Plus" Agenda. This will allow SCT beneficiaries to access programmes such as the food security pack, livelihood schemes and human capital investments (nutrition, early childhood development, primary and secondary education and skills development). This will contribute to breaking the intergenerational cycle of poverty. The targeting and payment systems for the social cash transfer will also be strengthened.

**186** Livelihood and empowerment schemes will be decentralised to the community level to ensure provision of resources directly to constituencies and wards, with particular focus on women and the youth. This will enhance targeting of interventions to the neediest communities and households. Through empowerment schemes, local businesses and service providers will also be supported with finances and market linkages, thereby stimulating the local economy. Resettlement schemes will be used as a means of facilitating sustained empowerment of the poor and vulnerable people such as the unemployed, retired, internally displaced and persons with disability.

**187** The Government will promote the development of sport and art to protect and promote the wellbeing of juveniles and children and reduce delinquency. In addition, the Government will prioritise interventions to reduce violence against women, children and the vulnerable. In implementing these interventions, the Government will sensitise beneficiaries in order to inculcate national values and principles.

**188** The interventions highlighted above will contribute to the reduction of poverty prevalence to a target of 45 percent by 2026 from 54.4 percent in 2015. Multidimensional poverty is targeted to reduce to 38 percent by 2026 from 44 percent in 2018.

**189** To enhance welfare and livelihoods of poor and vulnerable people, the following programmes will be implemented:

- a) Social Cash Transfer
- b) Livelihood and empowerment
- c) Public Welfare Assistance Scheme
- d) Women and youth empowerment
- e) Disability services
- f) Sports, culture and arts
- g) Resettlement schemes development
- h) Self-help initiatives
- i) Food security support
- j) Women and child protection.

### **Strategy 3: Reduce developmental inequalities**

**190** In an effort to reduce developmental disparities, the Government will implement interventions to address gender, income and spatial inequalities. Interventions to promote gender equality will address issues related to the participation of women in decision-making positions at all levels of governance and sustaining and improving gender parity in education. To address income inequalities, livelihood and empowerment programmes will be enhanced in order to positively impact on incomes, while infrastructure development will be undertaken in different sectors to address rural-urban disparities. This will include accelerating programmes on rural electrification, rural access roads and enhancing access to other basic services.

**191** Other measures that will be implemented in the Plan such as decentralisation and enforcement of the rule of law will also contribute to reducing developmental inequalities.

**192** These interventions will contribute to a reduction in the income inequality with the Gini coefficient decreasing to at least 0.54 in 2026 from 0.69 in 2015.

**193** To reduce developmental inequalities, the following programmes will be implemented:

- a) Gender equality promotion
- b) Integrated Development Planning
- c) Rural-Urban Linkages
- d) Rural Industrialisation
- e) Life skills development and resilience building
- f) Rural Electrification
- g) Youth entrepreneurship and vocational skills training.

### **Strategy 4: Increasing access to decent and affordable housing**

**194** To increase access to decent and affordable housing for all, Government during the 8NDP period will facilitate the provision of affordable housing finance, provide incentives for the private sector participation and promote investments in research on alternative building materials and technologies.

**195** During the Plan period, the target is to increase the housing stock by an average of 200,000 per annum in line with the National Housing Policy of 2020.

**196** The following programmes will be implemented:

- a) Housing sector policy and legal framework development;
- b) Public and Social housing provision;
- c) Settlement improvement;
- d) Housing finance mobilisation; and
- e) Applied research and development.

**Strategy 6: Reduce vulnerability associated with HIV and AIDS**

**197** The Government's strategy in the 8NDP period will be to reduce the national HIV and AIDS incidence and prevalence. During this period, the Government will endeavour to end inequalities and engage stakeholders to end AIDS, effectively implementation combination HIV prevention, accelerate HIV testing, treatment and viral suppression, reduce vertical transmission of HIV and paediatric AIDS, enhance gender equality and empowerment of women and girls, promote community leadership in the HIV response, realise human rights and eliminating stigma and discrimination and increase domestic investments and resources towards HIV and AIDS.

**198** This commitment aims at achieving the 95-95-95 treatment targets by 2026. The 95-95-95 targets refer to 95 percent of people living with HIV know their HIV status, 95 percent of people tested positive for HIV get access to treatment services and 95 percent of people on antiretroviral treatment achieve HIV viral load suppression.

Programmes to be provided

Table 9: Strategies and Programmes

Strategy	Programme
1. Improved Coordination of Social Protection Programmes	<ul style="list-style-type: none"> <li>a) Social Protection integration</li> <li>b) Review of Social Protection Legislation</li> <li>c) Extension of Social Security Coverage</li> </ul>
2. Enhance welfare and livelihoods of poor and vulnerable people	<ul style="list-style-type: none"> <li>a) Social Cash Transfer</li> <li>b) Livelihood and Empowerment</li> <li>c) Public Welfare Assistance Scheme.</li> <li>d) Women and Youth Empowerment</li> <li>e) Disability services</li> <li>f) Sports, Culture and Arts</li> <li>g) Resettlement Schemes Development</li> <li>h) Self-help initiatives</li> <li>i) Food security support</li> <li>j) Women and Child Protection</li> </ul>
3. Reduce developmental inequalities	<ul style="list-style-type: none"> <li>a) Gender Equality Promotion</li> <li>b) Integrated Development Planning</li> <li>c) Rural-Urban Linkages</li> <li>d) Rural Industrialisation</li> <li>e) Life Skills Development and Resilience Building</li> <li>f) Rural Electrification</li> <li>g) Youth entrepreneurship and vocational skills training</li> </ul>

Strategy	Programme
4. Increasing access to decent and affordable housing	<ul style="list-style-type: none"> <li>a) Housing sector policy and legal framework development</li> <li>b) Public and Social housing provision</li> <li>c) Settlement improvement</li> <li>d) Housing finance mobilisation</li> <li>e) Applied research and development</li> </ul>
5. Reduce vulnerability associated with HIV and AIDS	a)

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# 7. STRATEGIC DEVELOPMENT

## AREA 3: ENVIRONMENTAL SUSTAINABILITY

### 7.1. OVERVIEW

**199** Zambia's vision of attaining a prosperous middle-income status by 2030 emphasises development that is anchored on sustainable environment and natural resource management principles. This means attainment of socio-economic development which meets the needs of the current generation without compromising the ability of future generations to meet their own needs. This is also in line with the 2030 Agenda on Sustainable Development, the AU Agenda 2063 and the SADC Regional Indicative Strategic Development Plan.

### 7.2. CURRENT SITUATION

**200** Unsustainable utilisation of natural resources in Zambia is evidenced through deforestation, land degradation, encroachment of protected areas, and unsustainable fishing, among others, which have resulted in biodiversity loss. Land cover maps for the years 2000 to 2015 show that human activities such as the expansion of settlements and agriculture reduced forest cover from 47.05 million hectares in 2000 to 45.94 million hectares in 2015. As of 2018, estimates indicate that the country has been losing in excess of 172,000 hectares of forest cover per annum. In addition, the country's wetlands and aquifers have come under severe pressure from development as the demand for housing and water increases. The country has also suffered from biodiversity loss due to agricultural expansion, illegal abstraction of forest, fisheries and wildlife resources, mining operations as well as the advent of invasive species of plants and organisms.

**201** Zambia is vulnerable to natural disasters and the impacts of climate change. The 2020 University of Notre Dame Global Adaptation Initiative index ranked Zambia as the 41<sup>st</sup> most vulnerable country to the impacts of climate change out of 182 countries. Climate change effects such as droughts, floods and extreme temperatures on key sectors including energy, agriculture and water have led to decreased hydroelectricity generation capacity, food insecurity and limited access to clean drinking water for people and animals.

**202** Zambia remains a net carbon sink; the net sink status reduced to -16,815.2 Gigagrams (Gg) carbon dioxide (CO<sub>2</sub>) equivalent in 2010 from -57,124.0 Gg of CO<sub>2</sub> equivalent estimated in 1994. This was on account of greenhouse gas (GHG) emissions from different sectors of the economy increasing by 47 percent from 86,063 Gg in 1994 to 126,758 Gg in 2016<sup>2</sup>.

**203** Further, Zambia's natural environment has come under threat on account of poor environmental management practices including air, water and land pollution, as well as poor sanitation and waste management. The mining and manufacturing industries as well as the rising motor vehicle population are the major sources of air pollution as they discharge harmful gases and dust particles into the atmosphere, sometimes beyond the statutory limits. Additionally, water pollution is widespread with the manufacturing, mining, sewage treatment facilities and agriculture being the major polluters of both surface and groundwater, thereby

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<sup>2</sup> Zambia's Third National Communication Report to the United Nations Framework Convention on Climate Change (2020)



limiting access to safe water. Zambia is also facing increasing risks from poor chemical and solid waste management from sources such as electrical and electronic waste (e-waste), which may contain persistent organic pollutants. The environment has also been adversely affected by poor solid waste management which is a threat to water bodies and animals.

**204** Therefore, during the Plan period, the Government will enhance mitigation and adaptation to climate change while promoting sustainable management of the environment and natural resources to promote environmental sustainability.

### **7.3. CONSTRAINTS**

**205** The constraints to environmental sustainability include undiversified sources of income for sustainable livelihoods, and unsustainable agricultural practices and use of environmental products; inadequate education and awareness on the environment and the value of natural resources by communities; and inadequate legal and institutional frameworks for implementation of actions on the environment. Additionally, there are low levels of technical and technological capacities for implementation of climate change actions; low integration of climate change in key sectors at the subnational level; and insufficient meteorological infrastructure and services.

**206** Further, there is limited participation of communities in the management of natural resources. Systems for measuring the quantity and utilisation of natural resources to inform policy decisions are also inadequate, compounded by the uncoordinated implementation of natural resource management programmes. There is also weak compliance and enforcement of environmental sustainability measures and weak environmental monitoring and surveillance systems.

**207** To overcome these constraints, the Government will enhance education and awareness-raising and revise the national policy on climate change to enhance the green growth agenda. Complementary to these efforts, a green growth strategy will be developed to promote the efficiency and productivity of natural resource use, reduce pollution and improve the economy's resilience to climate change. This will be actualised through the implementation of strategies and programmes aimed at achieving the development outcomes outlined below.

### **7.4. DEVELOPMENT OUTCOME 1: ENHANCED MITIGATION AND ADAPTATION TO CLIMATE CHANGE**

**208** Under this development outcome, the Government will prioritise the implementation of measures to improve the adaptive capacity to climate change, for both human and biophysical systems as well as promote sustainable consumption and production to reduce greenhouse gas emissions. The Government will also enact legislation on climate change to strengthen the coordination framework, regulate the carbon markets and provide for the establishment of a national climate change fund, with a focus on possible benefits that could accrue to the local communities.

#### **Strategy 1: Strengthen climate change adaptation**

**209** Implementing adaptation measures will contribute to building the resilience of communities and the economy to the impacts of climate change. During the 8NDP period, therefore, the Government will enhance the human and institutional capacities for undertaking and supporting climate change actions. Further, improved production and consumption practices will be promoted among communities to enhance climate change adaptation. This will include engaging communities in such activities as irrigation development

and adoption of drought tolerant crop varieties and livestock breeds aimed at strengthening resilience and sustaining livelihoods.

**210** The programmes that will be implemented are:

- a) Institutional framework strengthening
- b) Climate change mainstreaming
- c) Research and development
- d) Climate-resilient infrastructure development.

**Strategy 2: Strengthen climate change mitigation**

**211** To enhance climate change mitigation and promote low carbon development, the Government will implement various interventions in forestry, agriculture and energy. In line with Nationally Appropriate Mitigations Actions, focus in the forestry sector will be on forestry enhancement, sustainable charcoal production, improved cooking devices and forestry fire management. In agriculture, the focus will be on climate-smart agriculture while in energy focus will be switching towards renewable energy sources, such as biogas, solar, wind and gas.

**212** To strengthen climate change mitigation, the following programmes will be implemented:

- a) Pollution prevention and control
- b) Greenhouse gas (GHG) inventory management
- c) Sustainable agriculture
- d) Sustainable forest management
- e) Technology transfer
- f) Renewable energy and energy efficiency.

**Strategy 3: Enhance disaster risk reduction and response**

**213** To enhance disaster risk management, the Government will strengthen disaster risk reduction, enhance early warning systems for early action and disaster preparedness for effective response to build back better in recovery, rehabilitation and reconstruction. Further, the Government will undertake disaster risk assessments, establish emergency operation centres, community-based disaster risk management programmes and post-disaster recovery activities for resilience building.

**214** The following programmes will be implemented:

- a) Climate information services
- b) Early warning systems
- c) Disaster preparedness and mitigation
- d) Disaster response and recovery.

**Table 10: How We Should Get There (Strategies and Desired Outcomes)**

Strategy	Programme
1. Strengthen climate change adaptation	a) Institutional Framework Strengthening b) Climate Change Mainstreaming c) Research and Development d) Climate Resilient Infrastructure development
2. Strengthen climate change mitigation	a) Pollution Prevention and Control b) GHG Inventory Management c) Sustainable Agriculture d) Sustainable Forest Management

Strategy	Programme
	e) Technology Transfer f) Renewable Energy and energy efficiency
2. Enhance disaster risk reduction and response	a) Climate Information Services b) Early Warning systems c) Disaster preparedness and mitigation d) Disaster Response and recovery

## 7.5. DEVELOPMENT OUTCOME 2: SUSTAINABLE ENVIRONMENT AND NATURAL RESOURCES MANAGEMENT

**215** Sustainable environment and natural resources management are necessary as they support the provision of basic human needs, such as clean air, water, fertile land for food and animal production and inputs for various production processes. They also contribute to the regulation of the climate and prevention of flooding and disease proliferation. Thus, priority will be on the promotion of integrated environmental management and enhancing natural resources management.

### Strategy 1: Promote integrated environmental management

**216** During the Plan period, the focus will be on reversing unsustainable environmental and natural resources management practices. Specific measures to be implemented will be: the building of capacity in environmental protection institutions, including local authorities, to restore and protect degraded landscapes and water catchment areas; strengthening monitoring and environmental assessments; and promoting sustainable consumption and production, including recycling, reducing resource use and reusing of resources. The Government will also enhance compliance monitoring of industries, enforce effective management of hazardous chemicals as well as improve environmental tracking.

**217** With to these interventions, it is expected that the Green Houses Gases (GHG) emissions will reduce to -21,654.9 Gg CO<sub>2</sub> (eq) by 2026 from -9,508.5 Gg CO<sub>2</sub> eq. in 2016.

**218** To promote integrated environmental management, the following programmes will be implemented:

- a) Pollution prevention and control
- b) Environmental compliance promotion and tracking
- c) Urban and regional planning and compliance monitoring.

### Strategy 2: Enhance natural resources management

**219** The Government will implement programmes aimed at reversing the growing threats to natural resources ranging from habitat transformation, encroachment, uncontrolled wildfires and invasive species. Among the key interventions will be to enhance community participation in natural resource management. The operations of structures, such as the natural resources management committees, game management areas committees, forest management committees, and water management committees will, therefore, be strengthened. Further, the Government will promote the quantification and valuation of natural resources and ecosystem services. Conservation plans for critical wetlands will also be operationalised. The Government will also strengthen research and technology development while addressing illegal land-use change with local authorities and other relevant institutions and stakeholders. **A major policy shift during the 8NDP period will be to ban the production**

and consumption of charcoal by 2025. In this regard, measures will be put in place to protect the livelihoods of those in the charcoal value chain and promote alternative energy sources for charcoal users.

**220** With this intervention, it is expected that the deforestation rate will reduce to 120,000 of forest cover per annum by 2026 from current 172,000 of forest cover per annum in 2021.

**221** To enhance natural resources management, the following programmes will be implemented:

- a) Sustainable forest management
- b) Sustainable wildlife management
- c) Water catchment protection and conservation
- d) Natural resource valuation and accounting.

**Table 11: How We Should Get There (Strategies and Desired Outcomes)**

Strategy	Programme
1. Promote integrated environmental management	<ul style="list-style-type: none"> <li>a) Pollution prevention and control</li> <li>b) Environmental Compliance Promotion and Tracking</li> <li>c) Urban and Regional Planning and Compliance Monitoring</li> </ul>
2. Enhance natural resources management	<ul style="list-style-type: none"> <li>a) Sustainable Forest Management</li> <li>b) Sustainable Wildlife Management</li> <li>c) Water Catchment Protection and Conservation</li> <li>d) Natural resource valuation and accounting</li> </ul>

# 8. A GOOD GOVERNANCE ENVIRONMENT

## 8.1. OVERVIEW

**222** Good governance entails respect for human rights and freedoms, entrenching transparency and accountability, participation, strengthening the democratic process, enhancing access to justice and observance of the rule of law and upholding national values and principles. It entails having strong and independent institutions. Good governance is an important precursor for transforming the economy, sustaining economic growth and promoting human dignity, thereby safeguarding lives and livelihoods. This Strategic Development Area, therefore, will focus on strengthening the policy and institutional framework for good governance as well as enhancing the rule of law, human rights and constitutionalism.

## 8.2. CURRENT STATUS

**223** During recent national development plan periods, the country has implemented various governance reforms. In an effort to improve access to justice by the poor and vulnerable in society, the first-ever National Legal Aid Policy was developed in 2018. Following the launch, 8,756 clients were assisted with legal services in 2020 compared to 5,177 clients in 2017. Zambia's Rule of Law Index also improved from -0.25 in 2016 to 0.47 in 2020, surpassing the planned 7NDP end target of 0.25. Notwithstanding these improvements, speedy dispensation of justice remains a challenge due to the inadequate number of qualified and practising lawyers. The ratio of judicial officers to population remained unfavourable, especially at the High Court level where on average, one judge dealt with about 264 cases in 2019. Further, inadequate numbers and types of fast-track courts contributed to the build-up of a backlog of cases. In 2021, the holding capacity of Zambia Correctional Facilities, which stands at 10,600, held 21,400 prisoners. Additionally, the National Prosecution Authority only decentralised to 64 out of 116 districts since 2017.

**224** To enhance transparency and accountability in the utilisation of public resources, the Public Finance Management Act No. 1 of 2018, the National Planning and Budgeting Act No. 1 of 2020 and the Public Procurement Act No. 8 of 2020 were enacted. Among other objectives, the three pieces of legislation will strengthen public financial management, adherence to procurement guidelines as well as linking the planning and budgeting processes. The country also introduced several measures, including sensitisation and advocacy campaigns for public finance management.

**225** Further, the Government accelerated the implementation of the e-government reform to make government processes more transparent and enhance accountability in public service delivery. Further, the Statistics Act No. 13 of 2018 was enacted to set the basis for the strengthening of national data and information systems and the restructuring of the national statistics authority. The country's statistical capacity index improved to from to 62.5 in 2020 from 52 in 2017 against the 7NDP target of 60.

**226** Though progress was recorded in some areas of governance, the Corruption Perception Index for Zambia dropped to 33/100 in 2021 from 38/100 in 2016. The institutions charged with ensuring transparency and accountability are mostly centralised, leading to low accessibility by the majority of citizens. Other challenges relate to low empowerment of citizens to hold public officers accountable, inefficiencies in the delivery of public service, and

ineffective grievance resolution mechanisms. These challenges are breeding ground for corruption. Further, public infrastructure and equipment for the delivery of public services are poorly maintained, leading to low quality of public services.

**227** The country continues to record low participation in democratic processes and decision-making by women, the youth and persons with disabilities. As of August 2021, the proportion of women in Parliament reduced from 18.1 percent in 2016 to 12.8 percent. The youth constituted 4 percent of the Members of Parliament and there was only 1 member of Parliament with a disability. Female Mayoral and Council Chairpersons were at 12.9 percent and Councillors at 7.6 percent in 2021, respectively. In the education system, progress has been made to attain gender parity in primary education, which stood at 1.03 in 2020. However, gender parity at secondary school level is yet to be attained as it stood at 0.94 in 2020.

**228** To promote constitutionalism, the Constitution of Zambia was amended in 2016 to enhance human rights and strengthen governance institutions. Further, to fully operationalise the enhanced provisions, subsidiary legislation will continue to be enacted. To achieve a constitution that reflects the people's aspirations, further revisions to the Constitution will be undertaken through a consultative process.

### **8.3. CONSTRAINTS**

**229** The realisation of a good governance environment has largely been constrained by the slow pace of implementation of the key reforms. These include performance management, e-government, decentralisation, public finance management and judicial reforms. Additionally, inadequate capacity of governance and investigative agencies to investigate and prosecute corruption and related crimes, such as financial and economic offences, has inhibited the creation of a good governance environment. There is also low enforcement of recommendations from the legislature and other oversight institutions.

**230** Another constraint is the inadequate knowledge among citizens on the existing platforms to engage elected representatives, and governance and investigative agencies. Interest groups and citizens have not effectively held their leaders accountable. Other constraints include inadequate infrastructure and limited utilisation of ICT solutions, thereby affecting the efficient delivery of services.

### **8.4. DEVELOPMENT OUTCOME 1: IMPROVED POLICY AND GOVERNANCE ENVIRONMENT**

**231** During the Plan period, the Government will ensure that a conducive and stable policy and legislative environment is put in place. This will enhance certainty and instil confidence among citizens, businesses and investors. To achieve this, the Government will continue to strengthen and establish inclusive consultative processes and undertake reforms that will improve the interactions of the citizens, the private sector, civil society and the public sector.

#### **Strategy 1: Decentralise public service delivery systems**

**232** During the Plan period, the Government will focus on devolving sector functions to local authorities to enhance public service delivery at lower levels of governance. This is in line with the Decentralisation Policy and its implementation framework. It is envisaged that the local authorities will play a major role in service delivery at the district level and will coordinate development at that level.

**233** Further, local government reforms will be implemented to enhance financial management, revenue generation and investment in capacity enhancement for effective

delivery of socio-economic development. Fiscal mapping and decentralisation of resources to the sub-national levels through the effective implementation of the Decentralisation Policy will be undertaken.

**234** The capacity of communities will be strengthened to manage and implement programmes with high social and economic impact under the Constituency Development Fund. This will improve the participation of lower level governance structures in the identification of local priority projects, and beneficiaries of empowerment and bursary support programmes. The local planning process will also be strengthened, anchored on the full operationalisation of the Planning and Budgeting Act No.1 of 2020 and the Urban and Regional Planning Act No. 3 of 2015.

**235** The following programmes will be implemented to decentralise public service delivery systems:

- a) Sector devolution
- b) Human resource management reforms
- c) Fiscal decentralisation
- d) Policy and legal reforms
- e) Capacity development.

### **Strategy 2: Strengthen national data and information systems**

**236** During the Plan period, the Government will fully operationalise the Statistics Act No. 13 of 2018 for an integrated national statistical system to increase the coverage and use of quality updated data as well as statistics for national development. Further, efforts will be placed on improving the coverage of civil and vital registration systems as well as improving administrative data systems. Hence, the civil and vital registration system will be decentralised, to increase coverage for the registration of vital events and comply with the human rights of citizens, including operationalisation of the Integrated National Registration Information System (INRIS). The INRIS will lead to enhanced security systems through identification of citizens, and optimisation of various public services, such as strengthened tax, social services and promotion of health insurance administration.

**237** The following programmes will be implemented to strengthen national data and information systems:

- a) Integrated management information systems development
- b) Infrastructure for statistics and spatial data development
- c) National statistical reforms and capacity development
- d) Integrated National Registration Information System operationalisation.

### **Strategy 3: Strengthen transparency and accountability mechanisms**

**238** In the 8NDP period, the Government will scale-up interventions to enhance transparency and accountability. To this effect, governance and investigative institutions, such as the Office of the Auditor-General and the Anti-Corruption Commission, will be capacitated to improve transparency and accountability. To enhance accessibility, the Office of the Public Protector will be decentralised to provincial centres. This will be done to step up enforcement mechanisms for upholding principles of integrity among those charged with the responsibility to manage public resources and provide public services. This is envisaged to increase investor and citizen confidence that will drive economic transformation and job creation.

**239** The Government will strengthen internal control systems and operations of the audit committees to enhance transparency. Further, the Government will enhance access to public



information by undertaking media reforms. The oversight role of the legislature will also be enhanced to promote transparency and accountability, including public finance management.

**240** To strengthen transparency and accountability mechanisms the following programmes will be implemented:

- a) Public finance management reforms
- b) Public procurement management
- c) Awareness and sensitisation
- d) Audit and Risk Oversight
- e) Parliamentary reforms
- f) Media reforms.

#### **Strategy 4: Strengthen electoral processes and systems**

**241** Electoral reforms will be undertaken to ensure that the electoral process is undertaken in an efficient and cost-effective manner. The process will also be enhanced to curtail political violence and eliminate opportunities of malpractice during elections. This will help create a level playing field for participation in the electoral process by all citizens, especially the marginalised and under-represented sections of society, such as women, the youth and persons with disabilities.

**242** To strengthen electoral processes and systems, the following programmes will be implemented:

- a) Constitutional reforms
- b) Electoral reforms
- c) Parliamentary reforms.

#### **Strategy 5: Strengthen public service performance management systems**

**243** The public service will, during the Plan period, strengthen systems to promote effectiveness and efficiency in the delivery of public goods and services to support economic transformation. This will be done through leveraging on ICT for accessing government services, setting policies and business regulations and following laid down procedures. Further, the Government will promote professionalism, meritocracy, performance-accountability among public officers and accountability of institutions in delivering services to the citizens as well as improving leadership in the public service. The Government will also promote the maintenance of public infrastructure and equipment to enhance public service provision for social and economic development. The Government will take advantage of the Public-Private Partnerships Initiatives in the development, maintenance and management of public infrastructure.

**244** To strengthen public service performance management systems, the following programmes will be implemented:

- a) Electronic government
- b) Performance management systems
- c) Maintenance of Public infrastructure maintenance.

#### **Strategy 6: Strengthen land management and administration**

**245** During the Plan period, land reforms will be undertaken to fully operationalise the Land Policy. A review of various statutes relating to land management systems will be undertaken



to ensure enhanced access to land. This will contribute to increased productivity among the citizenry and equity in access to productive resources. Further, the Government will decentralise land registration to provincial and district centres and digitise the process of issuance of certificates of land title to ensure efficient land administration.

**246** The following programmes will be implemented to strengthen land management and administration:

- a) National land titling programme
- b) Land management and administration
- c) Land information management system development.

**Table 12: Strategies and Programmes**

Strategy	Programme
1. Decentralise Public Service Delivery systems	a) Sector devolution b) Human Resource Management Reforms c) Fiscal Decentralisation d) Policy and legal reforms e) Capacity development
2. Strengthen National Data and Information Systems	a) Integrated management information systems development; b) Infrastructure for statistics and spatial data development; c) National statistical reforms and capacity development d) Integrated National Registration Information System
3. Strengthen transparency and accountability mechanisms	a) Public finance management reforms b) Public procurement management c) Awareness and sensitisation d) Audit and Risk Oversight e) Parliamentary Reforms f) Media Reforms
4. Strengthen electoral processes and systems	a) Constitutional reforms b) Electoral reforms c) Parliamentary Reforms
5. Strengthen public service performance management systems	a) Electronic Government b) Performance Management Systems c) Maintenance of Public infrastructure
6. Strengthen Land Management and Administration	a) National Land titling programme b) Land management and Administration c) Land information management system development

## 8.5. DEVELOPMENT OUTCOME 2: IMPROVED RULE OF LAW, HUMAN RIGHTS AND CONSTITUTIONALISM

**247** To achieve improved rule of law, human rights, and constitutionalism, the Government will strengthen the criminal justice system and enhance the rule of law. This will be attained through the review of the Constitution, enhancing access to justice, promoting human rights, infrastructure development, enhancing legal aid systems, human and technical capacity development and modernisation of judicial systems.

**Strategy 1: Strengthen the criminal and justice system and enhance rule of law**

**248** During the Plan period, effort will be made to progressively decentralise the judicial system in order to enhance speedy dispensation of Justice. Further, reforms to review and decentralise the parole framework will be undertaken. In addition, the juvenile justice framework will be reviewed and the system of rehabilitation of drug-related offenders will be strengthened. Legal reforms, such as the review of the Public Order Act and Penal Code will be undertaken to ensure law and order. This will lead to a safe and stable environment and ultimately spur investments in the country.

**249** To strengthen the criminal justice system, the following programmes will be implemented:

- a) Crime prevention, detection and prosecution
- b) Infrastructure development
- c) Human resource development
- d) Circuit courts
- e) Fast track courts
- f) Judicial and security system automation
- g) Offender management
- h) Constitutional reforms
- i) Human rights protection and promotion
- j) Judicial reforms

**Table 13: Strategies and Programmes**

Strategy	Programme
1. Strengthen the criminal and justice system	<ul style="list-style-type: none"> <li>a) Crime Prevention, Detection and Prosecution</li> <li>b) Infrastructure Development</li> <li>c) Human resource development</li> <li>d) Circuit courts</li> <li>e) Fast track courts</li> <li>f) Judicial and security system automation</li> <li>g) Parole framework Decentralisation</li> <li>h) Constitutional Reforms</li> <li>i) Human Rights Protection and Promotion</li> </ul>

# PART V: MANAGEMENT OF THE PLAN

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# 7. IMPLEMENTATION AND COORDINATION FRAMEWORK

## 9.1. INTRODUCTION

**250** The realisation of the 8NDP development outcomes depends on a comprehensive coordination framework that guides the implementation of the Plan. The coordination and implementation mechanisms will be government-led with the full participation of various stakeholders, including non-state actors at national and sub-national levels.

**251** The implementation and coordination framework of the of the Plan recognizes the structures and institutional arrangements as provided for under the National Planning and Budgeting Act No. 1 of 2020. The National Development Coordinating Committee (NDCC), Cluster Advisory Groups (CAGs), Provincial Development Coordinating Committees (PDCCs) and District Development Coordinating Committees (DDCCs) will coordinate and provide oversight in the implementation of the Plan. In addition, the Ward Development Committees (WDCs) will coordinate the implementation of development interventions at the ward level. These structures will ensure broad stakeholder participation in development, transparency in development planning and budgeting as well as accountability for development results.

**252** The implementation of the Plan will be undertaken using an integrated multi-sectoral approach which entails the clustering of agencies from various sectors to coordinate in the planning, budgeting, and implementation and monitoring of interventions that will lead to the attainment of identified strategic national development results. National, provincial and district levels will implement the Plan based on the configuration of institutions making up a particular national development plan (NDP) implementation Cluster and undertaking various programmes, projects and activities with specific deliverables to be generated semi-annually, annually, and by the end of the Plan period.

**253** Ministries, provinces and other spending agencies (MPSAs) and non-state institutions assigned to implement a particular programme, project or activity in the 8NDP will be required to ensure that they effectively coordinate the planning, budgeting, implementation and monitoring of the performance of that particular intervention. Interventions that require a joint effort by various development actors will be expected to be implemented in a coordinated manner, with a lead institution working together with relevant actors to ensure effective planning, budgeting and implementation.

**254** The Ministry responsible for national planning will provide guidelines for effective coordination and implementation of the 8NDP interventions. This will be complemented by the provision of technical support to ensure that the development coordination and implementation mechanisms are effective and able to discharge the assigned functions and responsibilities. MPSAs, including local authorities will be required to develop an Institutional Strategic and Implementation Plan which will specify how the ministry, provincial office, local authority and spending agency will contribute to the achievement of the development targets set out in the 8NDP. This will form the basis of medium-term and national budget estimates for ministries, provinces, local authorities and spending agencies.

**255** A system of accounting for development results will be elaborated in the Implementation Plan of the 8NDP. This will be the basis for tracking progress on the implementation of the Plan as well as guiding the participation of state, non-state actors and the general citizenry in line with the Planning and Budgeting Act.

## **9.2. INSTITUTIONAL ARRANGEMENTS**

**256** The institutional arrangements for coordinating the implementation of the 8NDP will include oversight bodies, implementing institutions and advisory structures. The following institutions will play key roles in ensuring effective implementation of the Plan in line with the set objectives and targets:

### **9.2.1. National Assembly**

**257** The National Assembly will approve the Plan and play an oversight role to ensure that the Government delivers on its mandate and that the process of achievement of development outcomes is based on principles of accountability, transparency and value for money. Further, the National Assembly will approve the national budgets to operationalise the implementation of the strategies and programmes in the 8NDP.

### **9.2.2. Cabinet**

**258** The Cabinet will provide policy direction to ensure that the development outcomes of the Plan are realised. It will facilitate the provision of an enabling environment for the successful implementation of the Plan. Further, it will interface with the National Assembly through the introduction of laws and be held accountable for implementation of the Plan.

### **9.2.3. Cabinet Office**

**259** The Cabinet Office will facilitate the optimal operational capacity of the public sector by ensuring policy consistency and coherence, effective implementation of public sector reforms and implementation of Cabinet decisions. The Cabinet Office will also ensure effective human resource management for continuity in the public sector/government operations, optimal staffing levels in government institutions as well as enforcement of performance-based management across government for efficient and effective public service delivery. Additionally, the Cabinet Office will facilitate the cascading of the 8NDP into Institutional Strategic and Implementation Plans.

### **9.2.4. Office of the Auditor-General**

**260** The Office of the Auditor-General (OAG) will support the implementation of the 8NDP by examining whether or not public resources are spent economically, efficiently and effectively in compliance with existing rules and regulations. Further, the OAG will undertake performance audits of some programmes in the Plan.

### **9.2.5. Ministry Responsible for Finance and National Planning**

**261** The Ministry responsible for finance and national planning will coordinate the design, implementation, monitoring and reporting of national development interventions. This will involve coordinating all advisory bodies and supporting the implementation, monitoring and

evaluation processes of the Plan. Further, the Ministry will coordinate the appraisal of public projects and investments to ensure value for money.

**262** The Ministry will also facilitate resource mobilisation for various Plan interventions to ensure implementation. It will coordinate the formulation of annual and medium-term budgets as well as ensure efficient execution of budgets. In so doing, the Ministry will ensure the alignment of budgets to the 8NDP.

#### **9.2.6. Ministry of Local Government and Rural Development**

**263** The Ministry responsible for local government and rural development will coordinate the implementation of the 8NDP by the local authorities. It will also ensure that ward development plans and Integrated Development Plans are consistent with the development aspirations of the 8NDP.

#### **9.2.7. House of Chiefs**

**264** According to the Constitution Article 169 (5.) (b) and (d), the role of the House of Chiefs is to make recommendations to the National Assembly and the local authority regarding socio-economic development issues. In this regard, the House of Chiefs will play a key role in initiating, discussing and making recommendations regarding development issues to both the National Assembly and local authorities with respect to the implementation of the 8NDP.

#### **9.2.8. Ministries, Provinces and other Spending Agencies**

**265** MPSAs will coordinate the implementation of 8NDP interventions within their respective mandates and advisory bodies. In so doing, MPSAs will be required to develop Institutional Strategic and Implementation Plans which shall specify how they will contribute to the achievement of the development targets set out in the 8NDP.

#### **9.2.9. State-Owned Enterprises**

**266** State-Owned Enterprises (SOEs) will undertake various commercial activities to complement private sector investments. SOEs will also generate resources to complement government revenues to finance the Plan and will further be expected to provide services, especially in areas where it is uneconomical for the private sector to operate. They will continue to provide socio-economic services such as electricity, water, sewerage, insurance, skills training, milling and agricultural marketing. In addition, they will partner with private companies to establish business operations in various sectors to mobilise investment funds in various sectors.

#### **9.2.10. Private Sector**

**267** The private sector will be key in actualising economic transformation and job creation as well as contribute to delivering services across the other strategic development plans. To this end, the private sector will be expected to drive economic growth through increased investments and contribute towards resource mobilisation to finance the Plan. The Government will, therefore, strengthen dialogue with the private sector.

### **9.2.11. Civil Society Organisations**

**268** Civil Society Organisations (CSOs) will complement the Government's efforts in implementing community-based projects aimed at reducing poverty, gender inequality, youth unemployment and will support the underprivileged in society, among others. Further, CSOs will provide advocacy as well as checks and balances in public governance. The Government will, therefore, sustain dialogue with CSOs with a view to strengthening collaboration.

### **9.2.12. Cooperating and Development Partners**

**269** The Government will collaborate with cooperating and development partners in the implementation of 8NDP interventions through different financing mechanisms and technical assistance. Cooperating and development partners will be engaged through various dialogue platforms to ensure that programmes, projects and budget support are aligned to the Plan.

## **9.3. COORDINATION AND ADVISORY STRUCTURES**

**270** Coordination of the 8NDP will be at national, sectoral, provincial, district and ward levels. This is in line with the decentralised planning, implementation, monitoring and evaluation processes as elaborated below (also see Figure 18):

### **9.3.1. National level coordination and implementation arrangements**

**271** The NDCC will continue to be the apex advisory body to the Cabinet on matters relating to NDPs and budgets. National level coordination will work towards enhancing synergies among stakeholders for efficient and effective implementation of programmes at all levels and galvanise the participation of state and non-state institutions in meeting targets for agreed-upon national indicators.

### **9.3.2. Sectoral level coordination and implementation**

**272** To facilitate the participation of state and non-state actors in the implementation and monitoring of the Plan, Cluster Advisory Groups (CAGs) will continue to be utilised. The CAGs will be constituted on the basis of the four Strategic Development Areas of the 8NDP and bring together all sectors contributing to the achievement of the results under a particular development outcome.

### **9.3.3. Provincial level coordination and implementation**

**273** To facilitate the participation of state and non-state actors in the implementation and monitoring of the Plan at provincial level, Provincial Development Coordinating Committees (PDCCs) will continue to be utilised. The PDCCs will work to ensure that provinces deliver on the targets set in the Plan. The PDCCs will also provide oversight to districts.

### **9.3.4. District level coordination and implementation**

**274** The District Development Coordinating Committees (DDCCs) will ensure that non-state actors operating in the district collaborate with government institutions and agencies by joint-planning, implementation and monitoring of district interventions. The collaboration will also

involve the sharing of information on the development interventions being implemented. This will be done with a view to dealing with, among others, district-specific development challenges.

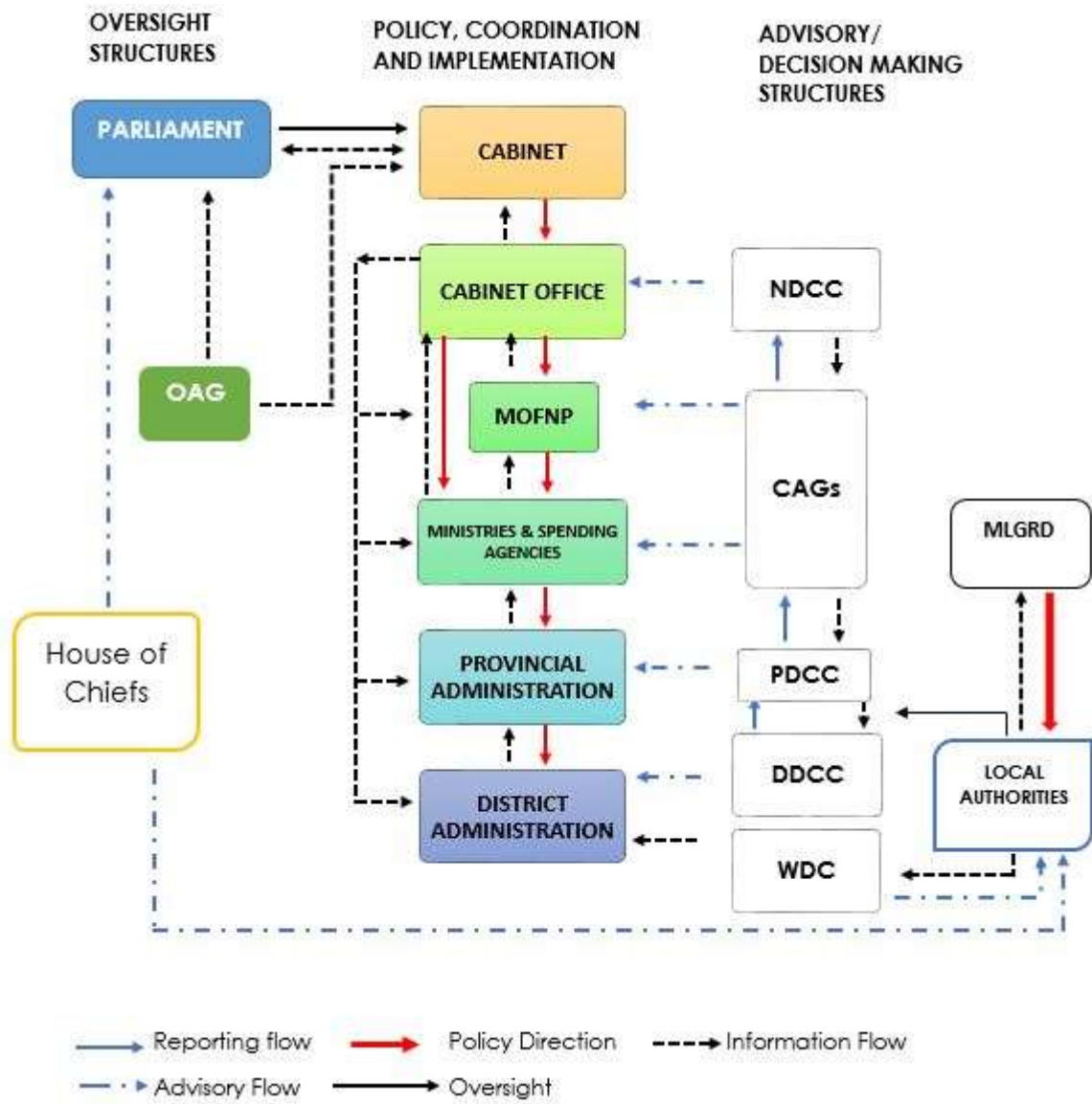
#### **9.3.5. Ward Development Committees**

**275** Ward Development Committees (WDCs) are the lowest coordination body that will directly interface with the communities in identifying projects for implementation in line with the 8NDP as well as monitor and report progress. During the Plan period, WDCs will be fully operationalised to promote the participation of citizens in development at the district level. To this end, the capacities of these committees will be enhanced to allow for effective coordination of development programme outputs under various strategic development areas of the Plan.

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Figure 8: Overall Institutional Arrangements for Coordination



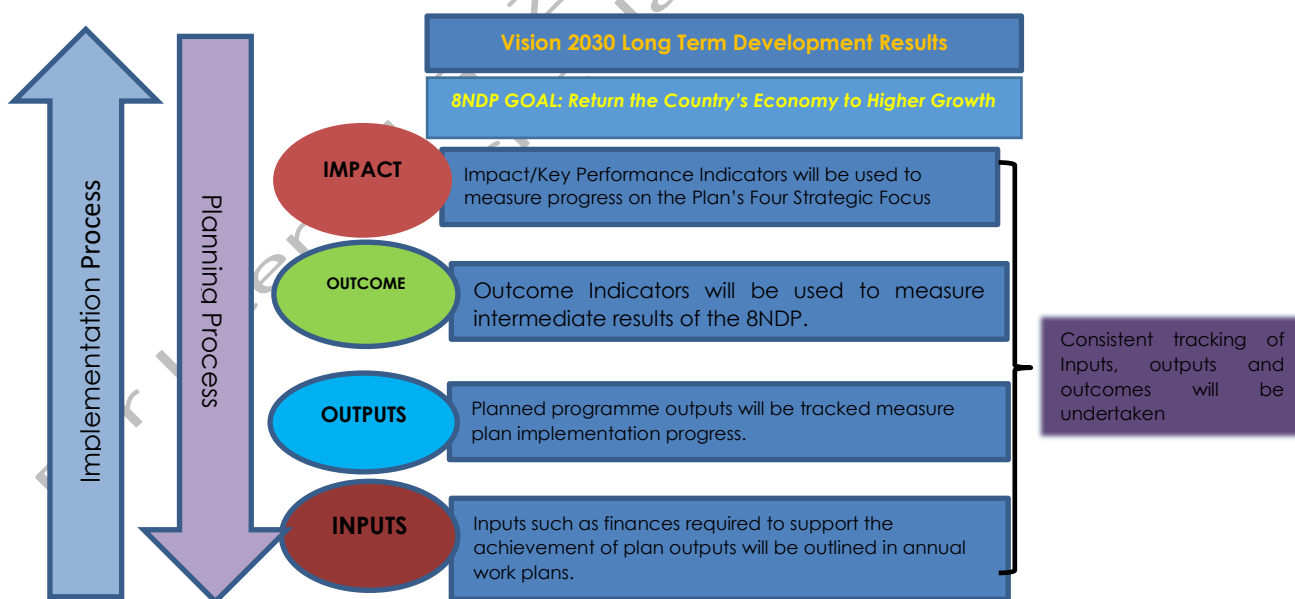
# 8. MONITORING AND EVALUATION FRAMEWORK

## 12.1. OVERVIEW

**276** The Monitoring and Evaluation (M&E) Framework for the 8NDP has been formulated to track progress towards the attainment of set developmental targets. The Framework also provides guidance to various stakeholders expected to provide oversight, coordination and implementation of 8NDP programmes. Actors in the M&E system include the Government, civil society, the private sector, cooperating partners, local authorities, traditional authorities, and the general citizenry. The 8NDP M&E Framework is anchored on the National Performance Framework for the Vision 2030 which articulates the long-term development results to be achieved by the country.

**277** Monitoring and evaluation of the 8NDP will be undertaken at national, provincial and district levels by implementing and oversight institutions. The 8NDP will be managed using a results-based approach with an emphasis on accountability and timeliness in the delivery of results. The results framework will take into account inputs, outputs, outcomes and impacts as indicated in Figure 20. .

**Figure 9: Diagrammatic Representation of the 8NDP Results Framework**



**278** To ensure effective reporting on progress, the national, provincial and district indicators will be aligned to national outputs, outcomes, and impact indicators. Measurement of these indicators will be done at all levels of the results chain. Utilisation of inputs will be measured through budget performance analysis. Output performance of the 8NDP will be monitored through tracking of programme outputs by districts, provinces and CAGs at the national level. This information will feed into quarterly and annual 8NDP progress reports. In addition, spot

monitoring will be periodically undertaken, and reports produced to provide information to various stakeholders on project implementation.

## **12.2. MONITORING**

**279** Monitoring of the 8NDP implementation will be undertaken periodically in line with the agreed M&E Framework. Progress will be tracked using the results framework, encompassing agreed indicators and targets cascading national, provincial, district and sub-district levels. Project implementation will be efficiently monitored to ensure the generation of planned outputs that feed into the attainment of key development outcomes and impacts.

**280** The mechanisms that will be used to monitor the implementation of 8NDP programmes include the management monitoring systems and spot monitoring.

### **12.4.1. Management Monitoring System**

**281** The Management Monitoring System (MMS) will automate 8NDP data and information management in order to achieve efficiency in M&E data processing and performance reporting. Tracking of 8NDP outcome targets, which include progress towards global and regional commitments, will also be done through the MMS.

### **12.4.1. Spot Monitoring**

**282** At the national level, MPSAs will conduct routine spot checks of 8NDP programmes and projects under their charge to ensure that implementation is on track and to address any challenges that may negatively affect programme/project implementation. Spot checks will also be undertaken at provincial, district and ward levels. Reports from project site visits will focus on tracking programme and project outputs and measuring performance against set development outcomes. The reports will also include lessons learnt so as to improve programme implementation.

### **12.4.1. Annual Progress Report**

**283** Using data that will be uploaded onto the MMS and in accordance with the National Planning and Budgeting Act No. 1 of 2020, 8NDP Annual Progress Reports will be produced. The Reports will be tabled to the National Assembly in line with the provisions of the Planning and Budgeting Act on or before the last Friday of May of each year.

## **12.3. EVALUATION**

**284** The 8NDP evaluations will focus on assessing the performance of outcome and impact indicators. Policy and programme reviews of specific social, economic or governance programmes in the Plan will be evaluated to gather information on optimal implementation approaches for such programmes. Further, national Plan evaluations, including mid-term and final evaluations, will be undertaken and policy recommendations made.

### **12.4.1. Mid-Term Review**

**285** A Mid-Term Review (MTR) of the Plan will be undertaken to assess progress made towards meeting the achievement of Plan outcomes. Mid-term evaluation will involve an analysis of both Plan processes and intermediate outcomes/results. The purpose of the MTR is

to generate evidence to inform the implementation of Plan interventions in subsequent years as well as feed into the development, strategic focus and implementation of the next development plan. In accordance with the Planning and Budgeting Act, the MTR report will be laid before the National Assembly, before or on the last Friday of May in the fourth year of implementation of the 8NDP.

#### **12.4.1. Final Evaluation**

**286** In line with the provisions of the Planning and Budgeting Act, a final evaluation of the Plan will be undertaken to assess the impact and ascertain lessons learnt from implementation of the Plan. The final 8NDP report will be produced two years after the expiry of the Plan.

#### **12.4. DATA CATALOGUE**

**287** An NDP Data Catalogue that will centralise all the key information (metadata) pertaining to the indicators that will be included in the 8NDP will be developed and published. The Data Catalogue will provide easy access to information relating to definitions, structure, source of information, collection method, quality and use of the data in the Plan. Further, the Catalogue will enable all practitioners and users to access and understand why the national indicators were chosen, how they are generated, the frequency of data generation and the purpose of the information being generated. This will enforce standardised generation of data and statistics on indicators. The Catalogue is also expected to contribute to improved quality of data used in NPD progress and performance reporting.

**288** National censuses and surveys conducted by the Zambia Statistics Agency (ZamStats) and other institutions will support the generation of data and statistics for the indicators in the 8NDP. Additionally, institutions will be required to routinely collect and process administrative data for use in the 8NDP monitoring and evaluation process. To this end, a national statistical calendar will be developed and published to support the monitoring and evaluation function.

## PART VI: FINANCING OF THE PLAN

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# 9. FINANCING THE 8NDP

## 10.1. OVERVIEW

**289** Financing of the 8NDP will be done through traditional and non-traditional sources of finance. Traditional sources will include domestic revenue, grants, donations and concessional loans. Non-traditional sources of finance will include alternative sources that will have low or no interest payments or guarantee commitments from the Government such as Public-Private Partnerships (PPPs) and impact capital. In a quest to manage public spending, some programmes and projects in the Plan will not be financed from the national budget but will engage the private sector and other development partners.

## 10.2. TRADITIONAL SOURCES OF FINANCE

### 10.2.1. Domestic Revenues (Tax and Non-Tax Revenues)

**290** The Government will continue putting in place measures that will enhance domestic revenue mobilisations and increase its contribution to the overall resource envelope. This will be achieved, among other things, through streamlining the tax system and creating a stable and predictable tax environment. Further, the Government will leverage on ICT platforms to curb revenue leakages, increase compliance and enhance non-tax revenue collections. Domestic revenues are projected to contribute at **least K669.6 billion** over the Plan period.

### 10.2.2. External Grants

**291** The Government will continue working with bilateral and multilateral cooperating partners to achieve common objectives and bridge the financing gap in the form of grants. The support from cooperating partners is projected at **K10.1 billion** over the Plan period, mostly targeted at human development.

### 10.2.3. Domestic and External Financing

**292** The Government aims at reducing the fiscal deficits to sustainable levels over the Plan period. This will be done by curtailing further rapid accumulation of debt and by not contracting non-concessional loans except in instances of refinancing. In line with the fiscal sustainability objective, domestic borrowing is estimated to decline to 1.5 percent of GDP by 2026 while external financing, including project loans, is planned to average 1.5 percent of GDP by the end of 2026.

### 10.2.4. Resource Envelope

**293** Over the Plan period, the resource envelope from traditional sources is estimated at K1.0 trillion or an average of K205.2 billion annually (see Table 18). Further financing for the Plan is expected to be sourced from non-traditional sources.

**Table 14: Estimate of Resources, 2022-2026**

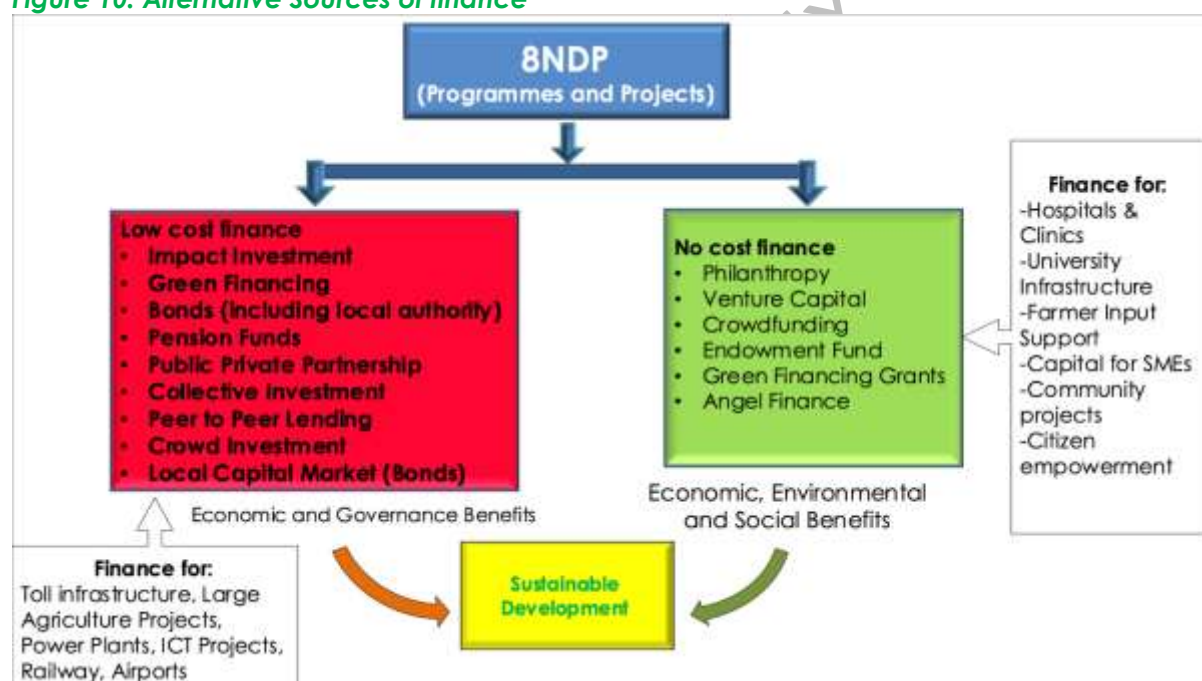
	2022	2023	2024	2025	2026	TOTAL	AVERAGE
	K'000	K'000	K'000	K'000	K'000	K'000	K'000
A. Available Resources	172,987,078	177,119,289	212,266,919	223,145,653	240,575,317	1,026,094,256	205,218,851
1. Revenue and Grants	100,681,126	117,488,105	135,513,180	153,555,861	172,519,130	679,757,402	135,951,480

<b>O/w Total Revenue</b>	98,859,158	115,595,080	133,531,183	151,471,392	170,187,791	669,644,604	133,928,921
<b>Grants</b>	1,821,968	1,893,025	1,981,997	2,084,469	2,331,340	10,112,799	2,022,560
<b>2. Financing</b>	<b>72,305,952</b>	<b>59,631,184</b>	<b>76,753,738</b>	<b>69,589,792</b>	<b>68,056,187</b>	<b>346,336,853</b>	<b>69,267,371</b>
<b>O/w Domestic</b>	24,458,941	29,819,853	34,344,657	24,318,802	22,536,283	135,478,536	27,095,707
<b>Programme Loans</b>	39,347,310	21,225,340	34,878,280	34,153,824	33,086,093	162,690,847	32,538,169
<b>Project Loans</b>	8,499,700	8,585,991	7,530,801	11,117,166	12,433,811	48,167,469	9,633,494

### 10.3. ALTERNATIVE SOURCES OF FINANCE FOR THE PLAN

294 To complement the traditional sources of finance for the 8NDP, the Government will promote resource mobilisation from non-traditional sources whose selection will be based on practicality and ease of implementation. The Government will leverage financing mechanisms for implementation of programmes and projects by public sector institutions, the private sector and civil society organisations. The alternative sources are summarised in the figure below:

Figure 10: Alternative Sources of finance



Source: MoFNP

295 The Government will promote the sourcing and use of finance which will have no-cost implications to the Treasury, mostly for interventions under human development and environmental sustainability. The key financing instruments that will be promoted for uptake by individuals, civil society organisations and the private sector include, venture capital, philanthropy, crowd funding, green financing grants, endowment funds and angel investors.

296 The Government will also encourage the sourcing and use of finance which will have low-cost implications to the Treasury for large public investments. The key financing instruments that will be promoted for uptake by individuals, local authorities and the private sector include, pension funds, capital markets, green bonds, PPPs and impact investments.

#### 10.4. INTEGRATED NATIONAL FINANCING FRAMEWORK

**297** Financing the 8NDP will require policies, partnerships and an enabling environment that effectively mobilizes and uses public finance and promotes growth in impactful private finance. In line with the various alternative financing options that have been identified, it is imperative that a robust integrated Financing Framework to guide the financing of the Plan is put in place. To this end, the Government will develop an Integrated National Financing Framework (INFF) that will provide guidance on access to a full range of potential sources of financing options. The INFF will outline a strategic approach for the Government and its partners to mobilize and effectively invest these flows in order to actualize the objectives of the 8NDP. A Development Finance Assessment will be conducted to inform the development of the financing framework.

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# 9. PRECONDITIONS AND RISK MANAGEMENT

## 11.1. OVERVIEW

**299** The success of the 8NDP is underpinned by certain preconditions, potential risks and mitigation measures to ensure successful implementation of the Plan. The following are the preconditions upon which the success of the 8NDP is contingent.

### 11.1.1. Preconditions

#### *Political will and Stability*

**300** Political will is required in the positioning of the Plan, by policymakers, as the blueprint to guide all development efforts during its implementation period. Additionally, Zambia's continued political stability will be cardinal for increased investment and enhanced socio-economic development. Policy makers will also be expected to commit to reviewing policies and laws that impede private sector participation to enhance its contribution to development.

#### *Stabilisation of the macroeconomic fundamentals*

**301** The Government should be committed to stabilising the macroeconomic fundamentals to lay a supportive environment for the implementation of the Plan. Instability in the macroeconomic environment will undermine achievement of the objectives of the Plan.

#### *Effective management of pandemics*

**302** The success of the Plan will require the effective management of pandemics such as COVID-19 in terms of containing their spread, and mitigating their socio-economic effects. The Government, collaborating with partners should, therefore, devise and implement measures to manage pandemics to keep the economy running.

#### *Effective accountability frameworks*

**303** One of the major challenges that has affected the implementation of previous national development plans has been systemic weaknesses in the accountability frameworks. The Government has since enacted the Public Finance Management Act of 2018 and the National Planning and Budgeting Act of 2020. There is, therefore, need to fully operationalise these laws to strengthen accountability frameworks at all levels.

#### *Climate change management*

**304** Climate change continues to disrupt national economies and affects the lives of people and communities. Therefore, the smooth implementation of the 8NDP will largely depend on how effectively the country reduces its carbon footprint and adapts to the effects of climate change.

## 11.2. Risk Management

**305** The successful implementation of the 8NDP is anchored on management of risks that may negatively impact the actualisation of the planned strategic development areas. It will also entail taking the necessary steps to reduce these risks to acceptable levels by treating, monitoring and reporting on them by all implementing institutions in line with the National Risk Management Framework.

**306** The potential risks that will be addressed during the Plan period include epidemics and pandemics, market risks, macroeconomic risks, natural disasters and climate change. Strategic risks such as financing, political and security risks will also have to be addressed.

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# 10. ANNEX 1: SAMPLE – DETAILED IMPLEMENTATION PLAN

Development Focus Area: <b>ECONOMIC TRANSFORMATION AND JOB CREATION</b>										
Development Focus Area KPI		Baseline	Year of Baseline			Plan Target				
Development Outcome: <b>AN INDUSTRIALISED ECONOMY</b>										
Development Outcome Indicators		Baseline	Year of Baseline			Plan Target				
Strategy 1: <b>PROMOTE MANUFACTURING AND VALUE ADDITION</b>										
Programme	Programme Output	Programme output Indicator	Baseline	Baseline Year	Plan Target	Annual Targets				
						2022	2023	2024	2025	2026
Value chains Development	Efficient value chain systems with well-coordinated forward and backward linkages Developed									

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