



Republic of Zambia

FIFTH NATIONAL DEVELOPMENT PLAN

2006-2010

*Broad based wealth and job creation through
citizenry participation and technological advancement*



December 2006

Foreword

1. In my opening address to the First Session of the Ninth National Assembly on 22nd January 2002, I tasked the Ministry of Finance and National Planning to prepare a transitional national development plan (TNDP) by June 2002, and from 2006 onwards, to produce five-year national development plans. It is with great pleasure, therefore, that I present the Fifth National Development Plan (FNDP) for the period 2006 to 2010.

2. From independence in 1964, three national development plans were implemented. The Fourth National Development Plan was launched in 1989 but later abandoned in 1991 in preference for an open market system that brought momentous changes to our country. One of the important lessons learnt from the 1990s was the realization that even in a liberalized economy, development planning is necessary for guiding priority setting and resource allocation. The absence of planning tends to force us to concentrate on short-term needs representing narrow sectional interests thus denying the country the opportunity to attain broad based socio-economic development.

3. As a result of the abolition of national planning, the following consequences emerged:

- i. No medium-term plan for the country to follow to guide public investment priorities for implementation by Government;
- ii. No planning framework to serve as a basis for cooperation with donors;
- iii. Weakened capacity of the country to coordinate national development programmes, since there was no organ at national level to oversee, initiate and coordinate cross-cutting national programmes among ministries.
- iv. Absence of an organ to oversee plans, coordinate and monitor at the provincial and district level and serve as a link with development priorities at the national level; and
- v. The inability of the private sector to undertake some of the market-related functions. This called for Government intervention, which could only be well articulated within a planning framework and the budgeting process. However, the budgeting process, which took centre stage, was done with no clear reference to medium-term goals, plans or long-term vision.

4. The re-introduction of national planning in 2002 and the creation of Sector Advisory Groups (SAGs) and the proposed strengthening of the district and provincial planning units will guide the planning and implementation processes. To this end, fully functional provincial and district planning units will focus on socio-economic planning and assist the decision-making process at provincial and district levels. Development planning is essential in providing clear definitions and articulations of national, provincial and district priorities for Government actions and allocation of public resources. To be successful and transform the country into a prosperous nation, our brand of development planning must make a break with the past and go beyond mere statements. More importantly, it must embrace principles of plan implementation, monitoring and evaluation.

5. The FNDP has ensured that sectoral strategic plans are well coordinated and are inter-linked. Care has also been taken to arrive at a realistic estimation of the resource envelope over the FNDP horizon. This resource envelope is imbedded in a Medium Term Expenditure Framework (MTEF) within which national annual budgets, framed as annual activity based budgets, will be drawn. The MTEF will help guide and inform political choices needed for resource allocation. The FNDP has been prepared based on the medium-term macroeconomic, fiscal and aid policy objectives.

6. The FNDP and associated MTEFs will be the link between the National Long Term Vision 2030 (NLTV) and the annual activity based national budgets. The FNDP and the MTEFs have been developed based on a well-articulated and shared Vision 2030 that forms a rallying point for all development effort in the next twenty-five years. The National Vision is *“to become a prosperous middle income country by the year 2030.”*

7. The theme of the FNDP is *broad based wealth and job creation through citizenry participation and technological advancement*. Within this overall theme, the FNDP stands on two sub-themes, namely, an economic sub-theme and a social sub-theme.

8. The Plan focuses on agricultural development as the engine of income expansion in the economy. My Government is convinced that agriculture offers the best opportunities for improving livelihoods. To this end, the sector has received a marginally higher allocation of the resources. Among other economic sectors that complement this focus, either directly or through inter-linkages are infrastructure, tourism, manufacturing, mining and energy. The sources of economic growth as identified by the above sectors constitute the economic sub-theme of the FNDP.

9. The FNDP recognizes that this approach through growth stimulation should be complemented by distributive measures that have better overall positive impact on the poor. The FNDP goes beyond to re-enforce other existing measures, which include poverty reduction, focused safety nets, issues of disability, social protection and good governance. These concerns constitute the social theme of the FNDP.

10. In the past, a major weakness of development planning in Zambia has been the poor implementation that stemmed largely from poor resource forecasts, weak institutional arrangements and weak monitoring mechanisms/systems for the Plans. By providing for the MTEF and linking the Plan to the resource envelope, and introducing the public expenditure management and accountability systems, this Plan represents better prospects of achieving its objectives for the socio-economic development of the country. It is equally important to mention that the monitoring and evaluation of this Plan has been designed to ensure successful implementation with the involvement of all stakeholders.

11. The FNDP has been costed to be within the available resource envelope as projected in the MTEF over the Plan period, taking into account the favourable environment that has been created as a result of the country's qualification to the highly indebted poor countries initiative (HIPC) completion point. In summary, the FNDP will require a total of K62,623.22 billion over a period of 5 years. These resources will be mobilized from Government and the cooperating partners.

12. I would like to appeal to all national stakeholders to play their part in ensuring the success of this Plan by establishing and strengthening the needed structures, capacities, and alliances for our common goal to reduce poverty in the interest of social welfare. It is also important to stress that ultimately, good policies and intentions cannot result in growth and development unless every one of us from Government to the individual is prepared to work hard and diligently to realize our dreams. On my part, I shall ensure that Government does everything possible to fulfil this noble mission. I urge our people in every part of the country to rededicate their energies to the successful implementation of the FNDP. I wish to thank all Zambians for contributing effectively to the preparation process of the FNDP. Government will continue to consult citizens in key areas involving all planning and implementation processes so that their inputs are taken into account.

13. Lastly, I would like to thank all our cooperating partners who have over the years supported us in many fields of our national economy. My appeal to them is that they should come forward to support us once again during this crucial period of the implementation of the FNDP.

Patrick Levy Mwanawasa, S.C.
PRESIDENT OF THE REPUBLIC OF ZAMBIA

December 2006

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Acronyms

| | |
|---------|---|
| ABB | Activity Based Budgeting |
| ACC | Anti-Corruption Commission |
| ADB | African Development Bank |
| ADC | Area Development Committee |
| AGOA | Africa Growth and Opportunity Act |
| AIDS | Acquired Immuno-Deficiency Syndrome |
| ART | Anti-Retroviral Therapy |
| ARV | Anti-Retroviral |
| ASIP | Agricultural Sector Investment Programme |
| AU | African Union |
| BoZ | Bank of Zambia |
| CBO | Community Based Organization |
| CBoH | Central Board of Health |
| CEDAW | Convention on Elimination of Discrimination Against Women |
| COMESA | Common Market for Eastern and Southern Africa |
| CPI | Consumer Price Index |
| CSO | Central Statistical Office |
| DAFT | District AIDS Task Force |
| DBZ | Development Bank of Zambia |
| DDCC | District Development Coordinating Committee |
| DEB | District Education Boards |
| DEC | Drug Enforcement Commission |
| DIP | Decentralisation Implementation Plan |
| DMMU | Disaster Management and Mitigation Unit |
| DWA | Department of Water Affairs |
| D-WASHE | District Water, Sanitation, Health and Education |
| EBZ | Export Board of Zambia |
| ECCDE | Early Childhood Care, Development and Education |
| ECZ | Environmental Council of Zambia |
| EPA | Economic Partnership Agreement |
| EU | European Union |
| FBO | Faith-Based Organisations |
| FDI | Foreign Direct Investment |
| FNDP | Fifth National Development Plan |
| GDP | Gross Domestic Product |
| GIDD | Gender in Development Division |
| GIS | Geographical Information Systems |
| GMO | Genetically Modified Organism |
| GRZ | Government of the Republic of the Zambia |
| GSP | Generalized System of Preference |
| HIPC | Heavily Indebted Poor Country |
| HIV | Human Immuno-Deficiency Virus |
| ICT | Information and Communication Technology |
| IFAD | International Fund for Agricultural Development |
| IFMIS | Integrated Financial Management Information System |
| ISP | Infrastructure Service Provision |
| LCMS | Living Conditions Monitoring Survey |
| LDC | Least Developed Countries |
| LuSE | Lusaka Stock Exchange |
| M&E | Monitoring and Evaluation |
| MACO | Ministry of Agriculture and Cooperatives |
| MCDSS | Ministry of Community Development and Social Services |
| MDGs | Millennium Development Goals |
| MEWD | Ministry of Energy and Water Development |
| MFN | Most Favoured Nation |
| MLGH | Ministry of Local Government and Housing |
| MoD | Ministry of Defence |
| MoE | Ministry of Education |

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|--------|---|
| MoFNP | Ministry of Finance and National Planning |
| MoH | Ministry of Health |
| MLSS | Ministry of Labour and Social Security |
| MSMEs | Medium, Small and Micro Enterprises |
| MSTVT | Ministry of Science, Technology and Vocational Training |
| MTEF | Medium-Term Expenditure Framework |
| MTENR | Ministry of Tourism, Environment and Natural Resources |
| NCPPS | National Corruption Prevention Policy and Strategy |
| NCSR | National Council for Scientific Research |
| NCZ | Nitrogen Chemicals of Zambia |
| NDCC | National Development Coordinating Committees |
| NDP | National Development Plan |
| NDP-SC | National Drug Policy Steering Committee |
| NEAP | National Environmental Action Plan |
| NEPAD | New Partnership for Africa's Development |
| NFNC | National Food and Nutrition Commission |
| NGO | Non-Governmental Organisation |
| NHCC | National Heritage Conservation Commission |
| NISIR | National Institute for Scientific and Industrial Research |
| NMB | National Museums Board |
| NMCC | National Malaria Control Centre |
| NPE | National Policy on Environment |
| NRDC | Natural Resources Development College |
| NRFA | National Road Fund Agency |
| NSCB | National Savings and Credit Bank |
| NSTC | National Science and Technology Council |
| OAG | Office of the Auditor General |
| OAU | Organization of African Unity |
| OVC | Orphans and Vulnerable Children |
| PACRO | Patents and Companies Registration Office |
| PAF | Performance Assessment Framework |
| PATF | Provincial AIDS Task Force |
| PDCC | Provincial Development Coordinating Committee |
| PEMC | Provincial Education Management Committee |
| PEMD | Planning and Economic Management Department |
| PEMFA | Public Expenditure Management and Financial Accountability |
| PER | Public Expenditure Reviews |
| PPP | Private-Public-Partnership |
| PRP | Parliamentary Reform Project |
| PRSP | Poverty Reduction Strategy Paper |
| PSC | Public Service Commission |
| PSCAP | Public Service Capacity Building Programme |
| PSD | Private Sector Development |
| PSM | Public Service Management |
| PSMD | Public Service Management Division |
| PSPF | Public Service Pension Fund |
| SACU | Southern African Customs Union |
| SADC | Southern African Development Community |
| SAG | Sector Advisory Group |
| SEDB | Small Enterprises Development Board |
| STI | Sexually Transmitted Infection |
| SWAp | Sector-Wide Approach |
| TAZARA | Tanzania-Zambia Railways Authority |
| SYSMIN | <i>Système de Stabilisation de Recettes de Exploitation de Produits Miniers</i> |
| TEVET | Technical Education, Vocational and Entrepreneurship Training |
| TEVETA | Technical Education, Vocational and Entrepreneurship Training Authority |
| TNDP | Transitional National Development Plan |
| UN | United Nations |
| UNCCD | United Nations Convention to Combat Desertification |
| UNCRC | United Nations Convention on the Rights of the Child |
| UNICEF | United Nations Children's Fund |
| UNZA | University of Zambia |

| | |
|--------|--|
| VCT | Voluntary Counselling and Testing |
| WASHE | Water, Sanitation Health and Education |
| WFP | World Food Programme |
| WHO | World Health Organisation |
| WTO | World Trade Organisation |
| ZABS | Zambia Bureau of Standards |
| ZAM | Zambia Association of Manufacturers |
| ZAMTEL | Zambia Telecommunications Company Limited |
| ZAPD | Zambia Agency for Persons with Disabilities |
| ZAWA | Zambia Wildlife Authority |
| ZCC | Zambia Competition Commission |
| ZCF | Zambia Cooperative Federation |
| ZCSMBA | Zambia Chamber of Small and Medium Business Associations |
| ZDA | Zambia Development Agency |
| ZDHS | Zambia Demographic Health Survey |
| ZESCO | Zambia Electricity Supply Corporation |
| ZIC | Zambia Investment Centre |
| ZNBC | Zambia National Broadcasting Corporation |
| ZNBS | Zambia National Building Society |
| ZNS | Zambia National Service |
| ZP | Zambia Police |
| ZPA | Zambia Privatisation Agency |

The resurgence of planning to tackle the challenges of wealth creation and poverty reduction is both timely and imperative. The re-emergence of planning following nearly two decades of the pre-occupation with stabilisation and adjustment signals the realisation of several realities that the Government shares with bilateral and multilateral bodies as well as with civil society. Principal among these is the recognition that in spite of the reasonable level of growth during the years of structural reforms, poverty remains pervasive. What is even more disconcerting is the realisation that the depth of poverty and its severity have been fast worsening as the majority of Zambians continue to subsist on the equivalent of less than \$1 a day. National statistics show that the poverty level in the country in 2004 averaged 68 percent while the rural regions' average is much higher. Under such conditions, poverty is slowly compromising the sustainability of all that the country has achieved since independence.

Adverse human welfare indices such as reduced access to a nutritionally adequate food basket, child and adult malnutrition, insufficient access to education and health facilities, and the resultant reduction in life expectancy all point to the urgency of effectively addressing the national developmental challenge. Zambia is currently in the lowest category of human development as defined by the United Nations Development Programme (UNDP). In this regard, the challenge of reducing poverty is perceived by the Government not as an option but as an imperative for under such high poverty conditions, the social and political stability that is so pivotal for the revival of the country's growth and prosperity becomes vulnerable to real and potential societal tensions. One of the important lessons learnt from the 1990s was the realization that even in a liberalized economy, development planning is necessary for guiding priority setting and resource allocation. The absence of planning tends to force us to concentrate on short-term needs representing narrow sectional interests thus denying the country the opportunity to attain abroad based socio-economic development.

The national long-term planning instrument entitled Vision 2030, prepared in consultation with line ministries, provinces, districts, the donor community and civil society, sets Zambia's the long-term vision. The Vision 2030 reflects the collective understanding, aspirations and determination of the Zambian people to be a '*prosperous middle-income country*'. The Vision sets the horizon for developing the medium-term plans and provides the 'gravitational pull' to achieve long-term objectives. It outlines in broad terms, plausible courses of action to be taken towards the achievement of the country's long-term objectives and targets. It broadly reflects what Zambians aspire to be by 2030 and the options they feel will realistically get them there. The Vision will be operationalised through five-year medium term planning instruments, which are to contain specific policies, programmes and projects, predominantly targeted towards wealth creation and poverty reduction. The first of these plans is the Fifth National Development Plan (FNDP), which will be implemented from 2006 to 2010. The planning process of the FNDP integrated views from the Provincial and District Development Plans approved by the respective provincial and district level organs. The FNDP's goals are multi-pronged:

Firstly, the Government recognises that wealth creation through sustained economic growth constitutes the most important element in poverty reduction and, consequently, a very high premium is being placed on growth-stimulating interventions;

Secondly, the Government recognises that redistributive policies do matter for reducing poverty and that *growth* and *equity* are not necessarily in conflict. The Government maintains that there is no intrinsic trade-off between long run aggregate efficiency and overall equity, hence its resolve to approach poverty reduction through the 'broad-based growth' approach. It is in this context that the Government, together with civil society, has placed priority attention on those sectors that both maximise growth stimulation as well as on those, such as agriculture, education and health, that best address the plight of the poor;

Thirdly, the Government maintains that the needed linkages between growth and poverty reduction can be developed in a sustainable way, but only through an approach that allows everyone to share the benefits of growth. Although, under the right circumstances, sustained growth does often result in

poverty reduction, rising inequality adversely affects this and it is in this regard that the role of social protection is considered an important FNDP component. Notwithstanding this, empowering the poor to earn a decent living income is perceived to be a much more effective approach in addressing their plight than the often unsustainable subsidy programmes that tend to destroy the very financial and human resource bases that are expected to facilitate positive growth through productive investment; and,

Fourthly, long periods of neglect in infrastructure maintenance due, in part, to the curtailment of development budgets in the interest of fiscal balance, have resulted in the country's characteristic deterioration of its transport networks. It is in this regard that, as one of its priorities in this Plan, the major transport arteries that connect the countryside to the market are focused upon to ensure basic minimum connectivity for moving poor people's income-yielding commodities over long distances. Under the banner of *Broad-Based Wealth and Job Creation through Citizenry Participation and Technological Advancement* as its theme, the Plan aims to target in the next five years both wealth creation and poverty reduction.

In putting together this Plan, the Government enlisted the involvement of all the major stakeholders, including civil society, cooperating partners, and the private sector. District and provincial plans were developed through a consultative process that was facilitated by the Ministry of Finance and National Planning. The consultation process has integrated views of 21 Sector Advisory Groups (SAGs) and included the preparation of 72 district development plans that were approved by the respective district level organs. Indeed, the summary of the Government's strategies and programmes at provincial level are drawn from the provincial and district development plans and are presented in Chapter 36 on Regional Development. The comparative advantage of each province and linkages within the sectors are clearly stated in the strategic focus of each province with the key programmes that will be undertaken during the FNDP. The activities of the provincial/district programmes are not presented in this Plan as they belong to the nine provincial development plans and the 72 districts development plans that would be published separately.

The 72 district development plans set a base for fiscal decentralization and the development process for the districts. The bottom-up and top-down consultation approach during the preparation of the FNDP and subsequent national development plans will be fully established and strengthened through programmes such as fiscal decentralization which is part of the overall decentralization policy process. The objective of the fiscal decentralization programme is to come up with a fiscal framework that will spell out how resources will be shared and distributed to the district levels.

After a thorough process of refinements, these lower-level plans were considered and approved by the Provincial and District Development Coordinating Committees. At the central level, Sector Advisory Groups (SAGs), chaired by the respective Permanent Secretaries, were given revised Terms of Reference to enable them play a strategic role in the development of the FNDP. Members of SAGs include Government officials, representatives of cooperating partners, and representatives of civil society organisations. Consultants were also hired to support the work of the SAGs. A series of meetings were held to identify the FNDP priorities and the Ministry of Finance and National Planning, through its Planning and Economic Management Department (PEMD), assumed the lead role as facilitator of the process that has resulted in the production of this Plan. PEMD was also assisted by a team of consultants in finalising this Plan. A Steering Committee of Permanent Secretaries, chaired by the Secretary to the Cabinet, superintended the entire FNDP planning process.

After the draft Plan was released, a national stakeholders' workshop was held which discussed the Plan and its implications. Based on the draft and the input from the stakeholders' conference, this Plan was then approved by the Cabinet and published.

The Plan is divided into 9 parts. Part 1 presents a review of economic and social developments, globally as well as nationally. The country's poverty profile is also presented to set the stage for the country's developmental interventions. Part 2 gives the goals and objectives of the FNDP, and outlines the Government's strategic focus during the 2006 to 2010 Plan period. The macroeconomic, social and structural policies that the Government shall pursue during the Plan period are presented in this part.

Parts 3 and 4 present the Government's envisaged plans for the *economic and social sectors*, respectively, while Part 5 covers *Government Administration*, focusing on the envisaged programmes and strategies for central administration, local government, information services, and foreign relations. Part 6 covers *Public Safety*, focusing on defence and public safety and order. *Cross-cutting issues* are covered in Part 7, which addresses issues related to governance, HIV and AIDS, the environment, gender, and food and nutrition. Part 8, which is dedicated to *Regional Development*, presents the Government's strategies and programmes at the provincial and district levels. Lastly, Part 9 on the *Financing, Implementation, and Monitoring and Evaluation Framework* presents the assumptions and strategies for financing FNDP, highlighting the priority expenditures over the 2006-2010 Plan period. It also defines the institutional framework within which FNDP shall be implemented and its performance monitored and evaluated.



Part

1

Review of Economic and Social Developments

Review of Economic Developments

1.1 Overview of Global Economic Developments

The performance of the global economy during the period of the Poverty Reduction Strategy Paper (PRSP) 2002 to 2004 and the Transitional National Development Plan (TNDP) 2002 to 2005 implementation was generally favourable with commodity prices rising to record levels especially for base metals and crude oil. However, the volatile and high oil prices caused macroeconomic instability in many non-oil developing countries. Global real GDP growth averaged 4.3 percent during the 2002 to 2005 period compared to 3.4 percent in the period 1998 to 2001 (see Table 1.1). The expansion in growth was led by developing Asia and the United States, which sustained its growth path especially in 2004 and 2005. Developing Asia, notably China and India, witnessed the highest expansion in economic growth, with an annual real GDP growth for the region standing at 8.0 percent, compared to 5.7 percent in the preceding four years. Other regions of the world that experienced a rise in economic growth were the Middle East and Africa, with the latter's performance notably improving, with an annual real GDP growth rising to 4.7 percent, from 3.4 percent in the period 1998 to 2001. A number of African countries, including Zambia, also benefited from debt relief under the Heavily Indebted Poor Countries (HIPC) Initiative of the World Bank and the International Monetary Fund.

Table 1.1: Summary of World Output Trends: 1998-2005

| | 1998-2001 Average | 2002 | 2003 | 2004 | 2005 | 2002-2005 Average |
|---|----------------------|-------|------|-------|-------|----------------------|
| World Output | 3.4 | 3.0 | 4.0 | 5.3 | 4.8 | 4.3 |
| Advanced economies: o/w | 2.8 | 1.5 | 1.9 | 3.3 | 2.7 | 2.4 |
| U.S.A | 3.3 | 1.6 | 2.7 | 4.2 | 3.5 | 3.0 |
| Japan | 0.4 | (0.3) | 1.4 | 2.3 | 2.7 | 1.5 |
| Euro Area | 2.8 | 0.9 | 0.7 | 2.1 | 1.3 | 1.3 |
| Africa | 3.4 | 3.6 | 4.6 | 5.5 | 5.2 | 4.7 |
| Central and Eastern Europe | 2.1 | 4.4 | 4.6 | 6.5 | 5.3 | 5.2 |
| Developing Asia, o/w | 5.7 | 6.6 | 8.1 | 8.8 | 8.6 | 8.0 |
| China | 7.6 | 8.3 | 9.5 | 9.5 | 9.0 | 9.1 |
| India | 5.5 | 4.7 | 7.4 | 7.3 | 7.1 | 6.6 |
| Middle East | 3.7 | 4.2 | 6.5 | 5.5 | 5.4 | 5.4 |
| Western Hemisphere o/w | 1.8 | - | 2.2 | 5.6 | 4.1 | 4.0 |
| Brazil | 1.7 | 1.9 | 0.5 | 4.9 | 3.3 | 2.7 |
| Mexico | 3.8 | 0.8 | 1.3 | 4.0 | | 2.0 |
| World Trade Volume (goods and services) | 5.7 | 3.4 | 5.4 | 10.3 | 7.0 | 6.5 |
| Terms of Trade | (0.4) | 0.8 | 1.1 | (0.2) | (1.7) | 0.2 |
| Developing countries | (0.2) | 1.2 | 0.9 | 2.9 | 6.2 | 2.8 |

Source: *World Economic Outlook*, April 2006

The volume of world trade during the period 2002 to 2005 also improved, reflecting the global economic expansion. Global trade volumes grew at an annual average of 6.5 percent compared to 5.7 percent during the period 1998 to 2001. The recovery in the world economy resulted in a buoyant global demand for commodities, especially from China. Between 2002 and 2005, average spot crude oil prices shot up by over 100 percent from a year average of US \$25.0 per barrel to US \$54.1 per barrel in 2005. On an annual basis, crude oil prices increased by an average of 23.2 percent during the period compared to only 12.2 percent in the preceding four year period. Non-fuel commodity prices also improved during the PRSP/TNDP period, although at a slower rate relative to the increase in oil prices. Prices of metals increased by an annual average of 17.1 percent. This was in stark contrast to the period

1998 to 2001 when metal prices collapsed, declining by an average of 4 percent per annum. The price of copper, which is Zambia's main export commodity, increased to a record high of US \$1.61 per pound in 2005, from US \$0.71 in 2002, an increase of over 100 percent (see Table 1.2). The prices of agricultural raw materials, which had collapsed during the 1998 to 2001 period, were also registering positive growth trends, rising by annual average of 2.8 percent.

Table 1.2: Annual Percentage Change (US dollars) in World Trade 1998 – 2005

| | Average 1998-2001 | 2002 | 2003 | 2004 | 2005* | Average 2002-2005 |
|--------------------------------|----------------------|------------------------------|------|------|-------|----------------------|
| World Trade Prices | | Annual % Change: US \$ terms | | | | |
| Oil | 12.2 | 2.5 | 15.8 | 30.7 | 43.6 | 23.2 |
| Non-fuel primary commodities | (5.4) | 1.7 | 6.9 | 18.5 | 8.6 | 8.9 |
| O/w agricultural raw materials | (4.0) | 1.8 | 3.7 | 5.5 | 0.3 | 2.8 |
| Metals | (4.1) | (2.7) | 12.2 | 36.1 | 22.6 | 17.1 |
| | | In US Dollars | | | | |
| Oil, US \$ per barrel | 20.9 | 25.0 | 28.9 | 37.8 | 54.2 | 36.5 |
| Copper, US cents per pound | | 0.71 | 0.81 | 1.21 | 1.61 | |

Source: World Economic Outlook, International Monetary Fund, September 2004 & 2005

1.2 The Impact of Global Developments on the Zambian Economy

The expansion in the global economy translated into higher demand for primary commodities resulting in higher prices. The increase in metal prices impacted positively on Zambia's mining industry and the macroeconomic environment in general. The mining industry which faced difficulties during the 1998 to 2001 period received a major boost as a consequence of the rise in prices since 2003. Higher prices, coupled with the privatisation of the major mines, allowed for enhanced investments in the existing mines on the Copperbelt as well as in the new mining ventures in the North-Western province. As a result of higher prices and increased output, metal export receipts shot up by over 170 percent. Similarly, the increase in prices of agricultural products also positively impacted on export receipts of non-traditional exports.

Metal and agricultural commodity prices increased leading to increased terms of trade. However, oil prices also shot up. The impact of higher world oil prices on the Zambian economy was a rise in the import bill and an increase in energy prices, which were also volatile especially in 2004 and 2005. Higher oil prices led to rising production costs and were also a factor in Zambia failing to reach single digit inflation target that had been envisaged during the PRSP/TNDP period. However, due to the significant increase in mineral production, the deficit in the merchandise trade balance reduced during this period.

1.3 Domestic Economic Growth Trends

The performance of the Zambian economy considerably improved during the period of the implementation of the PRSP and TNDP from 2002 to 2005. Real GDP growth averaged 4.8 percent per year, up from an annual average of 2.2 percent in the preceding four years. Growth actually exceeded the 4 percent target identified in the PRSP/TNDP. The improvements in performance represented a marked reversal of the economic stagnation experienced during the 1990s. Per capita income grew at 2.3 percent annually. These positive growth trends are due largely to several factors including favourable global economic conditions and the overall impact of the economic reforms that started in the early 1990s. The rapid expansion of mining and construction were the key drivers of growth during the period. The renewed expansion of the mining sector was as a result of recapitalisation and new investments following the privatisation of state-owned mines and the buoyant world commodity markets. The construction sector recorded rapid growth as a result of private construction activities, especially in residential housing in the main urban centres and in facilitating mining sector investments. Manufacturing and tourism also recorded strong growth, averaging 5.2 and 7.4 percent, respectively. The growth in manufacturing was driven by the food and beverages sub-sector while growth in the tourism was largely on account of private sector investment in the sector. Growth in the agricultural sector averaged only 2.6 percent, with variations in weather patterns as well as inadequate infrastructure and generally poor market access. Table 1.3 shows the annual GDP growth in recent years. Table 1.4, summarises the annual GDP growth rates by expenditure type over the 2002 to 2004 period.

Table 1.3: Annual GDP Growth Rates by Sector, 1998-2005
(Constant 1994 prices)

| | 1998-2001 Average | 2002 Actual | 2003 Actual | 2004 Actual | 2005 Actual | Average 2002-2005 |
|--|----------------------|----------------|----------------|----------------|----------------|----------------------|
| Primary sector | 2.3 | 3.8 | 4.5 | 7.5 | 2.5 | 4.6 |
| Agriculture, forestry, and fishing | 1.0 | (1.7) | 5.1 | 4.2 | 2.6 | 2.6 |
| Mining and quarrying | 6.7 | 16.4 | 3.4 | 13.9 | 7.9 | 10.4 |
| Secondary sector | 4.7 | 7.2 | 10.9 | 9.1 | 10.0 | 9.3 |
| Manufacturing | 3.5 | 5.7 | 7.6 | 4.7 | 2.9 | 5.2 |
| Electricity, gas, and water | 4.2 | (5.2) | 0.6 | (1.9) | 5.4 | (0.3) |
| Construction | 8.2 | 17.4 | 21.6 | 20.5 | 21.2 | 20.2 |
| Tertiary sector | 4.0 | 1.9 | 3.4 | 3.2 | 5.4 | 3.5 |
| Wholesale and retail trade | 4.0 | 5 | 6.1 | 5 | 2.4 | 4.6 |
| Restaurants and hotels | 8.3 | 4.8 | 6.8 | 6.4 | 11.7 | 7.4 |
| Transport, storage, and communications | 3.8 | 1.8 | 5 | 6.2 | 11.0 | 6.0 |
| Financial intermediation and insurance | 0.5 | 3.5 | 3.4 | 3.5 | 3.3 | 3.4 |
| Real estate and business services | 11.9 | 4.4 | 4 | 4 | 3.2 | 4.1 |
| Community, social, and personal services | 2.3 | 1.6 | 1.5 | 0.6 | 11.4 | 3.8 |
| Other | 1.0 | (13.8) | (7.8) | (7.6) | (11.4) | (10.1) |
| GDP at market prices | 2.4 | 3.3 | 5.1 | 5.4 | 5.2 | 4.8 |

Source: Central Statistical Office and Ministry of Finance and National Planning

Table 1.4: Annual GDP Growth Rates by Expenditure Type, 2002-2004

| | 2002 | 2003 | 2004 | 2002-04 (average) |
|------------------------|--------|--------|-------|----------------------|
| GDP (market prices) | 3.3 | 4.2 | 6.4 | 3.2 |
| Government consumption | 2.3 | 19.3 | 6.4 | 2.4 |
| Private consumption | 14.8 | 4.4 | (2.9) | 0.8 |
| Investment | 17.2 | 18.9 | 2.2 | 11.4 |
| Exports | (22.3) | (16.3) | 21.2 | 0.9 |
| Imports | 1.8 | 1.7 | (6.4) | (2.2) |

Source: National Accounts (CSO, 2005)

1.4 Fiscal Policy Developments

Fiscal performance generally fell short of meeting the PRSP objectives. The overall deficit, including grants, averaged 6.7 percent of GDP over the PRSP period, far beyond the target of 3 percent. More significantly, domestic borrowing to finance the deficit was much higher, averaging 3.6 percent of GDP over the period. It reached 5.1 percent of GDP in 2003, which caused a rise in interest rates, domestic debt and interest payments. As a percent of GDP, domestic debt rose from 7.7 percent in 2001 to over 20 percent in the period 2002 to 2003. Similarly, domestic interest payments rose to an average of 2.8 percent of GDP from 1.4 percent in the period 1998 to 2001, which caused the primary balance to deteriorate from a surplus to a deficit. The increase in government borrowing from the banking sector also contributed to an excessive rate of monetary growth.

The increase in the deficit and recourse to domestic financing were because of expenditure overruns related to wages and salaries and recurrent expenditures especially in 2003. This was compounded by shortfalls in donor assistance. The wage bill exceeded budget allocations and rose from 5.3 percent of GDP in 2000 to 8.5 percent in 2003, well above Sub-Saharan Africa's average of around 7.5 percent. The Government in 2004 took corrective measures to control domestic borrowing and, thus, preserve macroeconomic stability. This resulted in domestic borrowing falling to 1.9 percent of GDP in 2004 and further down to 1.8 percent in 2005.

With regard to re-orienting spending towards PRSP priorities, budgetary releases towards the priority poverty reduction programmes was only 50 percent of budget allocation in 2003. It, however, improved to 100 percent in 2004 and 2005. Budgetary releases to the education sector as a share of the discretionary budget increased to 22.6 percent in 2005 from 19.7 percent in 2003 while those to the health sector declined to 10.2 percent in 2005 from 12 percent in 2003. Similarly spending on key economic services such as agriculture remained unsatisfactory. Despite agricultural development being

accorded priority in the PRSP, budgetary outlays to the sector were only 3 percent of national budget in 2004 before rising to 5.8 percent in 2005. However, most of the outlays were mostly directed towards personnel related expenses and supporting maize production through the Fertiliser Support Programme, at the expense of broader agricultural development.

Domestic revenues remained steady at around 18.3 percent of GDP, compared to the PRSP target of 20 percent by 2004. Tax collections for the period averaged 17.5 percent and generally stagnated. This mainly reflected the difficulty of bringing more segments of the economy into the tax net especially the agricultural sector and the informal sector. A poor record of non-tax collections as well as the low yields in VAT further worsened the situation.

In the period 2002 to 2005, improvements have been recorded in the budgeting process, expenditure management and financial accountability. In the area of budgeting, the Medium-Term Expenditure Framework (MTEF), which employs a longer-term perspective in budgeting and links budgeting and planning, was introduced in 2003. This, to some extent, has opened up the budget systems to public scrutiny. The budget was also re-classified to an Activity Based Budgeting (ABB) system in 2004, thereby enhancing transparency. However, in spite of MTEF and ABB, budget execution is still characterized by large supplementary expenditures leading to significant mismatches between initial planned budgets and actual expenditures for many spending heads. This is primarily explained by inadequacies in the following: ceiling setting process by MoFNP; poor budget estimation on the part of some institutions; and fiscal indiscipline such as spending before approval is made and non-adherence to the approval process for supplementary expenditures. The Government launched the Public Expenditure Management and Financial Accountability (PEMFA) reforms in 2005 which aim at improving and strengthening expenditure management to efficiently utilize the scarce public resources.

1.5 Monetary and Financial Sector Developments

Overall, inflation and interest rates during the period 2002 to 2005 assumed a declining trend. The exchange rate of the Kwacha against the United States Dollar was relatively stable. The Kwacha began to appreciate in 2005. Credit provision to the private sector in real terms also increased. Inflation, measured by the Consumer Price Index (CPI) fell from 26.7 percent at the end of 2002 to 15.9 percent at the end of 2005. Nonetheless, the inflation outcome remained short of the PRSP target of reaching single digit inflation by 2004. The inability to rapidly bring down inflation was largely due to excessive growth in money supply particularly in 2002 and 2004 when money supply growth was above 30 percent (see Table 1.5). The failure to control growth in money supply was, in part, a result of excessive government borrowing from the banking system, which was caused by shortfalls in donor budgetary support and expenditure overruns especially in 2002 and 2003. In addition to excessive government borrowing, effective implementation of monetary policy was constrained by the limited scope of effective financial instruments, undeveloped secondary markets, and the lack of market makers and a well-articulated code of conduct in the securities market.

Table 1.5: Monetary Growth and Inflation Targets and Outcomes, 2002-2005
(percentage)

| | 2002 | 2003 | 2004 | 2005 |
|----------------------------|------|------|------|------|
| PRSP Inflation Targets | 13.0 | 8.0 | 5.0 | 5.0 |
| Revised Inflation Target | 13.0 | 13.0 | 15.0 | 15.0 |
| Actual Inflation Outcome | 26.7 | 17.2 | 17.5 | 15.9 |
| Broad Money Growth Target | 15.0 | 16.9 | 18.1 | 14.8 |
| Broad Money Growth Outcome | 31.3 | 23.4 | 30.3 | 0.4 |

Source: Bank of Zambia and Ministry of Finance and National Planning

Since 2004, interest rates exhibited a downward trend because of the reduction in government borrowing as well as the lowering of the statutory reserve ratio from 17.5 percent to 14 percent in October 2003. The weighted average treasury bill rate fell from 31.7 percent in 2002 to 16.5 percent in 2005. Consistent with developments on yield rates on government securities, commercial bank nominal lending rates also declined, though at a slower rate. The weighted average lending base rate fell from 42.5 percent in 2002 to 27.6 percent in 2005, which was still prohibitively high. However, average savings rates remained very low and were only 6.1 percent in 2005. The gap between the average lending and deposit interest rates was also too wide and remains a major challenge in the financial system. Nonetheless, commercial bank lending to the productive sectors of the economy recorded an increase over the 2002 to 2005 period. Credit to the private sector in real terms doubled from K50 billion in 2002 to K102 billion in 2004. As a ratio of GDP, it rose from 6.2 percent in 2002 to 7.9 percent in 2004. This was, nevertheless, still one of the lowest in Sub-Saharan Africa, largely reflecting the low intermediation in the economy. Table 1.6 gives important financial indicators over the 2002 to 2005 period.

Table 1.6: Selected Financial Indicators 2002-2005
(Percent unless specified)

| | 2002 | 2003 | 2004 | 2005 |
|-------------------------------------|------|------|------|------|
| 91-day Treasury bill | 32 | 18.2 | 16.3 | 15.1 |
| 182-day Treasury bill | 32.9 | 19.8 | 18.3 | 16.3 |
| 273-day Treasury bill | 33.2 | 21.1 | 19.4 | 17.0 |
| Weighted Average Treasury Bill Rate | 31.7 | 19.7 | 17.8 | 16.5 |
| Weighted Average Lending Base Rate | 42.5 | 37.7 | 29.8 | 27.6 |
| Average Lending Rate | 50.0 | 45.3 | 37.1 | 33.9 |
| Average Savings Rate | 8.1 | 7.6 | 5.6 | 6.1 |
| Exchange Rate (annual % Change) | | 7.2 | -2.4 | 26.4 |
| Deposit > k20 m (30 days) | 19.5 | 17.9 | 8.2 | 8.4 |

Source: Bank of Zambia

In recognition of the many weaknesses and constraints in the financial system and on the need to make the financial sector play a much more effective role in national development, the Government in 2004 formulated and started implementing the first Financial Sector Development Plan (FSDP) for Zambia. The FSDP is a systematic and coherent action plan whose implementation is expected to achieve a well functioning financial sector in the country. It will be one of the major reform agendas during the FNDP period.

1.6 External Sector Developments

During the 2002 to 2005, Zambia's external position strengthened. The current account deficit (including foreign grants) narrowed to 4.6 percent of GDP in 2005 from 6.5 percent in 2002. These improvements were largely as a result of a lower rate of the widening of the deficit in the current account.

The trade balance improved from a deficit of US \$504 million (or 13.3 percent of GDP) in 2002 to a surplus of US \$59 million in 2005. The favourable developments in the trade account were on account of a larger increase in exports receipts, which outstripped that of imports. Merchandise export receipts shot up by 129 percent to US \$2,095 million in 2005 from US \$916 million in 2002. Both metal and non-metal

exports recorded an increase. Metal exports receipts more than doubled, rising from US \$560 million in 2002 to US \$1,577 million in 2005.

Merchandise imports also recorded a substantial increase from US \$1,204 million in 2002 to US \$2,068 million in 2005. The increase in imports was due to the new capital investments in the mining sector and high petroleum bills due to the increase in world oil prices and fertilizer imports. Although the current account strengthened, the level of gross international reserves remained quite low. Expressed in months of import coverage, reserves fell from an equivalent of 2.1 months of imports in 2002 to 1.4 months in 2005, in part as a result of a sharp rise in imports during the last two years.

In terms of export diversification, non-traditional exports (mostly primary agricultural products such as cotton lint, cotton yarn, flowers, vegetables, gemstones and tobacco, and such secondary products as sugar, copper wire and electric cables) also performed well. Receipts grew by an annual average of 18 percent and went up by 50.7 percent to US \$538 million from US \$357 million in 2002. Although the share of non-traditional exports (NTEs) in total export earnings declined from 39.0 percent in 2002 to 25.7 percent in 2005, they are increasingly becoming an important source of Zambia's foreign exchange, employment and incomes for many rural households who grow export crops. The effects of the sharp rise in metal prices to historical highs largely explained the decline in the share of NTEs. However, the rise in NTEs has mostly been in the primary agricultural products with very little of processed commodities. This reflects the low manufacturing activity in the economy, which requires to be addressed by creating stronger inter-sectoral linkages. Table 1.7 shows selected external sector indicators.

The export diversification drive is still being stifled by high production costs; inadequate access to affordable credit for investment; problems with transport to final markets; bad weather conditions; and lack of market access. Additionally, even though Zambia's trade regime remained open and supportive of export development and the diversification of the economy, export facilitation has continued to face real challenges. These include restrictive customs procedures; sanitary and phyto-sanitary standards requirements; and the slow processing of duty draw back and import VAT. In 2005 and through the first half of 2006, the sharp appreciation of the Kwacha against the United States Dollar was a source of concern for exporters.

1.7 External Debt and Aid

A major development during 2005 was Zambia's reaching the Completion Point under the Heavily Indebted Poor Countries (HIPC) Initiative resulting in debt forgiveness/cancellation. In addition to this, Zambia in 2005 also became eligible for debt relief under the G8 initiative which proposed to cancel 100 percent of all concessional debts owed to the International Monetary Fund, the African Development Bank and the World Bank. Following the debt relief provided as a result of the Enhanced HIPC Initiative, Zambia's foreign debt came down to US \$4 billion in 2005 from US \$7.1 billion at end 2004. When the G8 commitments are effected through the Multilateral Debt Relief Initiative (MDRI), it is expected that Zambia's debt would come down to around US \$700 million.

Table 1. 7: Selected External Sector Indicators: 2002-2005
(US \$ million unless otherwise stated)

| | 2002 | 2003 | 2004 | 2005* |
|---|----------|----------|----------|----------|
| Current account balance excluding grants | (647.35) | (686.17) | (581.09) | (695.59) |
| Current account including grants | (342.98) | (400.45) | (298.01) | (277.50) |
| Merchandise trade balance | (259.28) | (302.10) | 82.38 | 31.80 |
| Exports | 916.28 | 1061.39 | 1778.78 | 2160.60 |
| Metals | 559.62 | 669.23 | 1321.53 | 1615.79 |
| Non-metal | 356.66 | 392.17 | 457.25 | 544.81 |
| Imports | (1203.5) | (1392.5) | (1726.9) | (2160.8) |
| Foreign direct investment | 303 | 347 | 364 | 380 |
| Gross official reserves (in months of import cover) | 2.1 | 1.3 | 1.2 | 1.6 |
| External debt stock (US \$ billions) | | | 7.1 | 4.5 |
| Nominal GDP | 3775.52 | 4317.62 | 5447.56 | 7269.0 |
| In % of GDP | | | | |
| Current account balance (excluding grants) | (17.1) | (15.89) | (10.67) | (9.57) |
| Current accumulated balance (including grants) | (9.08) | (9.27) | (5.47) | (3.82) |
| Merchandise trade balance | (6.87) | (6.99) | 1.51 | 0.44 |
| Exports, f.o.b. | 24.27 | 24.58 | 32.65 | 29.72 |
| Metals | 14.82 | 15.49 | 24.25 | 22.23 |
| Non-metal | 9.41 | 9.08 | 8.39 | 7.49 |
| Imports | (31.88) | (32.25) | (31.70) | (29.73) |

Source: Ministry of Finance and National Planning and Bank of Zambia

* estimate

With regard to external aid, inflows during the period 2002 to 2004 amounted to US \$2,332.3 million. This was above the PRSP target of US \$804 million or 67 percent of the planned budget of US \$1,200 million. On an annual basis, external aid declined from US \$754 million in 2002 to US \$406.4 million in 2003 and rose to US \$519 million in 2004. In 2005, inflows increased to US \$652.0 million (see Table 1.8).

Table 1.8: External Aid Inflows (in US millions), 2002-2005

| | 2002 | 2003 | 2004 | 2005 |
|-----------------|-------|-------|-------|-------|
| Budget Support | 311.0 | 58.8 | 64.8 | 153.7 |
| Grants | 81.9 | 38.9 | 44.1 | 129.7 |
| Loans | 229.1 | 19.9 | 20.7 | 24.0 |
| Project Support | 443.1 | 347.6 | 455 | 498.3 |
| Total Inflows | 754.1 | 406.4 | 519.8 | 652.0 |

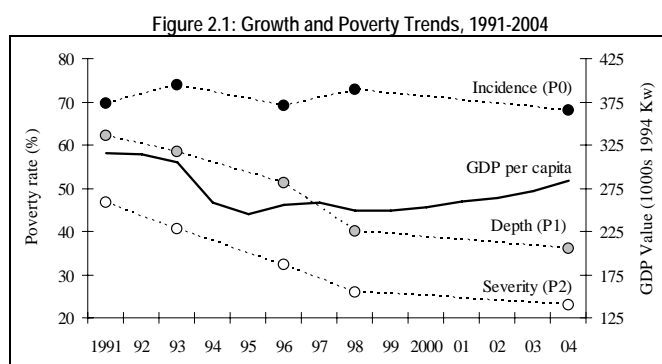
Source: Ministry of Finance and National Planning

Despite external aid inflows being in excess of the PRSP targets, aid management was still weak, thereby adversely affecting its effectiveness. Key weaknesses identified were the unclear procedures regarding how best to mobilise, receive, plan/budget and manage external resources; inappropriate systems of monitoring programme/project implementation; and, consequently, inability to determine the level of impact and weak coordination within the Government system in the area of aid management. This has resulted in many line ministries being marginalized in the process. It is noteworthy that serious efforts were initiated to make aid more effective: The aid policy and strategy was developed under the Wider Harmonisation in Practice (WHIP) initiative. The Government and its cooperating partners initiated a process to reduce transaction costs in aid receipt and management. The operationalization process of the Joint Assistance Strategy for Zambia (JASZ) would be finalised during the Plan period. The Government also started a process of strengthening its capacity for debt management.

Review of Poverty Trends

2.1 Income Poverty

According to the Living Conditions Monitoring Survey (LCMS) IV of 2004, as much as 68 percent of the population fell below the national poverty line, earning less than K111,747. This is in spite of the implementation of the PRSP and the positive growth trends during the last few years. Figure 2.1 shows that poverty levels slightly fell in 2004 compared to 1998 when poverty stood at 73 percent. The depth¹ and severity of poverty also remain high despite the slight decline since 1998. At the national level, the depth of poverty dropped to 36 percent from 40 percent in 1998, while the severity of poverty declined to 23 percent from 26 percent in 1998. Extreme poverty (covering people earning less than K78,223 per month) fell from 58 percent in 1998 to 53 percent in 2004.² The declining depth and severity of poverty was driven primarily by rising per capita consumption amongst the poorest non-farm households. This represents a deviation from the experiences of 1991-1998, during which time non-farm poverty rose rapidly.



Source: Central Statistical Office

Note: These official poverty estimates are based on the Priority Surveys (1991, 1993) and Living Conditions Monitoring Surveys (1996, 1998, and 2004). GDP per capita is based on National Accounts.

Changes in poverty during 1998 to 2004 were evenly distributed across rural and urban areas. Table 2.1 shows that poverty in rural and urban areas declined by 5 percent and 3 percent, respectively. The incidence of poverty in the rural areas fell from 83 percent in 1998 to 78 percent in 2004, while poverty in urban areas declined to 53 percent from 56 percent in 1998. Rural incidence of extreme poverty fell from 71 percent in 1998 to 65 percent in 2004. In urban areas, the incidence of extreme poverty declined by 2 percent from 36 percent to 34 percent. Although almost all provinces recorded some decline in poverty incidence, important gains were made in certain provinces like the Copperbelt and Eastern provinces. The incidence of poverty declined the most in Eastern province, where it fell by 11 percentage points to 70 percent in 2004 from 81 percent in 1998. This was followed by the Copperbelt, which recorded a 9 percentage points decline in poverty incidence to 56 percent in 2004 from 65 percent in 1998.

y.

¹ The 'incidence' of poverty (or headcount) measures the number of people falling below the poverty line irrespective of how far from the poverty line they are. So people lying far below the poverty line and those just beneath it are counted equally. In order to adjust for the fact that some people lie far below the poverty line, it is necessary to calculate the 'poverty gap' or what is alternatively referred to as the 'depth' of poverty. This measure gives a greater weight to the poorest of the poor. Along similar lines, the 'severity' of poverty (or the 'squared poverty gap') attaches even greater weight to the poorest of the poor.

² Extreme poverty is measured by taking a lower poverty line that reflects the minimum requirements of food spending and excludes some of the items included in the national 'basic' poverty

Table 2.1: Changes in Poverty, 1998-2004

| | Population (1000s) | | Incidence (P0) | | Depth (P1) | | Severity (P2) | |
|---------------------------|--------------------|--------|----------------|------|------------|------|---------------|------|
| | 1998 | 2004 | 1998 | 2004 | 1998 | 2004 | 1998 | 2004 |
| National | 10,183 | 10,899 | 73 | 68 | 40 | 36 | 26 | 23 |
| Rural | 6,359 | 6,633 | 83 | 78 | 49 | 44 | 34 | 30 |
| Small-scale farms | - | 5,958 | 84 | 79 | 50 | 45 | 35 | 31 |
| Rural medium/ farms | - | 330 | 73 | 73 | 38 | 36 | 25 | 22 |
| Rural Large-scale farms | - | 27 | - | 37 | - | - | - | - |
| Rural non-farm households | - | 304 | 79 | 69 | 48 | 36 | 35 | 24 |
| Urban | 3,824 | 4,292 | 56 | 53 | 23 | 22 | 13 | 12 |
| Central | 1,019 | 1,136 | 77 | 76 | 44 | 43 | 31 | 28 |
| Copperbelt | 1,823 | 1,661 | 65 | 56 | 31 | 24 | 19 | 13 |
| Eastern | 1,304 | 1,514 | 81 | 70 | 46 | 40 | 31 | 27 |
| Luapula | 701 | 863 | 82 | 79 | 47 | 42 | 32 | 26 |
| Lusaka | 1,526 | 1,534 | 52 | 48 | 22 | 19 | 13 | 10 |
| Northern | 1,237 | 1,407 | 82 | 74 | 45 | 41 | 31 | 27 |
| North-Western | 549 | 654 | 76 | 76 | 41 | 40 | 27 | 26 |
| Southern | 1,268 | 1,360 | 76 | 69 | 42 | 35 | 28 | 22 |
| Western | 756 | 826 | 89 | 83 | 57 | 53 | 42 | 38 |

Source: Central Statistical Office - data not Available

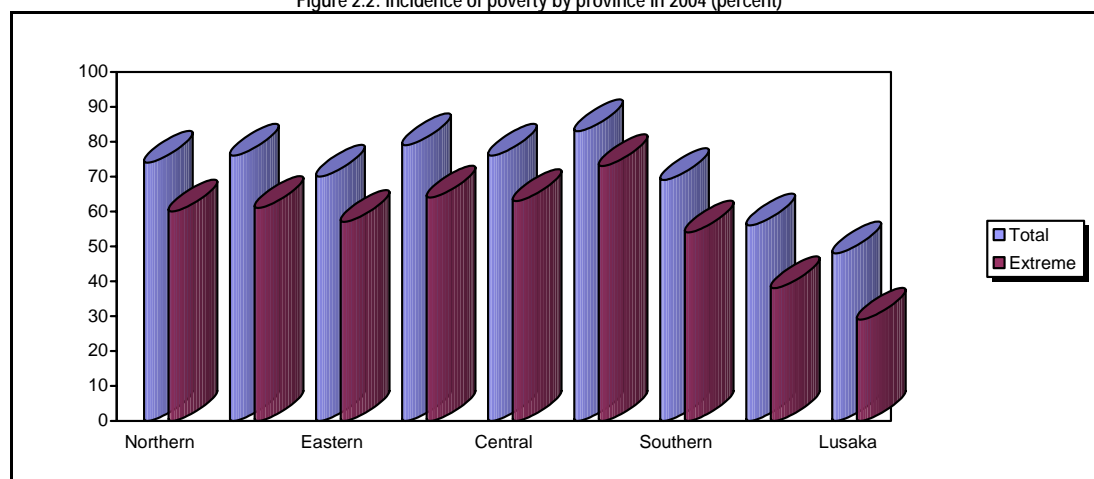
Note: These official poverty estimates are based on the Priority Surveys (1991, 1993) and Living Conditions Monitoring Surveys (1996, 1998, and 2004). GDP per capita is based on National Accounts.

In terms of the incidence of poverty among various strata, Table 2.1 shows that the rural small-scale farmers had the highest incidence of poverty at 79 percent with 66 percent being extremely poor. This was followed by rural medium-scale farmers where poverty incidence was 73 percent. In the urban areas, the highest incidence was among the low cost households at 58 percent. In terms of the current status of poverty, high levels of poverty continue to be associated with more remote provinces such as Western province (83 percent), Luapula (79 percent) and North-Western province (76 percent). The incidence of poverty was lowest in more urbanized regions like Lusaka (48 percent) and the Copperbelt provinces (56 percent). While the proportion of the population living in poverty did not vary much among the provinces, there were quite significant variations in terms of the proportion of the population living in *extreme* poverty across the provinces. The rate of extreme poverty varied from 29 percent in Lusaka province to 64 percent in Luapula province. Incidence of extreme poverty was also high in rural areas where two thirds of the population was extremely poor compared to only one third in the urban areas. Figure 2.2 shows the incidence of poverty by province in 2004.

The analysis of each province's contribution to the national incidence of poverty of 68 percent depicted in Figure 2.3 shows that Northern province contributed the most (16 percent), followed by Copperbelt and Eastern provinces (both 14 percent). The severity of poverty is more acute among rural than urban households. In the rural areas, it was estimated at 17 percent, while in urban areas it was estimated at 9 percent.

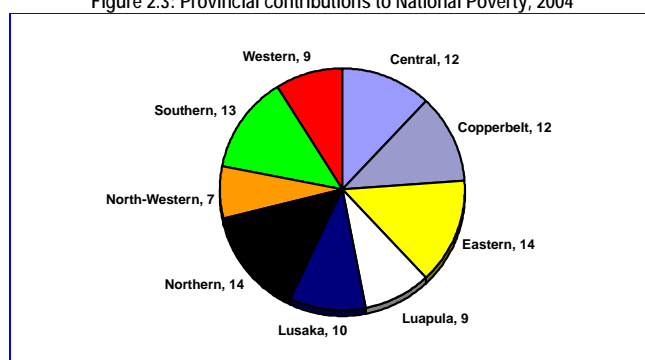
The preceding analysis indicates that poverty remains more severe in rural areas. The majority of rural households in Zambia depend on consumption of own produce. Therefore, the high poverty levels in rural areas could be as a result of not having adequate food by the majority of households there. The rural areas have poor infrastructure and marketing systems while labour productivity among the small-scale farmers is quite low.

Figure 2.2: Incidence of poverty by province in 2004 (percent)



Source: *Living Conditions Survey Report 2004*, CSO

Figure 2.3: Provincial contributions to National Poverty, 2004

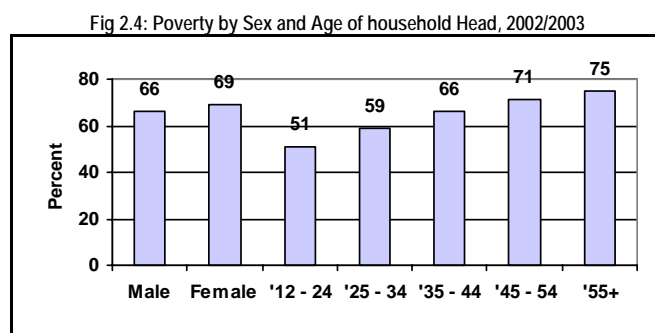


Source: *Living Conditions Report 2004*, CSO

The persistently high income poverty observed in 2004, is in sharp contrast to the rapid acceleration in economic growth experienced since 1999. This implies that the country's improved economic performance over recent years has not translated into significant declines in poverty. There are several important factors that may explain the persistence of high poverty levels. They include the changing structure of growth, which during the period 1998 to 2004 was largely driven by the improved performance of the mining and construction sectors. Agriculture, upon which the majority of poor people depend, did not perform particularly well over the recent years, with wide fluctuations in production and a relatively low average growth rate. This reflected considerable variation in weather patterns as well as inadequate infrastructure and generally poor market access. Much of the growth that has taken place has been driven by cash crops such as cotton and tobacco, which are concentrated in specific areas of the country. This may explain why poverty incidence is still highest among the rural small-scale farmers.

The changing structure of growth has also influenced the provincial distribution of poverty. The collapse of the mining sector during the late 1990s may explain why the population of the Copperbelt has declined dramatically. This could be explained by out migration to other provinces with better economic prospects. This, together with subsequent mining growth, may account for the sharp decline in poverty experienced in the Copperbelt province, and the rapid increase in the population of the North-Western province, where new mining growth has been taking place. The decline in poverty in the Eastern province may be the result of strong growth of such agricultural commodities as cotton and tobacco that are grown in the region.

Figure 2.4 shows the proportion of the population living in moderate and extreme poverty by sex and age of the household head. The incidence of poverty was highest among female (69 percent) than male-headed households (66 percent). The LCMS surveys have shown that the majority of the female heads of the household attained household headship by way of loss of their spouses who in most cases were the breadwinners. These results clearly indicate how difficult it is for female-headed households to acquire adequate food that meets their minimum nutrition requirements. The issue of property grabbing may contribute to the high levels of poverty among female-headed households.



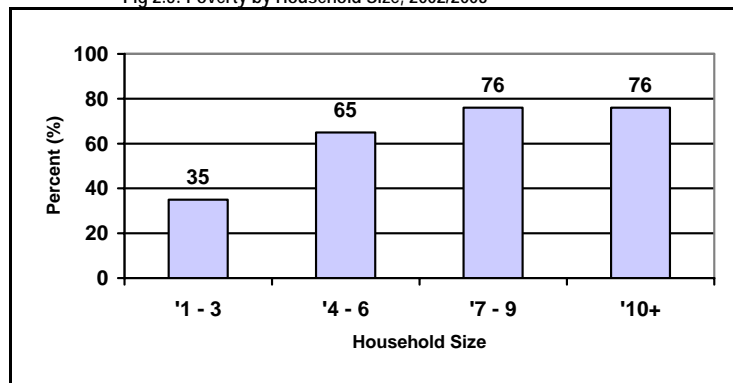
Source: CSO, Living Conditions Monitoring Survey (2002/2003)

Analysis of poverty by age of household head reveals high levels of poverty among households headed by elders. For instance, poverty rates ranged between 51 percent in the age group 12 to 24 to 75 percent in the age group 55 years and above. Head count poverty was equally high among persons headed by those aged 45 to 54 years. The high level of poverty among persons who are supposed to be living off their benefits is a clear indication of the poor social security system prevailing in the country. The delays in paying off terminal benefits have compounded the poverty situation in the country.

The incidence of poverty by household size and education level completed by the household head are shown in Figures 2.5 and 2.6, respectively. High levels of poverty were observed in households with seven or more members, at 76 percent compared with 35 percent in households with one to three members, and 65 percent in households with four to six members. These results expose the fact that larger families are more likely to be poor than smaller ones. However, with the advent of HIV and AIDS and its attendant increase in the number of orphans, large family sizes are unavoidable.

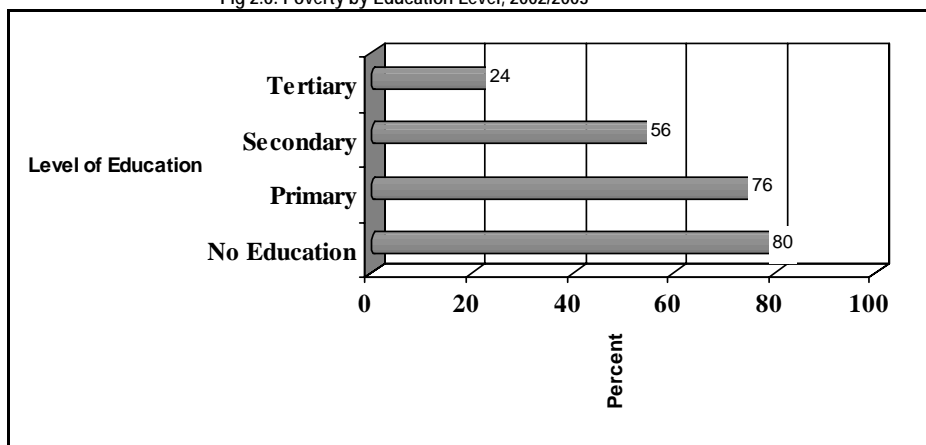
Analysis of incidence of poverty by highest level of education completed by the household head reveals an inverse relationship between headcount poverty and education status of the household head. The proportions of the poor ranged from 80 percent in households headed by persons with no education to 24 percent in those headed by persons with tertiary education. Surprisingly, primary education does not seem to have an absolute impact on the wellbeing of the people since the headcount ratio is not statistically different from that obtaining from the “no education” category. This finding points to the need to revisit the basic education curriculum with the view of making it more relevant to overall economic activities or labour formation in the country. The present curriculum at primary level is tailored to school-based subjects as opposed to practical or skill-oriented subjects. It is, therefore, desirable to provide primary education that imparts both effective knowledge and skills, which can be applied by an individual to earn a living.

Fig 2.5: Poverty by Household Size, 2002/2003



Source: Central Statistical Office

Fig 2.6: Poverty by Education Level, 2002/2003



Source: Central Statistical Office

An analysis of income deciles reveals that income in Zambia is very unevenly distributed. According to the LCMS III survey report, the bottom 50 percent of the Zambian population claim a meagre 15 percent of total income, while the top 10 percent claims 48 percent of the total income, which is more than three times the income share for the bottom 50 percent. The corresponding figures for November/January 1998 were bottom 50 percent with 10 percent and top 10 percent with 57 percent. Within rural areas, the bottom 50 percent of the rural population claims 22 percent of the total income, while the top 10 percent claims 33 percent, or 1.5 times the income share for the bottom 50 percent. For urban areas, the bottom 50 percent of urban population received only 12.0 percent of total income, with the top 10 percent receiving total income of 51 percent.

In terms of the Gini coefficient, which defines the level of income inequalities, Zambia had a coefficient of 0.57 in 2003. This contrasts with the ratio of 0.61 for 1996 and 0.66 for 1998. Coefficients of this magnitude manifest high poverty levels in society. They are indicative of uneven income distribution in Zambia. Income inequalities are more pronounced in the urban areas with a Gini coefficient of 0.61 than in rural areas with a coefficient of 0.42.

Comparing the Gini coefficient from the household income distribution of 1993 (0.66), with that of 2003 (0.57), it can be observed that there is a slight improvement in the distribution of incomes in the Zambian society. However, using the per capita income distribution for 2003, it can be observed that 20 percent of the total income is shared by 70 percent of the population.

2.2 Non-Income Poverty and other Social Developments

The analysis so far has focused on income-based poverty. However, there are a number of non-income or social dimensions of poverty that are also important for household welfare. According to the 2005 Human Development Report, Zambia ranked 166th (out of 177 countries) on the basis of its Human Development Index (HDI). This composite index reflects life expectancy at birth, adult literacy rate, school enrolment and GDP per capita. Life expectancy at birth for Zambians was at 52.4 years in 2003 (50.4 rural, 50.2 urban). The achievement of MDGs by 2015 remains a big challenge for Government. According to the MDGs Status Report for Zambia, 2005, some of the MDGs are not likely to be met. These include reducing child and maternal mortality, integrating the principles of sustainable development into the country's policies and programmes and reversing the loss of environmental resources and halving by 2015, the proportion without sustainable access to safe drinking water and sanitation (for details refer to the Millennium Development Goals Zambia Status Report, 2005).

Education indicators have improved over recent years, with increases in primary school enrolment and decline in drop-out rates. For instance, gross enrolment ratios (GER) for Grades 1-9 rose from 75.1 in 2000 to 104.6 in 2005 while net enrolment ratios (NER) rose to 92.3 percent from 68.1 in 2000. Significant improvements have also been made in school completion rates. In 2000, the completion rate was 63.6 percent and increased to 72 percent in 2004. These improvements partly reflect the introduction of free primary schooling in 2002.

Despite the improvements noted above, there are still a number of outstanding challenges that must be addressed. Adult literacy stands at only 55.3 percent and has remained unchanged since 1990. Furthermore, the provision of education services is unevenly distributed in favour of urban households. Less than half of the rural adult populations are literate, while primary and secondary school enrolment rates are lowest in the more remote Eastern, Luapula and Western Provinces. Additionally, the quality of education has not matched the levels achieved in terms of access.

Health indicators have also shown some improvement since the early 1990s. Both rural and urban infant mortality fell considerably between 1990 and 2000 and is projected to decline further. Furthermore, according to recent estimates, the adult prevalence of HIV and AIDS has fallen from 20 percent in 1998 to 16 percent in 2002. However, adult HIV and AIDS prevalence remains twice as high in urban areas as in rural areas, and women are 40 percent more likely to be infected than men.

Maternal mortality also worsened during 1996-2002. Maternal mortality has remained relatively high in Zambia. There were 649 maternal deaths per 100,000 live births in 1996. This figure increased to 729 maternal deaths per 100,000 live births in the period 2001/2002. These indicators confirm that recent changes in household welfare have indeed been ambiguous and that poverty is particularly severe, especially once non-income dimensions are taken into account. Although still relatively high, childhood mortality indicators have shown signs of decline. Infant mortality was 123 deaths per 1,000 live births in 1990 and it declined to 110 deaths per 1,000 live births in 2000. Under-five mortality was 197 deaths per 1,000 live births in 1996 but fell to 168 deaths per 1,000 live births in 2001 and 2002. As in other indicators, childhood indicators are better in urban compared to rural areas.

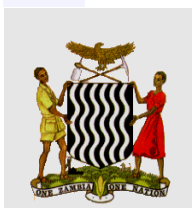
The nutritional status of a child can be a direct indicator of the well-being of the household. It also reflects on the community's nutritional status and the future of national development potential. The percent of children, who were found to be stunted, wasted or underweight, has increased between 1992 and 2002/2003. Furthermore, although some progress is being made, a high proportion of the Zambian population, estimated at 47 percent, has no access to safe drinking water, especially in the rural areas. The proportion of households with access to safe water has been fluctuating in Zambia from 48.3 percent in 1992 to 46.8 percent in 1996. The figure increased to 52 percent in 2002/2003. The majority of the rural population access their water from lakes/rivers and unprotected wells, which are not safe. Several deaths each year are caused by unsafe water, poor sanitation and hygiene.

Environmental degradation has also reached alarming proportions. The country's forests are under tremendous pressure, with wood harvesting for fuel and timber and the clearance for agriculture and human settlement being some of the primary causes. In the last decade, environmental degradation,

especialy deforestation and wildlife and fish depletion, has become particularly severe and threatens sustainable economic growth. This could be attributed to poverty pressure which leads to stressful coping strategies, uncoordinated mining activities or lack of appreciation of the interrelationship between human existence and the environment.

On the global level, Zambia has been monitoring its progress towards the achievement of the Millennium Development Goals (MDGs). According to the 2005 MDG report, five targets are perceived as likely to be achieved by 2015. These are: halving the proportion of people living in extreme poverty and those suffering from hunger; ensuring that children everywhere, boys and girls alike, will complete a full course of primary schooling; eliminating gender disparities in all levels of education; and having halted and began reversing the spread of HIV and AIDS. Similarly, three targets were perceived to be potentially achieved by 2015 although with lesser optimism, and these are reducing under-five mortality by two thirds, halting and reversing the incidence of malaria and other major diseases and halving the proportion without sustainable access to safe drinking water and sanitation.

On the other hand, two targets, reducing the maternal mortality ratio by three-quarters and reversing the loss of environmental resources are unlikely to be achieved by 2015. The Government's commitment to prudent macroeconomic management and poverty reduction has resulted in its accession to HIPC completion point and qualification under the Multilateral Debt Relief Initiative (MDRI). This positive trend has created the fiscal space, increased prospects and renewed optimism towards the attainment of the Millennium Development Goals. The Fifth National Development Plan therefore, is the vehicle that Zambia is using to progress towards the Millennium Development Goals.



Part

2

FNDP Goals and Strategies

The Fifth National Development Plan Theme and Strategic Focus

3.1 Introduction

Zambia has articulated its long-term development objectives in the National Vision 2030. The National Vision is “*to become a prosperous middle income country by the year 2030.*” The Vision 2030 identifies a number of development goals, which include: (a) reaching middle-income status; (b) significantly reducing hunger and poverty; and (c) fostering a competitive and outward-oriented economy. Together, these goals call for policies that accelerate and sustain economic growth, and which enable the poor to participate in, and benefit from, the growth process. The FNDP is an important step towards the realisation of the 2030 Vision. The Theme of the FNDP is, therefore: “*Broad Based Wealth and Job Creation through Citizenry Participation and Technological Advancement*”, while the strategic focus is “*Economic Infrastructure and human resources development*”. This chapter broadly explains both the Theme and the Strategic focus of the FNDP.

The Government recognises the strategic role that ‘good governance’ would play in the realisation of the ideals of the FNDP. Laws, rules and regulations that govern the interaction of various actors in the political arena significantly influence the nature of the relationships that emerge and whether those relationships adhere to the people’s defined acceptable norms of good governance. The Government maintains that, for it to facilitate a hospitable environment where good governance obtains, what is required is, *inter-alia*, political will, integrity and honesty. The principle of good governance in the legal context is where there is separation of powers of the three organs of state, namely, the Legislature, the Judiciary and the Executive.

The process of reviewing the Republican Constitution for Zambia, which began in 2005, and which addresses a number of issues, some of which border on good governance, will continue during the FNDP period. Good Governance also includes accountability and transparency in the management of national affairs and the discharge of the responsibilities of public office. As the Government implements the FNDP, it shall continue to uphold the view that public office is a trust held for the benefit of the general public, the governed, and is not for private profit or gain. Transparency, another tenet that the Government shall continue to uphold, enables the general public to know or discover the truth so as to avoid speculation. Therefore, it is the Government’s position that men and women who hold public office should be prepared to submit to public scrutiny and questioning as part of the process of rendering an account for the discharge of their public responsibilities.

During the implementation of the FNDP, the Government shall focus on all three levels of accountability, namely,

- a) *Political accountability* that applies to politicians who shall be held accountable by the electorate for the success or failure to initiate the planned FNDP programmes;
- b) *Administrative accountability* that refers to administrative structures of the Government (mainly the civil service) that should have clear rules, roles and responsibilities and provide checks and balances for administrative performance; and, lastly,
- c) *Financial and budgetary accountability* that entails the ability to account for the allocation, use and control of public funds, public assets and properties. This shall be determined by the degree to which the FNDP implementation system shall remain in good stead to honour the laid down financial accounting systems, rules, regulations and procedures.

Against the above background, the Government endeavours to reflect tenets of good governance in all chapters of this Plan, in addition to Chapter 31 on Governance.

3.2 Achieving Broad Based Wealth and Job Creation

The improved economic performance since 1999 has not significantly reduced poverty. One explanation for the weak growth/poverty relationship is that recent growth has been concentrated in mining, wholesale and retail trade and construction, which are mostly urban based and capital intensive. Most of these sectors have not generated sufficient employment due to weak linkages with the rest of the economy. If the country continues on such a growth path, it is projected that headcount poverty will only marginally decline to 62.3 percent by 2010 from 68.0 percent in 2004. This will not significantly advance the development objectives identified in the Vision 2030 as well as progress towards meeting the Millennium Development Goals (MDGs) objective of halving the 1990 levels of poverty by 2015.

While mining, construction and energy sectors are expected to continue contributing to overall economic growth, the focus of the FNDP is on pro-poor growth-oriented sectors that create employment and income opportunities of the poor. These include rural development, agriculture and manufacturing, which provide a greater opportunity for creating wealth and jobs, thereby rapidly reducing poverty. The FNDP also emphasises the creation of strong linkages between the capital intensive sectors and the rest of the economy so as to enhance broad-based growth.

About 60 percent of the total population and 70 percent of the poor live in rural areas. Further, the majority of rural and urban households rely on incomes from agriculture and agriculture-related industries or consume domestically produced food. Agriculture and related industries, such as manufacturing, tend to be more labour-intensive and also have strong linkages with the rest of the economy. Growth in these sectors is, therefore, expected to generate jobs and create employment opportunities for households. For these reasons, fostering agricultural growth and rural development is important for rapidly reducing poverty in Zambia. Promoting large-scale commercial farming and fostering increased small-holder participation is vital as both have a strong rural bias. Increasing rural household incomes creates a market for domestic non-agricultural production, thereby providing an important platform for structural transformation. Rural and agricultural development are, therefore, important for accelerating pro-poor growth and for laying the foundation for achieving the country's long-term growth and development objectives. Zambia has an abundant resource base comprising land, water and labour, and therefore, efforts will be made during the Plan period to utilize them in order to achieve the set objectives.

The use of modern technologies will be especially promoted in agriculture. Rural and agricultural development, however, involve more than improving production technology in agriculture. An appropriate development strategy requires a range of interventions, including the development of rural markets, the provision of agricultural and financial services, the establishment of marketing chains and the provision of infrastructure. Creating these conditions will enable Zambians to effectively participate in the economy and to utilise the abundant natural resources to earn incomes. This, in turn, would result in the improvement of the standard of living for the poor and disadvantaged.

3.3 Economic Infrastructure and Human Resources Development

At the core of an enabling environment is the need to have a strong and sustainable economic infrastructure, especially roads, bridges, dams and various means of communications. The emphasis will be on maintaining the existing infrastructure. It should be noted that rural and agricultural development alone cannot achieve the objectives identified in this Plan. Structural transformation and urban growth are also important for the long-term development process, not least for providing markets for agricultural products. However, such growth largely depends on the private sector and, therefore, requires a supportive environment. Consequently, one of the key targets of the FNDP is to create the enabling environment supportive of private sector growth and ensure that the country has good infrastructure, a supportive macroeconomic environment and skilled human resource. The development of human resources will entail the implementation of a range of actions and reforms to develop and make available to the economy appropriate skills. Thus, apart from economic infrastructure, this Plan focuses on social investments in health and education.

In the context of the above, the realisation of the FNDP goals requires the following interventions:

Macroeconomic policies

- a) Inflation and interest rate reduction;
- b) Transparent debt contraction and management;
- c) Effective public expenditure and revenue management;
- d) Sound economic governance and transparency;
- e) A stable and competitive exchange rate; and
- f) Financial sector policies, including microfinance.

Social policies

- a) Poverty reduction;
- b) Public investment in effective HIV and AIDS interventions;
- c) Housing and water and sanitation improvement;
- d) Public investment in education and health;
- e) Social safety nets; and
- f) Pro-employment economic growth and sound labour administration.

Rural sector policies

- a) Irrigation development;
- b) Attainment of food security;
- c) Provision of microfinance;
- d) Development and/or rehabilitation of infrastructure, especially feeder and all weather roads; and
- e) Livestock development.

Urban sector policies

- a) Housing improvement including revamping urban planning such as upgrading of unplanned settlements;
- b) Safe water and sanitation;
- c) Waste management;
- d) Improved land management; and
- e) Manufacturing and services sectors growth.

Structural Policies

- a) Private Sector Development, especially relating to improving the business and investment climate; and,
- b) Strengthening the financial sector.

Cross-cutting issues

- a) Mainstreaming HIV and AIDS;
- b) Gender mainstreaming;
- c) Ensuring environmental sustainability;
- d) Improved land management; and
- e) Promoting good governance.

3.4 FNDP Expenditure Priorities

Given Zambia's developmental challenges, especially the high poverty levels estimated at 68 percent of the population, and the fact that provision to the basic services of education, health, water and sanitation is still poor quality and access is also not widespread, there is a real need for stepping up of efforts aimed at strengthening and broadening the growth process and fostering human development.

The Plan has therefore, identified two critical areas where public spending should be focused if growth is to be accelerated and broadened. These are: (a) strengthening the relevant economic and social infrastructure, especially roads, schools and hospitals; and (b) enhancing agriculture and rural development. These will be complemented by the implementation of specific structural reforms across various sectors in order to improve the business and investment climate.

To foster human development, the public spending priorities shall focus on enhancing the quality of education provision, skills development and employment, better health service delivery, addressing the problem of frontline personnel and the lack of requisite working implements in the two critical sectors of education and health. It is also planned to expand the proportion of the Zambian population with access to safe drinking water, especially in the rural areas and in peri urban areas. The Plan also seeks to significantly improve the working and operating conditions in the public order and safety sector, in particular, those related to housing for law enforcement officers. Attention will also be given to the sustainable management of natural resources and the environment.

In many respects, these priorities also match the eight Millennium Development Goals. In summary, the expenditure focus of the FNDP is on infrastructure (particularly road infrastructure), agricultural development, education, health, water and sanitation and public order and safety.

3.4.1 Rationale for Targeted Priority Expenditure

3.4.1.1 Agriculture

Agriculture remains the key priority in the growth and poverty reduction programme of Zambia. Over 60 percent of the population derives its livelihood from agriculture and reside in rural areas. However, in the last decade, including in the PRSP period, agriculture development did not receive resources commensurate with its status. Government spending on agriculture has been less than 5 percent of the Government budget and about 1.0 percent of GDP. This low spending on agriculture-related developments resulted in, among others, agricultural support infrastructure being run down, extension service delivery operating at only 40 percent capacity, and high recurring livestock disease incidences. The result has been low agricultural productivity and high poverty incidences, especially in rural areas.

The FNDP seeks to reverse this situation by appropriately financing agriculture investments and development so as to accelerate growth and poverty reduction. The FNDP targets to increase resource allocations (both Government and donor) to the sector from the current levels of about 1.6 percent of GDP to at least 2.3 percent of GDP by 2010. The Government plans to increase its allocations from 0.9 percent to 1.6 percent by 2010. As a percentage of the GRZ budget, allocations to the agricultural sector are planned to be increased to about 9.0 percent by 2010 from 5 percent in 2006. This will bring Zambia closer to the SADC and Maputo Declaration to raise agricultural budgets to not less than 10 percent.

The key interventions in agriculture will be the improvement of agricultural productivity, especially for small-scale farmers by, among others, reviving and strengthening agricultural extension services. Other programmes will include the enhancement of animal health and livestock production and extension; agricultural research; and technological development. The encouragement of diversification in the production of both staple and cash crops to ensure food security and the development of irrigation and support services have also been accorded priority. Other key interventions shall be the continuation of the on-going land development programme of opening up new farming blocks for commercial development.

3.4.1.2 Infrastructure

Strengthening economic infrastructure is one of the critical vehicles for the realization of the Plan's objectives. Poor physical infrastructure such as roads, electricity, irrigation and dams has been one of the major bottlenecks holding back private sector development and Zambia's economic progress in general. During the FNDP period, it is planned that roads in maintainable condition should improve from 51 percent in 2005 to 90 percent by 2010. Spending on rural feeder roads, in particular, will be enhanced to widen market access on a large scale. The Government also targets to raise spending on road infrastructure from both Government and donors to at least 2.8 percent of GDP by 2010 from 2.5 percent in 2006. Government spending is programmed to be raised to 1.8 percent of GDP by 2010 from 1.1 percent in 2006, to allow for road infrastructure development and maintenance. As a proportion of the Government budget, spending on roads is planned to be raised to 5.3 percent by 2009 and maintained at that level.

Apart from roads, the development of rail transportation infrastructure has also been accorded priority. However, the rail projects will be funded mostly through private financing. Other key infrastructure programmes are the enhancement of energy supply, including water development for economic purposes such as irrigation. There are also projects of a large commercial nature namely the development of hydro power stations and the power rehabilitation programme. These will be mainly developed through public private partnerships or private arrangements where possible. These large projects are of vital importance because the Southern African region faces a looming power shortfall by 2008 and Zambia is one of the few countries where new projects could be quickly developed if resources are available. The power rehabilitation programme is essential to guarantee power supply and significantly reduce on power outages frequently experienced by business enterprises and households. The rural electrification programme will also be scaled up during the Plan period.

3.4.1.3 Health Sector

Total expenditure on health as percent of GDP has fallen from 6.0 percent in 1997 to 5.7 percent in 2001 and to 1.5 percent in 2005. Similarly, total expenditure on health has fallen from US \$24 million in 1997 to US \$18 million in the period 2001 to 2005. Consequently, the provision of quality health care has declined. During the FNDP, the vision is *“to provide Zambians with equity of access to cost-effective, quality health care as close to the family as possible.* To achieve this vision, Zambia will require at least US \$255 million per year to offer basic health services. In addition, there are emerging factors that call for increased expenditure in the sector. They include the following:

Human resources: A key constraint to effective and rapid scaling-up of health services in Zambia is the worsening human resource situation. Over the past few years, there has been a massive exodus of health workers, especially nurses going abroad due, primarily, to the low level of wages and benefits in the civil service and also the general poor working environment. A recent assessment of the health workforce in Zambia reported that current workforce levels are only 50 percent of the required levels. Significant levels of resources will be needed in order to fill vacant posts and to improve the working environment.

Drugs and supplies: Zambia requires approximately US \$38.5 million for procurement of essential drugs but less than half of this is available annually from both Government and cooperating partners. With the policy of free Anti-Retroviral (ARVs), Zambia requires about US \$25 million per annum to sustain the 39,000 patients on ARVs. If Anti-Retroviral Therapy is scaled up to cater for 100,000 eligible patients, approximately US \$60 million will be required for procurement of anti retroviral drugs. Zambia also requires approximately US \$10 million for the procurement of the coartem drug for malaria treatment and US \$8 million for vaccines and injection supplies.

Infrastructure and equipment: Access to basic services shows a wide spatial variation with provinces closer to the ‘line of rail’ having better access to services. In urban areas, 99 percent of households are within 5km of a health facility while it is only 50 percent of households who are within 5km of a health facility in rural areas. In the FNDP, the priority is to make available at least one first level hospital in each district, which would operate as a referral hospital to a satellite of health centres.

On the basis of the above, the Government plans to scale-up total health spending to 3.6 percent of GDP from both Government and donors by 2010, from 2.9 percent in 2006. The Government plans to raise its health budget to at least 11.5 percent of budget by 2010 from 7.0 percent in 2006. Total health budget (both GRZ and donors) will require to be increased to around 14.1 percent by 2010 from 10.6 percent in 2006.

3.4.1.4 Education and Skills Development

The focus in this Plan is to significantly shift towards interventions aimed at increasing the quality of education and enhancing skill development, which is in critical short supply. This is mainly due to the huge increases in enrolment that the system has sustained over the last five years with annual increases at all levels reaching nearly 95 percent of the target population for basic education. The FNDP is targeting three priority areas: recruitment of teachers; procurement of educational materials; and the construction of classrooms and teachers’ houses. It is estimated that the government will need to recruit

5,000 additional teachers per year to reduce the high pupil-teacher ratios and eliminate the system of double and triple shifts.

In addition, the declaration of Free Basic Education has placed greater financial constraints on the education sector. Government funding levels to education in 2005 was 3.4 percent of GDP while that in the sub-region ranged from 5 to 6 percent. Total Education expenditure as a percent of GDP was 4.2 percent in 2005, while the regional average was 5.5 to 6.0 percent of GDP. The external funding levels over the period 2003 to 2005 have fluctuated between US \$87 million and US \$96 million per annum, which represented roughly 1.5 percent of the GDP. Expanding education in a manner that improves the overall skill level and productivity of the labour force is also important.

In light of the above, the FNDP's target is to scale-up Government funding to the sector to around 4.4 percent of GDP by 2010 while total expenditure (Government and donor) is planned to reach at least 5.3 percent of GDP by that year. As a proportion of the national budget, the education and skills development budget is planned to be raised to at least 22.4 percent by 2010 from 16.3 percent in 2006. For education (basic, high school and tertiary), the FNDP proposes to increase spending to about 22.0 percent of the GRZ budget by 2010 from about 16 percent in 2006. With regard to the TEVET sub-sector, the FNDP plans to scale up spending to at least 0.6 percent of the GRZ budget by 2010 from 0.3 percent in 2006. This rise is essential to expand facilities and learning requisites in the skills development components of TEVET to absorb the large numbers of students coming from the basic and high schools sub-sectors.

3.4.1.5 Water and Sanitation

The proportion of the Zambian population, without access to safe drinking water remains high, estimated at 47 percent, with rural dwellers being the worst affected. Several deaths each year are attributed to unsafe water, poor sanitation and hygiene. Public spending on water and sanitation as a percent of GDP will be maintained around 0.5 percent while the proportion of the Government budget would be raised to at least 0.6 percent from a low of 0.2 percent in 2006. Most of the priority interventions during the FNDP in this area will be on rural water supply.

3.4.1.6 Public Order and Safety

The working environment and functionality of the law enforcement agencies, especially the police services, has continued to deteriorate. The agencies lack basic operational requisites while the housing situation for the officers has worsened. This has, consequently, compromised the integrity of the law enforcement officers and has resulted in the low morale of officers. This situation requires to be reversed by increasing budgetary allocations to the law enforcement services and a deliberate programme to rehabilitate and build new infrastructure, especially houses. In this regard, the FNDP targets to raise spending on public order and safety to at least 1.2 percent of GDP by 2010 from 0.9 percent in 2006. As a share of the Government budget, spending on public order and safety will be scaled up to at least 5.9 percent by 2010 from 4.7 percent in 2006. The major allocations will be for infrastructure development and rehabilitation, especially construction of new houses in police camps. Crime prevention will also be accorded high priority during this period.

3.4.2 Other Expenditures

To realise the expenditure objectives in the FNDP core sectors outlined above, spending on general government services, especially of an administrative nature, will have to be scaled-down significantly. However, allocations to key areas of governance such as Judiciary, Parliament and the Office of the Auditor-General, which are critical to economic and social governance and general operations of government, would require to be safeguarded. In addition, although some sectors have not been explicitly highlighted for public expenditure priority, such as tourism, manufacturing and mining, these remain important sectors in driving economic growth and poverty reduction. Much of the attention in these sectors will be on enhancing the regulatory, business and investment climate to increase private sector involvement. Further, the increase in public expenditure for roads and energy is meant to enhance the private sector-driven operations of these important sectors.

FNDP Macroeconomic, Social and Structural Policies

4.1 Introduction

During the period 2002 to 2005, macroeconomic performance generally improved. Notwithstanding these improvements, Zambia has yet to attain full macroeconomic stability and still faces a number of challenges to its macroeconomic position. Fiscal stability is overshadowed by a high domestic debt estimated at 20 percent of GDP while budgetary interest payments take up about 16 percent of revenues. The public pension scheme is also insolvent and poses a serious threat to fiscal sustainability. The level of nominal and real interest rates remains high, thereby constraining rapid investment and growth. While real GDP growth has accelerated, poverty remains very high with 68 percent of the population falling below the poverty line in 2004. Therefore, despite recent successes, there remain many macroeconomic challenges that must be overcome if the country is going to achieve its development objectives. The FNDP aims to address these challenges.

4.2 Macroeconomic Objectives, Policies and Strategies

During the FNDP, macroeconomic policies will build upon the successes made during the PRSP/TNDP period by sustaining and securing fiscal and financial stability, and deepening structural reforms to achieve economic growth. The broad macroeconomic objectives for the Plan period are as follows:

- To accelerate pro-poor economic growth;
- To achieve and sustain single digit inflation;
- To achieve financial and exchange rate stability;
- To sustain a viable current account position; and,
- To reduce the domestic debt to sustainable levels.

The main goal of this Plan is to accelerate pro-poor growth, or to ensure that the growth process rapidly reduces poverty than what was achieved during the PRSP/TNDP period. To realise this goal, the main growth objective in this Plan are therefore, twofold: (a) increase the overall growth rate to an annual average of at least 7 percent; and (b) ensure that growth is broad based and rapid in the sectors where the poor are mostly engaged. Table 4.1 presents the growth scenarios during the FNDP.

Table 4.1: Growth Scenarios, 2005 - 2010

| a) b) | CONSTANT 1994 PRICES | c) d) e) | Average PRSP/TNDP 2002-2005 | f) g) h) | Average Baseline 2006-2010 | i) j) k) | Average Core FNDP 2006-2010 |
|----------|--|----------------|-----------------------------------|----------------|----------------------------------|----------------|-----------------------------------|
| l) | Primary sector | m) | 4.6 | n) | 6.8 | o) | 8.5 |
| p) | Agriculture, forestry, and fishing | q) | 2.6 | r) | 4.1 | s) | 7.2 |
| t) | Mining and quarrying | u) | 10.4 | v) | 10.7 | w) | 10.6 |
| x) | Secondary sector | y) | 9.3 | z) | 7.8 | aa) | 8.3 |
| bb) | Manufacturing | cc) | 5.2 | dd) | 6.9 | ee) | 7.5 |
| ff) | Electricity, gas, and water | gg) | (0.3) | hh) | 10.2 | ii) | 10.2 |
| jj) | Construction | kk) | 20.2 | ll) | 8.0 | mm) | 8.8 |
| nn) | Tertiary sector | oo) | 3.5 | pp) | 5.0 | qq) | 5.7 |
| rr) | Wholesale and retail trade | ss) | 4.6 | tt) | 5.4 | uu) | 5.7 |
| vv) | Restaurants and hotels (tourism) | ww) | 7.4 | xx) | 6.2 | yy) | 11.5 |
| zz) | Transport, storage, and communications | aaa) | 6.0 | bbb) | 9.0 | ccc) | 9.1 |
| ddd) | Financial intermediation and insurance | eee) | 3.4 | fff) | 4.5 | ggg) | 4.5 |
| hhh) | Real estate and business services | iii) | 4.1 | jjj) | 4.0 | kkk) | 6.0 |
| lll) | Community, social, and personal services | mmm) | 3.8 | nnn) | 3.0 | ooo) | 3.0 |
| ppp) | Other | qqq) | (6.9) | rrr) | 1.5 | sss) | 1.5 |
| ttt) | GDP at market prices | uuu) | 4.8 | vvv) | 6.0 | www) | 7.0 |

Source: Ministry of Finance and National Planning

Economic growth is an important factor that influences poverty trends. However, growth alone is not sufficient to reduce poverty, as experienced in the past. The rate of growth and its structure matter most for poverty reduction. The Plan, therefore, targets an annual growth average of at least 7 percent over the period 2006 to 2010 compared to 4.8 percent achieved during the Poverty Reduction Strategy Paper/Transitional National Development Plan (PRSP/TNDP) period. The growth prospects are particularly bolstered by the recent boom in the mining sector. New mines have opened up and others are expected to be opened during the Plan period.

A growth strategy based on mining alone is, however, not appropriate for sustained growth and poverty reduction. A mining sector growth strategy will most likely be a continuation of the same structure of growth experienced during the PRSP period. With such a strategy, even if the economy grew rapidly at over six percent, the impact of this growth on poverty will still remain limited.

Thus, while encouraging existing sources of growth like mining, construction, wholesale and retail trade, this Plan focuses on expanding the structure of growth by finding new growth opportunities that can significantly create employment, reduce poverty and sustain the growth process in the medium to long term. The key FNDP growth strategies shall therefore be supporting rural development, especially agriculture; encouraging stronger linkages between the resource based sectors of mining and agriculture with manufacturing, especially through upstream linkages to agro-related processing; stimulating stronger and beneficial tourism growth; and supporting the expansion of a strong and diversified export base.

Although the FNDP will pursue a balanced growth strategy, a high premium is placed on agricultural growth. This is because 60.8 percent of the national population resides in rural areas while high concentrations of poor households are also in the rural areas and derive their livelihood mostly from agricultural activities. In the light of high income inequality in Zambia, social investments in health and education will also be emphasised.

Thus, in line with the focus on strengthening rural development to achieve broad-based wealth and job creation with greater citizenry participation, the higher economic growth is also envisaged to be driven from a stronger performance of agriculture and agro-related manufacturing. Tourism is similarly expected to register stronger growth, reflecting large recent private investments. Although the FNDP does not focus on achieving pro-poor growth through mining, this sector will continue to be important for maintaining high overall growth in the country and in terms of foreign exchange earnings. The reinvestments and capitalisation that has occurred in the last three years have positively transformed the sector. Large private sector investments in new and existing mines are already ongoing. This, coupled with an expected continuation of buoyant world metal prices in the short to medium term, has bolstered mining sector performance and overall economic growth prospects. Apart from tourism and mining, more investments in the energy sector are required to add capacity to the existing energy sources, especially in the light of a looming power shortfall in the Southern Africa region by 2008.

Raising and sustaining overall growth to at least 7 percent per annum over the Plan period, especially in agriculture and manufacturing, will however, be the major challenge under this Plan period. Such growth rates usually depend on the private sector and require an appropriate enabling environment that supports robust private sector development. Thus, creating a growth conducive for private sector environment will remain critical. Thus, a stable and conducive macroeconomic environment characterised by low and non-accelerating inflation, low interest rates and a stable and competitive exchange rate will therefore be essential. During the Plan period, it is envisaged to reduce inflation to single-digit levels. This is important because high rates of inflation have in the past contributed to high interest rates, which have stifled investment, especially in agriculture and manufacturing.

Apart from macroeconomic stabilisation, more attention will be devoted to improving the competitiveness of the economy, strengthening the investment climate to accelerate investment and improving economic infrastructure. The investment and business climate shall be enhanced through the implementation of the Private Sector Development (PSD) Programme and the Financial Sector Development Plan (FSDP). Other priority policy measures will include supporting trade logistics and

facilitation, strengthening transport infrastructure, and further reforming policies that create anti-export bias, including the fight against corruption.

Another key FNDP macroeconomic target is the reduction of domestic debt to sustainable levels. There is need to reduce the public debt to below 10 percent of GDP. This is important to reduce on the resources currently being channelled towards servicing domestic debt. This will be achieved by reducing Government's domestic borrowing, curtailing the accumulation of new debts on supplies, clearing of existing arrears and maintaining low levels of external borrowing.

The achievement of the above broad objectives will require implementation of prudent fiscal, monetary, financial, external and structural policies as outlined in the sections that follow.

4.2.1 Fiscal Policies

4.2.1.1 Maintenance of Macroeconomic Stability: In the light of a large domestic debt and high nominal lending interest rates, fiscal policy shall continue to focus on avoiding excessive fiscal deficits and debt. The medium-term objective is to contain the overall deficit (including grants) to within 2 percent of GDP and domestic government borrowing to less than 1.0 percent of GDP from 2008 onwards. The reduction in government borrowing will be consistent with the objective to reduce domestic securities debt. It will also allow for an expansion of credit to the private sector to stimulate the much needed growth. Additionally, the fall in domestic borrowing shall contribute to a decline in interest rates and, therefore, budgetary payments to service the debt. This, in addition to reduced external debt servicing payments following relief provided through the HIPC Initiative and the G8 declaration, should provide additional fiscal space for increased spending on priority programmes in a non-inflationary manner.

However, in the absence of scaling up of aid, two things are likely to happen: (i) domestic borrowing will increase above the targeted levels of within 2 percent of GDP and (ii) scaling down of expenditures especially in the non-priority sectors and further reprioritisation within the priority sectors.

4.2.1.2 Improving Budget Execution: Budget execution has been improving in recent years. However, persistently large and unbalanced supplementary budgets and also untimely and inadequate funding to some spending agencies, suggests that greater efforts are needed in this area. Supplementary budgets are in part due to inadequate prioritisation or rationalisation during budget preparation process, such that too many items appear in the budget and are under-budgeted as a result. During this Plan period, it is expected that this will be addressed and therefore reduce the need for supplementary budgets, except in circumstances such as natural disasters. This would be consolidated by ensuring that any such supplementary budgets shall only be granted after alternative financing sources or offsetting expenditures have been identified. Funding to spending agencies will, however, require to be improved so that it is predicable, timely and in line with approved. Another aspect of budget execution relates to weak Treasury management in the Ministry of Finance, which has in part affected smooth execution of the budget. To address this, treasury management functions within the ministry will be enhanced.

4.2.1.3 Strengthening financial accountability and expenditure monitoring systems to ensure that public spending is delivering the desired results is vital. The overall financial accountability system will be enhanced through the implementation of the Public Expenditure Management and Financial Accountability (PEMFA) Programme. The monitoring of public expenditures shall be further improved through routine tracking studies and periodic and detailed Public Expenditure Reviews (PER). In this regard, Public Expenditure Tracking Surveys (PETS) will be developed and implemented. Public expenditure review meetings for various sectors will be held annually to feed into the policy and decision-making processes.

4.2.1.4 Strengthening the Revenue Base: Sustaining government revenues is a prerequisite for financing predictable development programmes while also achieving the targeted budget deficit. The overall long-term vision for the tax policy is to achieve a robust and broad-based tax system that raises revenue in a fair and efficient manner. To achieve this goal, certain aspects of the current tax system shall be reviewed and reformed, focusing on the following:

- The progressiveness of the tax system;
- The low VAT collection;
- Red tape in tax administration, especially within the VAT system;
- The narrow personal income tax base; and
- The extent and scope of *ad hoc*/special tax incentives, especially in the mining sector.

A comprehensive tax review and reform exercise will be undertaken to tackle these and other tax policy issues. The recommendations of this review shall be implemented starting with the 2007 budget. The tax review and reform effort is expected to contribute to the broadening of the tax base and rationalise the rate structures of taxes, incentives and targeted relief. The Plan targets to achieve a tax revenue-to-GDP ratio of about 18 percent by 2010 from 16 percent in 2006. Other expected milestones will be strengthened anti-tax avoidance measures and simplified tax system, particularly for small and medium-sized businesses. As part of the tax reform effort, close attention will also be paid to improving the general performance of the Zambia Revenue Authority (ZRA) by setting both performance- and revenue-related targets. This is necessary because since its creation in 1995, ZRA's performance has typically been measured in terms of meeting government revenue targets while issues of satisfactory administration have received less attention.

With regard to non-tax revenues, there will be a comprehensive audit and strengthening of all revenue points to enhance collections. Non-tax revenue collections have been low because most cash points across the country are inadequately equipped and managed. These weak systems have created potential avenues for fraud through the non-banking of receipts. Strengthening the current system will therefore, involve putting in place effective collection mechanisms, including (a) providing adequate logistics for non-tax revenue collecting agencies; (b) reviewing current legislation; (c) adjusting fees and fines to cost-effective and appropriate levels, and (d) strengthening watch-dog systems in institutions that collect revenue to curb corruption and pilfering. The collection of non-tax revenues is also expected to be enhanced as a result of the introduction of the Integrated Financial Management Information System (IFMIS) under the PEMFA reforms. The IFMIS will among other things, allow for easier and automated tracking of revenue collections by government agencies.

4.2.2 Monetary and Financial Policies

Monetary policy will focus on achieving and maintaining single-digit inflation during the FNDP period. The attainment of low and stable inflation is a pre-requisite for reducing currently high interest rates, which have contributed to poor access to financial services within the economy. Excessive growth in the money supply during the PRSP/TNDP period has been a major contributing factor to high inflation rates and should, therefore, be avoided during the FNDP period. However, high inflation in Zambia cannot be explained only by excessive growth in the money supply. There is also need to address supply-side factors such as: (a) poor infrastructure and marketing systems; (b) the vulnerability of the agricultural sector to weather fluctuations; and (c) weak policy implementation across various sectors.

Monetary policy management shall also be enhanced by reinforcing the operational autonomy of the Bank of Zambia (BoZ) to formulate and implement monetary and supervisory policies. A further area to be strengthened is the coordination between BoZ and the MoFNP with regard to cash and Treasury management. This is necessary for the Central Bank to better manage liquidity and conduct monetary policy.

The Zambian financial sector is characterised by high cost of borrowing, thin capital markets and absence of financial services in most of the rural and peri-urban areas. Consequently, the financial system has not played a meaningful role in national development. Moreover, the weaknesses of local insurance markets means that private agents are often unable to effectively mitigate risks, for example, in the agricultural sector which results in low levels of investment being undertaken. The medium-term objective is to reverse this situation and expand financial intermediation and access to financial services both in urban and rural areas so as to contribute to the achievement of rapid pro-poor growth. This goal will be achieved through the implementation of the FSDP.

The FSDP is a detailed master plan for the development of the financial sector and its main focus is on developing the capital markets, enhancing the role of micro-financing in the economy, development of rural financing, and the strengthening of banking and non-banking financial institutions. It also seeks to enhance the role of pensions and insurance in the financial sector. Annual work programmes and milestones on which implementation progress shall be measured will be developed. The cost of implementing the FSDP is estimated at US \$1.5 million. Some of the key regulatory reforms to be achieved under the FSDP are the amending of the Pensions Scheme Regulation Act of 1996. This will result in the harmonization of legislation affecting pensions, including investment guidelines. The amendment will also compel the pension funds and other Institutional Investors to channel a portion of their funds to the capital market. This would enhance the demand for instruments on the market and enhance liquidity too. Other important milestones shall be the facilitation by GRZ of the creation, by the private sector, of a Credit Reference Bureau (CRB), which will, among other things, aim to strengthen the credit culture in the country. Similarly, the Bank of Zambia and other financial sector regulators will be strengthened so that they are able to play their roles more independently and effectively.

Through the FSDP, the reform of the publicly owned non-bank institutions, namely, the Zambia National Building Society (ZNBS), Development Bank of Zambia (DBZ), and the National Savings and Credit Bank (NSCB) will be completed. The reforms which started in 2005 are intended to turn these institutions into viable entities, broadening the range of financial services that they provide, enhancing their role in the provision of medium to long-term credit, and providing financial services to rural and peri-urban areas. The initial focus is the harmonisation of the Banking and Financial Services Act (BFSA) with the DBZ Act, the Building Societies Act and the NSCB Act, which are in conflict with the BFSA Act. This process is expected to be completed during the FNDP period. The three institutions will also be incorporated as limited liability companies under the Companies Act in 2006. The repeal of the DBZ Act will also open up the market for development financing to other players. The harmonization of legislation, in particular, the inclusion of the state-owned non-banking financial institutions (NBFIs) under the Companies Act is also expected to strengthen the regulatory and supervisory powers of the Bank of Zambia over these institutions.

Alongside amending the Pensions Scheme Regulation Act of 1996, pension reforms to address the structural problems facing the pension system in Zambia shall also be carried out within the framework of the FSDP. The pension system is currently based on three pillars. The first pillar, the NAPSA, is the largest fund in the country while the second pillar pension scheme consists of two public sector schemes, namely, the Local Annuities Superannuation Fund (LASF) and the Public Service Pension Fund (PSPF). The third pillar consists of occupational pension schemes.

The financial status of NAPSA and the two public sector schemes is mixed. The two public sector schemes, PSPF and LASF, are insolvent, although both hold some assets and are owed considerable amounts in contribution arrears. For instance, the actuarial deficit of the PSPF amounted to K2000 billion as at end December 2005. The financial insolvency of the public pension schemes poses a serious risk to fiscal sustainability and macroeconomic stability and is also of serious public concern. The financial distress of the PSPF has impacted negatively on its operations resulting in poor service delivery. As a result, reforms to address the situation have commenced, including a plan by Government to liquidate its indebtedness to PSPF.

The major reasons for the poor performance of the public pensions include the following: (a) lack of harmony in legislation relating to pensions; (b) inadequacies in the Pension Scheme Regulations Act of 1996; (c) deficits in the statutory pension funds as a result of non-remittance of pension contributions by the State; (d) lack of a supervisory agent; and (e) absence of qualified local actuaries.

The key legal reforms shall be the amendment of Article 124 of the Constitution. This should allow for changes to be made in the Pension Scheme Regulation Act No. 35 of 1996 for the sustenance of pensioners' and members' benefits. The proposed amendment to this act shall address the following:

- a) Protection of only accrued pension benefits;

- b) Allowing for changes to be made to the benefits formula variables to suit the changing circumstances; and
- c) Promoting transparency, accountability, and incorporating good corporate governance in the management of the PSPF.

Another important reform in the pensions scheme shall be the enhancement of the supervisory authority of the Pensions and Insurance Authority (PIA). The PIA was established as a statutory board to enhance pensions and insurance regulation in the country.

With respect to rural and micro financing, there has been a gap in the provision of financial services in the rural areas. This followed the collapse of most of the subsidized and publicly funded rural finance institutions in the mid-1990s. This situation has been further aggravated by the closure of many commercial bank branches in peri-urban and rural areas due to the stagnation in the rural economy and the poor infrastructure. Consequently, the lack of financial services in the rural areas has remained one of the constraints to rural development.

In the light of the focus on rural-led development in this Plan, developing a well functioning micro and rural financing system is one of the priorities of the FSDP. The first step shall be the preparation of a comprehensive rural financing policy and strategy, which has been absent. The policy and strategy will provide a framework for the provision of rural financing. Efforts towards the preparation of the rural financing policy and strategy commenced in 2005 and it is expected that the policy and strategy will be completed and implemented during the Plan period.

Apart from developing and implementing a rural financing policy and strategy, the National Savings and Credit Bank (NSCB) will be jointly re-capitalized by the Government of the Republic of Zambia and the International Fund for Agricultural Development (IFAD) and its rural branch network expanded further. This will be after the Bank has been reformed into a viable institution within the context of the FSDP.

4.2.3 External Sector Policies

The objectives for the external sector are to: (a) sustain a viable current account balance; (b) improve the external competitiveness of the economy; and (c) maintain a sustainable external debt position. To sustain a viable current account balance, the main strategy remains that of promoting export growth and maintaining a competitive exchange rate. Export development shall, thus, be one of the important drivers of overall economic growth during the Plan period. Although the mining sector will continue to play an important role in Zambia's external sector position, the country's export development strategy will continue to focus on diversification away from copper. Trade policies will maintain a liberal trading position while also encouraging a competitive, expanded and diversified export production base. Zambia is a member of a number of trading bodies at both the regional and international levels. To derive meaningful benefits from these arrangements, Zambia will continue to insist on improved market access while addressing supply-side constraints and improving the competitiveness of domestic industries.

While trade policy has largely been supportive of export development, the non-traditional export sector still needs support particularly with respect to: (a) the establishment of an accessible and affordable export financing facility; (b) strengthening and decentralizing the administration of testing and certification of sanitary and phyto-sanitary standards; (c) strengthening export-oriented investment promotion and export promotion functions; (d) streamlining operating procedures for the duty drawback scheme; and (e) improving the management of bonded warehouses and Removal in Bond. Additional measures are also required to stimulate the private sector to improve the quality of their products and packaging to secure the international competitiveness of Zambian exports.

The competitiveness of the economy needs to be quickly improved. In this regard, particular attention shall be paid to addressing the high cost of doing business and improving the general business climate. This is already being addressed in part through the implementation of the PSD programme. Other important measures would be the maintenance of a competitive exchange rate. This is important

especially for overall export development and growth in export led agriculture. Monetary and exchange rate policies will thus have to be cognisant of the broader growth and development goals. Measures focused on improving productivity levels in key sectors, such as agriculture and downstream manufacturing, will be critical to increasing the competitiveness of Zambian products in both regional and international markets.

With regard to external debt and aid and following the easing of Zambia's debt burden through the Enhanced HIPC and G8 initiatives, the prime goal in the medium to long term is to avoid a return to the indebtedness of the last three decades by keeping debt to manageable and sustainable levels. As a general principle, any new borrowing will be aligned to the country's capacity to repay the debt and on terms that would not unduly expose the country to preventable risks of defaulting. As in the PRSP period, the Government shall continue to target concessional borrowing and grants. Since 2004, the Government has been implementing a debt reform and capacity building programme, which will among other things, result in the development of a debt policy and strategy by 2006. The debt reforms will also revise the laws governing public borrowing and ensure strict observance of the provisions of the Loans and Guarantees Act. However, the guiding principle for the acquisition of new loans is that such new loans should contribute to the realization of the country's development goals as outlined in this Plan.

Foreign aid is an important source of financing for the country's development programmes. Zambia has received quite substantial development aid in the past but its impact on development has been somewhat limited. Consequently, greater attention will be devoted to maximising the impact of aid on growth and poverty reduction. However, this can only be achieved if aid is provided in a systematic and predictable manner and is aligned to the country's development priorities. Such coherence has been lacking in the past due to the absence of an Aid Policy and Management Strategy. In 2005, the development of Aid Policy and Strategy commenced and the policy is expected to be approved during 2006. Aid policy should pay attention to in-kind contributions, food aid, medicare and equipment. The Aid Policy and Strategy defines the process of procuring and managing external assistance. Within the aid policy and strategy framework, preference shall be given to grants and highly concessional long-term loans. In addition, preference shall be accorded to flexible budget financing, e.g. general budget support rather than aid which is provided for specific donor-driven projects and which by-pass government's own planning and budget management systems. The Government has also invested time and resources in the aid harmonisation processes and procedures that, ultimately, would improve coherence and alignment of external support and, consequently, result in the reduction of transaction costs associated with the multiplicity of aid modalities and disbursement procedures. The capture and tracking of external aid flows will also be enhanced through the development of a robust aid database in the Ministry of Finance and National Planning.

4.3 Social Objectives, Policies and Strategies

4.3.1 Poverty Reduction

The re-orientation of expenditures towards pro-poor programmes shall constitute the most important approach towards the realisation of the FNDP theme. While maintaining fiscal sustainability is important in attaining macroeconomic stability, the Government recognises that wealth creation, while important, cannot be an end in itself. Wealth creation shall be seen as a means towards the realisation of the strategic social objective of poverty reduction through job creation and the application of technology-cum-knowledge towards the realisation of social welfare improvement. This overall goal is considered by the Government to be at the centre of the FNDP in the light of the high poverty levels the country is facing. The overall goal is also in line with the MDGs that focus on strategic social targets that can only be met if there is a conscious effort to channel the benefits from the generated wealth to pro-poor social spending.

In the light of the above, the fiscal policy direction during the FNDP shall give greater attention to ensuring that the composition of public spending is not only growth-oriented but also *pro-poor*. In this context and in line with consultations undertaken during the preparation of this Plan, including the district planning process, and also adhering to the commitment to meet the eight MDGs targets by 2015, the FNDP public spending priorities shall be as follows:

- a) Social sector spending, particularly on education and health;

- b) Adequately financing agricultural (including livestock) development;
- c) Carefully identified and well-targeted poverty reducing and poverty alleviation interventions, particularly employment creation through, *inter alia*, facilitation of opportunities for small- and medium-scale enterprises;
- d) Provision of well maintained strategic economic and social infrastructure, particularly feeder roads, irrigation and communications infrastructure, targeting primarily rural areas;
- e) Fighting the HIV and AIDS pandemic;
- f) Tackling health concerns such as malaria and tuberculosis, which are the major causes of mortality and morbidity in Zambia; and,
- g) Bridging the gender gap.

Expenditures on education and health services during the FNDP shall receive about 22 percent and 12 percent, respectively, of the budget during the Plan period. To accelerate pro-poor growth, public spending on economic services, especially rural and agricultural development, shall be increased considerably and appropriately allocated. Agriculture spending is envisaged to rise to about 8 percent of the FNDP budget.

The scope to effectively realign the Government's budget with identified public priorities is constrained by the many expenditure demands on limited revenue resources. The Medium Term Expenditure Framework (MTEF) process (supplemented by sectoral Public Expenditure Reviews) shall be used to review and overhaul the expenditure allocation system in Zambia to bring it in line with national priorities and resource availability. The expenditure review process shall address both the sectoral distribution of expenditures and the balancing of personnel, operating and investment/maintenance expenditures. The expenditure review is expected to commence in 2006 and the implementation of its recommendations should start in 2007.

4.3.2 Population Policies and Strategies

Population factors are an integral part of any country's development processes. The population characteristics of a nation, its size, composition, structure, distribution, growth rates, as well as the basic demographic processes of fertility, mortality and migration affect and are in turn affected by development. Table 4.2 gives the population estimates during the FNDP period.

Table 4.2: Population Estimates

| | 2006 | 2007 | 2008 | 2009 | 2010 |
|-------------------|------------|------------|------------|------------|------------|
| Total population | 11,798,678 | 12,160,516 | 12,525,791 | 12,896,830 | 13,272,553 |
| Male population | 5,902,228 | 6,087,005 | 6,274,319 | 6,465,336 | 6,659,427 |
| Female population | 5,896,450 | 6,073,509 | 6,251,473 | 6,431,494 | 6,613,126 |

Source: CSO, 2000 Census of Population and Housing

The size and growth rate of a population are primarily a function of the interplay of three demographic processes, namely, fertility, mortality and migration. Many factors are responsible for the high fertility level in Zambia and other developing countries. These include cultural and institutional factors such as low age at first marriage; low education levels particularly among females; high levels of infant and child mortality; the perceived economic rationale of large family size since many children may provide some economic benefits to parents such as insurance in old age and in times of need; and the low socio-economic status of women. The high levels of fertility and mortality in Zambia have resulted in the extreme youthfulness of the Zambian population (Table 4.3).

Table 4.3: Proportions of Projected Population by Age Groups

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|--------------|------|------|------|------|------|------|
| Percent 0-4 | 18.3 | 18.3 | 18.3 | 18.2 | 18.1 | 18.0 |
| Percent 5-14 | 26.7 | 26.7 | 26.7 | 26.7 | 26.8 | 26.8 |

| | | | | | | |
|---------------------|------|------|------|------|------|------|
| Percent 15-49 | 47.0 | 47.1 | 47.1 | 47.1 | 47.2 | 47.2 |
| Percent 15-64 | 52.6 | 52.5 | 52.5 | 52.6 | 52.7 | 52.7 |
| Percent 65 and over | 2.6 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Dependency ratio | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 |
| Median age | 17.0 | 17.0 | 17.0 | 17.0 | 17.0 | 17.0 |

Source: CSO, 2000 Census of Population and Housing

Zambia is sparsely populated. The population density increased from 5.4 to 7.5 per square kilometre for the 1969 to 1980 period and from 10.3 to 13.1 persons per square kilometre for 1990 to 2000. There are also substantial provincial variations in the density of settlement. Densities range from 63.5 persons per square kilometre in Lusaka province to 4.6 persons per square kilometre in North-Western Province.

The labour force is the population aged 15 to 64 years. Results from the 2000 Census of Population and Housing put the labour force in the year 2000 at 5.08 million. In 2005, it increased to 6.1 million, a change of 20 percent. In 2010, it is projected to increase to 7 million, indicating a rise of 15 percent over five years. By 2025, the labour force will be about 11 million. Increase in the labour force leads to a corresponding increase in demand for jobs and other social amenities. Generally, formal sector employment has been steadily diminishing as the main source of employment in Zambia. In 2004, total formal employment in Zambia was estimated at 416,228 representing a moderate decrease from 416,804 in 2003. With the decline in formal sector employment, the informal sector has become the principal source of employment and livelihood for most Zambians.

In May 1989, the Government adopted a National Population Policy that affirmed its commitment to adopting and implementing appropriate strategies to manage population resources in a manner consistent with Zambia's ultimate objective of accelerating the rate of economic growth. The Policy was revised in June 2005. Among the main challenges facing the Government is the liberalization of the labour market to make it more efficient and responsive to the challenges of the day. After liberalization, the Government's main role is to create a conducive environment in the labour market and articulate how it will continue to provide policy direction. The Government also recognizes the fact that information plays a vital role in the operation of the labour market.

In the light of the above, the Government Vision in the area of population and development is: *Improved quality of life through the achievement of population trends that are commensurate with Zambia's socio-economic development.* In the context of this Vision, the main objectives are to reduce the high levels of fertility, particularly adolescent fertility; expand and maintain the nation's population database; promote the achievement of an even spatial distribution, especially between urban and rural areas; and improve the sexual and reproductive health status of the population.

The strategies for achieving the above objectives are multi-sectoral and are as follows:

- Establishing and developing mechanisms for coordination, collection, processing, analysis, dissemination and utilisation of demographic and related information;
- Long-term and short-term training, re-training and retention of human resources so as to ensure effective implementation of population and development programmes;
- Promoting research on the inter-relationship between population, reproductive health, gender, HIV and AIDS and various aspects of development;
- Providing long and short-term population and research related training in population and development.

To achieve the above objectives, the following programmes will be implemented:

- Establishment of population and development sub-committees at provincial and district levels;
- Procurement of equipment;
- Production of tourism, migration and population registers, and education and vital statistics reports;

- d) Census preparatory activities;
- e) Census undertaking; and
- f) Establishment of a community database.

4.4 Structural Policies

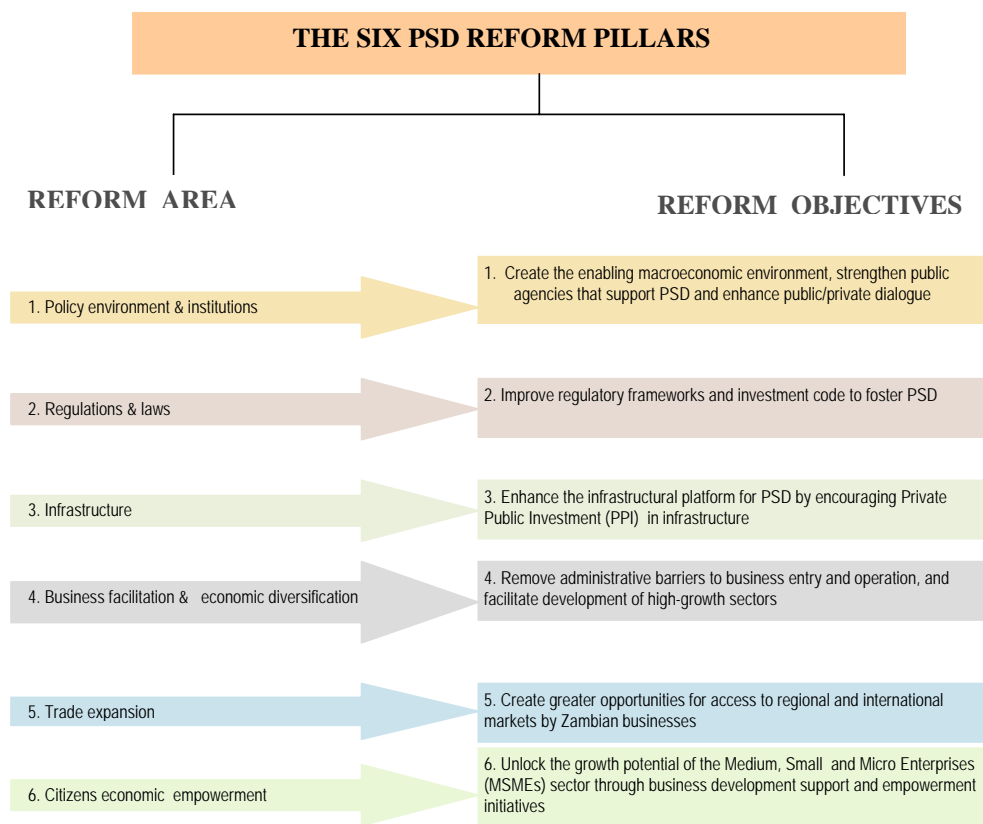
The structural reform agenda during the FNDP will focus on (a) private sector development by improving the business and investment climate; and b) enhancement of efficient public service delivery system;

4.4.1. Private Sector Development

4.4.1.1 Improving the Business and Investment Climate

In order to achieve and sustain annual economic growth rates of at least 7 percent envisaged in this Plan, the growth environment requires to be substantially improved, especially with regard to the business and investment climate. The quality of the business and investment climate is a major contributory factor to sustained growth, employment and, therefore, poverty reduction. The main instrument for improving the business and investment climate in Zambia during the FNDP period shall primarily remain the Private Sector Development (PSD) Programme that is currently ongoing. The PSD has six reform pillars which are: (a) to improve the policy environment and institutions that serve the private sector; (b) regulations and laws, (c) infrastructure development, (d) business facilitation and economic diversification, (e) trade expansion, and (f) citizens economic local empowerment (see Figure 4.1). The key milestones and interventions to be carried out under the six pillars are outlined below.

Figure 4.1: PSD Reform Areas and Objectives



4.4.1.2 Policy Environment & Institutions

The creation of a stable and conducive policy environment is one of the major prerequisites for sustaining private sector investment and general economic performance. Consolidating and further strengthening macroeconomic stability achieved in the recent past remains vital. In this regard, the FNDP will continue to focus on policies that contribute to and enhance macroeconomic stability.

The private sector has often cited lack of credit as one of the major impediments to their expansion. The PSD places a high premium on strengthening the financial system in order to expand intermediation in the economy. The ongoing Financial Sector Development Plan (FSDP) is the framework for the development of Zambia's financial sector. The PSD also seeks to enhance the efficiency of the institutions that serve the private sector. In this regard, a programme of action to improve delivery of service in three pilot institutions is expected to commence in late 2006. These are the Ministry of Lands, Immigration Department of the Ministry of Home Affairs, and the Zambia Revenue Authority. For all the three institutions, the aim is to accomplish the objectives of (a) implementing institutionally tailored regulatory reforms to simplify processes and reduce red tape; and (b) creating opportunities for eradicating corruption in the three pilot institutions. With regard to the Ministry of Lands, the focus will be to streamline and shorten technical procedures in land administration, including the recording of deeds and titles, in order to quicken service delivery and also provide a tool to minimize corruption opportunities. The programme would make information about land acquisition processes more transparent and accessible to the public. At the same time, the Government shall review the organizational structure of the Ministry of Lands with a view to restructuring and strengthening its capacity to manage land more transparently and professionally to secure fair and equitable access to, and control of, land for sustainable socio-economic development.

For the Department of Immigration in the Ministry of Home Affairs, the objective will be to simplify, clarify and make transparent the procedures for permits in order to reduce discretionary authority, thus reducing opportunities for corruption. At the Zambia Revenue Authority, the objective of this activity is to make tax and customs procedures more efficient and responsive to the needs of the public.

It is expected that successful implementation of this programme should result in faster access to service, quicker and less onerous customs procedures, and greater customer satisfaction with the targeted institutions. Once this has been successfully implemented in the three pilot institutions, the programme could then be replicated to other similar service institutions.

4.4.1.3 Regulations and Laws

Zambia's trail of legal and regulatory requirements demand quite some effort and time. According to the 2005 Foreign Advisory Services (FIAS) Report of the World Bank, it takes an average of 35 days and long and tedious procedures to enforce a contract. The PSD seeks to address these and many other constraints by rationalising and simplifying the regulatory and licensing framework in key sectors of the economy. The PSD seeks, for instance, to cut by two-thirds the number of steps and the amount of time needed to open a business in Zambia.

Further improvements to the regulatory frameworks and the investment code will be undertaken in the period 2007 to 2008 with the focus on tackling administrative barriers as well as amending the Investment Act and related legislation. The Zambia Development Agency (ZDA) is coming on board to implement the Investment Act. On-going initiatives to review the Investment Act will continue to be executed and it is expected that, by 2007, a new Investment Act will be in place. The new Act will substantially improve the investment climate in the country.

The PSD will also seek to address the restrictive labour market issues related to retirement and termination. Other key focus areas will be the improvement of the regulatory framework in the key area of telecommunications. Despite Zambia having initially made faster progress in telecommunications in the early 1990s than other countries in the region, the momentum has declined and the country today lags behind regional standards in terms of access to telecommunication services by both citizens and businesses. While entry into the provision of international services has been open since 2001, the

license fee of operating an international gateway is prohibitively high. There will also be need to improve the regulatory framework to enhance competition in the sector. The PSD seeks to address these imbalances in the telecommunications sector. The key reforms will therefore, include the revision of the Telecom Act together with the licensing framework in the sector.

4.4.1.4 Infrastructure Development

The FNDP recognizes that high transport costs due to road conditions, excessive telecommunication costs and an unreliable power supply have serious implications for the economy, particularly tourism, agriculture and non-traditional mining, the pillars of economic diversification. As a result, the Plan has placed a high premium on infrastructure development. In view of the limited public resources, one of the PSD objectives is to encourage Private Public Investment (PPI) in infrastructure. In this regard, a comprehensive PPI road map that provides a favourable policy environment and legal framework will be developed by 2007. The PSD has also prioritized investing in new electricity generation and distribution to reduce load shedding.

The PSD also seeks to create the conditions for the deployment of national telecommunications backbone infrastructure. One of the causes of poor quality and high cost of service in Zambia is the lack of a reliable and affordable backbone infrastructure. Such infrastructure facilitates cost-effective interconnections nationally, regionally and internationally. The creation of the backbone for Zambia linked to neighbouring countries would create multiple interconnection points to several international and regional backbones.

4.4.1.5 Business Facilitation and Economic Diversification

Zambia has made some notable advances over the last few years to improve the business environment. Nevertheless, business entry and foreign direct investment formation have been difficult because of, among others, numerous processes and regulations undertaken by different statutory bodies. This is compounded by numerous license processes that the business community has to undergo. In this regard, the PSD will work towards the removal of administrative barriers to business entry and operation, focusing on, *inter alia*, simplifying, streamlining, and rationalising the various licenses and inspections that businesses are frequently subjected to.

The key milestone towards reducing bureaucratic procedures shall be the establishment of a “one stop shop,” the Zambia Development Agency (ZDA). The Agency will bring together the operations and procedures of five statutory bodies, namely, the Zambia Investment Centre (ZIC), the Zambia Export Processing Zones Authority (ZEPZA), the Export Board of Zambia (EBZ), the Zambia Privatisation Agency (ZPA) and the Small Enterprise Development Board (SEDB). The creation of the ZDA received Cabinet approval in 2005 and is expected to be operational by 2007. It is envisaged that a fully operational ZDA should transform the business environment in Zambia.

Apart from the ZDA, the operating framework for business facilitation will be enhanced by the establishment of Patents and Companies Registration Office (PACRO) provincial offices to remove administrative barriers to business and investment entry and operation outside Lusaka. The programme will start with pilot provinces, the Copperbelt, Southern and Eastern provinces. This is in response to the large number of complaints from private industry and citizens to facilitate greater business and investment creation outside of the capital city of Lusaka.

The land delivery system in Zambia is not very conducive to allow for rapid business expansion and economic diversification. Streamlining the land delivery system to facilitate economic activities is one of the major structural reform agenda items under the PSD Reform programme. This is because for any investment to take place, one needs land as one of the factors of production. Moreover, land use rights have important bearing on poverty reduction. Although during recent years, some noticeable progress has been made in streamlining the land delivery system such as opening up of the regional and provincial offices, land use planning is still very poor in Zambia. A lot of investments are frustrated because of poor land administration and absence of land use plans. The lengthy process for acquiring land has made access to land difficult. A new land policy shall thus be finalised and launched during 2007 to address the multitude of constraints in the land sector.

4.4.1.6 Trade Expansion

Zambia has made progress towards streamlining domestic laws and practices that govern foreign and local trade. These include the simplification and reduction of tariffs and integrating into regional and multilateral programmes under the SADC, COMESA and WTO. However, deficiencies still impinge on trade facilitation. These include:

- a) Excessively bureaucratic trade procedures due to the involvement of multiple government agencies and clearance systems at borders;
- b) Lengthy inspection and certification processes;
- c) Poor or non-existent border ICT infrastructure;
- d) Inadequate application of modern customs techniques; and
- e) Inadequate skilled personnel.

These impediments shall be addressed through the Integrated Framework (IF), which is an international initiative to respond to developing countries' trade needs, particularly focusing on supply-side constraints. A Diagnostic Trade Integration Study (DTIS) was developed in the context of the PSD Reform Programme and focused on specific priority areas for intervention and support; making export incentives work for exporters; improving trade facilitation; enhancing the capacity to formulate, coordinate and implement trade policy; and negotiating trade agreements. This includes streamlining the duty drawback scheme, the development of a single processing and payment window for all border agencies, and the amendment of the Standards Act to separate standard testing from the regulatory functions.

Duties on imported capital goods are set to be removed to stimulate private investments. In terms of the challenge to speed up customs clearances by 2010, the Government will seek to increase port efficiency. With the support of the Millennium Challenge Account, a programme shall be put in place aimed at enhancing port efficiency through the establishment of a "Comprehensive Integrated Tariff System" (CITS) that will unify all border related fees and procedures. The programme will start with two pilot border posts, namely, Chirundu and Lusaka International Airport (LIA). The aim of the programme is to decrease and finally eliminate administrative and procedural barriers to trading.

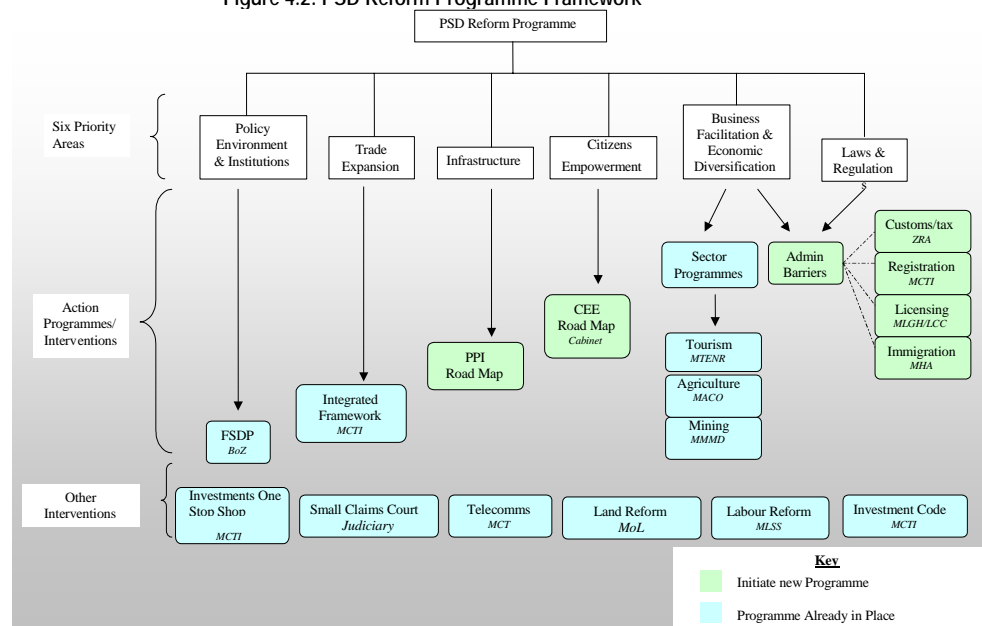
The PSD will also seek to improve Sanitary and Phyto-Sanitary Services (SPSS) in Government. In this regard, capacity of the SPSS units in the Ministry of Agriculture and Cooperatives will be strengthened to provide efficient and speedy services for local and export trade. Another key activity for enhancing trade facilitation shall be the strengthening of the standardization, certification and inspection units of the Zambia Bureau of Standards (ZABS) so that they can provide efficient and speedy services for importing and exporting, thus ensuring conformity with international and regional standards and technical requirements.

4.4.1.7 Citizens Empowerment

The objective under this reform area is to unlock the growth potential of citizens through business development support and empowerment initiatives. To this effect, the Citizens Economic Empowerment Policy will be implemented. A Citizens Economic Empowerment Act was passed in Parliament in early 2006 and implementation is expected to start in 2007. This will provide a durable and sustainable foundation for achieving a significant level of citizen participation in business and the economy in general. This will also see the development of incentives that will aid in the voluntary migration from the informal to the formal sector of the economy. Figure 4.2 shows the PSD reform programme framework.

PSD Programme activities during the FNDP period will be implemented by the Government through the various statutory agencies such as the proposed Zambia Development Agency, the PACRO, the Zambia Competition Commission (ZCC), the Zambia Weights and Measures Agency and the Zambia Bureau of Standards. These will be augmented by the actions of private sector apex associations such as the Zambia Business Forum (ZBF), the Zambia Association of Manufacturers (ZAM), the Zambia Chamber of Small and Medium Business Associations (ZCSMBA), the Small-Scale Industries Association of Zambia (SSIAZ), and the Zambia Federation of Women In Business (ZAFWIB).

Figure 4.2: PSD Reform Programme Framework



4.4.2 Enhancement of Efficient Public Service Delivery System

Improvement in the performance of the public sector shall continue to be undertaken through the Public Service Reform Programme (PSRP) whose overall goal is to improve the quality, efficiency, cost-effectiveness and delivery of public services to the people of Zambia. The PSRP will continue to focus on three main areas, namely, Public Expenditure Management and Financial Accountability Reforms (PEMFA); Public Service Management (PSM); and Decentralization.

The primary objective of PEMFA is to improve public expenditure management and strengthen overall financial accountability in the public sector. The key activities of the PEMFA Programme are (a) implementation of the Commitment Control System (CCS) and Financial Management System (FMS) to all ministries, provinces and other spending agencies; (b) overhauling of the legal and regulatory framework; (c) implementation of the new financial management system (through IFMIS); (d) reform of the public procurement systems; and (e) strengthening of oversight processes, including that of Parliament.

The main objective of the Public Service Management (PSM) programme component of the PSRP is to enhance service delivery and programme implementation by improving management systems in the public service. This is necessary because the restructuring of the civil service that began in 1993 has not sufficiently improved service delivery. This failure results from inadequate pay for professional and technical staff; ministerial and institutional establishments that are unaffordable given government priorities and limited resources; and lack of effective performance incentives.

To address these challenges, the PSM programme component is expected to enhance the performance and effectiveness of the public service. For example, under rightsizing, the objective is to ensure that all Government ministries/institutions have staffing levels commensurate with their mandates and affordable in relation to their MTEF ceilings. This should lead to a better-remunerated public service. The main actions to be undertaken will include the completion of the restructuring of the remaining ministries; the enforcement of entry and hiring policies; and the development of a strategy on unclassified workers. With regard to the pay reforms, the main objectives are to ensure that (a) employee remuneration is related to job responsibilities and performance; (b) essential technical, professional and managerial staff are attracted and retained in the Public Service; (c) pay arrangements support and reinforce improved service delivery; and (d) increases in pay levels are consistent with the

resource envelope. The key milestone to be undertaken will be the development and implementation of a pay policy, which should help reduce discrepancies in remuneration to the different categories of public officers. The pay policy is expected to be developed and implemented during the Plan period.

The goal of the *decentralization component* of the PSRP is to empower local government structures to effectively participate in the formulation and implementation of development programmes. The National Decentralization Policy aims at achieving a fully decentralized and democratically elected system of governance characterized by open, predictable and transparent policy making and implementation processes. The Government has developed the Decentralisation Implementation Plan (DIP) that provides a roadmap that will guide the efforts of all stakeholders through the articulation of their roles in the implementation of the Decentralization Policy. The key components of DIP that are derived from the National Decentralization Policy itself include (a) Sensitisation and Civic Education; (b) Legal and Regulatory Framework; (c) Institutional and Human Resource Capacity Building; (d) Local Development Planning and Budgeting; (e) Financial Management and Accounting; (f) Fiscal Decentralisation and Revenue Mobilisation; (g) Sector Devolution; (h) Infrastructure Development and Services Provision; and (i) Monitoring and Evaluation.

With regard to fiscal decentralisation, the Government will also accelerate the process with the view to increasing the level of direct resource disbursements to the districts for the implementation of development programmes at the local level. It also aims to establish and operationalize a comprehensive local government financing system and enhance the capacity of Councils to effectively mobilize the required resources for effective service delivery. A fiscal decentralisation framework shall be developed to address local government finance and fiscal issues.

The sector devolution component of decentralisation is particularly noteworthy for the operationalisation of the FNDP. The main objective of the component under the DIP is to achieve timely and effective devolution of designated functions from sector ministries to lower levels for effective service delivery. The expected outputs include the development of guidelines by each ministry on how it plans to effect sector devolution, with elaborate devolution plans.

With respect to *parastatal reforms*, the main objectives are to scale down the Government's direct involvement in commercial activities by disposing of entities that could be better managed by the private sector; reduce any budgetary outlays to state-owned enterprises; promote competition and improve the efficiency of state-owned enterprises; and encourage wider share-based ownership and minimise the involvement of Government bureaucracy in the operations of enterprises. During the period 2006 to 2008, the main focus is on improving the operations of utilities in the energy and telecommunications sectors (i.e., ZESCO and ZAMTEL) through commercialisation and restructuring. The process of commercialising ZESCO started in 2004 and is expected to be completed during the Plan period. Furthermore, the possibility of reducing the Government's share holding in INDENI Oil Refineries will be considered. Attracting foreign investment and modernising the refinery is essential. The Government shall also focus on ensuring adequate levels of strategic reserves.

Other notable parastatals that require attention include the Nitrogen Chemicals of Zambia (NCZ). In the event that no private investor acquires the company, the Government will undertake a due diligence study of the plant to determine which operations can be commercially sustained. Although fertilizer is an important commodity for agricultural purposes, importing the commodity is currently more cost-effective than continuing to operate NCZ with obsolete equipment and technology.

With respect to the *improvement of economic statistics*, it is noteworthy that Zambia's economic statistics require substantial revisions. This is especially true for the national accounts, balance of payments, consumer price index, producer price index, industrial production index, and employment data. The inadequacies in some of these data have prevented the economic analysis needed to strengthen policy formulation. Some efforts to improve economic statistics started in 2004 but further efforts are needed. As such, revision exercises will be accelerated during the FNDP period and it is expected that Zambia will have revised national accounts and the CPI index by 2007.

4.5 National Monitoring and Evaluation Framework

There are several macroeconomic monitoring and evaluation frameworks, including (a) the Economic Management and Monitoring Committee; (b) the Macroeconomic Sector Advisory Group (SAG); (c) the recently formed PEMFA Working Group; (d) the Financial Sector Development Plan Working Groups; and (e) the Budget Execution Monitoring Committee. There are also other institution-based frameworks such as the Monetary Policy Committee (MPC) of the Bank of Zambia and the Medium Term Expenditure Framework (MTEF) Committee at MoFNP, the Central administration Sectoral Advisory Group and the PSRP Steering Committee. All these bodies address various aspects of the macroeconomic and Public Service Delivery Service System programmes outlined under this Plan. Other mechanisms for monitoring and evaluating macroeconomic performance are documents such as the annual Economic Report that is produced by the Ministry of Finance and National Planning.

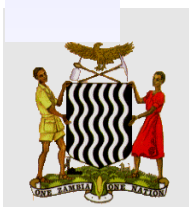
To effectively monitor and evaluate the implementation of the macroeconomic programmes under this Plan, the reporting framework of the various working groups shall be streamlined and strengthened. Since the Macroeconomics SAG has a wider representation and is expected to monitor implementation of the broad macro programmes, all the committees outlined above will be required to provide implementation progress reports to the Macroeconomics SAG on a quarterly basis. The Macroeconomics SAG will meet every quarter with a regular agenda.

The monitoring of macroeconomic performance shall be at two levels: (a) tracking progress in implementing stability-oriented policies; and (b) tracking progress in the implementation of growth-enhancing and pro-poor policies, including structural reforms. Progress in implementing stability-oriented policies shall be measured mainly through monitoring performance in such key indicators as (a) government domestic borrowing; (b) overall budget deficit; (c) money supply growth; (d) arrears; (e) clearance of domestic arrears; and (f) domestic debt. Monitoring of progress shall be done through public expenditure management indicators and progress in implementing the key structural reforms in the Financial Sector Development Plan, Private Sector Development, Public Service Reform Programme and Public Expenditure Management and Financial Accountability.

Sector: Macroeconomics and Structural Reforms
Implementing Agency: Ministry of Finance And National Planning

| Order of Priority | Program | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------|---|---------------------|-------------|--------------|---------------------|--------------|--------------|---------------------|-------------|--------------|---------------------|-------------|--------------|---------------------|--------------|--------------|----------------|----------------|--------------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Total | GRZ | Donor |
| | | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | | | |
| 1 | Tax Reform & Strengthening of non-tax Revenue Base | 0.3 | 1.3 | 1.6 | 4.7 | 0.7 | 5.4 | 1.0 | - | 1.0 | 2.0 | - | 2.0 | 0.5 | - | 0.5 | 10.5 | 8.5 | 2.0 |
| 2 | PEMFA | - | 74.4 | 74.4 | 2.0 | 100.4 | 102.4 | 2.7 | 31.5 | 34.2 | 11.2 | 20.3 | 31.5 | 14.3 | 32.1 | 46.4 | 288.8 | 30.2 | 258.6 |
| 3 | Social & Economic Surveys | 11.3 | 9.0 | 20.3 | 34.2 | 4.5 | 38.7 | 17.5 | 1.0 | 18.5 | 29.8 | 4.8 | 34.6 | 12.2 | - | 12.2 | 124.3 | 105.0 | 19.3 |
| 4 | Census of population and Housing | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 180.0 | 100.0 | 80.0 |
| 5 | Reform of the public owned Non Bank Financial Institutions (NBFI) | 0.5 | - | 0.5 | 1.7 | - | 1.7 | 0.5 | - | 0.5 | 1.3 | - | 1.3 | 0.6 | - | 0.6 | 4.6 | 4.6 | - |
| 6 | Clearance of Domestic Arrears | 259.2 | - | 259.2 | 152.6 | - | 152.6 | 250.0 | - | 250.0 | 150.0 | - | 150.0 | 46.0 | - | 46.0 | 857.7 | 857.7 | - |
| 7 | Fiscal Decentralisation | 0.5 | - | 0.5 | 10.0 | - | 10.0 | 10.0 | - | 10.0 | 10.0 | - | 10.0 | 5.0 | - | 5.0 | 35.5 | 35.5 | - |
| 8 | Monitoring and Evaluation of FNDP | 0.7 | - | 0.7 | 5.2 | - | 5.2 | 1.5 | - | 1.5 | 2.5 | - | 2.5 | 0.9 | - | 0.9 | 10.8 | 10.8 | - |
| 9 | Debt Reform | 0.3 | - | 0.3 | 1.1 | - | 1.1 | 0.3 | - | 0.3 | 0.8 | - | 0.8 | 0.3 | - | 0.3 | 2.8 | 2.8 | - |
| 10 | Aid Management Review and Reform | 1.6 | 0.8 | 2.4 | 1.0 | 0.7 | 1.7 | 0.5 | 0.5 | 1.0 | 0.1 | 0.5 | 0.5 | - | - | - | 5.6 | 3.1 | 2.5 |
| | Sub total | 274.4 | 85.5 | 359.8 | 212.5 | 106.3 | 318.8 | 284.0 | 33.0 | 317.0 | 207.6 | 25.6 | 233.1 | 179.8 | 112.1 | 291.9 | 1,520.7 | 1,158.3 | 362.4 |
| 1 | Personal Enrolments | 137.9 | - | 137.9 | 151.6 | - | 151.6 | 165.4 | - | 165.4 | 184.8 | - | 184.8 | 208.1 | - | 208.1 | 847.8 | 847.8 | - |
| 2 | General Administration | 17.2 | - | 17.2 | 31.7 | - | 31.7 | 16.0 | - | 16.0 | 30.5 | - | 30.5 | 15.3 | - | 15.3 | 110.7 | 110.7 | - |
| 3 | Research and Development | 0.2 | - | 0.2 | 0.4 | - | 0.4 | 0.2 | - | 0.2 | 0.4 | - | 0.4 | 0.3 | - | 0.3 | 1.5 | 1.5 | - |
| 4 | National Budget Preparation & Implementation | 3.5 | 2.3 | 5.8 | 7.9 | - | 7.9 | 3.9 | - | 3.9 | 7.9 | - | 7.9 | 4.1 | - | 4.1 | 29.5 | 27.3 | 2.3 |
| 5 | Tax Policy analysis & formulation | 0.6 | - | 0.6 | 1.3 | - | 1.3 | 0.6 | - | 0.6 | 1.3 | - | 1.3 | 0.7 | - | 0.7 | 4.4 | 4.4 | - |
| 6 | Revenue Monitoring | 6.1 | - | 6.1 | 9.6 | - | 9.6 | 5.3 | - | 5.3 | 10.8 | - | 10.8 | 3.2 | - | 3.2 | 35.0 | 35.0 | - |
| 7 | National Planning & Economic management | 4.4 | - | 4.4 | 5.1 | - | 5.1 | 3.3 | - | 3.3 | 8.8 | - | 8.8 | 4.2 | - | 4.2 | 25.8 | 25.8 | - |
| 8 | Accounting | 2.9 | - | 2.9 | 6.4 | - | 6.4 | 2.9 | - | 2.9 | 6.0 | - | 6.0 | 3.2 | - | 3.2 | 21.5 | 21.5 | - |
| 9 | Development cooperation | 2.0 | - | 2.0 | 5.3 | - | 5.3 | 1.4 | - | 1.4 | 3.8 | - | 3.8 | 2.2 | - | 2.2 | 14.8 | 14.8 | - |
| 10 | Debt management | 0.7 | - | 0.7 | 2.6 | - | 2.6 | 0.8 | - | 0.8 | 1.9 | - | 1.9 | 0.8 | - | 0.8 | 6.8 | 6.8 | - |
| | None-core FNDP programs | | | | | | | | | | | | | | | | | | |

| Order of Priority | Program | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------|--|---------------------|-------|-------|---------------------|-------|-------|---------------------|-------|-------|---------------------|-------|-------|---------------------|-------|-------|-------------|---------|-------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Grand Total | | |
| | | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Total | Donor |
| 11 | Surveys, Statistics and Publications | 1.5 | - | 1.5 | - | - | 15.1 | 6.6 | - | 6.6 | 20.2 | - | 20.2 | 11.6 | - | 11.6 | 55.0 | 55.0 | - |
| 12 | Application processing, network installation and hardware & software maintenance | 2.7 | 0.0 | 2.7 | 5.5 | 0.0 | 5.5 | 2.9 | 0.0 | 2.9 | 5.4 | 0.0 | 5.4 | 3.3 | 0.0 | 3.3 | 19.8 | 19.8 | - |
| 13 | Auditing (external audits, General audits, parastatal audits & stock verification) | 1.3 | - | 1.3 | 5.3 | - | 5.3 | 1.1 | - | 1.1 | 3.4 | - | 3.4 | 1.1 | - | 1.1 | 12.2 | 12.2 | - |
| 14 | Human Resource Management & Development | 96.5 | - | 96.5 | 104.6 | 1.1 | 105.7 | 97.7 | 2.0 | 99.7 | 102.3 | 2.0 | 104.3 | 98.4 | - | 98.4 | 504.7 | 499.6 | 5.1 |
| 15 | Office Management | 9.9 | - | 9.9 | 11.6 | - | 11.6 | 9.0 | - | 9.0 | 11.1 | - | 11.1 | 6.1 | - | 6.1 | 47.6 | 47.6 | - |
| 16 | Support to Grant Aided Institutions | 154.3 | - | 154.3 | 174.4 | - | 174.4 | 197.1 | - | 197.1 | 218.8 | - | 218.8 | 242.8 | - | 242.8 | 987.4 | 987.4 | - |
| 17 | Stores management | 1.3 | - | 1.3 | 4.4 | - | 4.4 | 1.5 | - | 1.5 | 3.0 | - | 3.0 | 1.3 | - | 1.3 | 11.5 | 11.5 | - |
| | Sub-total | 443.0 | 2.3 | 445.3 | 542.7 | 1.1 | 543.8 | 515.7 | 2.0 | 517.7 | 620.4 | 2.0 | 622.4 | 606.9 | - | 606.9 | 2,736.0 | 2,728.6 | 7.4 |
| | Grand Total | 717.4 | 87.7 | 805.1 | 755.2 | 107.4 | 862.6 | 799.7 | 35.0 | 834.7 | 828.0 | 27.6 | 855.6 | 786.6 | 112.1 | 898.8 | 4,256.7 | 3,886.9 | 369.7 |



Part

3

FNDP Sectoral Plans

Economic Sectors

AGRICULTURE



5.1 Introduction

Agriculture in Zambia has great potential for enhancing economic growth and reducing poverty. A well performing agricultural sector translates into significant improvements in the country's GDP, contributes to employment generation, and broadens the country's tax base. To the extent that the livelihood of the majority of Zambians depends on agriculture-related activities, the sector, when well developed, should contribute significantly to welfare improvement. It is in this regard that the FNDP positions the agricultural sector as one of the driving engines for the anticipated economic growth that is required to reduce poverty. The sector's multiplier effects on the economy are particularly noteworthy, and the restoration of its growth should guarantee a significant reduction in poverty levels currently being faced by Zambia. Agricultural productivity, especially among female headed households, is currently being affected by inadequate access to productive assets such as oxen and mechanized farm implements; limited access to agricultural inputs; high energy and transport costs; lack of mechanisms to mitigate climatic risks; low soil fertility; inadequate access to agricultural service support, such as credit and markets; and disease and pest attacks on both crops and livestock. In addition, HIV and AIDS has had a negative impact on labour supply and has generally undermined the productive capacity of households. As acknowledged in the PRSP, Zambia needs to improve agricultural production, productivity and market competitiveness in order to come out of the poverty trap.

5.2 Review of Past Performance

Zambia is abundantly endowed with the required resources to stimulate agricultural and rural development. Presently, of the country's 752,000 square kilometres of landmass, 58 percent is suitable for arable use and of this, only about 14 percent is currently under cultivation. The country possesses a conducive climate, and abundant arable land, labour and water resources. Prior to 1990, the agricultural policies were restrictive, distortionary and counterproductive due to heavy government intervention and participation and the dominance of maize. In addition, the strategies pursued were not sustainable because of their high reliance on subsidies. Consequently, these policies and strategies failed to stimulate sustained growth in the sector. The sector also lacked private sector participation in the areas of agricultural marketing, input supply and processing. In 1991, the Government embarked on agricultural sector policy reforms, which were part of the overall economic reforms pursued under the Structural Adjustment Programme. The main policy thrust of the reforms was liberalization of the agricultural sector and promotion of private sector participation in production; marketing; input supply; processing; and credit provision. Although the agricultural sector implemented various programmes, such as the Agricultural Sector Investment Programme (ASIP), the performance did not match expectations due to a number of constraints, including limited resources.

In 2001, the Government re-introduced co-operatives. The Department of Co-operatives within MACO was mandated to play a major role in promoting the formation of and development of co-operatives in order to enhance their effective participation in agricultural production and marketing.

Since the early 1990s, the agricultural sector's contribution to GDP has averaged 18 percent. However, real growth rates in agriculture have significantly fluctuated in the past four decades due mainly to high dependence on rain-fed production, reduced investments, and failure to strategically position the sector in line with its comparative advantage. Agriculture sector output is highly variable. Recurrent droughts and, more recently, unusually heavy rains, have often resulted in widespread crop failure. Crop failures have also been attributed to land degradation, poor husbandry practices and lack of appropriate seed varieties. Nonetheless, there is considerable scope for drought mitigation through the promotion of appropriate agricultural practices and drought insurance mechanisms.

Since the mid-1990s, the agricultural sector has diversified with significant increases in the production of such crops as cotton, coffee, tobacco, and horticultural and floricultural products. Increased

production of these commodities has been due mainly to the support currently provided to farmers by private outgrower companies. The agricultural sector has increased its share of export, due to the increased production and diversification. Primary agricultural products make the largest contribution to agricultural exports. On average, exports of products such as sugar, tobacco, cotton lint, coffee, and maize contribute significantly to non-traditional exports. Other contributors to agricultural exports are processed foods and textiles. Processed foods are largely ground maize, mealie-meal, that is exported mainly to the neighbouring Democratic Republic of Congo (DRC). The textile industry has experienced strong demand from the regional market due to opportunities being provided by the Africa Growth and Opportunity Act (AGOA) programme of the United States. Horticultural exports to the European Union have also contributed significantly to the country's non-traditional export receipts.

The livestock sub-sector is also economically important in Zambia as it accounts for about 35 percent of the total agricultural production. The main livestock produced are cattle, goats, pigs and poultry. However, livestock production remains far below its potential due to several factors that include outbreaks of diseases such as corridor and foot and mouth. Traditional communal grazing has, in part, been blamed for the frequent outbreaks of cattle diseases in many rural areas. The recurrence of drought has often depleted animal grazing resources and drinking water, thus affecting the productivity of the livestock sector.

The fisheries sub-sector in the country has great potential to support livelihoods although production trends have not grown consistently. Fish catches from the artisan sub-sector have remained static, averaging about 70,000 tons per annum. Consequently, the demand for fish outstrips supply. The declining yields in capture fisheries has been attributed to increasing human population in fishing areas and unsustainable fishing practices, such as fishing in breeding sanctuaries and the harvesting of immature fish. Furthermore, the sub-sector is constrained by poor storage and preservation facilities, unreliable transport services and poor infrastructure.

The following are additional challenges that still compromise the ability of the agricultural sector to benefit from its full potential and, hence, make a significant dent on the country's poverty levels:

- a) Low productivity;
- b) High dependence on rain-fed agriculture and limited utilization of irrigation;
- c) High post-harvest losses;
- d) Deficiencies in the early warning system;
- e) Inadequate infrastructure and high energy and transport costs;
- f) Limited access to affordable credit, especially for small and medium scale farmers;
- g) Poor functioning agricultural markets, which limit small scale farmers' access to markets;
- h) Restrictive trade policies, which may result in price volatility and regional specialization;
- i) Limited domestic market;
- j) Insecurity of the traditional land tenure system;
- k) Limited mainstreaming of gender in agriculture; and
- l) Environmental degradation due to unsustainable agricultural practices.

5.3 Policies and Key Reforms

Since the early 1990s, the Government has been implementing institutional reforms aimed at liberalizing the agricultural markets and encouraging the private sector to take the lead in agricultural sector development. Under these institutional reforms, Government will focus on providing public goods that are needed for efficient sector growth, such as rural and agricultural infrastructure, research, extension and pest and disease control. Agri-business will be encouraged to strengthen linkages with smallholder farmers through increased private sector participation in agricultural service delivery, such as in input supply, output marketing, and agro-processing.

Co-operatives have been identified as strategic avenues through which socio-economic development programmes could be delivered to the people, particularly the small-scale producers in rural sector. To this end, the draft Co-operative Development Policy (CDP), which has been initiated for implementation during the FNDP, will seek to provide an enabling institutional and legal environment for the development of autonomous, viable and demand driven co-operatives.

Since co-operatives are not only agriculture in nature, a broad based approach to promoting co-operatives will be adopted during the FNDP to include transportation, tourism, housing, mining, savings and credits and construction.

The CDP will among other things provide a conceptual and policy framework within which co-operatives development will be spearheaded in the country. It will also provide guidelines on the appropriate institutional framework to support co-operatives across all sectors of the economy.

The overall objective for the agricultural sector, as set out in the National Agricultural Policy (NAP), is “to facilitate and support the development of a sustainable and competitive agricultural sector in order to ensure food security and income generation at household and national levels and maximize the sector’s contribution to gross domestic product (GDP).” This policy position shall be maintained during the FNDP period. In this respect, the specific objectives of the agricultural sector are as follows:

- a) Attain national and household food security through all-year round production and post-harvest management of adequate supplies of basic foodstuffs at competitive costs;
- b) Contribute to sustainable industrial development by providing locally produced agro-based raw materials;
- c) Increase agricultural exports thereby enhancing the sector’s contribution to the national balance of payments;
- d) Generate income and employment through increased agricultural production and productivity; and
- e) Ensure that the existing agricultural resource base is maintained and improved upon.

The main thrust of the National Agricultural Policy are liberalization; commercialisation; promotion of public and private sector partnerships; and ensuring gender equity in the provision of effective services that will ensure sustainable agricultural growth. The agricultural sector policy recognizes the need to strengthen and expand the emerging opportunities and also deal with the challenges facing the agricultural sector.

In the light of the above, the role of the public sector, in partnership with other stakeholders where possible, will be confined primarily to the following:

- a) Policy formulation;
- b) Enforcement of legislation, regulation and inspection;
- c) Maintenance of strategic food reserves;
- d) Provision of market information;
- e) Financing the control of pests and diseases of national economic importance;
- f) Provision of basic agricultural and integrated rural infrastructure;
- g) Provision of agricultural services, i.e. research and extension in partnership with the private sector;
- h) Provision of targeted support to outlying areas and underprivileged farmer groups;
- i) Capacity building within public and private sectors;
- j) Sector coordination; and
- k) Monitoring and evaluation of overall sector performance.

5.4 Vision and Goal

The vision is: *An efficient, competitive and sustainable agricultural sector that assures food security and increased income.*

The goal is: *To promote increased and sustainable agricultural production, productivity and competitiveness in order to ensure food security; income generation; creation of employment opportunities; and reduction in poverty levels.*

5.5 Programmes, Objectives and Strategies

During the FNDP period, food crops such as maize, cassava, sorghum, millet, sweet potatoes, beans, wheat and groundnuts will be targeted for increased production and productivity. Others to be targeted for production and research include indigenous horticultural crops (fruits and vegetables). With regard to commercialisation of the agricultural sector, it is expected that an increased number of small-scale

farmers will be fully integrated into commercial production through outgrower arrangements or as individuals. Major cash and high value crops to be targeted include cotton, tobacco, groundnuts, paprika, cashew nuts, soya beans, castor, sesame, marigold, herbs and spices in agro-ecological regions I and II; and coffee, tea, and sugar in region III³. Large-scale commercial farm production of cash and export crops like floriculture and horticultural products will also be promoted.

The Government will also endeavour to promote the formation of co-operatives and strengthen their operations so that they become the main conduit for socio-economic development, contributing to poverty eradication.

Overall, crop production increases will come from expansion of area under cultivation; expansion of land under irrigation from the current estimated 100,000 hectares to 200,000 hectares by 2010; increased productivity through improved variety research releases and better research/extension linkages; increased use of better and sustainable farming practices, including conservation farming and low input agriculture; and increased use of animal draught power. Further, post-harvest crop losses will be reduced from the current level of 30 percent to less than 10 percent by 2010.

In the livestock sector, the main thrust will be to control livestock diseases of an epidemic nature and with trans-boundary (regional/international) significance. The other area of emphasis will be restocking, stocking and increasing overall production, productivity and management of marketable livestock and livestock products, especially in the traditional sector.

The fisheries sub-sector will focus on promoting community-based resource management of capture fisheries, thereby improving catches. Concerted efforts will be made to promote aquaculture development and restocking natural water bodies with fish seed. Better processing facilities will be promoted and the distribution network improved.

The FNDP programmes for the agricultural sector are designed to result in the following:

- a) Attainment of food security for the majority of households with at least 90 percent of the population being food secure by 2010;
- b) The contribution of the agricultural sector to total foreign exchange earnings will increase from the current 3 to 5 percent to 10 to 20 per cent by 2010;
- c) The agricultural sector will grow at 10 percent per annum from 2006 onwards;
- d) Overall agricultural contribution to GDP will rise from 18 to 20 percent to 25 percent by 2010; and,
- e) Incomes for those involved in the agricultural sector will increase.

It is emphasised that successful planning and implementation of many of the programmes require well-functioning linkages with and close coordination among various ministries and sector specific institutions. In this regard, it is recognised that many of the multi-sectoral programmes cannot be implemented by the Ministry of Agriculture and Cooperatives (MACO) alone and that public and private alliances are key. In order for MACO to be able to manage the planned spending increases, internal management capacity building will be required.

y.

The matrix below presents the agricultural sector's programmes, objectives, and strategies during the FNDP period.

| Sector: Agriculture | | | |
|----------------------------|---|--|---|
| No. | Programmes | Objectives | Strategies |
| 1 | Irrigation Development and Support | To promote a well-regulated and profitable irrigation sub-sector that is attractive to both the public and private sectors | <ul style="list-style-type: none"> a) Develop socially desirable and economically viable irrigation schemes; b) Construct communal bulk water supply systems; c) Facilitate irrigation infrastructure development for improved agricultural productivity; d) Establish an irrigation development fund to enable farmers access funds for comprehensive irrigation development that goes beyond provision of irrigation equipment; e) Facilitate the establishment of water rights that are supportive of sustainable agricultural development; f) Promote sustainable utilization of wetlands and dambos. |
| 2 | Agricultural Infrastructure and Land Development | To promote the improvement of agricultural infrastructure and land for sustainable production and productivity | <ul style="list-style-type: none"> a) Ensure sustainable agricultural land use planning and management; b) Develop new farm blocks and facilitating basic infrastructure development; c) Develop a land information system for the agricultural sector. |
| 3 | Livestock Development Programme | To improve the productive efficiency of the livestock sector in a sustainable manner and support the marketing of both livestock and livestock products and contribute to food security and increased income | <ul style="list-style-type: none"> a) Regulate and control the quality of livestock, livestock products, and stock feeds; b) Promote private sector participation in the provision of livestock and extension services, and in marketing of livestock and livestock products; c) Create and promote awareness in the conservation of animal genetic resources; d) Facilitate implementation of disease and vector control programmes with private sector participation; e) Establish the emergency disease control fund to control trans-boundary animal diseases, such as foot and mouth disease, CBPP, etc.; f) Rehabilitate the vaccine unit; g) Strengthen the early warning system; h) Establish 2 disease free zones by 2010; i) Devise efficient and sustainable diagnostic techniques in investigations of diseases; j) Enforce all legislation in the livestock sub-sector; k) Promote the establishment of abattoirs in livestock production areas; l) Encourage, supporting and promoting poultry and small livestock enterprises as a way of empowering women and female headed households. |
| 4 | Agricultural Services and Technology Development | To provide appropriate, efficient and effective technology development and transfer services in order to assist farmers increase agricultural production and productivity. | <ul style="list-style-type: none"> a) Develop appropriate agronomic packages and technologies for sustained farming systems and overall agricultural production and utilization; b) Promote crop diversification; c) Design and promote appropriate on-farm transportation, processing and storage structures, especially for small-scale farmers to minimize or prevent post-harvest losses; d) Promote research/extension/farmer linkages in order to have more farmers' input in research and technology transfer; e) Promote cost sharing with beneficiaries of agricultural research and extension; f) Regulate the introduction and use of agro-biotechnology products, in particular Genetically Modified Organisms (GMOs); g) Promote and encourage the involvement of the private sector and NGOs in the provision of extension services. h) Ensure gender equity in access to Animal Drought Power (ADP) among female and male small scale farmers. |
| 5 | Fisheries Development | To increase fish production and promote sustainable utilization of | <ul style="list-style-type: none"> a) Conserve and maintain bio-diversity of aquatic resources through improved monitoring; b) Regulate and control the marketing and trading of fishing gears and fishing practices; |

| Sector: Agriculture | | | |
|----------------------------|---|--|---|
| No. | Programmes | Objectives | Strategies |
| | | fisheries resources thereby contributing to the economy through the generation of employment, income and improved availability of fish | <ul style="list-style-type: none"> c) Promote aquaculture development, especially among women; d) Strengthen gender balanced research-extension-farmer linkages; e) Promote improved fish processing and storage |
| 6 | Policy Coordination and Management | To formulate and implement appropriate, gender sensitive strategies through multi-sectoral and coordinated interventions with a focus on increased food security and economic growth | <ul style="list-style-type: none"> a) Strengthen and monitor the liberalization of markets and facilitating private sector growth; b) Review and realign institutional and legislative arrangements; c) Enforce the sector's regulatory functions; d) Strengthen emergency preparedness through early warning information and data; timely and efficient crop forecasting; drought insurance mechanism; and maintenance of strategic food reserves; e) Develop a cross-sectoral strategic framework and monitoring matrix for food security within the context of the FNDP; f) Facilitate provision of incentives for local and foreign agricultural investment; g) Strengthen information collection and dissemination; h) Promote gender equity in resource allocation and access to agricultural services, focussing on women and young farmers. i) Strengthen/support platforms for policy dialogue and public/private stakeholder consultation. |
| 7 | Agricultural Marketing, Trade and Agribusiness Development | To promote the development of a competitive, efficient and transparent public and private sector driven marketing system for agricultural commodities and inputs | <ul style="list-style-type: none"> a) Facilitate market information flow among stakeholders; b) Impart agro-business skills to market participants and farmers, especially women; c) Promote and enforce grades and standards of major agricultural commodities and inputs; d) Facilitate the development of rural infrastructure, such as roads rural storage infrastructure; e) Create a market driven environment with no market distortions for improved input and output market centres; f) Create an enabling environment for an improved agricultural input and output market, especially for small-scale farmers in rural areas; g) Promote crops with both domestic and export markets; h) Encourage financial institutions to be established in rural areas. |
| 8 | Cooperatives Development | To create an enabling environment for the development cooperatives and other farmer organizations that will contribute to economic growth and poverty reduction | <ul style="list-style-type: none"> a) Develop a legal and institutional framework to facilitate re-orientation and reformation of the cooperative organizations; b) Develop the capacity of cooperative members to take advantage of the current socio-economic environment; c) Promote development of business-oriented cooperatives and farmer organizations in order to enhance their capacity to access financial resources; d) Promote partnerships between cooperatives and other sectors of the economy; e) Promote and ensure participation of women in business-oriented cooperatives and farmer organisations. f) Formulate policy on management and development of co-operatives; g) Enhance the capacity of cooperatives and MACO staff in management and development of co-operatives. |
| 9 | Human Resource Development | To provide skilled human resource for the agricultural sector through capacity building, and addressing issues of HIV and AIDS and Gender, in order to increase | <ul style="list-style-type: none"> a) Provide short and long-term training at technical and professional levels, including farmer training; b) Facilitate development of public and private sector training institutions; c) Promote agricultural education at both basic and high school levels, including young farmers' clubs; d) Promote income generating ventures in agricultural training institutions; e) Establish new training institutions and rehabilitation of existing |

| Sector: Agriculture | | | |
|---------------------|------------|--|---|
| No. | Programmes | Objectives | Strategies |
| | | the sector's production and productivity | <p>ones;</p> <p>f) Create HIV and AIDS and Gender awareness and sensitization among agricultural staff and farmers;</p> <p>g) Provide relief and mitigatory measures to HIV and AIDS infected and affected staff and farmers including their families;</p> <p>h) Ensure gender equity in professional and technical training programmes in agriculture.</p> |

5.6 Implementation, Monitoring and Evaluation Framework

The role of the public sector will be confined to policy formulation; coordination; enforcement of legislation; regulation and inspection; maintenance of the strategic food reserves; provision of market information and financing the control of pests and diseases of national economic importance. Others will include the provision of basic agricultural and rural infrastructure; provision of agricultural services; provision of targeted support to outlying areas and underprivileged farmer groups; capacity building with public and private organizations; and monitoring and evaluation of the overall sector performance. In this regard, the role of the public sector will be to encourage growth in the agricultural sector by fulfilling those functions which are truly public goods. It will formulate and implement policies to create an enabling environment, which encourages the participation of the private sector, NGOs and cooperating partners. For instance, the private sector will play major roles through improving quality and increasing overall production of goods and services; mobilizing savings and investments; employment creation; providing credit facilities; participating in the marketing of agricultural inputs and outputs; and information dissemination. In the same vein, cooperating partners will play an important role through the provision of supplementary financial, technical and other support in the implementation of agricultural policies and programmes and capacity building for stakeholders, including NGOs and Community Based Organizations (CBOs).

In order to monitor progress in the implementation of the agricultural programmes and activities and measure impact, a monitoring and evaluation system shall be established. The Agriculture Sector Advisory Group (SAG) will play an important role in the implementation and monitoring of the FNDP. The Agriculture SAG shall review the implementation of the plan and provide guidance as required once every three months. The regular deliberations of SAG meetings shall be reported to the National Sector Advisory Group Conference. Where necessary, the Agriculture SAG shall set up sub-committees to consider specific issues which may arise during the implementation and reviews of the FNDP.

In addition to the SAG, a standing, cross-sectoral Food Security Task Force, committee or similar body will be established, following completion of the work of the ad hoc Food Security Task Force that will develop the strategic framework and monitoring matrix for food security within the context of the FNDP. This standing body will review plan implementation as it relates to achievement of strategic food security objectives, and provide guidance for resolving specific cross-sectoral implementation issues as they arise.

The programmes and activities will be monitored based on the indicators developed. Other main monitoring indicators and instruments can be developed or refined as the programme is implemented. The more comprehensive impact evaluations will require household surveys to be conducted by the Central Statistical Office in collaboration with the Ministry of Agriculture and Cooperatives (MACO). This shall be complemented by independent assessments from stakeholders on sector performance and programme implementation. A system for gathering both quantitative and qualitative information at national, provincial and district level in order to regularly monitor implementation and measure the impact of the programme activities will be put in place.

Sector: Agriculture
(K Billion)

| Order of Priority | PROGRAMME | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand total | | |
|-------------------|--|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|-------------|-------|-------|
| | | Cost in K Billions | | | Cost in K billions | | | Cost in K billions | | | Cost in K billions | | | Cost in K billions | | | Total | GRZ | Donor |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| | Irrigation Development and Support | 2.0 | | 2.0 | 22.0 | 53.5 | 75.5 | 34.9 | 65 | 99.9 | 86.9 | 50 | 136.9 | 80.9 | 70 | 150.9 | 465.1 | 226.6 | 238.5 |
| 1 | | | | | | | | | | | | | | | | | | | |
| 2 | Agri Infrastructure & Land Development | 7.4 | 0.000 | 7.4 | 20.0 | 37.0 | 57.0 | 20.8 | 66.7 | 87.5 | 80.8 | 60.0 | 140.8 | 80.8 | 70.0 | 150.8 | 443.6 | 209.9 | 233.7 |
| 3 | Livestock Development | 3.2 | - | 3.2 | 47.5 | 21.0 | 68.5 | 89.8 | 32.9 | 122.7 | 163.4 | 50.0 | 213.4 | 189.5 | 125.0 | 314.5 | 722.2 | 493.4 | 228.8 |
| | Agricultural Services & Tech Dev | 5.0 | 13.0 | 18.0 | 40.0 | 38.6 | 78.6 | 77.9 | 23.8 | 101.7 | 81.4 | 55.1 | 136.5 | 121.7 | 73.9 | 195.6 | 530.3 | 326.0 | 204.3 |
| 4 | | | | | | | | | | | | | | | | | | | |
| 5 | Fisheries Development | 1.0 | 0.4 | 1.4 | 26.8 | 0.9 | 27.7 | 24.4 | 2.8 | 27.2 | 31.5 | 20.0 | 51.5 | 94.8 | 24.0 | 118.8 | 226.6 | 178.5 | 48.1 |
| | | | | | | | | | | | | | | | | | | | |
| 6 | Policy Formulation and Coordination | 2.4 | 10.4 | 12.8 | 11.1 | 9.7 | 20.8 | 20.0 | 13.97 | 34.0 | 20.0 | 14.55 | 34.6 | 20.0 | 15.10 | 35.1 | 137.3 | 73.5 | 63.7 |
| | Agrib Marketing, Trade & Agribus Dev | - | 10.1 | 10.1 | 11.8 | 16.9 | 28.7 | 22.1 | 24.33 | 46.4 | 36.9 | 19.20 | 56.1 | 47.4 | 25.00 | 72.4 | 213.6 | 118.1 | 95.5 |
| 7 | | | | | | | | | | | | | | | | | | | |
| | Cooperatives Development | 0.3 | | 0.3 | 5.8 | 0.0 | 5.8 | 6.5 | 0 | 6.5 | 6.5 | 0 | 6.5 | 6.5 | 15 | 21.5 | 40.7 | 25.7 | 15.0 |
| 8 | Human Resource Management and Dev | 1.0 | | 1.0 | 15.5 | 0.0 | 15.5 | 14.5 | 0 | 14.5 | 14.5 | 0 | 14.5 | 14.5 | 20 | 34.5 | 80.0 | 60.0 | 20.0 |
| 9 | | | | | | | | | | | | | | | | | | | |
| | Fertilizer Support Programme | 197.6 | | 197.6 | 150.0 | 0.0 | 150.0 | 150.0 | 0 | 150.0 | - | 0 | - | - | 0 | - | 497.6 | 497.6 | - |
| 10 | | | | | | | | | | | | | | | | | | | |
| | Strategic Food Reserves | 50.0 | | 50.0 | 50.0 | 0.0 | 50.0 | 30.0 | 0 | 30.0 | - | 0 | - | - | 0 | - | 130.0 | 130.0 | - |
| 11 | | | | | | | | | | | | | | | | | | | |
| | Salaries- Extension Officers | 66.5 | | 66.5 | 75.8 | 0.0 | 75.8 | 83.2 | 0 | 83.2 | 89.5 | 0 | 89.5 | 96.6 | 0 | 96.6 | 411.6 | 411.6 | - |
| 12 | | | | | | | | | | | | | | | | | | | |
| | Others (ongoing projects) | | 199.5 | 199.5 | - | 137.2 | 137.2 | - | 149.3 | 149.3 | - | 25.7 | 25.7 | - | 25.7 | 25.7 | 537.4 | - | 537.4 |
| 13 | | | | | | | | | | | | | | | | | | | |

COFE FNDP programmes

| Order of Priority | PROGRAMME | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand total | | |
|-------------------|----------------------------|--------------------|--------|-------|--------------------|--------|-------|--------------------|---------|---------|--------------------|---------|---------|--------------------|----------|---------|-------------|---------|---------|
| | | Cost in K Billions | | | Cost in K billions | | | Cost in K billions | | | Cost in K billions | | | Cost in K billions | | | Total | GRZ | Donor |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| | Sub total | 336.4 | 233.4 | 569.8 | 476.4 | 314.7 | 791.1 | 574.0 | 378.8 | 952.8 | 611.4 | 294.5 | 905.9 | 752.7 | 463.7 | 1,216.4 | 4,436.0 | 2,790.9 | 1,685.1 |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| 1 | Personal Endowments | 17.8 | | 17.8 | 20.2 | | 20.2 | 25.0 | | 25.0 | 30.7 | | 30.7 | 37.0 | | 37.0 | 130.7 | 130.7 | - |
| 2 | Grants and other Payments | 3.5 | | 3.5 | - | | - | 3.5 | | 3.5 | 3.6 | | 3.6 | 3.7 | | 3.7 | 14.2 | 14.2 | - |
| 3 | Support to MACO Operations | 40.5 | | 40.5 | - | | - | 66.3 | | 66.3 | 90.0 | | 90.0 | 90.0 | | 90.0 | 286.8 | 286.8 | - |
| 3 | Agricultural Shows | 2.0 | | 2.0 | - | | - | 3.5 | | 3.5 | 4.0 | | 4.0 | 4.2 | | 4.2 | 13.7 | 13.7 | - |
| | Sub Total | 63.7 | - | 63.7 | 20.2 | - | 20.2 | 98.3 | - | 98.3 | 128.3 | - | 128.3 | 134.9 | - | 134.9 | 445.4 | 445.4 | - |
| | GRAND TOTAL | 400.2 | 233.4 | 633.6 | 496.6 | 314.7 | 811.3 | 672.3 | 378.8 | 1,051.1 | 739.7 | 294.5 | 1,034.2 | 887.5 | 463.7 | 1,351.2 | 4,881.4 | 3,196.3 | 1,685.1 |
| | Current donor commitment | | 234.6 | | - | 235.9 | | - | 233.4 | | - | 104.8 | 25.7 | - | 69.3 | 25.7 | 878.0 | - | 878.0 |
| | Financing gap | | 1.2 | | | (78.8) | | | (145.4) | | | (189.7) | | | (394.40) | | | | (807.1) |

Non Core FNDP programmes

LAND



6.1 Introduction

Land is the most fundamental resource in any society because it is the basis of human survival. In order to ensure that this important resource is properly administered and managed, the Government has been working on land reforms aimed at improving the land delivery process.

6.2 Review of Past Performance

At independence, Zambia inherited a customary, freehold and leasehold system in which administration of customary tenure was subordinate to written law, which applied to Crown Land. The system of land administration was not integrated into the land tenure structure of the country. Rights and interests exercisable under the Reserves, Trust Land and State Land remained unchanged. The method of land alienation under Reserves and Trust Lands continued to be managed through traditional customs. In 1965, the Government appointed a Commission of Inquiry to review the land policy and to recommend a land administration system suitable to the needs of the new Republic. The Commission recommended unification and integration of land administration; simplification of the law governing statutory tenure; introduction of individual land title registration of customary tenure; acquisition and control of vacant land and all land in Barotseland by the Government. It also recommended that all laws relating to conservation of natural resources to be of general application and the law relating to compulsory acquisition to apply irrespective of whether land was held under customary or statutory tenure.

The recommendations of the Commission of inquiry were submitted to the Government but only the recommendations on compulsory acquisition of unutilised land and the question of unification of Barotseland and the Reserves were addressed. In implementing these recommendations, the Government amended the Constitution in 1969 to provide for compulsory acquisition of land in public interest. Further, in 1970, Government enacted the Western Province (Land and Miscellaneous Provisions) Act, 1970 to declare all land previously administered by the Litunga as a Reserve pursuant to the Zambia (State Land and Reserves) Order 1928 to 1964. These changes did not adequately address the system of land administration and management and did not alter the dual tenure system of land administration established by colonial authorities.

Comment [DJC1]: ??

The period between 1970 and 1975 saw the evolution of laws aimed at increasing state control of land transactions to cater for urban settlement needs, such as for control and improvement of housing for low income groups and a number of Acts to provide for the regulation of tenants and rentals. As of 1st July 1975, all freehold was converted to 100 year lease and subsequent leases would have a maximum of 99 years. In an effort to curb speculation in land, the Act pronounced a ban on sale of vacant land, declaring it as having no value and introduced the requirement for Presidential consent for subdivision, sale, transfer, assignment, sublease, mortgage or charge. In 1985, the Government amended the 1975 Act to restrict non-Zambians from acquiring land without Presidential consent. In the same year, the Government issued general policy guidelines regarding the procedure of conversion of land from customary to leasehold tenure and system for land alienation in which district councils would participate in processing of applications, selection of suitable candidates and making recommendations for alienation to the Commissioner of Lands. These changes had a negative effect on land service professionals such as real estate agents and other survey and valuation services.

The following are the challenges that hinder the ability of the land sector to adequately empower the people of Zambia, realize the full potential of the land resource, and contribute to the reduction of poverty levels:

- a) Duality of land tenure;
- b) Over centralized land administration system;
- c) Inadequate empowerment of citizens, especially in customary areas;
- d) Lack of land policy;
- e) Abuse of current system of acquiring land in both customary and state land;
- f) Ineffective land use planning;
- g) Ignorance of land alienation procedures;

- h) Lack of clear guidelines on how to attach value to land that is to be allocated;
- i) Ineffective land audit;
- j) Inadequate appreciation of the roles played by traditional rulers and the President in land allocation; and
- k) Ineffective coordination among land administration institutions.

The reintroduction of political pluralism in 1991 was followed by the dismantling of the state controlled economy through market liberalisation and privatisation policies, which considerably changed the demands for land administration. The Lands Act of 1995 repealed the Land (Conversion of Titles) Act of 1975 and the Orders in Council of 1963 that had provided for the vestment of land into the Secretary of State for Colonies but retained the custodial role of the Head of State, ostensibly to ensure that land was held and used equitably by citizens. The Act introduced qualifications to own land. All Zambians who had attained the age of 21 could own land and non-Zambians of 'certain categories' such as investors, resident permit holders, were also allowed to acquire and hold land in Zambia.

6.3 Policies and Key Reforms

Streamlining the land delivery system to facilitate economic activities is one of the goals of the Government. A new land policy shall be developed during the Plan period to address the multitude of constraints in the land sector, which includes review of legislation and creation of land banks for all potential investors from within and outside the country in line with Citizens Empowerment Act. The Government shall also review the structure of the Ministry of Lands with a view to bringing all land dealing institutions under one roof. The restructuring and strengthening of the Ministry will aim to make it more effective, professional and transparent so as to secure fair and equitable access to, and control of this vital resource.

In the light of the above, the Government will facilitate the following during the FNDP period:

- a) Policy development;
- b) Reviewing of existing legislation;
- c) Decentralization of the land administration and management process;
- d) Streamline land delivery process;
- e) Empowerment of citizens;
- f) Promote sensitization of chiefs on the importance of releasing land;
- g) Human Resource Development;
- h) Promote security of tenure through registration of private and communal rights;
- i) Allocating of land according to the land value;
- j) Strengthen coordination among land administration institutions; and
- k) Promote land use planning.

6.4 Vision and Goal

The vision is: *A Zambia in which there is secure, fair and equitable access and control of land for sustainable socio-economic development of the people by 2030.*

The goal is: *To have an efficient and effective land administration system that promotes security of tenure, equitable access and control of land for the sustainable socio-economic development of the people of Zambia.*

6.5 Programmes, Objectives and Strategies

The matrix below presents the FNDP programmes and their respective objectives and strategies for the lands sector.

| Sector: Lands | | | |
|---------------|------------------------------------|---|---|
| | Programmes | Objectives | Strategies |
| 1 | Land Administration and Management | a) To promote efficiency and effectiveness in land alienation, administration | a) Develop and implement Land Policy; b) Streamline land administration and management system; |

| Sector: Lands | | | |
|----------------------|---|---|--|
| | Programmes | Objectives | Strategies |
| | | and management | c) Review Land-related legislative; d) Harmonisation of the institutions dealing with land. |
| 2 | Empowerment of Citizens in Both Customary and State Land | a) To promote effective citizenry access to, and control of land | a) Sensitize traditional rulers on the importance of releasing land for development; b) Promote the creation of land banks for all potential investors; c) Raise awareness on land allocation procedures; d) Change legislation to restrict land allocation by the state to Zambians only; e) Facilitate affirmative action to empower less privileged Zambians such as persons with disabilities, women, and the rural community to own land; f) Promote co-ordinated and efficient land use planning and management in customary areas. |
| 3 | Strengthening of Institutional Framework | a) To decentralize land administration and management. | a) Strengthen Provincial land offices and decentralise land registration to the provincial level; b) Facilitate linkages in land use administration and management with ministries responsible for agriculture, tourism, environment and local government |
| 4 | Demarcation of International and Local Chiefdom Boundaries | a) To maintain international boundaries to prevent potential conflicts with neighbouring countries. b) To provide detailed information on boundaries of chiefdoms. | a) Develop a systematic periodic inspection and management programme of common international boundaries; b) Facilitate timely up-date and maintenance of maps showing the extent and boundaries of all local chiefdom boundaries; c) Facilitate joint inspection of chiefdom boundaries in the presence of chiefs and Local Government officials. |
| 5 | Human Resource Development. | a) To develop and retain qualified and motivated personnel. | a) Provide short and long-term training at technical and professional levels, b) Introduce performance-based annual awards systems. |
| 6 | Land Development Fund | a) To promote the opening up of new areas for development. b) To increase the collection of revenue and contribute to the Treasury and the Land Development Fund. | a) Develop a co-ordinated working programme with local authorities on the identification of land for development; b) Establish provincial Land Development Fund; c) Develop an efficient audit accounting system of Land Development Funds; d) Promote cost effective means of collecting ground rent and other fees payable. |
| 7 | National Mapping and Surveying | a) To provide spatial geographic information for national infrastructure development | a) Develop, maintain and publicise national mapping standards; b) Develop national topographic map databases; c) Develop maintenance and publication of national place names Gazetteers; d) Surveying of land for development; e) Develop local maps for all areas of Zambia. |
| 8 | Registration of Properties | a) To improve and promote decentralised registration of properties in order to guarantee security of ownership | a) Develop microfilming, scanning and computerised data storage system; b) Introduce electronic issuance of titles; c) Sensitise the public on procedures governing property transactions and registration. |
| 9 | Coordination of Land Use and Physical Planning | a) To promote efficient, coordinated and well regulated land use and physical planning patterns. | a) Harmonise Land use and physical Planning; b) Conduct Land audit; c) Upgrade Land Information System on development patterns. |

6.6 Implementation, Monitoring and Evaluation Framework

During the FNDP implementation, the Ministry of Lands will be guided by the Land Policy. The Ministry of Lands, as a principal government institution in land administration, will work closely with

other land delivery institutions to improve land administration and management. The other parties that are critical to the improvement of the land administration system include the Ministry of Local Government and Housing; the Ministry of Tourism, Environment and Natural Resources; the Ministry of Commerce, Trade and Industry; the Ministry of Agriculture and Co-operatives; the Resettlement Department in the Office of the Vice President; the Zambia Investment Centre; District Councils; civil society organisations; traditional rulers; and the public at large.

In order to effectively monitor and evaluate the implementation of the FNDP programmes under the sector, the Ministry of Lands will establish an integrated system of monitoring and evaluation. It will also develop monitoring and evaluation instruments for the implementation of the programmes.

Sector: Lands
(K Billion)

| Order of Priority | Programmes | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------|---|--------------------|------------|-------------|--------------------|------------|-------------|--------------------|------------|-------------|--------------------|------------|-------------|--------------------|------------|-------------|--------------------|------------|--------------|
| | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | |
| | | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | Total | Donor | GRZ |
| | Land administration and management | 2.9 | 0.0 | 2.9 | 3.1 | 0.0 | 3.1 | 1.2 | 0.0 | 1.2 | 3.4 | 0.0 | 3.4 | 2.3 | 0.0 | 2.3 | 12.9 | 0.0 | 12.9 |
| 1 | Empowerment of citizens in both customary land and state land | 2.0 | 0.0 | 2.0 | 2.0 | 0.0 | 2.0 | 2.7 | 0.0 | 2.7 | 2.5 | 0.0 | 2.5 | 2.5 | 0.0 | 2.5 | 11.7 | 0.0 | 11.7 |
| 2 | Strengthening institutional framework | 5.0 | 0.0 | 5.0 | 5.0 | 0.0 | 5.0 | 4.0 | 0.0 | 4.0 | 3.5 | 0.0 | 3.5 | 3.0 | 0.0 | 3.0 | 20.5 | 0.0 | 20.5 |
| 3 | Demarcation of the International Boundaries | 1.0 | 0.0 | 1.0 | 1.8 | 0.0 | 1.8 | 2.2 | 0.0 | 2.2 | 2.3 | 0.0 | 2.3 | 3.5 | 0.0 | 3.5 | 10.8 | 0.0 | 10.8 |
| 4 | Human Resource Development | 0.5 | 0.0 | 0.5 | 0.5 | 0.0 | 0.5 | 0.7 | 0.0 | 0.7 | 0.5 | 0.0 | 0.5 | 0.6 | 0.0 | 0.6 | 2.8 | 0.0 | 2.8 |
| 5 | Land Development Fund | 0.0 | 0.0 | 0.0 | 4.0 | 0.0 | 4.0 | 5.5 | 0.0 | 5.5 | 5.8 | 0.0 | 5.8 | 5.0 | 0.0 | 5.0 | 20.3 | 0.0 | 20.3 |
| 6 | National Mapping and survey | 1.5 | 0.0 | 1.5 | 2.2 | 0.0 | 2.2 | 2.6 | 0.0 | 2.6 | 3.3 | 0.0 | 3.3 | 3.3 | 0.0 | 3.3 | 12.9 | 0.0 | 12.9 |
| | Sub Total | 12.9 | 0.0 | 12.9 | 18.6 | 0.0 | 18.6 | 18.9 | 0.0 | 18.9 | 21.3 | 0.0 | 21.3 | 20.2 | 0.0 | 20.2 | 91.9 | 0.0 | 91.9 |
| 1 | Revenue Collection and Inspection | 0.2 | 0.0 | 0.2 | 0.2 | 0.0 | 0.2 | 0.4 | 0.0 | 0.4 | 0.2 | 0.0 | 0.2 | 0.4 | 0.0 | 0.4 | 1.4 | 0.0 | 1.4 |
| 2 | Compulsory Land Acquisition | 0.3 | 0.0 | 0.3 | 0.3 | 0.0 | 0.3 | 0.1 | 0.0 | 0.1 | 0.1 | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 | 0.9 | 0.0 | 0.9 |
| 3 | Personal Emoluments | 4.4 | 0.0 | 4.4 | 4.7 | 0.0 | 4.7 | 5.2 | 0.0 | 5.2 | 5.7 | 0.0 | 5.7 | 6.6 | 0.0 | 6.6 | 26.4 | 0.0 | 26.4 |
| 4 | Registration of Properties | 0.3 | 0.0 | 0.3 | 0.3 | 0.0 | 0.3 | 0.4 | 0.0 | 0.4 | 0.3 | 0.0 | 0.3 | 0.4 | 0.0 | 0.4 | 1.7 | 0.0 | 1.7 |
| 5 | Coordination of Land Use Planning | 0.2 | 0.0 | 0.2 | 0.2 | 0.0 | 0.2 | 0.5 | 0.0 | 0.5 | 0.7 | 0.0 | 0.7 | 0.4 | 0.0 | 0.4 | 2.0 | 0.0 | 2.0 |
| | Sub Total | 5.4 | 0.0 | 5.4 | 5.7 | 0.0 | 5.7 | 6.6 | 0.0 | 6.6 | 6.9 | 0.0 | 6.9 | 7.8 | 0.0 | 7.8 | 32.4 | 0.0 | 32.4 |
| | Grand Total | 18.3 | 0.0 | 18.3 | 24.3 | 0.0 | 24.3 | 25.5 | 0.0 | 25.5 | 28.2 | 0.0 | 28.2 | 28.0 | 0.0 | 28.0 | 124.2 | 0.0 | 124.2 |

FNDP Core Programmes

Non Core Programmes

MINING



7.1 Introduction

The mining sector has been a prime mover of economic development in Zambia for over 70 years, with exports of mineral products contributing about 70 percent of total foreign exchange earnings. Lately, mining has been generating between 6 percent and 9 percent of Gross Domestic Product (GDP) and contributes about 40,000 jobs to total formal sector employment. The role that the mining sector plays in national development is enhanced by its backward and forward linkages with other sectors. It provides critically needed inputs for agriculture and agro-chemicals, industrial manufacturing of a wide variety of products such as ceramics, paint manufacture and essential raw materials for the building industry. In this regard, the mining sector's contribution to wealth creation in the economy is far-reaching.

During the 1980s and 1990s, copper production had declined due to a host of reasons that included poor re-investment into new and existing mines, and unsupportive policy and management practices. In order to resuscitate the economy, including the mining sector, Government decided to implement a comprehensive economic restructuring programme that focused on the promotion of private sector-led development. The privatisation of the mining industry was completed in the year 2000.

Copper and cobalt production dominated the mining sector over the years. Deposits of gold, diamonds, zinc, gemstones, coal and a variety of agro and industrial minerals are also found in Zambia. Large-scale mining is active in copper, cobalt and coal while small-scale mining is active in a variety of gemstones that include emeralds, amethyst, aquamarine, tourmaline, garnets and citrine. Emeralds are by far the most dominant. This rich variety of mineral resources offers great potential to provide the needed resources for financing development.

Furthermore, mining has the capacity to create opportunities for increasing the stock of needed skills and expertise, an increase in a broad spectrum of service industries, value addition through downstream processing, and technology transfer to small-scale operators. The orderly development of small-scale mining is also capable of lowering poverty through the creation of development zones or areas in rural mining centres arising from the emergence of mining communities. It also offers a facilitating environment to support cottage industries that are related to pottery making, brick making and increased demand for skills and essential mining equipment and machinery. These considerations point to the potential significance of mining to the reduction of poverty in Zambia.

7.2 Review of Past Performance

In the years 1965 to 1975, copper accounted for 95 percent of export earnings and 45 percent of Government revenues. However, in the years 1991 to 2000, copper's contribution to export earnings had drastically decline to an average of 62 percent. The mining sector's contribution to GDP, estimated at 32.9 percent in 1973, declined to 6.2 in 2000, representing 81.1 percent decline. These developments, accompanied by falling metal prices on the international market, drastically reduced the mining sector's contribution to government revenue.

In 1991, Government embarked on a comprehensive economic restructuring of the industry aimed at privatisation that was completed in 2000. Large amounts of investments have since been effected by the new owners of the mines, focusing on the acquisition of mining equipment, the rehabilitation of infrastructure and the opening up of new fields. Over US \$1.4 billion has been invested in the mining sector by the end of 2005. The price of base metals, particularly copper, has also been increasing since 2003.

The post-privatisation period was not without problems. For instance the pull-out of Anglo American Corporation from Konkola Copper Mines affected the operations of the mine in terms of production levels and implementation of planned development projects, the Konkola Deep Mining Project (KDMP) and the improvement of capacities of refineries and smelters, to be specific. During this period, the sector also witnessed an increase in mine accidents. This was due mainly to the fact that the increase in mining activities did not match the monitoring capacity of the Mines Safety Department.

Despite the above mentioned setbacks the sector grew by an estimated 18.4 percent in 2004 and 3.4 percent in the previous year. However, in 2005 the sector grew by only 2.8 percent mainly due to a number of problems, which include mine accidents, fuel shortages and labour disputes. In terms of job creation, an estimated 13,500 people have been reemployed in the sector between 2000 and 2004. Copper production increased from 257,000 tons in 2000 to 446, 000 tons in 2005. It is further projected that by 2010, annual copper production shall reach the 1970s levels of over 700,000 tons. The good performance during the first half of the decade has been enhanced by the implementation of the Transitional National Development Plan (TNDP 2002 to 2005) and the Poverty Reduction Strategy Paper (PRSP 2002 to 2004), which both recognized the importance of large-scale and small-scale mining. The Government's policy emphasis on small-scale mining is founded on the belief that the sub-sector could effectively contribute to poverty reduction and employment creation. In this regard, four programmes were planned to be implemented for the sub-sector during the TNDP, namely, SYSMIN (*système de stabilisation de recettes de exportation de produits miniers*) Fund (mining diversification); establishment of the gemstone exchange; introduction of a plant hire scheme; and the creation of a community development fund (revolving fund).

The success rate of all the four programmes has not been satisfactory. The plant hire scheme has not been established due to inadequate financial resources. Government has decided to let the gemstone exchange be private sector driven and some progress has been registered, through private sector initiative. The community development fund has been established. However, the amount of money so far disbursed falls far short of the original budgeted amount. The SYSMIN Fund, which provided a credit facility of 16 million euros, has remained largely inaccessible to small-scale miners due to the stringent conditions attached to the loans. This is despite an attempt to relax the conditionality originally built into the facility.

The failure of the planned interventions has consequently meant that the gemstone and semi-precious sub-sector has remained unaffected by the PRSP/TNDP planned interventions. In this respect, Government intends to refocus its attention to the sub-sector in the FNNDP.

The sector has been constrained by a number of factors as follows:

- a) *Weak Institutional Framework Support:* Currently, institutions that provide services to the mining industry, especially MMMD, are weak. Problems range from low staffing levels to inadequately trained technical staff, poor funding, and inadequate infrastructure. This has resulted in poor service delivery. With the unprecedented growth in mining activities in the country, an efficient institutional framework support will be critical;
- b) *Outdated Policies and Legal Framework:* The current mining policy was formulated in 1995. Its primary focus was on the privatization of state mining corporations. Due to change in circumstances, it is now imperative that the policy be revised. The legal framework for the mining sector comprising the Mines and Minerals Act (1995), the Prescribed Minerals and Materials Act, Explosives Act, and various regulations are outdated due to new developments, especially technology. Furthermore, new pieces of legislation will be required. An up to date and stable legal framework is important for attracting investments in the mining sector;
- c) *Inadequate Mineral Exploration and Resource Surveys:* It is difficult to attract mining investors if the geological potential of a country is not known. Currently, only 55 percent of Zambia has been geologically mapped at a scale of 1:100,000. Therefore, for a sustainable mineral-based industry,

efforts must be directed at mapping the rest of Zambia. Beyond mapping, detailed exploration has not been done, which is required especially in promoting small-scale mining;

- d) *Absence of Cadastre and GIS Systems:* The issuance of mining rights is highly constrained by the absence of an online cadastre (a computerized mining rights management system) and Geographical Information System (GIS) resulting in delays and conflicts;
- e) *Inadequate Investment Promotion:* Although there has been a programme for investment promotion, there has never been a deliberate effort to come up with appropriate implementation strategies. Investment promotions have been limited to trade shows and investment forums. There is an urgent need to widen the scope of promoting mine investment through the use of both electronic and print media;
- f) *Constraints affecting Gemstone and Small-scale Mining:* Major constraints inhibiting the realization of the gemstone and small-scale mining sub-sectors potential include:
 - i. Lack of access to affordable finance. This has not made it possible for miners to procure mining equipment and acquire working capital. This is the major production constraint that has resulted in many mines being dormant;
 - ii. Lack of technical and management skills of miners. Many miners lack basic geology and mining skills that have resulted in costly and unsafe mining methods. Inadequate business and managerial skills have resulted in mismanagement of resources and poor planning;
 - iii. Poor infrastructure in mining areas. Most small-scale mining areas have poor infrastructure, poor roads, no schools, or health centres, water and power thereby making it difficult to operate in the areas;
 - iv. Lack of access to a formal marketing system. The absence of a transparent and formal marketing system, such as a Gemstone Exchange, has resulted in miners getting unfair deals due to under-pricing; and
 - v. Inability to add value to rough materials prior to exportation. Further processing of gemstones into cut and polished stones adds significant value to production and creates employment.
- g) *Constraints of Developing Large-scale Mining:* Development of large-scale mining requires access to infrastructure such as a good road and/or rail network, power and availability of qualified technical skills. Currently there is a serious shortage of technicians and craftsmen in the mining industry due to restructuring and closure of training facilities following the privatization of the mines. Unfortunately, the output of graduate mining engineers, geologists and metallurgists from the University of Zambia and Copperbelt University has been declining. A recent survey by the mining companies projects a serious shortage of these skills during the FNDP, which will impact negatively on the development Plan;
- h) *Fluctuations in International Prices of Mineral Products:* Copper and cobalt prices tend to fluctuate beyond the control of the country. Any shifts in demand resulting in major decline in international metal prices could impact negatively on the economy during the implementation of the Plan; and
- i) *The impact of HIV and AIDS:* HIV and AIDS has been recognised as a constraint in the mining sector, particularly the small-scale mining sub-sector, which entails long absence of workers from their homes. In recognition of the impact of the pandemic, Government through the PRSP/TNDP, facilitated the development of HIV and AIDS policy within the private sector. In addition, preparations were initiated towards the development of an outreach programme for small-scale

miners. It is envisaged that once completed, the programme will allow small-scale miners benefit from the general strategies being undertaken by the Ministry of Health.

7.3 Policies and Key Reforms

Zambia's current mining policy was adopted in 1995 to guide development in the sector. Efforts to update the policy are underway in order to bring it in line with the changing mining environment. It is expected that the revised policy will be adopted and implemented during the period of the FNDP.

The strategic focus for the mining sector during the FNDP will be to promote both large and small-scale mining by strengthening the institutional framework support and improving the policy and regulatory framework.

The FNDP recognizes large-scale mining as having an important role to play in the national economy because it has the potential to:

- a) Generate foreign exchange and other revenue to supplement the national budget and free resources that can be allocated for poverty eradication;
- b) Contribute to economic development through the provision of basic infrastructure and other social services;
- c) Facilitate skills and knowledge development in order to increase the stock of human capital; and
- d) Facilitate the development of the service input sector, downstream processing and beneficiation industries and centres of knowledge creation and innovation.

Small-scale mining has a greater potential in employment creation and poverty reduction than large-scale mining. The sub-sector has the following potential:

- a) Create employment, especially in rural areas where jobs are scarce;
- b) Enable the exploitation of what would otherwise be uneconomic reserves; and
- c) Provide for the creation of micro-industries in rural areas.

While promoting production, the Plan recognizes the important role of downstream processing of mineral products. Efforts to integrate the copper mining sector into the Zambian economy by encouraging value addition will be pursued by supporting manufacturing industries using copper and other raw materials.

Furthermore, renewed initiatives to unblock the potential of gemstone mining by improving production, marketing and value addition, which were identified under the PRSP and the TNDP, will be vigorously pursued.

Equally important, the FNDP introduces measures to address the extreme case of gender imbalance currently existing in the sector. However, the SADC benchmark of 30 percent women representation in the sector may not be achieved during the Plan. The FNDP sets a target of 10 percent as being realistically achievable.

In order to consolidate the gains that will be realized under this Plan, measures to mitigate the negative impact of HIV and AIDS have been proposed for implementation.

Government recognises the need to put in place new policies and to review existing ones. To this effect, Government intends to formulate a Mine Health and Safety Policy during the period of the FNDP to ensure a safe and healthy working environment in the mines. The Government will also review all the relevant regulations and pieces of legislation which include: the Mines and Minerals Act; Prescribed Minerals and Materials Act; Mining Regulations; Explosives Act and Regulations; and the Guide to Mining Regulations.

In order for the Ministry of Mines and Mineral Development (MMMD) to fulfil its role of promoting mining sector development, the following institutional reforms shall be undertaken under the FNDP:

- a) Establishment of a Planning and Information Department;
- b) Restructuring the Mine Safety Department;
- c) Commercialisation of some of the services of the Geological Survey Department, particularly the gemmology and lapidary laboratory; analytical laboratory; geophysical services; minerals and ore petrology; metallurgical laboratory; and detailed exploration of plots;
- d) Inclusion in the policy of a mandatory requirement that mining corporations reinvest in the mining areas as part of their corporate-social responsibility programmes; and
- e) Inclusion of a legal framework and enforcement mechanism that underpins corporate social responsibility.

Building up the capacity of the Ministry of Mines and Minerals Development will require rehabilitating existing laboratories and acquiring modern equipment for the laboratories, recruiting qualified and experienced personnel in mineral sciences and acquiring exploration equipment as well as field vehicles.

6.4 Vision and Goals

The vision is: *A vibrant, well-organised private sector-led mineral sector for sustainable wealth creation.*

The mining sector goal under FNDP is: *To create a conducive, stable, predictable and competitive policy, legal and regulatory framework that will attract and retain investment for the development of the sector.*

6.5 Programmes, Objectives and Strategies

The matrix below presents the planned programmes and their respective objectives and strategies for the mining sector during FNDP.

| Sector: Mining | | | |
|-----------------------|--|---|--|
| | Programmes | Objectives | Strategies |
| 1 | Development of Large-scale Mines | <ol style="list-style-type: none"> a) To attract corporate-responsible investment for the development of the mining sector; b) To increase long term benefits of the mining sector by integrating the mining sector with the rest of the economy through backward and forward linkages. c) To promote research and development (R&D) in the mining sector; d) To ensure environmental sustainability by the sector. | <ol style="list-style-type: none"> a) Continue to foster investor confidence; b) Promote Institutional Capacity Building of the Ministry of Mines and Minerals Development (MMMD) c) Carry out Policies, Legal and Institutional Reforms d) Plan, develop and rehabilitate infrastructure in the mining and potential areas; e) Promote both local and foreign investment in the mining sector; f) Streamline the administration of investor licenses and other related documents; g) Promote downstream processing to add value prior to exportation; h) Develop technical human resource requirements for the sector; i) Promote R&D in the sector. |
| 2 | Development of Small-scale Mining | <ol style="list-style-type: none"> a) To revitalize and ensure realization of the potential of the small-scale mining sub-sector to contribute to economic development and poverty reduction | <ol style="list-style-type: none"> a) Strengthen the institutional framework support, i.e., the Geological Survey Department to provide affordable geological services; strengthen regional mining bureau to decentralize MMMD functions ; strengthen the Department of Mines Safety; b) Increase the geological mapping of Zambia; c) Establish and operationalise Mining Cadastre and GIS systems d) Improve access to capital and equipment; e) Set up a skills training centre in order to provide skills and knowledge in mine safety, valuation and grading, business management and entrepreneurship skills and downstream |

| | | | |
|----------|---|---|---|
| | | | processing of gemstones and other minerals; f) Plan, develop and rehabilitate infrastructure such as roads, clinics, schools, power supply, rail systems, etc in small-scale mining areas; g) Facilitate linkages for marketing of processed and rough gemstones and other minerals. h) Strengthen women's and men's organisations involved in mining. |
| 3 | Geological Mapping, Mineral Exploration and Resource Surveys | a) To attract corporate-responsible investment for the development of the mining sector | a) Explore for energy minerals; b) Conduct mineral exploration for gemstones, agriculture and industrial minerals; c) Acquire and install digital map production line; d) Conduct high resolution magnetic airborne surveys; e) Scale up geological mapping of Zambia. |
| 4 | Institutional Capacity Strengthening of the Ministry of Mines and Minerals Development | a) To attract corporate-responsible investment for the development of the mining sector; b) To increase long term benefits of the mining sector by integrating the mining sector with the rest of the economy through backward and forward linkages. | a) Establish a Planning and Information Department; b) Recruit human resource to fill vacant posts; c) Rehabilitate and upgrade laboratories to international standards; d) Procure capital goods and equipment. |
| 5 | HIV and AIDS | a) To encourage positive behavioural change and promote institutional practices that inhibit the spread of HIV and AIDS in the sector; | b) Advocate for non discrimination on account of HIV status; c) Institute deliberate measures against HIV and AIDS to equip, protect, care and support women and men working for the mines and communities that depend on them. |
| 6 | Gender in the Mining Sector | a) To mainstream gender in the mining sector | a) Create of a conducive environment for women to participate in mining. |

6.6 Implementation, Monitoring and Evaluation Framework

The programmes outlined in the Plan will be implemented by the Ministry through the annual work plans. The programme implementation matrix includes activities phased over the Plan period. The Ministry of Mines and Minerals Development in conjunction with the SAG, will institute monitoring and evaluation mechanisms. Occasionally, the Ministry may set up stakeholder taskforces to evaluate implementation effectiveness.

Implementation progress shall be measured mainly through monitoring performance in the following key performance indicators:

- Number of corporate social responsible large-scale mining companies in the sector;
- Number of productive small-scale mines;
- Value of receipts generated by the small-scale mining sub-sector;
- Growth of the sector; and
- Mining companies compliance with Safety Health and Environment regulations.

During the FNDP, the setting up of a Planning Department at MMMD will be undertaken early.

**Sector - Mining
(K Billion)**

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------|--|--------------------|-------------|-------------|--------------------|-------------|-------------|--------------------|-------------|-------------|--------------------|-------------|-------------|--------------------|-------------|--------------|--------------|-------------|--------------|
| | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | | | |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | Total | Donor | GRZ |
| | | 1.0 | 0.00 | 1.0 | 0.6 | 0.0 | 0.6 | 1.3 | 0.0 | 1.3 | 1.0 | 0.0 | 1.0 | 1.5 | 0.0 | 1.53 | | 0.00 | 5.37 |
| 1 | Development of Large-Scale Mining | | | | | | | | | | | | | | | | | | |
| 2 | Development of Small-Scale Mining | 0.1 | 0.00 | 0.1 | 4.5 | 0.0 | 4.5 | 2.9 | 0.0 | 2.9 | 4.3 | 0.0 | 4.3 | 0.3 | 0.0 | 0.27 | 12.17 | 0.00 | 12.17 |
| 3 | Strengthening Institutional Capacity of Ministry of Mines | 5.2 | 0.00 | 5.2 | 5.6 | 0.0 | 5.6 | 6.0 | 0.0 | 6.0 | 4.6 | 0.0 | 4.6 | 7.4 | 0.0 | 7.38 | 28.81 | 0.00 | 28.81 |
| 4 | Geological Mapping, Mineral Exploration and Resource Surveys | 1.2 | 0.00 | 1.2 | 3.6 | 0.0 | 3.6 | 2.9 | 0.0 | 2.9 | 3.4 | 0.0 | 3.4 | 2.2 | 0.0 | 2.20 | 13.25 | 0.00 | 13.25 |
| | Sub-Total | 7.5 | 0.00 | 7.5 | 14.3 | 0.0 | 14.3 | 13.1 | 0.0 | 13.1 | 13.3 | 0.0 | 13.3 | 11.4 | 0.0 | 11.37 | 59.60 | 0.00 | 59.60 |
| 1 | Safety, Health and Environment in Mines | 0.35 | 0.00 | 0.3 | 0.24 | 0.00 | 0.2 | 0.50 | | 0.5 | 0.38 | 0.00 | 0.4 | 0.61 | 0.00 | 0.61 | 2.09 | 0.00 | 2.09 |
| 2 | Establishing and Operationalisation of Mining Cadastre and GIS Systems | 0.10 | 0.00 | 0.1 | 0.08 | 0.00 | 0.1 | 0.16 | 0.00 | 0.2 | 0.12 | 0.00 | 0.1 | 0.20 | 0.00 | 0.20 | 0.66 | 0.00 | 0.66 |
| 3 | Policies, Legal and Institutional Reforms | 0.77 | 0.00 | 0.8 | 0.70 | 0.00 | 0.7 | 0.55 | 0.00 | 0.6 | 1.05 | 0.00 | 1.0 | 0.40 | 0.00 | 0.40 | 3.46 | 0.00 | 3.46 |
| 4 | HIV and AIDS | 0.14 | 0.00 | 0.1 | 0.04 | 0.00 | 0.0 | 0.09 | 0.00 | 0.1 | 0.14 | 0.00 | 0.1 | 0.09 | 0.00 | 0.09 | 0.51 | 0.00 | 0.51 |
| 5 | Gender in the Mining Sector | 0.03 | 0.00 | 0.0 | 0.02 | 0.00 | 0.0 | 0.03 | 0.00 | 0.0 | 0.02 | 0.00 | 0.0 | 0.04 | 0.00 | 0.04 | 0.14 | 0.00 | 0.14 |
| 6 | Personal Emoluments | 4.13 | 0.00 | 4.1 | 5.08 | 0.00 | 5.1 | 5.66 | 0.00 | 5.7 | 6.17 | 0.00 | 6.2 | 6.71 | 0.00 | 6.71 | 27.75 | 0.00 | 27.75 |
| | Sub-Total | 5.53 | 0.00 | 5.5 | 6.16 | 0.00 | 6.2 | 6.99 | 0.00 | 7.0 | 7.89 | 0.00 | 7.9 | 8.05 | 0.00 | 8.05 | 34.61 | 0.00 | 34.61 |
| | Grand Total | 13.03 | 0.00 | 13.0 | 20.51 | 0.00 | 20.5 | 20.06 | 0.00 | 20.1 | 21.19 | 0.00 | 21.2 | 19.42 | 0.00 | 19.42 | 94.21 | 0.00 | 94.21 |

COMMUNICATIONS AND METEOROLOGY



Communications and Meteorology

8.1 Introduction

Communications and meteorology play a vital role in the socio-economic development of a country. Communications integrates society where people and resources are able to meet their potential. Meteorology, on the other hand, safeguards life and property through promoting appropriate actions on scientifically based warnings, predictions, and information on weather and climatic conditions. Similarly, the Information and Communication Technology (ICT) sub-sector is gaining prominence with the rapid technological advancements experienced worldwide since the 1990s.

8.2 Review of Past Performance

8.2.1 Meteorological Sub-Sector

The development of meteorological services in Zambia has been closely linked to the requirements of air transport. In recent years, there has been a significant increase in the demand for weather and climate data for environmental monitoring purposes and for tracking climate change and global warming. In addition, meteorology has broadened its operations to cover other applications such as agriculture, industry, construction, water resources management, environment and health.

Over the years, the sub-sector has provided climatic weather information to the key sectors of the economy. Air transport, water transport, agriculture, industry, environment and natural resources, water, energy and disaster management continue to depend on weather and climatic information for their efficient operations. However, the sub-sector continues to experience numerous challenges. Major ones include inadequate meteorological observing stations; poor meteorological observation and telecommunications equipment; inadequate skilled personnel; inadequate funding; and lack of re-capitalisation.

8.2.2 Communications

The ICT is one of the fastest growing industries in the world and is changing technologies, business models, and work relations. It is widely and increasingly regarded as the fourth factor of production after land, labour and capital. The Government has recognised this fact and focuses at three levels, namely connectivity, capacity and content. Prior to the 1990s, the sub-sector only covered communications in its traditional sense, which included telecommunications and postal services. However, the convergence of technologies has changed the landscape of the communications industry worldwide. Since the early 1990s, developments in telecommunications, information technology (computer science) and broadcasting have improved and overlapped such that currently, the two have converged through the Internet. The core sub-sectors are telecommunications, information technology, broadcasting and multimedia.

Up to the mid-1990s, the telecommunications sub-sector in Zambia was characterised by one monopoly firm, the Post and Telecommunications Corporation (PTC). The sub-sector was then liberalised in 1994 to encourage private sector participation in the provision of telecommunications and postal services. PTC split into two public companies, the Zambia Postal Services Corporation (ZAMPOST) and the Zambia Telecommunications Limited (ZAMTEL). The liberalisation of the telecommunications sub-sector opened up opportunities for investment. The sub-sector has recorded increased local and foreign investment since the liberalization programme started. Currently, there are three operators in the mobile (cellular) segment, namely Celtel, MTN (formerly Telecel) and Cell Z (the mobile branch of ZAMTEL). Significant investment has since occurred in the mobile communications segment through the active roll out of equipment and services around the country.

The mobile segment has recorded the largest growth in the sub-sector, estimated at 73 per cent between 2002 and 2003. The growth was attributed to pre-paid cellular service provision and the failure to meet the demand for fixed land phone services. Other reasons for the growth were reduced costs of handsets and SIM packs. The service providers in the mobile segment offer a variety of value-added services which include internet based services. By December 2005, the total number of active mobile subscribers on all the three networks stood at over 970,000 while the network coverage represented 80 percent of the districts in the country. This has resulted in an exponential growth in the total national mobile teledensity. The sub-sector has become competitive in the provision of services and the benefits of competition can be seen through reduction in tariffs for services and innovative value-added services.

The internet segment has attracted more private sector participation compared to the mobile segment. This is despite the fact that the former is much more dependent on the roll out of a national telecommunications infrastructure. Since the enactment of the 1994 Telecommunications Act, several Internet Service Providers (ISPs) have been registered and are operational. These are ZAMNET (which is the pioneer in the provision of internet services in Zambia), Coppernet, ZAMTEL Online (a branch of ZAMTEL), Uunet, Microlink, and Africonnect. These service providers offer both broadband and dial up services. As at end December 2005, the total number of internet subscribers was 16,981 compared to 16,288 in the previous year. The number of users as opposed to subscribers is estimated at more than 20 times the number of subscribers (339,620).

8.3 Policies and Key Reforms

Since 1991, it has been the general policy of the Government to provide an enabling environment for private sector participation in the provision of goods and services. Arising from this policy, a number of sector policies and institutional reforms have been implemented in the communications and meteorology sector. These are summarised below.

8.3.1 Meteorological Sub-Sector

The meteorological sub-sector has been operating without a policy and legal framework. This has resulted in the lack of mandate for the sub-sector to operate effectively. To reverse this trend, the Government has commenced the process of formulating both the policy and legal framework in order to improve the provision of accurate weather forecasts and climate information to all sectors of the economy. These processes shall be scaled up during the FNDP.

In the Meteorology sub-sector, the Department of Meteorology will be strengthened during the FNDP period in order to continue producing timely, accurate, and reliable meteorological products. Capacity in the private sector shall also be built up in order to supplement the efforts of the Department of Meteorology.

8.3.2 Communications Sub-Sector

Prior to the liberalisation of the communications sub-sector in 1994, the major player in telecommunications and postal services provision was the Posts and Telecommunications Corporation (PTC). The enactment in 1994 of the Telecommunications Act and the Postal Services Act resulted in the establishment of ZAMTEL and ZAMPOST respectively. The 1994 Telecommunications Act also established the Communications Authority of Zambia as a regulator in the sub-sector and allowed for competition, resulting in increased private sector participation. In addition, in 2005 a national information and communications technology policy was put in place whose thrust was to integrate ICT for sustainable national development and poverty reduction. The FNDP period shall strive to operationalise the new ICT policy.

The Government recognises that the communications sub-sector, in general, is also affected by the legal framework that is designed for the broadcasting sub-sector. In this regard, the Independent Broadcasting Act of 2002 affected the entertainment sub-sector, particularly radio and television broadcasting. Multimedia activities are, however, neither covered in the Telecommunications Act nor the Independent Broadcasting Act. The postal sub-sector is also not regulated by the Communications Authority. In the light of these realities, the Government shall institute legal reforms during the FNDP to address a number of these and related issues that affect the ICT sub-sector in totality. The Ministry of

Communications and Transport (MCT) has already started the reform process through the review of the Telecommunications Act of 1994.

Similarly, the communications sub-sector is both regulated and unregulated at various points. The Communications Authority regulates the telecommunications sub-sector. However, in view of the rapid development in telecommunications and broadcasting technologies and the convergence of services and markets in the two sub-sectors, the Government shall firmly and holistically deal with the regulatory framework at both the legal and institutional levels. The MCT has already begun the process of developing a 'converged' legal framework to address the issue of telecommunications and broadcasting convergence. The convergence shall address the concerns of the broadcasting sub-sector, especially with respect to the implementation of the Independent Broadcasting Act. In this regard, the Government has approved the creation of the Department of Communications to handle ICT issues at policy level.

In order to successfully implement the programmes outlined above, the Government shall focus on the following key areas:

- a) Implementation of programmes will target telecommunications infrastructure, focusing primarily on the development of the telecommunications infrastructure backbone at two levels, namely, i) *regional and international connectivity* to make Zambia a hub for telecommunications, thus, spurring other development activities, especially related to Foreign Direct Investment; and ii) a *national backbone* to ensure connectivity of all provincial capitals through high capacity fibre, microwave, and other such technologies. A secondary network to all districts in each province will complement the backbone (primary network). The implementation of the national backbone will be private sector led. There will also be the implementation of '*last mile*' *connections* from district centres to cover rural areas, targeting health centres, schools, and other community level strategic settlements.
- b) In the ICT services field and following the telecommunications infrastructure investments in (a) above, the private sector shall be facilitated to take up the provision of a number of primary services either in their individual capacities or through smart Public-Private-Partnership (PPP) arrangements. The areas shall include:
 - i) Telephony services: The private sector shall be encouraged to invest in telephony services such as GSM and fixed mobile;
 - ii) Radio and television services: ZNBC and other public and private sector institutions shall be able to invest in radio and television coverage of the entire nation;
 - iii) Internet services: The private sector is currently the dominant player in this market. Further expansion of internet, e-mail and other data services are expected to 'ride' on the telecommunications network; and
 - iv) Multimedia and other content services: Information technology is about data, voice and video (multimedia). The increase in uptake of these services is expected to facilitate further growth in the IT sub-sector through products and services.

8.4 Vision and Goal

The vision is: *A developed and well maintained meteorology and Information and Communications Technology infrastructure and services for sustainable national development by 2030.*

The goal is: *To attain developed meteorological and information and communications technology systems in order to enhance the contribution of the two sub-sectors to sustainable national economic growth and improved quality of life.*

8.5 Programmes, Objectives and Strategies

The programmes and their respective objectives and strategies for the communications and meteorology sector during the FNDP are presented in the matrix below.

| Sector: Communications and Meteorology | | | |
|---|--|---|---|
| No. | Programmes | Objectives | Strategies |
| 1 | Policy, Legal and Institutional Reforms | To develop and monitor the implementation of appropriate policies, legal and institutional frameworks to foster the development of sustainable meteorology and information and communications sub-sectors | <ul style="list-style-type: none"> a) Review, strengthen and implement monitoring mechanisms; b) Strengthen rules and regulations for meteorology and information and communications sub-sectors; c) Develop and implement policy, legal and institutional frameworks for the sector. |
| 2 | Infrastructure Development | To promote public and private sector participation in the construction, installation and maintenance of infrastructure and provision of services in the meteorological, information and communications sub-sectors in order to stimulate economic growth in rural and urban areas | <ul style="list-style-type: none"> a) Provide incentives for private sector participation; b) Encourage open tenders in the construction, installation and maintenance of infrastructure and provision of services; c) Build capacity in local contractors and consultants; d) Build capacity of inspectorate sections in the sector; e) Concession motor vehicle examination and testing functions to the private sector; f) Develop and implement meteorological station rehabilitation, maintenance and expansion; g) Install provincial and district fibre optic cables and connect to the African undersea fibre optic cable; h) Build rural community multi-purpose tele-centres. |
| 3 | E-Government and ICT Application | To establish and maintain an integrated and effective information and communications technology system for effective decision-making and dissemination of information | <ul style="list-style-type: none"> a) Undertake feasibility study to determine information, software and hardware needs for all sectors of the economy; b) Install Wide Area Network at central and local government levels; c) Install electronic collaboration and communication system for the Government; d) Develop ICT skills in government; e) Conduct E-Government readiness assessment; f) Develop sector/Ministry ICT Policies; g) Develop Websites and Intranet for government ministries and agencies; h) Improve and upgrade communications infrastructure; i) Improve connectivity. |
| 4 | Human Resource Development | To effectively develop human resources for efficient delivery of services in the sector | <ul style="list-style-type: none"> a) Conduct training needs assessments for the Meteorology and ICT sub-sectors; b) Develop and upgrade local meteorology training programmes; c) Install and operationalise Performance Management Systems; d) Establish provincial ICT centres of excellence; e) Facilitate teachers training in ICTs at all teacher training colleges; f) Develop ICT curriculum and certification programmes in all learning institutions; g) Operationalise the Communications Department. |
| 5 | Meteorological Information and Services Development | To ensure safety and an environmentally friendly meteorology and information and communication technology system through education, engineering, and enforcement | <ul style="list-style-type: none"> a) Institute engineering safety within present and future arrangements in the sector; b) Improve the reporting and analysis of data in the sector; c) Ensure the protection of lives through appropriate safety measures; d) Institute effective law enforcement mechanisms; e) Develop databases and Geographical Information Systems (GIS) to support land, water resource management and environmental monitoring. |
| 6 | ICT Enterprise Development | To promote a stable, fair and competitive investment climate that facilitates the development of Zambia as the hub for meteorology, information and communications technology in the region | <ul style="list-style-type: none"> a) Domestic, harmonise and develop electronic commerce laws; b) Develop awareness programmes on the benefits of E-Commerce among the general public; c) Establish an ICT Enterprise Development Revolving Fund; d) Promote access of youths, women and the disabled to ICT. |

8.6 Implementation, Monitoring and Evaluation Framework

Various resources will be required by the communications and meteorology sector to successfully implement the FNDP. With respect to the ICT sub-sector, the MCT shall be responsible for overall policy formulation and monitoring of ICT.

There are many players involved in the information and communications sub-sector and an effort to effectively harmonise their work shall be made. The key players include the Ministry of Information and Broadcasting Services, which is responsible for regulating media and contents, and the Ministry of Science, Technology and Vocational Training, which is in charge of policy formulation in the field of science and technology in general. Basically, the role of the Government shall entail facilitation and implementation; coordination and control; planning and policy making; regulation and monitoring; development promotion; quality assurance and safety; and enforcement and revenue collection. The Communications Authority is responsible for regulating the communications sub-sector. Its mandate, however, does not cover postal services and multimedia services under the current law.

The private sector shall be facilitated to play a more critical role in the development of the ICT sector. The delivery of quality ICT services and the provision to the customer of value-for-money shall be the main responsibilities of the private sector. The Government shall remain committed to the provision of an enabling environment to promote growth and the development and profitability of the ICT sub-sector. The role of the private sector shall be as follows:

- a) To make appropriate investments in the ICT sub-sector so as to stimulate economic growth;
- b) To upgrade skills continuously in the work force by regularly providing training and advanced ICT-related education;
- c) To satisfy customer needs by providing quality products and services;
- d) To develop and promote socially and environmentally friendly services;
- e) To ensure that standards of the highest integrity are set by representative industry bodies upon entry into the sector by both foreign and local investors; and
- f) To ensure compliance with Government regulatory requirements.

The monitoring system will be based on a logical framework providing the basis for future planning, implementation, monitoring and evaluation of programmes and activities. Performance indicators, for the measurement of progress and success in planned implementation, are set out for each programme component. The responsible sector advisory group will establish an adequate monitoring and information system, which will enable the generation of relevant performance indicators. This will consist of annual work plans, progress reports and specific monitoring forms, designed to collect information on activity indicators of the programmes. The work plans will indicate the activities to be undertaken to achieve targets. These will be developed at major implementation points such as districts, provinces, national level and through other major units involved in the implementation of the development of infrastructure. The work plans will be generated through the active participation of all stakeholders; they will be prepared towards the end of the year and will serve as an implementation guide. The work plans will specify the time schedule of activities to meet set implementation schedules.

SAG members at different implementation units will be responsible for the development of annual work plans. The SAG will aggregate annual work plans from various sector members. These plans will also include all monitoring and evaluation activities to be undertaken by the sector. The plans will also outline outputs/inputs on activities and targets to be achieved. Once the plans are developed, they will be sent to the responsible institutions.

Implementation units will be required to keep a minimum set of data and information as part of the Management Information System (MIS). This will provide the SAG with information on performance, in relation to the achievement of targets and assist in making informed and timely decisions on matters affecting the smooth implementation of the programmes. Progress reports will provide feedback to supervisors on the progress of implementation of programmes based on the comparison of output/input activity targets with actual achievements. They will also highlight any problems that require

management attention. Thus, prompt submission of progress reports is very important for taking timely decisions.

The proposed interventions are expected to generate positive impact on the key indicators of the sector. Impact monitoring will be based on data and information generated from the baseline surveys and follow-up surveys, such as annual performance analyses, mid-term reviews and final sector performance analysis. This will enable stakeholders to determine if the Plan is going in the right direction. The full evaluation will be undertaken in the last year of the implementation of the FNDP.

Sector: Infrastructure
Sub-Sector: Communication – Meteorology
(K Billion)

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|------------------------|--|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|-------------|-------|-------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Total | GRZ | Donor |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| Core FNDP Programs | 1 | 0.3 | 0 | 0.3 | 0.30 | 0 | 0.30 | 0.00 | 0 | 0.00 | 0.40 | 0 | 0.40 | 0.00 | 0 | 0.00 | 1.00 | 1.00 | 0.00 |
| | 2 | 2.2 | 0 | 2.2 | 2.20 | 0 | 2.20 | 3.00 | 0 | 3.00 | 3.20 | 0 | 3.20 | 3.00 | 0 | 3.00 | 13.60 | 13.60 | 0.00 |
| | 3 | 1.3 | 0 | 1.3 | 1.30 | 0 | 1.30 | 2.40 | 0 | 2.40 | 7.00 | 0 | 7.00 | 2.30 | 0 | 2.30 | 14.30 | 14.30 | 0.00 |
| | Sub-total | 3.80 | 0.00 | 3.8 | 3.80 | 0.00 | 3.80 | 5.40 | 0.00 | 5.40 | 10.60 | 0.00 | 10.60 | 5.30 | 0.00 | 5.30 | 28.90 | 28.90 | 0.00 |
| Non Core FNDP Programs | | 0 | 0 | 0 | | 0 | 0.00 | 0 | 0 | 0.00 | 0 | 0 | 0.00 | 0 | 0 | 0.00 | 0.00 | 0.00 | 0.00 |
| | 1 | | | | | | | | | | | | | | | | | | |
| | Administration, Management & Human Resources | 0 | 0 | 0 | 1.20 | 0.00 | 1.20 | 1.60 | 0.00 | 1.60 | 2.40 | 0.00 | 2.40 | 2.40 | 0.00 | 2.40 | 7.60 | 7.60 | 0.00 |
| | Sub-total | 0 | 0 | 0 | 1.2 | 0 | 1.2 | 1.6 | 0 | 1.6 | 2.4 | 0 | 2.4 | 2.4 | 0 | 2.4 | 7.6 | 7.6 | 0 |
| | Grand Total | 3.80 | 0.00 | 3.80 | 5.00 | 0.00 | 5.00 | 7.00 | 0.00 | 7.00 | 13.00 | 0.00 | 13.00 | 7.70 | 0.00 | 7.70 | 36.50 | 36.50 | 0.00 |

Sector: Infrastructure
Sub-Sector: Communication – Summary
(K Billion)

| | Priority | Program | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|------------------------|----------|--|---------------------|----------|------------|---------------------|----------|------------|---------------------|----------|-------------|---------------------|----------|-------------|---------------------|----------|-------------|-------------|-------------|----------|
| | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Total | GRZ | Donor |
| | | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| Core FNDP Programs | 1 | Telecommunications Infrastructure (Fibre Optic Installation) | 0 | 0 | 0 | 3 | 0 | 3 | 7 | 0 | 7 | 2 | 0 | 2 | 1.5 | 0 | 1.5 | 13.5 | 13.5 | 0 |
| | 2 | ICT's in Government (E-Government) | 0 | 0 | 0 | 0.7 | 0 | 0.7 | 1.3 | 0 | 1.3 | 1.5 | 0 | 1.5 | 0.5 | 0 | 0.5 | 4 | 4 | 0 |
| | 3 | Human Resource Development | 0 | 0 | 0 | 0.5 | 0 | 0.5 | 1.5 | 0 | 1.5 | 4 | 0 | 4 | 5 | 0 | 5 | 11 | 11 | 0 |
| | 4 | ICT Enterprise Development | 0 | 0 | 0 | 0.4 | 0 | 0.4 | 0.5 | 0 | 0.5 | 0.6 | 0 | 0.6 | 0.5 | 0 | 0.5 | 2 | 2 | 0 |
| | 5 | ICT Applications | 0 | 0 | 0 | 0.4 | 0 | 0.4 | 0.6 | 0 | 0.6 | 0.2 | 0 | 0.2 | 0.2 | 0 | 0.2 | 1.4 | 1.4 | 0 |
| Non Core FNDP Programs | 6 | Policy, Institutional and Legal Reforms | 0.3 | 0 | 0.3 | 0.3 | 0 | 0.3 | 0 | 0 | 0 | 0.4 | 0 | 0.4 | 0 | 0 | 0 | 1 | 1 | 0 |
| | 7 | Delivery of Meteorological Information & Services | 2.2 | 0 | 2.2 | 2.2 | 0 | 2.2 | 3 | 0 | 3 | 3.2 | 0 | 3.2 | 3 | 0 | 3 | 13.6 | 13.6 | 0 |
| | 8 | Development of Meteorological Infrastructure | 1.3 | 0 | 1.3 | 1.3 | 0 | 1.3 | 2.4 | 0 | 2.4 | 7 | 0 | 7 | 2.3 | 0 | 2.3 | 14.3 | 14.3 | 0 |
| | | Sub-total | 3.8 | 0 | 3.8 | 8.8 | 0 | 8.8 | 16.3 | 0 | 16.3 | 18.9 | 0 | 18.9 | 13 | 0 | 13 | 60.8 | 60.8 | 0 |
| | 1 | Administration, Management & Human Resources | 0 | 0 | 0 | 1.20 | 0.00 | 1.20 | 1.60 | 0.00 | 1.60 | 2.40 | 0.00 | 2.40 | 2.40 | 0.00 | 2.40 | 7.60 | 7.60 | 0.00 |
| | | Total | 0 | 0 | 0 | 1.2 | 0 | 1.2 | 1.6 | 0 | 1.6 | 2.4 | 0 | 2.4 | 2.4 | 0 | 2.4 | 7.6 | 7.6 | 0 |
| | | Grand Total | 3.8 | 0 | 3.8 | 10 | 0 | 10 | 17.9 | 0 | 17.9 | 21.3 | 0 | 21.3 | 15.4 | 0 | 15.4 | 68.4 | 68.4 | 0 |

Sector: Infrastructure
Sub-Sector: Communication – ICT
(K Billion)

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------|--|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|-------------|------|-------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Grand Total | | |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | Total | GRZ | Donor |
| 1 | Telecommunications Infrastructure (Fibre Optic Installation) | 0 | 0 | 0 | 3 | 0 | 3 | 7 | 0 | 7 | 2 | 0 | 2 | 1.5 | 0 | 1.5 | 13.5 | 13.5 | 0 |
| 2 | ICTs in Government (E-Government) | 0 | 0 | 0 | 0.7 | 0 | 0.7 | 1.3 | 0 | 1.3 | 1.5 | 0 | 1.5 | 0.5 | 0 | 0.5 | 4 | 4 | 0 |
| 3 | Human Resource Development | 0 | 0 | 0 | 0.5 | 0 | 0.5 | 1.5 | 0 | 1.5 | 4 | 0 | 4 | 5 | 0 | 5 | 11 | 11 | 0 |
| 4 | ICT Enterprise Development | 0 | 0 | 0 | 0.4 | 0 | 0.4 | 0.5 | 0 | 0.5 | 0.6 | 0 | 0.6 | 0.5 | 0 | 0.5 | 2 | 2 | 0 |
| 5 | ICT Applications | | | 0 | 0.4 | 0 | 0.4 | 0.6 | 0 | 0.6 | 0.2 | 0 | 0.2 | 0.2 | 0 | 0.2 | 1.4 | 1.4 | 0 |
| 6 | | | | 0 | | | 0 | | | 0 | | | 0 | | | 0 | 0 | 0 | 0 |
| | Sub Total | 0 | 0 | 0 | 5 | 0 | 5 | 10.9 | 0 | 10.9 | 8.3 | 0 | 8.3 | 7.7 | 0 | 7.7 | 31.9 | 31.9 | 0 |
| | | | | | | | | | | | | | | | | | | | |
| | Grand Total | 0 | 0 | 0 | 5 | 0 | 5 | 10.9 | 0 | 10.9 | 8.3 | 0 | 8.3 | 7.7 | 0 | 7.7 | 31.9 | 31.9 | 0 |

INFRASTRUCTURE



9.1 Introduction

Infrastructure plays a crucial role in the country's socio-economic recovery programme aimed at improving the well being of the Zambian people. Since 1991 it has been the general policy of the Government to provide an enabling environment for active private sector participation in the direct provision of goods and services. Accordingly, the infrastructure sector is required to play mainly a facilitative role in the provision of socio-economic infrastructural and other services aimed at stimulating socio-economic growth, particularly in the identified four main economic growth sectors of agriculture, tourism, mining and manufacturing.

In this chapter, infrastructure covers among others the following:

- a) Transport infrastructure, including roads, railways, bridges, airports and aerodromes and inland waterways;
- b) Building infrastructure, covering office and residential accommodation, schools, health centres, sports complexes, museums, heritage sites, courts and prisons; and
- c) Dams used for agriculture related economic activities.

Transport infrastructure plays an important role as a catalyst in economic development by integrating society where people and resources are able to move to achieve their full potential. Large deposits of mineral wealth are of no economic value if they cannot be shipped to the market just like huge agricultural potential areas cannot be exploited if they are inaccessible. Agricultural produce also requires outlets to the market. Tourism is a growing industry in Zambia whose growth and prosperity will depend on how accessible tourist resorts are to leisure seekers. Transport also provides mobility and improves the quality of life for communities by providing access to education and health amenities and expanding options for work. Being a landlocked country, Zambia's economic survival depends mainly on the transport system for the movement of its exports and imports. Despite Zambia being a land locked country, it is a natural transport and communication hub which should be taken advantage of. The Government recognizes the importance of transport in facilitating economic growth, poverty reduction, and employment creation, hence the emphasis it placed on transport in the PRSP/TNDP.

The challenges that face the infrastructure sector in Zambia include excessive transport costs; high cost of building materials; expensive construction equipment; limited local contracting and consulting capacity; and unfavourable competition between local and foreign contractors. From the First through to the Fourth National Development Plans, the Government's focus in the transport sub-sector was to develop transport infrastructure throughout the country in order to link all provincial and district centres and inaccessible areas by other modes of transport. Moreover, it has also been the desire of the Government to open alternative railway routes and other modes of transport to the sea as follows:

- a) Chipata/Mchinji Railway, with possibilities of linking with the Zambia Railways or the Tanzania-Zambia Railway Authority system;
- b) Tazara/Mpulungu link;
- c) Kafue/Zawi in Zimbabwe, to provide the country's shortest railway link to the sea through the Port of Beira;
- d) Railway links with Angola, Botswana and Namibia; and
- e) Lusaka/Luangwa Bridge/Zumbo to link with the Mozambique Railway system.

Concerning building infrastructure, the Government had 20,000 housing units in the districts throughout the country before 1996. These pool houses were sold to sitting tenants, leaving only three VIP houses in provincial and districts centres and one VIP house in outlying districts for District Commissioners. With this scenario, the Government has been finding it difficult to recruit and retain qualified personnel. Nonetheless, the Government still has an obligation to provide affordable office and housing units to its employees. The Government has been spending huge sums of money on rental/housing allowances for its employees. This

has led to the Government's failure to implement its programmes in districts where it has no offices and houses.

There will be no economic development in Zambia without improvement of infrastructure in the outlying areas of the country since the country will mainly depend on agriculture, mining and tourism industries to improve its economy. Therefore, there is need for the Government to construct roads, office blocks and houses in most districts.

9.2 Review of Past Performance

In order to stimulate growth in the productive sectors, the Government's focus since 2000 has targeted public infrastructure programmes, such as the construction and rehabilitation of airports, dams, border infrastructure, canals, trunk, main, district, urban feeder and access roads to agricultural, manufacturing, mining and tourist areas. As a result, the construction sub-sector grew from 11.5 percent in 2001 to 21.6 percent in 2003. It declined in 2004 to 14.6 percent and increased to 19.9 percent in 2005. This positive development was attributed to continued expansion in the Government's road maintenance and construction activities, development of prime new commercial real estate, such as the Arcades in Lusaka and the Presidential Housing Initiative (PHI). The development of such infrastructure, in addition to stimulating growth in the productive sectors, was intended to improve and integrate rural communities through easier access and better communication links. It was also intended to offer rural people self-employment and income generating opportunities, such as road construction jobs and a wider market for their goods/crops and services and in the process create wealth. The contribution of transport and construction to the GDP during the period 1999 to 2005 is given in Table 9.1.

Table 9.1: Contribution of Transport and Construction Sub-Sectors to GDP at Constant 1994 Prices, 1999-2005 (K Billion)

| Sub-Sector | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Rail transport | 10.0 | 10.0 | 11.1 | 11.8 | 10.8 | 10.7 | 10.0 |
| Road transport | 75.4 | 76.8 | 77.3 | 78.3 | 81.9 | 85.3 | 89.2 |
| Air transport | 26.2 | 27.8 | 30.8 | 28.2 | 29.3 | 34.6 | 42.0 |
| Construction | 116.0 | 123.6 | 137.8 | 161.8 | 196.8 | 237.1 | 284.3 |
| TOTAL | 227.6 | 238.2 | 257.0 | 280.0 | 318.8 | 367.7 | 425.5 |
| Percent contribution to GDP | 9.4 | 9.5 | 9.8 | 10.3 | 11.2 | 12.2 | 13.5 |

Source: Central Statistical Office

9.2.1 Transport Systems

9.2.1.1. Road Transport

The goals of the road infrastructure sub-sector during the First Phase of the Road Sector Investment Programme (1997 to 2002), under the PRSP/ TNDP were as follows:

- Expand, rehabilitate and invest in the road sub-sector in order to improve accessibility and mobility, and bring a core road network of 33,500 km up to maintainable condition;
- Rehabilitate paved and unpaved roads and bring road conditions to at least 50 percent good, and 10 percent poor for all types of roads;
- Maintain paved and unpaved roads, including feeder roads;
- Replace pontoons with bridges, and rehabilitate and construct bridges, including footbridges;
- Promote intermediate means of transport;
- Build institutional and managerial capacity in the management of roads; and
- Create 30,000 new jobs in road maintenance.

Table 9.2 gives an overview of disbursements for roads against annual work plans. As can be seen in the Table, overall funding for road projects compared to planned work is less than 50 percent, implying that there is a lot of carry over. The Table further shows the very high external resource component in disbursements over the 2000 to 2005 period.

Table 9.2: Disbursements for Roads 2000-2005 (US \$ million)

| Funding Source | 2000 | 2001 | 2002 | 2003 | 2004 | 2005* |
|---------------------|--------|--------|--------|--------|--------|--------|
| Road Fund | 8.16 | 12.68 | 9.75 | 10.37 | 16.21 | 24.52 |
| GRZ Direct Funding | 25.54 | 32.01 | 22.82 | 9.37 | 25.00 | 25.11 |
| Donor Funding | 23.09 | 25.45 | 24.04 | 46.10 | 18.45 | 18.91 |
| WB-IDA Credit | 23.37 | 10.87 | 4.35 | 5.50 | 11.61 | 5.27 |
| Total | 80.16 | 81.01 | 60.96 | 71.34 | 71.27 | 73.81 |
| Annual Work Plan | 120.70 | 168.78 | 188.62 | 211.52 | 196.90 | 198.58 |
| Percent achievement | 66 | 48 | 32 | 33 | 36 | 37 |

Source: *Annual Report 2004*, National Road Fund Agency / *National Road Fund Agency annual work plan 2006*

As shown in Table 9.3, un-remitted collections from the fuel levy in 2000 were 36.2 percent of the total collections; this rose to 59 percent in 2003.

Table 9.3: Fuel Levy Collections and Remittances, 2000-2005

| Year | Collections K' billion | Remittances K' billion | Unremitted K' billion | Unremitted percent |
|------|---------------------------|---------------------------|--------------------------|-----------------------|
| 2000 | 35.6 | 22.6 | 12.9 | 36.2 |
| 2001 | 55.4 | 33.7 | 21.7 | 39.2 |
| 2002 | 90.3 | 45.7 | 44.5 | 49.3 |
| 2003 | 96.1 | 42.9 | 55.3 | 56.3 |
| 2004 | 121.5 | 121.5 | 0 | 0 |
| 2005 | 173.5 | 163.4 | 10.1 | 0.06 |

Source: *Annual Report 2005*, National Roads Board

The condition of roads is generally bad. At the end of 2004 the percentage of trunk, main, and district paved roads in good condition was 56 to 57 percent while the percentage of paved roads in fair condition reduced from 27 to 22 percent. Paved roads in poor condition increased from 17 to 21 percent. The drop in the rating of fair condition to poor condition was caused by inadequate periodic maintenance works undertaken to prevent roads deteriorating. During 2004, performance with respect to urban, trunk, main, and district roads exceeded the target while the rehabilitation of feeder roads was far short of the target, largely due to erratic funding from the Government and inadequate capacity of local authorities to execute the rehabilitation works.

9.2.1.2 Rail Infrastructure

During the PRSP/TNDP period the following were the focus of the Government in the railway sub-sector:

- Ensure rehabilitation and preservation of investment and continuous improvement of railway infrastructure;
- Improve railway efficiency through concessioning to the private sector;
- Make arrangements for new railway connections to areas that will come into new economic production, especially large-scale mining;
- Promote and enhance complementarity between roads and rail transport networks such as Chipata /Mchinji, Chipata /Kasama /Mpulungu, Chingola /Solwezi /Lumwana, Benguela / Mulobezi/Namibia and Kafue/Zawi (lion's den)/Beira in order to realise the hub concept in the regional setting;
- Evaluate and implement extension of the railway network, such as the Chipata/Mchinji link and the Kasama/Mpulungu link as part of the railway network development strategy; and
- Provide capacity building in the Government to develop supportive regulatory and investor-friendly legislation, and monitor compliance.

The amount of cargo carried by Zambia Railways during the period under review increased while the number of passengers declined. TAZARA, on the other hand, experienced decline in both freight and passengers carried. The increase in cargo transported by Zambia Railways was due to improved performance after the restructuring of the railways and increased economic activity in the mining sector, which provides the bulk of traffic to the railways sub-sector. TAZARA performance was dismal due to serious operational constraints such as shortage of motive power and rolling stock.

With regard to passengers, both Zambia Railways and TAZARA carried lower numbers due to a host of reasons that included patronage having shifted to road transport because of the superior quality of service offered by road passenger transporters. In order to revitalise the railways, the Government concessioned Zambia Railways Limited to Rail Systems of Zambia in December 2002 while the privatisation of TAZARA is under study.

9.2.1.3 Air Transport and Navigation

Air transport is the most important mode of transport in Zambia's efforts to promote tourism. The mode is very convenient, especially for international tourists. Since the liquidation of Zambia Airways in 1994, the industry has been predominantly in private hands but none of the existing carriers has been designated the status of a national or flag carrier. The void, left by Zambia Airways on regional and international routes, has been filled by foreign airlines. In 2003, the Government commissioned a study to determine the mode of establishing a private sector driven flag carrier. Recommendations of the study will be assessed and implemented during the plan period.

Livingstone Airport was rehabilitated and upgraded by modernizing the terminal building and ground handling facilities. Lusaka International Airport had its airfield lighting system rehabilitated. Rehabilitation works were also undertaken at Kitwe South Downs and Chipata Airports. Emergency repairs were undertaken at Mongu and Solwezi airports. Further, new air navigation equipment was installed at airports Ndola, Lusaka, Mfuwe and Mongu. Finally, communications equipment was upgraded at Ndola, Mongu and Lusaka airports.

In physical terms, both aircraft movements and passengers carried at the four international airports increased over the 2000 to 2004 period, as illustrated in Table 9.4.

Table 9.4: Aircraft Movements (Domestic and International), 2001-2004

| Airport | 2001 | 2002 | 2003 | 2004 |
|-------------|--------|--------|--------|--------|
| Lusaka | 7,825 | 9,272 | 10,241 | 9,507 |
| Ndola | 2,934 | 2,172 | 2,706 | 2,834 |
| Livingstone | 1,617 | 2,890 | 2,382 | 3,076 |
| Mfuwe | 1,429 | 1,310 | 931 | 2,048 |
| Total | 13,705 | 17,646 | 16,260 | 17,466 |

Source: *Economic Report 2004*, Ministry of Finance and National Planning

9.2.1.4 Waterways Transport

Water transport is the cheapest mode of transport because of low infrastructure development and maintenance costs. Zambia has an estimated network of 2,433 km of canals and waterways and these are found in: Lake Tanganyika, Lake Kariba, Lake Bangweulu, Lake Mweru, Upper and Lower Zambezi, Kafue River, Luapula River and Bangweulu, Mweru and Lukanga Swamps. Water transport, despite its inherent advantage of being the cheapest mode, is not fully developed to realize its potential for a number of reasons that include lack of equipment to dredge canals and waterways; lack of handling equipment at harbours; and lack of technical expertise to manage the sub-sector. The sub-sector will be reformed during the Plan period.

9.2.1.5 Urban Transport

Urban areas in Zambia continue to be centres of high economic and social activities attracting higher population, urban sprawl, and high demand for transport services and facilities among others. Some notable characteristics of the big cities, such as Lusaka, include the following:

- Vehicle congestion is already severe in certain parts of the Central Business District (CBD) and major roads leading into the CBD;
- Inadequate facilities for pedestrians;
- Long-term parking spaces for motor vehicles are very limited resulting in vehicles parking on the roadway hence adversely affecting smooth flow of traffic;
- Lack of by-passes to enable through traffic to avoid congested roads in the CBD; and
- Road network is the dominant infrastructure in urban areas although a rail network exists in Lusaka, which was used for a light rail passenger service; there is also an inter-mine town rail network on the Copperbelt, which could be used to operate a light transit rail transport system.

Urban transport infrastructure was not a priority in the PRSP/TNDP. As a result, most of the 5,500 km of urban roads have defects such as potholes, patches, cracks, edge failures and loss of gravel.

In Lusaka, the commuter railway network, which used to complement the road network, has been disused since the closure of the Njanji Commuter Service operations.

9.2.1.6. Corridor Development

Trade enhances development and can foster growth. Therefore, improvement of trade routes for regional and international trade is an important issue. Adverse transport costs can have an impact on trade efficiency if they are not addressed. According to UNCTAD studies, 11.5 percent of the total value of imports is transport related in Africa compared to 6.7 percent for North America and 7.2 percent in Asia. Transport costs in Southern African countries are at 12.7 percent, which is above the Africa average. On exports, many countries in Southern Africa spend 20 percent of their earnings on transport related costs; Zambia spends 17.1 percent.

In order to make Zambia's commodities more competitive on the regional and international markets and to mitigate against such challenges as distance from the major markets and being landlocked, the development of transport infrastructure is critical. For landlocked countries like Zambia, the development of transport infrastructure centred on corridor development is more plausible. It is for the above reason that the country is fully committed to the regional approach to infrastructure development under the Regional Economic Communities (RECs), such as SADC, COMESA, and the New Partnership for Africa's Development (NEPAD). Zambia is centrally located, which means it is the hinterland and transit point of many corridors to the sea. The main ones are:

- a) *Beira Corridor*: The corridor stretches from Beira in Mozambique via Zimbabwe and Zambia to Lubumbashi in the Democratic Republic of Congo (DRC). The corridor is traversed by road with a total length of 1,580 km and by rail with a distance of 2,557 km;
- b) *Nacala Corridor*: The corridor stretches from the Port of Nacala in Mozambique via Malawi to Lusaka in Zambia. Nacala can be accessed by road from Lusaka, a distance of 1,774 km and by road/rail combination measuring 604 km of road and 1140 km of rail;
- c) *Durban Corridor*: The corridor consists of road, rail and road/rail combination of network from Durban in South Africa via Zimbabwe, Botswana and Zambia to the DRC border. The length of the road via Beit Bridge to DRC is 2,611 km while the length of the road to Lusaka via Plumtree is 2,524 km. The length of the rail route via Plumtree to DRC is 2,510 km while the road/rail combination is 304 km road and 2,227 km rail;
- d) *Dar-es-Salaam Corridor*: The corridor stretches from Dar-es-Salaam in Tanzania to Harare in Zimbabwe via Lusaka. The distance by road is 2,491 km, while by road/rail combination, it is 304 km for the road and 2,176 km rail;
- e) *Walvis Bay Corridor*: This corridor stretches from Walvis Bay in Namibia via Katima Mulilo in Zambia to Bujumbura in Burundi. The road/water combination is 3,151 km road and 65 km water;
- f) *Mpungu (Great Lakes) Corridor*: The Mpungu corridor services Lusaka and Malawi via Chipata to Mpungu and the Great Lakes Region. The distance between Lusaka and Kigali in Rwanda is 1,390 km by road and 650 km by water; and
- g) *Mtwara and Lobito*: The stretch of roads of regional importance under the jurisdiction of Zambia is Livingstone-Ndola, Lusaka-Chipata, Lusaka-Chirundu, Kapiri Mposhi-Nakonde and Sesheke-Livingstone, while the entire railway network is part of the regional connectivity.

9.2.2 Building and Construction

Until the policy to sell houses to sitting tenants, central and local governments were involved in construction of residential houses. Other institutions engaged in the construction of houses were the Zambia National Building Society, National Housing Authority, ZIMCO Properties, Indeco Estates, private developers, individuals, and the Presidential Housing Initiative. Recently, ZIMCO Properties and Indeco Estates were transferred to the Ministry of Local Government and Housing as part of policy rationalization.

Funding for housing projects was uncoordinated and characterized by the existence of several Government institutions involved in the construction of houses, namely, Ministry of Works and Supply; Ministry of Local Government and Housing; Ministry of Defence; Ministry of Education; National Housing Authority;

and Zambia National Building Society. This also resulted in uncoordinated work and parallel funding. During the 2001 to 2005 period, the sub-sector undertook many projects particularly in terms of the construction of vital infrastructure that included markets, bus stations, office buildings, bridges and dams.

9.3 Policies and Key Reforms

The Government adopted the Construction Industry Policy in 1995 and constituted the National Council for Construction (NCC) through the NCC Act of 2003. As a statutory body, NCC registers and regulates all contractors and consultants in the construction sub-sector and enforce construction standards.

The Transport Policy of 2002 instituted the Road Development Agency (RDA) under the Ministry of Works and Supply through the Public Roads Act No. 12 of 2002. The RDA manages all roads in Zambia. The Agency is the overall Authority in the development of an integrated programme in the road sub-sector. The National Road Fund Agency (NRFA) manages and administers the Road Fund. In addition, it mobilises funds from various sources into a single basket for use in the roads sub-sector as stipulated in the National Roads Fund Act No. 13 of 2002. Road traffic and safety management are the responsibility of the Roads Transport and Safety Agency (RATSA) as provided for in Act No. 11 of 2002.

The Ministry of Works and Supply will continue with the review and development of an appropriate policy and legal framework in order to promote public-private partnerships in the construction and maintenance of public infrastructure. This will call for the establishment and maintenance of a comprehensive Information Management System on the operations of the sector to enhance decision-making and information provision to clients and stakeholders. Furthermore, the FNDP implementation will take on board the concerns of provinces and districts as expressed in the regional plans. This will be in conformity with the 2002 Decentralisation Policy that seeks to devolve power to the lower levels.

In the light of the above and in order for the infrastructure sector to contribute meaningfully to the growth of the economy, poverty reduction and employment creation, the following challenges shall be addressed during the FNDP period:

- a) *Poor State of Infrastructure:* The condition of most government buildings, such as schools, health centres and offices, and transport infrastructure is poor mainly due to many years of maintenance neglect and failure to meet set targets. The FNDP shall pay particular attention to infrastructure development and rehabilitation;
- b) *Poor Funding for Infrastructure:* Funding for maintenance and rehabilitation of infrastructure has been erratic, inadequate and uncoordinated resulting in delays in the completion of projects, non-execution of works and duplication of work. Sufficient resources shall be earmarked for the maintenance and rehabilitation of infrastructure. Public-private partnerships shall be explored and fully exploited. The role of cooperating partners in infrastructure maintenance and rehabilitation shall be effectively coordinated and harmonised with the FNDP priorities;
- c) *Slow Pace of Sector Restructuring:* Reforms in the sector, especially in civil aviation and water transport, are progressing at a slow pace. As a result, the sub-sectors cannot enjoy the benefits of good management associated with restructuring. In this regard, the Government shall accelerate the process of restructuring the civil aviation and water transport sub-sectors to maximise their contribution to national development, in general, and poverty reduction, in particular;
- d) *Low Private Sector Participation:* The desire of the Government is to involve the private sector in the development and operation of infrastructure. Whereas significant progress has been made in the railway and building construction sub-sectors, the participation of the private sector in road infrastructure development and operation has been low or non-existent. During the FNDP, the Government shall explore all avenues that would open up opportunities for fuller involvement of the private sector, particularly in road, air and water infrastructure;
- e) *Lack of Capacity to Undertake Works:* There is lack of capacity by local companies to undertake major infrastructure programmes due to their lack of equipment and finances. Although there is a deliberate policy by the Government to provide funds to build and strengthen local contractors, through packaging of contracts to assist build local capacity and giving preference to local contractors in the award of jobs, progress in building the required capacity has been slow. In this regard, the Government shall review

the experience thus far and embark on further efforts to empower indigenous companies to fully participate in infrastructure development;

- f) *HIV and AIDS Mainstreaming*: The HIV and AIDS pandemic has not spared the transport sub-sector more so that personnel in the sub-sector are engaged in many assignments outside their stations for long periods. The Government shall enhance its efforts in addressing the challenges of HIV and AIDS infection that are brought about by the nature of the transport sub-sector;
- g) *Gender Mainstreaming*: Women, especially in rural areas, undertake most of the domestic chores, such as collecting firewood, collecting water and taking produce to the market on foot. Because of the time and energy spent on undertaking these tasks, less time is available for them to undertake other economic activities as mitigation against poverty. The participation of women in the ongoing road rehabilitation programme is also marginal. The special needs of women in infrastructure development shall be explored and their inputs mainstreamed into the sub-sector in a more proactive and beneficial manner;
- h) *Vandalism*: Vandalism is now a widespread problem in Zambia. Railway tracks, airport infrastructure, bridges and road signs have been targets of vandals who supply the wares to scrap metal dealers and blacksmiths. The Government shall enhance its efforts in bringing awareness to local communities in addressing vandals in conjunction with law enforcement institutions; and
- i) *Lack of Clear Policy in Housing Construction*: The current institutional arrangements in the housing sub-sector are fragmented and characterized by a lack of clearly defined roles and lines of accountability. Several government ministries, parastatals, private developers and individuals have each prominent roles to play in the sub-sector. The Government shall address the challenges of its housing policy during the FNDP and define clearly the respective roles of various players in this sub-sector and how best they could be coordinated. The 1996 housing policy shall be reviewed in line with the current challenges. An implementation plan shall also be developed to operationalise the revised housing policy.

9.4 Vision and Goal

The vision is: *Developed and well maintained quality socio-economic infrastructure for sustainable national development by 2030.*

The goal is: *To enhance delivery of public infrastructure and achieve increased adherence to set standards and regulations on construction and maintenance in order to contribute effectively to national development.*

9.5 Programmes, Objectives and Strategies

The matrix below presents the FNDP programmes and their respective objectives and strategies for the infrastructure sector.

| Sector: Infrastructure | | | |
|------------------------|---|---|--|
| No. | Programmes | Objectives | Strategies |
| 1 | Development and Implementation of Public Private Partnership Policy | To develop and implement an appropriate policy framework in order to facilitate effective private sector participation in the construction and maintenance of public infrastructure | <ul style="list-style-type: none"> a) Develop and implement mechanisms for development and review of policies and legislation; b) Develop and implement mechanisms for monitoring the implementation of Public Private Partnerships (PPPs); c) Develop and implement private sector financing under build operate and transfer (BOT). |
| 2 | Public Infrastructure Management | To effectively manage public infrastructure in order to ensure accountability, serviceability and prolonged life span | <ul style="list-style-type: none"> a) Ascertain the current state of public infrastructure; b) Develop and implement mechanisms for maintenance of public infrastructure; c) Develop and implement mechanisms for rehabilitation of public infrastructure; d) Devise mechanisms to protect public infrastructure. |
| 3 | Infrastructure Development (Buildings) | To provide and maintain sports complexes, museums and heritage sites, and office and residential | <ul style="list-style-type: none"> a) Facilitate the construction of sports complexes, museums, heritage sites, and new office and residential buildings; b) Develop and implement a system for allocating office |

| Sector: Infrastructure | | | |
|-------------------------------|---|---|--|
| No. | Programmes | Objectives | Strategies |
| | | accommodation in order to facilitate operations of Government and other stakeholders | and residential accommodation to government institutions and employees; c) Develop and implement a comprehensive maintenance programme for residential and office accommodation; d) Develop border facilities. |
| 4 | Road Infrastructure Development | To facilitate the construction of road infrastructure, set standards and contribute to national development | a) Develop a plan for the development of road infrastructure; b) Provide technical information and specifications to contractors and consultants; c) Effectively collaborate with professional bodies on the development and enforcement of quality standards; d) Provide technical advice on public works to government institutions and the construction industry; e) Strengthen the mechanism for registration of contractors and consultants; f) Develop training programmes for small-scale contractors and technicians. g) |
| 5 | Airport Infrastructure Development | To facilitate the construction of airport infrastructure, set standards and contribute to national development | a) Develop a plan for development of airport infrastructure; b) Provide technical information and specifications to contractors and consultants; c) Effectively collaborate with professional bodies on the development and enforcement of quality standards; d) Provide technical advice on public works to government institutions and the construction industry; e) Strengthen the mechanism for registration of contractors and consultants; f) Develop training programmes for small-scale contractors and technicians |
| 6 | Rail Infrastructure Development | To facilitate the construction of rail infrastructure, set standards and contribute to national development | a) Develop a plan for development of railway infrastructure; b) Provide technical information and specifications to contractors and consultants; c) Effectively collaborate with professional bodies on the development and enforcement of quality standards; d) Provide technical advice on public works to government institutions and the construction industry; e) Strengthen the mechanism for registration of contractors and consultants; f) Develop training programmes for small-scale contractors and technicians. |
| 7 | Water Transport Infrastructure Development | To facilitate the construction of water infrastructure, set standards and contribute to national development | a) Develop a plan for development of water transport infrastructure; b) Provide technical information and specifications to contractors and consultants; c) Effectively collaborate with professional bodies on the development and enforcement of quality standards; d) Provide technical advice on public works to government institutions and the construction industry; e) Strengthen the procedures for registration of contractors and consultants; f) Develop training programmes for small-scale contractors and technicians. |
| 8 | Infrastructure Planning and Monitoring | To coordinate infrastructure planning and the monitoring of programmes and projects in order to ensure their effective implementation | a) Develop a five-year infrastructure master plan by 2010; b) Develop a monitoring and evaluation instrument; c) Conduct management meetings; d) Undertake progress review meetings quarterly. |
| 9 | Information Management System | To establish and maintain a comprehensive Information Management System (IMS) on the operations of the | a) Establish, operationalise and maintain comprehensive information management systems; b) Develop and implement a system linking stakeholder departments, provinces and institutions through Wide |

| Sector: Infrastructure | | | |
|------------------------|------------|--|---|
| No. | Programmes | Objectives | Strategies |
| | | infrastructure sector in order to enhance decision-making and information provision to end users | Area Network (WAN); c) Develop and implement a network system linking stakeholder ministries and institutions through WAN; d) Establish and operationalise a database on public infrastructure. |

9.6 Implementation, Monitoring and Evaluation Framework

At implementation level, firstly annual work plans will facilitate effective implementation and execution of service delivery. The annual work plans will detail the actual activities to be carried out in a particular year with their specific timeframes and estimates of the quantity and type of resources required. Secondly, the activities and their associated resource requirements in the annual work plans will be costed for each particular year and incorporated into the annual budgeting system. The implementation of the Plan will need to be constantly monitored and evaluated, and performance reports on the various aspects of the implementation process shall be prepared and discussed annually to form the basis for the next course of action. The performance reports will serve as input into the following round of annual budgets.

The monitoring system will consist of annual work plans, progress reports, and specific monitoring forms, designed to collect information on activity indicators of the programmes. The work plans will indicate the activities to be undertaken each year and their targets. These will be developed at major implementation points such as districts, provinces, national level, and in other major units involved in the implementation of the development of infrastructure. The work plans will be generated through the active participation of all stakeholders and prepared towards the end of the year and will serve as an implementation guide. The SAG members at different implementation units will be responsible for the development of annual work plans which will be supervised by the Planning and Monitoring Department of the Ministry of Works and Supply.

The SAG will develop consolidated annual work plans by aggregating annual work plans from various sector members. This Plan will also include all monitoring and evaluation activities to be undertaken by the sector. The Plan will outline outputs/inputs on activities and targets to be achieved. Implementation units will be required to keep a minimum set of data and information as part of the Management Information System (MIS). This will provide the Infrastructure SAG with information on performance, in relation to implementation of targets and assist in making informed timely decisions on matters affecting the smooth implementation of the infrastructure sector programmes. The progress reports will provide feedback to supervisors on the progress of implementation of programmes based on the comparison of output/input activity targets with actual achievements. They will also highlight any problems that require management attention. In this respect institutions will be encouraged to submit progress reports timely.

Monthly reports will be used for internal management and will highlight progress made in achieving expected outputs and inputs for activities in the Plan and the desired impact. Using monthly reports, four quarterly reports per year will be prepared by the Infrastructure SAG in liaison with implementing agencies, to review activities implemented during the quarter and to analyse achievements and constraints. Annual reports will be coordinated and compiled by the responsible institution and will analyse the implementation process in relation to targets and review activities implemented, and achievements and constraints experienced. A mid-term review of the planned activities shall be undertaken in mid-2008. The full evaluation will be undertaken in the last year of the implementation of the Plan.

Sector: Infrastructure – Roads Transport
(K billion)

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------|--|-------------------|----------------|----------------|--------------------|----------------|----------------|--------------------|---------------|--------------|--------------------|--------------|--------------|--------------------|----------------|----------------|-----------------|-----------------|-----------------|
| | | Cost in K Billion | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Total | GRZ | Donor |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| 1 | Road Infrastructure Management | 196.1 | 195.1 | 391.2 | 129.8 | 116.3 | 246.1 | 133.1 | 195.1 | 328.2 | 149.7 | 195.1 | 344.8 | 141.5 | 195.1 | 336.6 | 1646.9 | 750.2 | 896.7 |
| 2 | Rural Feeder Roads Rehabilitation | 61.4 | 0 | 61.4 | 100 | 0 | 100 | 100 | 0 | 100 | 100 | 0 | 100 | 120 | 0 | 120 | 481.4 | 481.4 | 0 |
| 3 | Tourist and National Park Roads | 7.5 | 0 | 7.5 | 50 | 0 | 50 | 70 | 0 | 70 | 100 | 0 | 100 | 100 | 0 | 100 | 327.5 | 327.5 | 0 |
| 4 | Road Infrastructure Rehabilitation (TMD) | 3.2 | 240.4 | 243.6 | 60 | 279.7 | 339.7 | 55 | 117.6 | 172.6 | 80 | 193.68 | 273.68 | 100 | 54.5 | 154.5 | 1184.08 | 298.2 | 885.88 |
| 5 | Road Infrastructure Development | 92.7 | 85.8 | 178.5 | 147.54 | 0 | 147.54 | 95.7 | 0 | 95.7 | 111.7 | 0 | 111.7 | 131.7 | 0 | 131.7 | 665.14 | 579.34 | 85.8 |
| 6 | Rural Accessibility and Mobility | 0.64 | 17.60 | 18.234 | 0.66 | 14.70 | 15.358 | 0.61 | 15.98 | 16.59 | 0.70 | 13.32 | 14.02 | 0.77 | 13.61 | 14.382 | 78.581 | 3.379 | 75.202 |
| | Grand Total | 361.539 | 538.895 | 900.434 | 488 | 410.698 | 898.698 | 454.41 | 328.68 | 783.1 | 542.1 | 402.1 | 944.2 | 594 | 263.209 | 857.182 | 4383.601 | 2440.019 | 1943.582 |

Sector: Infrastructure – Air Transport
(K billion)

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------|---|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|-------------|--------|-------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | | | |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total |
| 1 | Aerodrome Infrastructure Rehabilitation | 0.00 | 0.00 | 0.00 | 7.90 | 0.00 | 7.90 | 3.70 | 0.00 | 3.70 | 4.80 | | 4.80 | 6.20 | | 6.20 | 22.60 | 0.00 | 22.60 |
| 2 | Aerodrome Infrastructure Development | 0.00 | 0.00 | 0.00 | 4.00 | 0.00 | 4.00 | 2.00 | | 2.00 | | | | | | | 6.00 | 0.00 | 6.00 |
| | Sub-total | 0.00 | 0.00 | 0.00 | 11.90 | 0.00 | 11.90 | 5.70 | 0.00 | 5.70 | 4.80 | 0.00 | 4.80 | 6.20 | 0.00 | 6.20 | 28.60 | 0.00 | 28.60 |
| 1 | Administration and Human Resource Development | 0.00 | 0.00 | 0.00 | 1.50 | 0.00 | 1.50 | 1.00 | | 1.00 | 2.00 | | 2.00 | 1.00 | | 1.00 | 5.50 | 0.00 | 5.50 |
| 2 | Policy Institutional and legal reforms | 0.00 | 0.00 | 0.00 | 1.00 | 0.00 | 1.00 | 1.00 | | 1.00 | 1.50 | | 1.50 | 0.50 | | 0.50 | 4.00 | 0.00 | 4.00 |
| | Sub-total | 0.00 | 0.00 | 0.00 | 2.50 | 0.00 | 2.50 | 2.00 | 0.00 | 2.00 | 3.50 | 0.00 | 3.50 | 1.50 | 0.00 | 1.50 | 9.50 | 0.00 | 9.50 |
| | Grand Total | 0.00 | 0.00 | 0.00 | 14.40 | 0.00 | 14.40 | 7.70 | 0.00 | 7.70 | 8.30 | 0.00 | 8.30 | 7.70 | 0.00 | 7.70 | 38.10 | 0.00 | 38.10 |

Sector: Infrastructure – Rail
(K billion)

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | |
|-------------------|-----------|--|---------|-------|--------------------|---------|-------|--------------------|---------|-------|--------------------|---------|-------|--------------------|---------|-------|-------------|---------|
| | | Cost in K billions | | | Cost in K billions | | | Cost in K billions | | | Cost in K billions | | | Cost in K billions | | | Total | Private |
| | | GRZ | Private | Total | GRZ | Private | Total | GRZ | Private | Total | GRZ | Private | Total | GRZ | Private | Total | | |
| | 1 | Construction Chipata/Mchinji Railway Line (21Km) | 5 | 0 | 5 | 5 | 0 | 5 | 5 | 0 | 5 | 0 | 5 | 5 | 0 | 5 | 25 | 0 |
| | 2 | Chipata and Solwezi Rail Line Construction(170Km) | 0.0 | 30.0 | 30 | 0.0 | 30.0 | 30 | 0.0 | 30.0 | 30 | 0.0 | 30.0 | 0.0 | 30.0 | 30 | 150 | 0 |
| | 3 | Construction Solwezi and Benguela Railway(431.2Km) | 0.0 | 60.0 | 60 | 0.0 | 60.0 | 60 | 0.0 | 60.0 | 60 | 0.0 | 60.0 | 0.0 | 60.0 | 60 | 300 | 0 |
| | 4 | Construction Chipata-Mpika TAZARA(283.5Km) | 0.0 | 40.0 | 40 | 0.0 | 40.0 | 40 | 0.0 | 40.0 | 40 | 0.0 | 40.0 | 0.0 | 40.0 | 40 | 200 | 0 |
| | 5 | Construction Isaluka and Mpungu Port Rail Line(201.4Km) | 0.0 | 35.0 | 35 | 0.0 | 35.0 | 35 | 0.0 | 35.0 | 35 | 0.0 | 35.0 | 0.0 | 35.0 | 35 | 175 | 0 |
| | 6 | Construction Muldebezi - Caprivi Strip (Namibia Border) - (40Km) | 0.0 | 20.0 | 20 | 0.0 | 20.0 | 20 | 0.0 | 20.0 | 20 | 0.0 | 20.0 | 0.0 | 20.0 | 20 | 100 | 0 |
| | 7 | Construction of New Railway Line between Kaue and Lions Den in Zimbabwe (92Km) | 0.0 | 13.0 | 13 | 0.0 | 13.0 | 13 | 0.0 | 13.0 | 13 | 0.0 | 13.0 | 0.0 | 13.0 | 13 | 65 | 0 |
| | 8 | Rehabilitation of Njanji Commuter Railway Line (20Km) | 0.0 | 1.5 | 1.5 | 0.0 | 1.5 | 1.5 | 0.0 | 1.5 | 1.5 | 0.0 | 1.5 | 0.0 | 1.5 | 1.5 | 7.5 | 0 |
| | 9 | Rehabilitation of Muldebezi Commuter Railway Line (150Km) | 0.0 | 7.5 | 7.5 | 0.0 | 7.5 | 7.5 | 0.0 | 7.5 | 7.5 | 0.0 | 7.5 | 0.0 | 7.5 | 7.5 | 37.5 | 0 |
| | 10 | Rehabilitation of TAZARA Railway Line (950Km) | 0.0 | 28.0 | 28.0 | 0.0 | 28.0 | 28.0 | 0.0 | 28.0 | 28 | 0.0 | 28.0 | 0.0 | 28.0 | 28.0 | 140 | 0 |
| | 11 | Rehabilitation of Zambia Railway Line (870Km) | 0.0 | 26.0 | 26.0 | 0.0 | 26.0 | 26.0 | 0.0 | 26.0 | 26 | 0.0 | 26.0 | 0.0 | 26.0 | 26.0 | 130 | 0 |
| | | Sub-total | 5.0 | 261.0 | 266.0 | 5.0 | 261.0 | 266.0 | 5.0 | 261.0 | 266.0 | 5.0 | 261.0 | 5.0 | 261.0 | 266.0 | 1330.0 | 25.0 |
| | | Grand Total | 5.0 | 261.0 | 266.0 | 5.0 | 261.0 | 266.0 | 5.0 | 261.0 | 266.0 | 5.0 | 261.0 | 5.0 | 261.0 | 266.0 | 1330.0 | 25.0 |

Core FNDP Programs

Sector: Infrastructure: Housing
(K billion)

| Order of Priority | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | TOTAL | | |
|------------------------|---------------------|---|-------|---------------------|--------|--------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|--------|-------------|--------|-------|
| | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | K' Billions | | |
| | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | Total | Grz | Donor |
| Core FNDP Programs | 1 | Medium Cost Housing Development | 0.73 | - | 0.73 | 0.97 | 1.30 | - | 1.30 | 1.15 | - | 1.15 | 0.88 | - | 0.88 | 5.03 | 5.03 | - |
| | 2 | Settlement Upgrading | 0.73 | 8.03 | 8.76 | 0.67 | 0.61 | 4.53 | 5.13 | 0.85 | 4.53 | 5.38 | 0.88 | 4.53 | 5.41 | 33.37 | 3.74 | 29.63 |
| | 3 | Housing Construction | - | - | - | 27.50 | 32.00 | - | 32.00 | 32.00 | - | 32.00 | 26.50 | - | 26.50 | 118.00 | 118.00 | - |
| | 4 | Integrated District Development programme | - | - | - | - | 4.50 | 3.50 | - | - | 3.50 | 8.00 | - | 3.50 | - | 8.00 | 9.00 | 10.50 |
| Non Core FNDP Programs | | Sub-total | 1.460 | 8.025 | 9.485 | 29.140 | 38.41 | 8.025 | 46.43 | 38.50 | 8.03 | 46.53 | 28.27 | 8.025 | 36.291 | 175.899 | 135.77 | 40.13 |
| | | | | | | | | | | | | | | | | - | - | - |
| | | Sub-total | | | | | | | | | | | | | | - | - | - |
| | | Grand Total | 1.460 | 8.025 | 9.485 | 29.140 | 38.41 | 8.025 | 46.43 | 38.50 | 8.03 | 46.53 | 28.27 | 8.025 | 36.291 | 175.899 | 135.77 | 40.13 |

Sector: Infrastructure – Building
(K billion)

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|------------------------|-------------|---------------------|--------|--------|---------------------|--------|--------|---------------------|--------|--------|---------------------|--------|--------|---------------------|--------|---------|-------------|--------|--------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Total | GRZ | Donor |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| Core FNDP Programs | 1 | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | 2 | 0.3 | 0 | 0.3 | 0.3 | 0 | 0.3 | 0.3 | 0 | 0.3 | 0.3 | 0 | 0.3 | 0.3 | 0 | 0.3 | 1.5 | 1.5 | 0 |
| | | | | | | | | | | | | | | | | | | | |
| | 3 | 1.9 | 0 | 1.9 | 2.9 | 0 | 2.9 | 2.9 | 0 | 2.9 | 2.9 | 0 | 2.9 | 2.9 | 0 | 2.9 | 13.5 | 13.5 | 0 |
| | | | | | | | | | | | | | | | | | | | |
| | 4 | 20.5 | 0 | 20.5 | 15 | 0 | 15 | 15 | 0 | 15 | 15 | 0 | 15 | 15.5 | 0 | 15.5 | 81 | 81 | 0 |
| | | | | | | | | | | | | | | | | | | | |
| Non Core FNDP Programs | 5 | 0.3 | 0 | 0.3 | 1 | 0 | 1 | 1 | 0 | 1 | 1 | 0 | 1 | 1 | 0 | 1 | 4.3 | 4.3 | 0 |
| | | | | | | | | | | | | | | | | | | | |
| | 6 | 0 | 0 | 0 | 27.5 | 0 | 27.5 | 36.5 | 0 | 36.5 | 36.5 | 0 | 36.5 | 26.5 | 0 | 26.5 | 127 | 127 | 0 |
| | | | | | | | | | | | | | | | | | | | |
| | 7 | 0 | 0 | 0 | 30 | 0 | 30 | 73 | 0 | 73 | 90 | 0 | 90 | 40 | 0 | 40 | 233 | 233 | 0 |
| | | | | | | | | | | | | | | | | | | | |
| | 8 | 34.1 | 0 | 34.1 | 21.5 | 0 | 21.5 | 26 | 0 | 26 | 25 | 0 | 25 | 19 | 0 | 19 | 125.6 | 125.6 | 0 |
| | | | | | | | | | | | | | | | | | | | |
| Non Core FNDP Programs | | 0.9 | 25.1 | 26.035 | 1.0 | 32.1 | 33.062 | 1.0 | 22.8 | 23.799 | 1.1 | 19.0 | 20.128 | 1.2 | 19.7 | 20.867 | 123.891 | 5.111 | 118.78 |
| | | | | | | | | | | | | | | | | | | | |
| | 1 | 58.01 | 25.12 | 83.1 | 99.16 | 32.1 | 131.26 | 155.67 | 22.83 | 178.50 | 171.8 | 19.028 | 190.83 | 106.37 | 19.7 | 126.07 | 709.79 | 591.01 | 118.78 |
| | | | | | | | | | | | | | | | | | | | |
| | 2 | 13 | 0 | 13 | 6 | 0 | 6 | 6 | 0 | 6 | 6 | 0 | 6 | 11.7 | 0 | 11.7 | 42.7 | 42.7 | 0 |
| | | | | | | | | | | | | | | | | | | | |
| | 3 | 51.9 | 0 | 51.9 | 45.4 | 0 | 45.4 | 33.4 | 0 | 33.4 | 39 | 0 | 39 | 39 | 0 | 39 | 208.7 | 208.7 | 0 |
| | | | | | | | | | | | | | | | | | | | |
| Non Core FNDP Programs | | 2.5 | 0 | 2.5 | 2.5 | 0 | 2.5 | 2.5 | 0 | 2.5 | 2.5 | 0 | 2.5 | 2.5 | 0 | 2.5 | 12.5 | 12.5 | 0 |
| | | | | | | | | | | | | | | | | | | | |
| | | 67.4 | | 67.4 | 53.9 | | 53.9 | 41.9 | | 41.9 | 47.5 | | 47.5 | 53.2 | | 53.2 | 263.9 | 263.9 | 0 |
| | | | | | | | | | | | | | | | | | | | |
| | GRAND TOTAL | 125.41 | 25.12 | 150.53 | 153.06 | 32.1 | 185.16 | 197.57 | 22.83 | 220.39 | 219.3 | 19.028 | 238.33 | 159.57 | 19.7 | 179.267 | 973.69 | 854.91 | 118.78 |

NATURAL RESOURCES



10.1 Introduction

This chapter focuses only on those natural resources whose management responsibility falls directly under the portfolio of the Ministry of Tourism, Environment and Natural Resources (MTENR). These include wildlife, forestry, national heritage, and wetlands. However, linkage is made to other resources such as land, water, fisheries, minerals and energy whose mandates fall under other ministries, but whose management influences wildlife, forests, wetlands and the national natural heritage in general.

Zambia boasts of rich and abundant natural resources. These resources include minerals, such as base metals (copper, zinc, lead), precious metals (emeralds, amethyst, aquamarine, garnets, and citrines), industrial minerals (iron) and energy producing minerals (coal). Other resources that Zambia also has in abundance include land, water resources (both ground and surface water), and an impressive network of wetlands, plentiful wildlife, and fish resources, extensive forestry resources and a unique and wide range of national heritage, all within a favourable sub-tropical climatic regime. The total land surface area, for instance, is relatively vast (752,000 square. km) and the physical landscape is still of quality and pristine, characterized by fascinating and varied land systems and soil types. Total suitable land for agriculture is estimated to be about 58 percent of Zambia's total land surface, and only 14 percent of this is utilized. According to Zambia's geomorphic legend, the country could be divided into three broad regions, namely the hilly areas, the plateau areas and the valley regions.

Zambia's climate is one of the most pleasant and finest in sub-Saharan Africa. The average temperatures are relatively warm, between 20 and 24 degrees centigrade, and annual rainfall is over 900 mm, way above the sub-regional average. The climate has three distinct seasons: the warm-rainy season (November to April), the cool-dry season (May to July), and the hot-dry season (August to October). The country is also endowed with abundant ground and surface water resources covering about 6 percent of the country. Zambia contains about 35 percent of the Southern African region's ground water resources, with 14 percent of Zambia's land under wetlands.

With regard to biological resources, Zambia has a valuable and rich diversity of biological resources. Forest resources, comprising about 60 percent of the country, have an estimated 1,755 to 3,652 million cubic metres of woody biomass. There is also a variety of ecosystems with over 3,000 different species. These occur in three main biomes, each with distinctive floral characteristics. These biomes include forests, woodlands and grasslands. Over 40 percent of the species comprise shrubs and plants, much of which is savannah under the *Miombo* woodland. Out of the total number of species, 211 are endemic to Zambia, and 14 species are on the Red Data List and protected. To maintain biodiversity and support forest production, Zambia has set aside 9.64 percent as protected forests (reserves) throughout the country, and 60,000 ha of plantation forestry respectively on the Copperbelt and in other provinces.

Wildlife resources range from birds and reptiles to mammals. There are about 733 bird species (76 rare or endangered), 150 species of reptiles and 224 species of mammals (16 domesticated). Under the wildlife statutes, 25 species of mammals, 36 species of birds and 4 species of reptiles have international significance and are protected. In terms of area extent, wildlife protected areas occupy about 40 percent of the country's land surface area. This gives Zambia one of the largest wildlife estates in the sub-region. There is also scope for development of private wildlife estates, as there is availability of land in communal (open) areas. In addition, there are about 404 species of fish (204 endemic), and a few protected areas as fish breeding sites. There are also over 3,000 sites of outstanding natural and cultural heritage with great diversity of attractions and unique selling features that have been identified in the Zambian landscape, including the Victoria Falls.

10.2 Review of Past Performance

Rapid increases in the population combined with over-exploitation of resources have threatened the resource base and in turn the lives of the people. The growing population implies that the number of

people who exploit natural resources as a means of sustaining themselves will also increase. In addition, the population density in some localities is extremely high, largely as a result of urbanization and immigration. These factors have combined to exert pressure not only on social and economic services, but also on land, resulting in deforestation, biodiversity loss, land degradation, and scarcity of agricultural land in some areas. These problems are particularly evident in Central, Eastern and Southern provinces, resulting in outward migration of the rural populations in these areas to as far as Northern and North-Western provinces.

It has been noted that a significant cause of environmental degradation has been inadequate legislation. This is also due to the fact that much of the land in Zambia is under traditional tenure or 'open areas' and administered by traditional rulers. Under the various traditional arrangements, the tenure regimes have no clearly defined property rights since the community usually has open access to natural resources. The dynamics of open access are the basis of the 'tragedy of the commons'. For many years, there has been no national land-use planning framework to specify how land should be allocated for various purposes and what land should be reserved for different future uses at the national, provincial and district levels.

The 1995 Lands Act was aimed at ensuring that all Zambians are afforded the same opportunity and encouraged to access and own land under leasehold title in customary land areas. This move is seen to be progressive because it puts in place a system of security of land tenure, which provides some incentives for sound environmental protection. Progress to date has, however, been very limited on this issue. There has also been limited private sector investment in the natural resources sector in the past to stimulate growth and development. Indigenous people and local entrepreneurs have also not, as a whole, been much involved in investment in the sector. Efficient and effective information management systems are key to modern day natural resource management. The sector has suffered from lack of systematic and comprehensive information management systems to effectively support decision-making and operations and facilitate information dissemination. Consequently, it has been difficult to establish any credible trends in the status of Zambia's natural resources.

Other challenges in the natural resources sector are poor infrastructure and inadequate and obsolete equipment. Apart from the centre and regional headquarters, most of the natural resource management infrastructure at the district level and below is dilapidated. In addition, communication and transport facilities are poor. This state of affairs has continued to affect natural resource management negatively. At the sub-sector level, a host of factors have continued to affect sound natural resource management. They include the following:

- a) *Wildlife Management:* Recent data shows that in 2003 the Zambia Wildlife Authority earned about ZK 5.3 billion and ZK 10.4 billion in 2003, in safari hunting and tourism, Zambia Wild Life Authority (ZAWA) earned about, as opposed to ZK 344 million and ZK 3.1 billion in 2000, respectively. The five major parks important for photographic tourism were South Luangwa, Lower Zambezi, Mosi-o-Tunya, Kafue, and Kasanka. The performance of the safari hunting industry has, however, been sluggish due to poor administration and hunting bans as a result of irregularities in the administration of the safari hunting tendering system. Another problem which affects the industry is the reduced biomass in terms of total numbers of animals due to a combination of illegal hunting and out-migration of animals from Game Management Areas (GMAs) as a direct result of hunting pressure. The safari hunting industry has the potential of producing four times the present revenue values if well managed. In addition to safari hunting, ZAWA has also continued to promote the economic use of wildlife (supply of game meat and revenues) through a quota and licensed hunting system (district, national, special licenses) and programmes. However, the benefits of the scheme are limited, as quotas are generally abused and hunting is not monitored;
- b) *Community participation in tourism:* The Government through the MTENR, is facilitating tourism development through community involvement (indigenous Zambians), with emphasis on community based tourism through the establishment of the Tourism Development Credit Facility (TDCF). The programme focuses on the development of various tourism products, including conservation business, for example, game ranching, parks, botanical gardens and hunting ventures. This, however, is still in its infancy. In terms of enhanced incomes to community and employment creation, ZAWA has employed a management framework through which 35 percent of revenues from safari hunting are ploughed back into communities for community development and resource

protection in the game management areas. There is, however, lack of capacity to monitor communities in the use of these funds. The Government is also promoting private sector participation in conservation efforts, to re-emphasize the economic value of wildlife, through game ranching. The Government produced a draft policy on private wildlife estates in 2005 which once enacted will encourage private game ranching. In this regard, the Government encourages private investors in the tourism and wildlife sub-sectors to contribute to the improvement of the lives of the communities in which they operate;

- c) *Maintenance of Biological Diversity:* Although Zambia has one of the largest forest and wildlife estates in Africa, maintenance of biological biodiversity and the environment in general has been inadequate. Wildlife depletion and deforestation have been identified as some of the major serious environmental problems in Zambia. The main causes of deforestation are poor agricultural practices, uncontrolled bush fires, and indiscriminate cutting of trees for charcoal burning and building works. The main causes of depletion of wildlife populations in the protected areas and in Zambia are (commercial, illegal) hunting pressure and loss of habitats. Of the 19 national parks, Lavushi Manda, Isangano, Mweru-wa-Ntipa, Lusenga Plains, West Lunga, Lukusuzi and Nyika National Parks are under-stocked. As for game management areas, over 50 percent of the 34 are depleted of game;
- d) *Forest Resources Management:* Forests and forest industries contribute at least 3.7 percent to GDP; the largest contribution comes from the wood fuel sub-sector. Charcoal production (mostly commercial) and firewood collection (mostly subsistence) account for 2.2 and 0.8 per cent, respectively. The most significant contribution from the forest sub-sector is that of providing energy for the agricultural and domestic needs of 90 percent of the Zambian population. Moreover, the potential forest contribution to the national economy could be much higher than at present as the overall productivity of the forest resource is sub-optimal. Productivity (measured per unit of financial or labour input) is low at all stages of the marketing chain, from production, to processing and marketing. Transaction costs are high due to poor infrastructure such as roads and telecommunications. Significant economic and environmental gains may be achieved through increasing the efficiency of forest industries, including small-scale enterprises. In the light of the above, the Zambian forest resource is dwindling; annual deforestation is estimated at 900,000 ha., indicating the urgent need to reduce the high rate of deforestation, and to mitigate its impact on the people and the environment. Charcoal burning significantly contributes to rapid deforestation. Half of Zambia's population lives in urban areas and the rate of urbanization is increasing. Between 66 and 98 percent of urban households use charcoal for domestic energy needs. The highest prevalence of consumption (98 percent) is among urban low-cost households, which constitute 85 percent of the total number of urban households. Opportunities arising from increasing the control of deforestation include improved availability of forest goods to the rural poor, increased sub-sector productivity and more cost-efficient use of the nation's natural resources;
- e) *High Urban Wood Fuel Energy Demand:* The average urban consumption of charcoal has been estimated at 3.9 kg./day or 1,040 kg./household/year. In 2000, the annual charcoal consumption in Lusaka was estimated at 245,000 metric tonnes (MT), which translated to 15 million cubic metres (m³) of wood. With an estimated increase of 100,000 new urban households in Zambia over the Plan period, it is evident that the demand for charcoal will remain high. A consolidated effort to manage the forest resource in collaboration with the producers, improving the efficiency of charcoal production and enhancing their bargaining power in the market place will, therefore, yield immediate direct economic benefits to the rural poor;
- f) *Imbalances in wood products exploitation.* The opportunities to increase production volume based on indigenous forests is limited mainly because a large part of the resource is too far from the markets, well-stocked areas are heavily harvested and more remote areas are often not economically exploitable. However, significant benefits may be achieved from more effective regulation and monitoring of ongoing timber extraction. While traditional forest industries have performed inadequately, non-wood forest industries are showing promising growth. A prime example is the honey and beeswax industry in North-Western province, which flourished during the early 2000;

- g) *Conservation of National Heritage:* Over 3,000 national heritage sites have been identified, representing a great diversity of attractions and unique selling features, with Victoria Falls as a flagship world heritage with unlimited prospects. There is generally a host of problems affecting conservation and the promotion of tourism. In support of the Government's tourism strategic objective of "contributing sustainably to the economic well being and enhanced quality of life for Zambians", the National Heritage Conservation Commission (NHCC) has continued to promote sites of interest for tourism. However, most of these sites have no management and tourism plans to guide heritage management, development and conservation. As such, some of these developments have been uncoordinated and substandard, and not environmentally friendly. These developments, therefore, have resulted in destruction of heritage sites due to development pressures threatening their existence; and
- h) *Wetlands Resource Management:* Wetlands are a unique resource and are extremely important as they perform hydrological, ecological and socio-economic functions. Despite this significance of wetlands, there is paucity of data on the financial and economic value of wetlands, which could be used to adequately assess the performance of the sector. This is due to the difficulty of calculating market values for environmental goods and services and limited capacity in the field of resource economics in the country. The greatest threat to wetlands in the country is from their degradation, caused by human-induced processes and exacerbated by climatic fluctuations (particularly drought). It is estimated, for example, that over 20 percent of the flood plains and swamps have been degraded as result of dam development, siltation and human settlements. At least 30 percent of dambos in Central, Eastern, Lusaka and Southern provinces of the country are degraded through inappropriate agricultural practices, siltation, overgrazing and human settlements. Over 40 percent of wetlands' wildlife resources have been depleted through over-hunting and habitat loss, while over 50 percent of wetland fisheries resources have been considerably over-exploited.

10.3 Policies and Key Reforms

Before 1985, Zambia had no coherent and comprehensive policy framework and an apex institution for the management and utilization of natural resources. Thereafter, important policy and institutional developments took place, which include the adoption of the National Conservation Strategy, the enactment of the Environmental Protection and Pollution Control Act (EPPCA), and the subsequent establishment of the Environmental Council of Zambia (ECZ) and the Ministry of Environment and Natural Resources (MENR) in 1991 as apex institutions. These heralded the development of major programmes such as the National Environmental Action Plan (NEAP, 1994); the Environmental Support Programme (ESP); the Zambia National Biodiversity and Action Plan (NBSAP); the Zambia Forestry Action Plan (ZFAP); the National Action Plan (NAP) for the implementation of the United Nations Convention to Combat Desertification (UNCCD); and the Zambia Wetland Strategy and Action Plan.

Despite these developments, the following challenges have remained and shall be addressed by the FNDP:

- a) Overall, management of natural resources has historically been designated to sectoral institutions with specific mandates based on sectoral legislation and policy frameworks. These frameworks are generally inadequate and inconsistent. Some legislation is outdated and tends to alienate local communities and does not adequately incorporate international environmental conventions. In this regard, the Government shall review and harmonise all sectoral natural resource policies and legislation. Focus shall be on the finalisation of the National Environmental Policy (NEP) since this is an important step in addressing inconsistencies;
- b) There are more than 30 institutions and agencies (public, NGOs/CBOs, and private sector organizations) involved in environment and natural resource management. The existence of numerous institutions in itself makes coordination of activities difficult. The establishment of the Natural Resources Consultative Forum (NRCF) shall form the most important avenue in the Government's effort to address some of the key challenges among all key stakeholders;
- c) Particular attention shall be given to addressing capacity deficiencies in the sector, focusing on the existing scarcity of trained and appropriately experienced personnel able to carry out such specialized functions as policy development, implementation, analysis and harmonization of legal instruments. Other capacity deficiencies include inadequate access to up-to-date natural resource data and information and lack of adequate policy;

- d) The Government shall implement the National Environmental Policy once it is approved by Cabinet. To do this effectively, the Government shall facilitate the development of an implementation plan (IP) in the context of the decentralization policy. The Government shall also develop an Environmental Investment Strategic Plan (EISP) in order to ease the process of implementing the NEP;
- e) Presently, the Forestry Department has no capacity to adequately manage forest estates in the country. In view of this, the Government shall during the FNDP, consider various options for improving the operations of the sector;
- f) The Government shall continue to facilitate forestry development by encouraging the involvement of local people and the private sector in forest businesses and ensure that many people access the Forest Development Credit Facility. The Government shall also strengthen the Zambia Forestry College through improving infrastructure and introducing skills development courses to support the private sector. The Forest Research Division shall be strengthened by improving infrastructure, equipment and staff skills to ensure availability of up to date information;
- g) The Government shall work towards the domestication of international environmental conventions during the FNDP period. Zambia has acceded to over 20 international environmental conventions, and these have a bearing on the management of the country's natural resources. The Government shall give priority to the domestication of five conventions that are critically relevant to Zambia namely, Convention on International Trade in Endangered Species of Wild Flora and Fauna (CITES); Convention on Biological Diversity (CBD); United Nations Convention to Combat Desertification (UNCCD); Convention on Wetlands of International Importance (Ramsar Convention); and Convention for the Protection of World Heritage. The Government shall also complement ongoing efforts, including support to the implementation of the National Capacity Self-Assessment project. This project aims at taking stock of current capacity levels and capacity needs in government, NGOs, CBOs and the private sector for the implementation of the CBD, UNCCD, and United Nations Framework Convention on Climate Change (UNFCCC). In addition, the National Adaptation Programme of Action (NAPA), was initiated to help the country adapt and mitigate problems related to climate change;
- h) The Government shall enhance the capacity of ZAWA to ensure that its wildlife management mandate is undertaken more effectively. This shall be done in the context of ZAWA's current Strategic Plan which recognizes the need for promoting commercial activities through broadening the tourism revenue generating base and the creation of sustainable partnerships. A review of any gaps and inconsistencies in the current wildlife policy and legislation shall be addressed during the FNDP;
- i) The Government shall facilitate the process of putting in place the new system and structures for decentralized, collaborative and enhanced forest management, including the option of creating the Zambia Forestry Commission under the Ministry of Tourism, Environment and Natural Resources; and
- j) The National Heritage Conservation Act will be reviewed and harmonised with other natural resource management legislation. In addition, the Government shall develop subsidiary legislation to ensure that the Heritage Act is effective. Furthermore, the National Heritage Conservation Commission shall finalise and implement the policy on Heritage Conservation.

10.4 Vision and Goal

The Vision is: *Well-conserved natural resources for sustainable development by 2030.*

The Goal is: *To ensure sustainable use of natural resources for the benefit of all Zambians.*

10.5 Programmes, Objectives and Strategies

The programmes and their respective objectives and strategies for the natural resources sector during the FNDP are presented in the matrix below.

| Sector: Natural Resources | | | |
|----------------------------------|--|---|---|
| No. | Programmes | Objectives | Strategies |
| 1 | Management of Protected Areas | To maintain a representation of eco-systems for the benefit of current and future generations | <ul style="list-style-type: none"> a) Maintain representative protected areas network system; b) Expand the protected area system to include wetlands types which are not currently under protection. |
| 2 | Legislation and Policy Review | To develop a conducive policy and legislative framework for enhanced contribution of the sector to the national economy | <ul style="list-style-type: none"> a) Formulate, review and implement appropriate policies and plans; b) Integrate private sector driven policies and programmes in NRM; c) Integrate international environmental conventions which are beneficial to the country in national laws and local programmes; d) Ensure that both men and women participate in natural resources management. |
| 3 | Environmental Institutional Strengthening and Capacity Building | To strengthen management systems for sustainable utilization of natural resources | <ul style="list-style-type: none"> a) Improve coordination and administration; b) Institutional development and capacity building. |
| | | To mainstream Gender and HIV and AIDS in sector activities | <ul style="list-style-type: none"> a) Promote Gender and HIV and AIDS equity and awareness. |
| 4 | Sustainable Management of Wildlife Resources | To effectively conserve and manage wildlife and habitats | <ul style="list-style-type: none"> a) Improve habitat productivity, protection and monitoring; b) Rehabilitate of protected areas infrastructure; c) Integrate regional law enforcement; d) Encourage co-management of wildlife resources; e) Commercialise wildlife industries. |
| 5 | Institutional Reform | To effectively manage the process of institutional change and reform of the forestry sub-sector | <ul style="list-style-type: none"> a) Strengthen institutions and human resources; b) Enhance institutional inter-sectoral and regional collaboration. |
| 6 | Sustainable Indigenous Forest Resource Management | To manage and conserve indigenous forests in a sustainable way | <ul style="list-style-type: none"> a) Integrate forestry into relevant cross-sectoral development activities; b) Implement sustainable forest management and conservation; c) Strengthen forest resource protection and monitoring. |
| 7 | Sustainable Wood Fuel Management | To promote efficient use of wood energy and alternative sources | <ul style="list-style-type: none"> a) Promote sustainable and participatory wood fuel management; b) Establish fuel wood plantations; c) Improve efficiency and technology of charcoal production and use d) Improve collaboration with the Energy Regulation Board. |
| 8 | Industrial and Plantation Forestry Programme | To enhance the economic and social contributions of industrial and plantation forestry | <ul style="list-style-type: none"> a) Strengthen commercial forestry; b) Promote forest sub-sector financing; c) Improve access to information, market opportunities, trade channels and technology. |
| 9 | Private and Public Sector Capacity Building | To develop an efficient private sector driven wood processing and marketing system | <ul style="list-style-type: none"> a) Promote out-grower schemes in rubber growing and cottage industry; b) Capacity building of forestry entrepreneurship; c) Distribute market information. |
| 10 | Strengthening Community Based Forest Management | To build up local forest governance through decentralisation and community based forest management | <ul style="list-style-type: none"> a) Promote joint management of forest resources; b) Establish community structures and develop skills; c) Formulate joint forest management |

| Sector: Natural Resources | | | |
|----------------------------------|--|--|--|
| No. | Programmes | Objectives | Strategies |
| | | | plans and put in place appropriate legal frameworks. |
| 11 | Agro-Forestry and Afforestation Programme | To strengthen the capacity of extension and research officers to actively promote agro-forestry and afforestation activities among farmers and every one in agro forestry and afforestation activities | <ul style="list-style-type: none"> a) Establish on-station and on-farm trials; b) Promote village nurseries and establishment of woodlots; c) Formulate integrated land use plans. |
| 12 | Strengthening Forestry Education and Training | To support Zambia Forestry College and in-service staff training | <ul style="list-style-type: none"> a) Rehabilitate college infrastructure and review curricula; b) Improve staff skills through staff development programmes; c) Develop and implement staff training programmes. |
| 13 | Supporting Forest Business Enterprises | To improve investment in the forestry sub-sector and provide support to rural and urban livelihoods through sustainable forest based enterprises | <ul style="list-style-type: none"> a) Increase funding to Forest Development Credit Facility; b) Promote micro and small-scale credit to rural based enterprises; c) Strengthen the informal sector; d) Promote Bee Keeping and Apiculture. |
| 14 | Strengthening Forestry Research and Information Management System | To generate and maintain up-to-date forest data and information | <ul style="list-style-type: none"> a) Implement research programmes, inventories and assessments; b) Conduct forest accounting and valuation; c) Rehabilitate research infrastructure; d) Establish forest database. |
| 15 | Management of Wetlands | To promote conservation and sustainable utilization of wetland resources | <ul style="list-style-type: none"> a) Promote community participation; b) Promote commercialisation and value addition for wetland resources; c) Develop integrated land use planning; d) Improve regional and international collaboration; e) Improve coordination of wetland management; f) Improve public awareness on wetland values and functions. |
| 16 | Sustainable Management of Heritage Resources | To conserve and manage national heritage | <ul style="list-style-type: none"> a) Encourage community participation in the conservation and management of the national heritage; b) Promote the commercialisation of national heritage; c) Promote sustainable tourism development; d) Promote public awareness and education in heritage conservation; e) Strengthen research and management planning; f) Improve regional and international collaboration; g) Improve infrastructure; h) Strengthen analysis, treatment and curation of heritage materials; i) Strengthen national heritage resource protection and monitoring. |

10.6 Implementation, Monitoring and Evaluation Framework

The FNDP shall focus on the improvement of the implementation capacity of the Ministry of Tourism, Environment and Natural Resources. Decentralization, increased stakeholder collaboration and cost-efficient implementation of the above outlined programmes shall be targeted in this regard. The Ministry shall put in place an effective monitoring and evaluation system that shall involve the respective SAG and other stakeholders to ensure that the FNDP programmes in the natural resources sector are implemented. Annual work plans shall guide actual activities. The work plans shall be reviewed periodically against appropriate performance indicators, targeting primarily the achievement of positive impact.

Sector: Natural Resources

(K Billion)

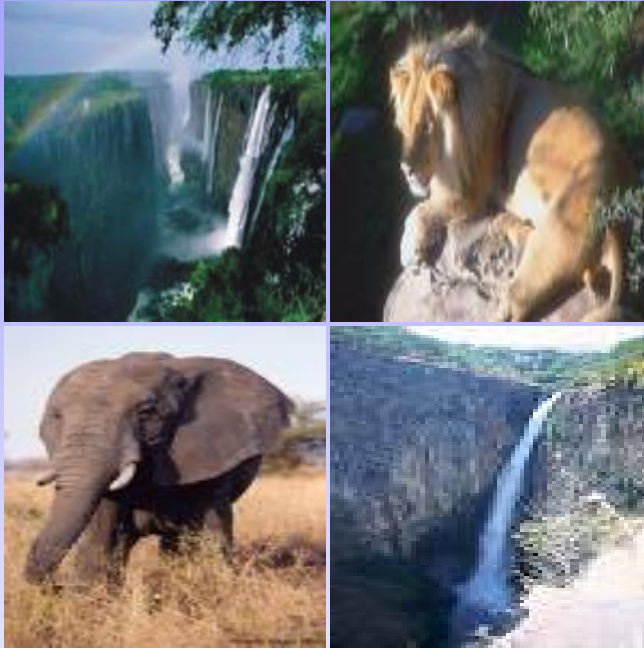
| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------|---|--------------------|-------|-------|--------------------|-------|-------|--------------------|-------|-------|--------------------|-------|-------|--------------------|-------|-------|-------------|------|-------|
| | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Total | GRZ | Donor |
| | | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | | | |
| 1 | Support to Zambia Forestry Commission | 0.66 | - | 0.66 | 0.79 | - | 0.79 | 0.79 | - | 0.79 | 0.86 | 0.20 | 1.06 | 0.91 | 15.00 | 15.91 | 19.2 | 4.0 | 15.2 |
| 2 | Sustainable Indigenous Forest Resource Management | 0.92 | 0.6 | 1.52 | 1.10 | 5.0 | 6.10 | 1.75 | 4.20 | 5.95 | 1.20 | 4.80 | 6.00 | 1.27 | 4.80 | 6.07 | 25.6 | 6.2 | 19.4 |
| 3 | Sustainable Management of Wildlife Resources | - | 2.1 | 2.10 | - | 4.8 | 4.80 | - | 3.99 | 3.99 | - | 8.40 | 8.40 | - | 6.50 | 6.50 | 25.8 | - | 25.8 |
| 4 | Sustainable Wood Fuel Management | 0.19 | 2.4 | 2.59 | 0.23 | 3.8 | 4.07 | 0.36 | 4.56 | 4.92 | 0.25 | 4.00 | 4.25 | 0.26 | 8.40 | 8.66 | 24.5 | 1.3 | 23.2 |
| 5 | Industrial and Plantation Forestry Programme | 0.79 | - | 0.79 | 0.95 | 1.2 | 2.15 | 1.51 | 5.40 | 6.91 | 1.04 | 6.30 | 7.34 | 1.09 | 12.80 | 13.89 | 31.1 | 5.4 | 25.7 |
| 6 | Private and Public Sector Capacity Building | 0.21 | - | 0.21 | 0.25 | - | 0.25 | 0.40 | 3.20 | 3.60 | 0.28 | - | 0.28 | 0.29 | - | 0.29 | 4.6 | 1.4 | 3.2 |
| 7 | Strengthen Community Based Forest Management | 0.75 | - | 0.75 | 0.90 | 3.80 | 4.70 | 1.43 | 8.80 | 10.23 | 0.99 | 5.60 | 6.59 | 2.04 | 1.20 | 3.24 | 25.5 | 6.1 | 19.4 |
| 8 | Agro - Forestry and Afforestation Programme | 2.00 | 0.60 | 2.60 | 2.40 | 3.48 | 5.88 | 3.81 | 5.94 | 9.75 | 2.62 | 8.50 | 11.12 | 2.76 | 0.80 | 3.56 | 32.9 | 13.6 | 19.3 |
| 9 | Strengthen Forestry Education and Training Programme | 0.90 | - | 0.90 | 1.08 | - | 1.08 | 1.72 | - | 1.72 | 1.18 | 4.70 | 5.88 | 1.25 | 6.00 | 7.25 | 16.8 | 6.1 | 10.7 |
| 10 | Support to Forest Business Enterprises | 3.00 | - | 3.00 | 3.60 | - | 3.60 | 5.70 | 6.10 | 11.80 | 1.80 | 5.00 | 6.80 | 4.14 | 4.00 | 8.14 | 33.3 | 18.2 | 15.1 |
| 11 | Strengthening Forestry Research and Information Management System | 0.26 | 1.77 | 2.03 | 0.32 | 3.18 | 3.50 | 0.50 | 8.40 | 8.90 | 0.35 | 6.60 | 6.95 | 0.36 | 1.00 | 1.36 | 22.7 | 1.8 | 20.9 |
| 12 | Management of Protected Areas | - | 4.40 | 4.40 | - | 12.00 | 12.00 | - | 10.80 | 10.80 | - | 10.90 | 10.90 | - | 3.80 | 3.80 | 41.9 | - | 41.9 |
| 13 | Management of Wetlands | - | - | - | - | 8.00 | 8.00 | - | 7.60 | 7.60 | - | 4.00 | 4.00 | - | 3.00 | 3.00 | 22.6 | - | 22.6 |
| 14 | Sustainable Management of Heritage Resources | - | 6.50 | 6.50 | - | 1.61 | 1.61 | - | 9.00 | 9.00 | - | 2.09 | 2.09 | - | 7.86 | 7.86 | 27.1 | - | 27.1 |
| 15 | Institutional Strengthening and Capacity Building | - | - | - | - | 4.5 | 4.50 | - | 6.50 | 6.50 | - | 7.00 | 7.00 | - | 5.89 | 5.89 | 23.9 | - | 23.9 |

Core FNDP Programmes

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------|--|--------------------|-------|-------|--------------------|-------|-------|--------------------|-------|--------|--------------------|-------|-------|--------------------|-------|--------|-------------|------|-------|
| | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | | | |
| | | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | Total | GRZ | Donor |
| | Sub total | 9.69 | 18.37 | 28.06 | 11.63 | 51.41 | 63.04 | 17.96 | 84.49 | 102.45 | 10.57 | 78.09 | 88.66 | 14.38 | 81.05 | 95.43 | 377.6 | 64.2 | 313.4 |
| 1 | Personal Enrolments | 2.51 | - | 2.51 | 3.01 | - | 3.01 | 3.20 | - | 3.20 | 3.29 | - | 3.29 | 3.46 | - | 3.46 | 15.5 | 15.5 | - |
| 2 | Contributions to International Organisations | 0.07 | - | 0.07 | 0.07 | - | 0.07 | 0.07 | - | 0.07 | 0.07 | - | 0.07 | 0.9 | - | 0.90 | 1.2 | 1.2 | - |
| 3 | General Administration (for NRM) | 0.67 | - | 0.67 | 0.80 | - | 0.80 | 0.84 | - | 0.84 | 0.87 | - | 0.87 | 0.92 | - | 0.92 | 4.1 | 4.1 | - |
| 4 | Human Resource Management and Development | 1.37 | - | 1.37 | 1.64 | - | 1.64 | 1.72 | - | 1.72 | 1.79 | - | 1.79 | 1.88 | - | 1.88 | 8.4 | 8.4 | - |
| 5 | Planning, Policy, Monitoring and Evaluation | 0.37 | - | 0.37 | 1.20 | - | 1.20 | 0.46 | - | 0.46 | 0.48 | - | 0.48 | 0.51 | - | 0.51 | 3.0 | 3.0 | - |
| | Sub total | 4.98 | - | 4.98 | 6.72 | - | 6.72 | 6.30 | - | 6.30 | 6.50 | - | 6.50 | 7.67 | - | 7.67 | 32.2 | 32.2 | - |
| | Grand Total | 14.67 | 18.37 | 33.04 | 18.35 | 51.41 | 69.76 | 24.25 | 84.49 | 108.74 | 17.07 | 78.09 | 95.16 | 22.05 | 81.05 | 103.10 | 409.80 | 96.4 | 313.4 |

None-core FNDP programmes

TOURISM



11.1 Introduction

Tourism has remained one of the major sectors in Zambia that plays a vital role in the stimulation of national economic growth. The Government's policy aims at promoting the sector's performance in economic growth, and this was the main thrust of both the PRSP/TNDP. Growth in the tourism sector contributes to employment creation; rural and infrastructure development; increased foreign exchange earnings; and community and entrepreneurial development. More than any other sector, tourism is a labour-intensive industry and provides jobs for local people in both rural and urban areas. Tourism creates opportunities for both large and small entrepreneurs; promotes awareness and understanding among different cultures; breeds a unique informal sector; and creates economic linkages with agriculture, light manufacturing and construction industries, handicrafts, art and souvenirs. Furthermore, it creates linkages with service sectors such as health, education, entertainment, banking and insurance and also helps to conserve the environment. Tourism is one of the sectors that can thrive in rural areas for the direct benefit of rural communities thereby contributing positively towards poverty reduction.

11.2 Review of Past Performance

Tourism potential in Zambia lies in its diversity, whose features include the world famous Victoria Falls, vast wildlife resources, varied scenery, wilderness, diverse culture and national heritage, good weather, adventure activities, hunting and warm and friendly people. There are 19 National Parks and 34 Game Management Areas covering over 22.4 million hectares. Although much of tourism in Zambia is concentrated in a limited number of national parks, such as the South Luangwa, Kafue, Lower Zambezi, Musi-o-Tunya and Kasanka, the rest of the parks provide considerable potential for future tourism development. Zambia's wilderness is characterised by the vastness of unexploited areas, such as the rift valleys of the Luangwa and Zambezi Rivers and their escarpments; mountain highlands, such as the Nyika and Mafinga; vast wetlands in the Bangweulu, Kafue and Zambezi flood plains; and the fact that most wilderness occurs in protected areas, showing the real parts of natural Africa.

In addition to national parks, a number of areas in Zambia have been declared national heritage sites or monuments. These areas include 145 geological sites and 70 geomorphological heritage sites. The Kundalila Falls and the source of the Zambezi River have been listed as ecological sites. Furthermore, Zambia has 73 tribes with diverse cultural traditions which include a variety of annual traditional ceremonies.

The numbers of tourists arriving in the country has been growing over the years. An average annual growth of 8.6 percent was recorded over the 1998 to 2002 period. The average number of visitors coming into the country annually was 454,345 in the five years, with business visitors accounting for about 45 percent while those coming for holidays accounted for 26.3 percent of the total. During 2002 and 2003, 64,786 tourists visited the country's national parks. The most visited parks were the South Luangwa National Park followed by Musi-o-Tunya National Park. Between 1998 and 2003, the average number of

rooms in the hospitality industry was 4,822 with over 8,000 beds. However, room capacity in the country remains very low although room supply has been growing over the years.

The tourism sector has continued to face a number of challenges over the years, namely:

- a) *Tourism infrastructure in Zambia is largely underdeveloped*, particularly roads, railways, airports and airstrips, telecommunications and accommodation facilities. For example, lack of all-weather roads in national parks limits access to tourist areas during wet periods of the year. This results in operators confining their tours mainly to the dry season; only Mushi-o-Tunya National Park remains open all year round;
- b) *There is a limited product base*. Much of Zambia's tourism products continue to be wildlife-based and underdeveloped, yet if Zambia is to derive maximum benefit from tourism, it is important that the country develops a wide product range and brings the product to a level where it can be easily accessible, attractive, saleable and abundant;
- c) *There is inadequate marketing of Zambia as a tourist destination*. Part of the cause of this is the fact that, at the moment, tourism promotion largely continues to be a government responsibility carried out by the Zambia National Tourist Board (ZNTB), with only a few stakeholders promoting their own products;
- d) *There are inadequate resources for the industry's long-term development*. Government funding of the tourism sector has been inadequate at a time when indigenous investors do not have adequate access to medium and long-term financing. Though the Tourism Development Credit Facility (TDCF) was established by the Government in 2003 to provide affordable credit to Zambians, the quantum of the fund (at K5 billion per year) coupled with large numbers of applicants made this funding source inadequate;
- e) *There is lack of interest and limited participation among local communities*. From the time tourism was identified as a catalyst to rural development, the interests of the local communities have not been fully incorporated;
- f) *There has always been inadequate environmental management*. Most of the national parks in the country are known to be depleted and require restocking. To realize increased growth in the tourism industry, investment in the protection of the environment and management of natural resources is essential;
- g) *There is a dearth of well trained human resource* in the tourism sector due to inadequate resources and training facilities; and
- h) *Lastly, Zambia is generally perceived as a high cost destination*. The high costs are attributed to various factors, such as limited international carriers and domestic flight connections; limited hotel accommodation; and inadequate dependable health facilities.

11.3 Policies and Key Reforms

Some major reforms that have already taken place since 2000 include the restructuring of the Ministry of Tourism, Environment and Natural Resources in 2003; the process of the formation of the Forestry Commission, which commenced in 2004; and the enactment of the Zambia Tourism Board Act to facilitate restructuring of the Zambia National Tourist Board into a purely marketing body. In addition, new legislation aimed among others at streamlining licensing procedures and reducing the cost of doing business in the tourism sector will be undertaken during the Plan period. The restructuring of the Ministry's statutory bodies will be completed to support the Plan.

The general policy of the Government during the FNDP is for the private sector to drive tourism development within the overall public sector tourism policy framework. In this respect, the role of the Government shall continue to be that of:

- a) Facilitation of tourism development;
- b) Formulation and implementation of tourism-related policies;
- c) Enactment of legislation to consolidate legislative developments;
- d) Elimination of conflicts or overlaps within and outside the sector; and
- e) Introduction of appropriate administrative structures necessary for the implementation of the policies.

The major public sector institutions that will continue to operate in the tourism sector shall continue to be the Ministry of Tourism, Environment and Natural Resources (MTENR); the Zambia National Tourist Board as restructured; the Zambia Wildlife Authority; the National Heritage Conservation Commission; the National Museums Board; the Environmental Council of Zambia; the Forestry Commission (when established); and the Hotel and Tourism Training Institute Trust (HTTI).

11.4 Vision and Goal

The vision is: *Zambia as a major tourism destination of choice with unique features, which contributes to sustainable economic growth and poverty reduction by 2030.*

The goal is: *To enhance the contribution of the tourism sector to economic growth and poverty reduction.*

The main targets for the sector are:

- a) Increase tourist arrivals from 515,000 in 2005 to 736,450 by 2010;
- b) Increase jobs in the sector from 19,650 to 30,404 by 2010; and
- c) Increase tourism earnings from US \$ 174 million to US \$ 304 million by 2010;

11.5 Programmes, Objectives and Strategies

The matrix below presents the FNDP's main programmes for the tourism sector as well as their respective objectives and strategies.

| Sector: Tourism | | | |
|------------------------|--|--|--|
| No. | Programmes | Objectives | Strategies |
| 1 | Development of Planning and Implementation Frameworks | a) To develop the National Tourism Development Master Plan for the country | a) Prepare tourism Planning Programme b) Prepare tourism Research Programme |
| 2 (a) | Kafue National Park and Surrounding Game Management Areas | a) To improve accessibility to key tourist destination areas b) To promote cultural tourism | a) Develop and rehabilitate tourism and support infrastructure; b) Increase and improve tourist facilities c) Improve permanent museum exhibitions and facilities; d) Redesign public museum education programmes. |
| 2 (b) | Northern Circuit Development | | |
| 2 (c) | Lower Zambezi National Park and Surrounding Areas | | |
| 2 (d) | Lusaka Region and Surrounding Areas | | |
| 2 (e) | North and South Luangwa National Parks and Surrounding Areas | | |
| 2 (f) | Livingstone Regional Development (Museums and Heritage Sites) | | |
| 3 | Standards Improvement | a) To promote quality development and efficient service delivery in the tourism sector | Enhancement of the quality of tourism products and services and enforcing standards in the tourism sector through: a) Formulate minimum standards/requirements for all sub-sectors in the tourism industry; b) Reclassify and grade all tourist facilities and services regularly; c) Strengthen the capacity of bodies responsible for monitoring and enforcing standards; |

| Sector: Tourism | | | |
|------------------------|---|---|---|
| No. | Programmes | Objectives | Strategies |
| | | | d) Develop new legislation to effectively regulate the development and management of the sector |
| 4 | Tourism Investment and Enterprise Promotion | a) To promote investment in the tourism sector | a) Encourage and promote investment in tourism; b) Facilitate new investment opportunities in tourism through mobilization and provision of financial resources, focusing on Small and Medium sized Enterprises (SMEs) in tourism; c) Ensure promotion of indigenous and local entrepreneurs' participation in the tourism industry; d) Create awareness of tourism values and the value of tourism; e) Promote tourism for special interest groups (children, youth and the disabled); f) To promote and monitor eco-tourism; g) Promote holding of Meetings, Incentives, Conventions and Exhibitions (MICE); h) Sensitise local entrepreneurs to promote their products |
| 5 | Tourism Marketing and Promotion | a) To diversify tourism products beyond being wildlife-based only | a) Promote community based tourism through ethno/cultural tourism; b) Encourage Meetings, Incentives, Conventions and Exhibitions (MICE) and road shows; c) Improve and expand the currently used products (e.g. Victoria Falls, Luangwa, Kafue); d) Expand the tourism product range to include sports and adventure development; e) Promote and monitor eco-tourism; f) Promote WTO code of ethics for tourism and all other sector ethics, principles and codes of conducts (e.g. Quebec Declaration); g) Promote tourism publicity, awareness, sensitisation and education; h) Promote special rates for domestic tourists; i) Promote and encourage local tourism (including leisure and recreation); j) Expand the tourism product range to include cultural products like exhibitions; k) Facilitate or encourage the practice and expression of culture in museums as a way of promoting ethno-tourism; l) Strengthen research to enhance exhibitions and knowledge acquisition by tourists; m) Promote community based tourism through ethno/cultural tourism in museums and heritage institutions |
| 6 | Public and Private Sector Capacity Building and Human Resource Development | a) To develop institutional and human resource capacity in the tourism sector and strengthen public-private sector linkages | a) Ensure adequately trained human resource in various fields of the sector; b) Promote public-private partnership in the tourism sector |
| 7 | Community Tourism Development | a) To promote local community participation and ownership in tourism | a) Encourage local community participation in joint ventures by using land as equity; b) Promote public-private and community partnerships; c) Facilitate access to development funds by local communities |
| 8 | Sioma Ngwezi and West Lunga National Parks | a) To restock depleted species and develop infrastructure | a) Develop and rehabilitate tourism and support infrastructure; b) Increase and improve tourist facilities |

11.6 Implementation, Monitoring and Evaluation Framework

At the implementation level, public sector emphasis will be on policy formulation, infrastructure development, regulating the sector, and monitoring and evaluation of the entire sector performance. Thus, the role of the Government will be to stimulate growth in the tourism sector by formulating and implementing policies that create an enabling environment for the private sector to contribute positively towards economic growth and wealth creation through tourism development. In order to effectively implement the FNDP and to attain the Vision 2030, the current institutional arrangements will be restructured to support the Plan.

In order to assess the performance of the tourism sector, the Government will set up a monitoring and evaluation mechanism which will be supervised by a Sector Advisory Group (SAG) involving all the key stakeholders. Programmes and activities will be monitored based on the indicators to be developed by the SAG.

Sector: Tourism

| | Priority Order | Program | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------------|----------------|--|---------------------|-------|-------|---------------------|-------|-------|---------------------|-------|-------|---------------------|-------|-------|---------------------|-------|-------|-------------|-------|-------|
| | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | | | |
| | | | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total |
| Core FNDP Programs | 1 | Kaibue National Park and Surrounding Game Management Areas (Tembo) | | 20.0 | 20.00 | - | 15.0 | 15.00 | - | 15.0 | 15.00 | - | 5.2 | 5.2 | 1.9 | 2.0 | 3.92 | 59.1 | 1.9 | 57.2 |
| | 2 | Northern Circuit development | 1.00 | - | 1.00 | 1.21 | - | 1.21 | 12.00 | 13.27 | 1.32 | 8.80 | 10.1 | 4.00 | 3.000 | 7.00 | 32.6 | 8.8 | 23.8 | |
| | 3 | Development of Planning and Implementation Frameworks | 2.83 | - | 2.83 | 3.39 | - | 3.39 | 3.56 | - | 3.56 | 0.71 | 5.20 | 5.9 | - | - | 15.7 | 10.5 | 5.2 | |
| | 4 | Lower Zambezi National Park and Surrounding Areas | 0.25 | - | 0.25 | 0.30 | - | 0.30 | 0.31 | - | 0.31 | - | 3.60 | 3.6 | 4.00 | 4.000 | 8.00 | 12.5 | 4.9 | 7.6 |
| | 5 | Lusaka Region and Surrounding Areas | - | - | - | - | - | - | - | - | - | 2.5 | 6.6 | 9.1 | - | 2.000 | 2.00 | 11.1 | 2.5 | 8.6 |
| | 6 | North and South Luangwa National Parks and Surrounding Areas | - | - | - | - | - | - | - | - | - | 2.0 | 4.0 | 6.0 | - | 1.000 | 1.00 | 7.0 | 2.0 | 5.0 |
| | 7 | Livingstone Regional Development | 19.8 | - | 19.80 | - | 15.0 | 15.00 | - | 37.6 | 37.62 | 3.7 | 8.1 | 11.8 | - | 2.000 | 2.00 | 86.2 | 3.7 | 82.5 |
| | 8 | Standards Improvement Programme | 0.20 | - | 0.20 | 0.24 | - | 0.24 | 0.25 | - | 0.25 | 0.26 | 1.00 | 1.3 | 0.28 | 1.000 | 1.28 | 3.2 | 1.2 | 2.0 |
| | 9 | Tourism Investment and Enterprise Promotion | 3.90 | - | 3.90 | 4.68 | - | 4.68 | 5.0 | - | 5.00 | 6.2 | - | 6.2 | - | 4.500 | 4.50 | 24.3 | 19.8 | 4.5 |
| | 10 | Tourism Marketing and promotion | 0.10 | - | 0.10 | 0.12 | - | 0.12 | 0.13 | - | 0.13 | 0.13 | - | 0.1 | 0.14 | 3.00 | 3.14 | 3.6 | 0.6 | 3.0 |
| | 11 | Public and Private Sector Capacity building and Human Resources Development Programme / Linkages | 0.05 | - | 0.05 | 0.06 | - | 0.06 | 0.06 | - | 0.06 | 0.07 | - | 0.1 | 0.07 | 2.00 | 2.07 | 2.3 | 0.3 | 2.0 |
| | 12 | Community Tourism Development | - | - | - | - | - | - | - | - | - | - | - | - | - | 8.5 | 8.50 | 8.5 | - | 8.5 |
| | 13 | Sioma Ngwezi and West Lunga National Park | - | - | - | - | - | - | - | - | - | - | 6.2 | 6.2 | - | 6.0 | 6.00 | 12.2 | - | 12.2 |
| Sub total | | 8.33 | 39.80 | 48.13 | 10.00 | 30.00 | 40.00 | 10.59 | 64.62 | 75.21 | 16.94 | 48.70 | 65.6 | 10.41 | 39.00 | 49.41 | 278.4 | 56.3 | 222.1 | |
| None-core FNDP programs | 1 | Personal Emoluments | 3.12 | - | 3.12 | 3.75 | - | 3.75 | 3.9 | - | 3.93 | 4.1 | - | 4.1 | 4.3 | - | 4.31 | 19.2 | 19.2 | - |
| | 2 | Grants and Other Payments | 16.22 | 15.0 | 31.22 | 17.5 | 15.0 | 32.50 | 17.5 | - | 17.50 | 17.5 | - | 17.5 | 17.5 | - | 17.50 | 116.2 | 86.2 | 30.0 |
| | 3 | Contributions to International Organisations | 1.31 | - | 1.31 | 1.31 | - | 1.31 | 1.31 | - | 1.31 | 1.31 | - | 1.3 | 1.31 | - | 1.31 | 6.6 | 6.6 | - |
| | 4 | Management of Tourism Programmes (GA) | 3.03 | - | 3.03 | 3.63 | - | 3.63 | 3.8 | - | 3.81 | 4.0 | - | 4.0 | 4.2 | - | 4.18 | 18.6 | 18.6 | - |

| Priority Order | Program | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|----------------|---|---------------------|-------|-------|---------------------|-------|-------|---------------------|-------|--------|---------------------|-------|-------|---------------------|-------|-------|-------------|--------|-------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Grand Total | | |
| | | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Total | Donor |
| 5 | Human Resource Management and Development | 1.37 | - | 1.37 | 1.64 | - | 1.64 | 1.7 | - | 1.72 | 1.8 | - | 1.8 | 1.9 | - | 1.88 | 8.4 | 8.4 | - |
| 6 | Planning, Policy, Monitoring and Evaluation | 0.37 | - | 0.37 | 1.24 | - | 1.24 | 0.46 | - | 0.46 | 0.48 | - | 0.5 | 0.51 | - | 0.51 | 3.1 | 3.1 | - |
| | Sub total | 25.41 | 15.00 | 40.41 | 29.07 | 15.00 | 44.07 | 28.74 | - | 28.74 | 29.14 | - | 29.1 | 29.69 | - | 29.69 | 172.06 | 172.06 | 30.00 |
| | Grand Total | 33.74 | 54.80 | 88.54 | 39.07 | 45.00 | 84.07 | 39.33 | 64.62 | 103.95 | 46.07 | 48.70 | 94.8 | 40.10 | 39.00 | 79.10 | 198.3 | 450.43 | 252.1 |

MANUFACTURING



12.1 Introduction

Given Zambia's large resource endowment, expansion of the manufacturing base is required if the country is to increase its annual economic growth rates and also attain the national goal of poverty reduction through wealth creation. The manufacturing sector is considered as one of the leading sectors for the revitalization of the economy in the strategy for Zambia's socio-economic development and poverty reduction. The sector has great potential for both income generation and job creation due to its forward and backward linkages to other sectors of the economy, particularly agriculture and mining. The key linkage between the manufacturing sub-sectors and other sectors is seen to operate through the main channels of expansion in output, job creation, growth of household incomes, widened tax base and increased foreign exchange earnings.

12.2 Review of Past Performance

The performance of the manufacturing sector since independence in 1964 has been mixed. The sector grew rapidly during the period 1964 to 1973 mainly due to the high copper prices that facilitated the establishment of local import substitution industries largely servicing the mining and urban sectors. The share of manufacturing to total GDP during this period averaged 20 percent per annum. After the policy of nationalization that was adopted in the late 1960s and early 1970s, the parastatal sector grew to such an extent that, by the end of the 1970s, it was amongst the largest in Sub-Saharan Africa. It encompassed 90 percent of the country's industrial and commercial activities and accounted for 35 percent of GDP, 13 percent of total external debt, and almost 60 percent of total investment. It contributed about 45 percent of formal sector employment.

The manufacturing sector's performance was adversely affected when the copper prices fell and oil prices increased in the mid-1970s. The sub-sectors that were linked to copper mining such as chemicals, rubber and basic metals and metal products were hardest hit and were consequently faced with the problems of low capacity utilization and high production costs. During the 1980s, output in the non-copper dependent sub-sectors except for the food, beverages, and tobacco sub-sector declined as well and many industries closed down altogether. The decreasing capacity utilisation resulting from shortages of imported inputs was reinforced by the protectionist measures that resulted in lack of competition and inefficiency in the management of the industry. The increasing costs for the industrial sector and political appointments in the management of the industry further encouraged inefficiency and inhibited industrial growth.

In 1991, the Zambian industrial sector reached a crucial turning point. A new vision with a comprehensive economic reform programme that would structurally adjust the economy was initiated to ensure dynamism, efficiency and competitiveness by the private sector. There was a policy shift away from import substitution, protectionism, and heavy public sector involvement towards the promotion of a private sector led, market oriented economy. Most state enterprises were privatised.

Since the mid-1990s, the performance of the manufacturing sector has been positive though with fluctuations. The growth rate fluctuated mainly because of the performance of the agriculture, forestry, fisheries and quarrying sectors. Table 12.1 shows the positive performance of the manufacturing sector from 1996 to 2004 as well as the performance of other sectors that have strong inter-sectoral relations with the manufacturing sector. Table 12.2 shows the performance of the various manufacturing sub-sectors over the 1996 to 2004 period as well as the manufacturing sector's contribution to GDP.

Table 12.1: Sector Growth Rates at Constant 1994 Prices, 1994 -2004 include 2005 and 2006

| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|------------------------------------|--------------|------------|------------|--------------|------------|------------|------------|------------|------------|------------|
| Agriculture, forestry, and fishing | 33.4 | (0.6) | (5.1) | 1.2 | 10.1 | 1.6 | (2.6) | (1.7) | 5.0 | 4.2 |
| Mining and quarrying | (27.6) | 2.8 | 2.2 | (25.1) | (24.8) | 0.1 | 14.0 | 16.4 | 3.3 | 12.6 |
| Manufacturing | (0.4) | 5.6 | 5.5 | 1.9 | 2.8 | 3.5 | 4.2 | 5.7 | 7.6 | 5.2 |
| Electricity | (1.6) | (5.6) | 4.2 | 0.6 | 2.5 | 1.2 | 12.6 | (5.2) | 0.6 | (1.8) |
| Construction | (3.4) | (11.0) | 29.0 | (9.1) | 3.2 | 6.5 | 11.5 | 17.4 | 13.9 | 14.6 |
| Wholesale and retail trade | (10.6) | 33.1 | 4.5 | 3.5 | 4.5 | 2.3 | 5.4 | 5.0 | 4.9 | 5.4 |
| Transport | (6.6) | 7.6 | (0.2) | 8.5 | 5.7 | 2.4 | 2.8 | 1.8 | 5.1 | 6.3 |
| Community, social, and personal | (1.2) | 3.3 | 0.4 | (2.3) | 8.4 | (0.5) | 5.8 | 1.6 | 2.4 | 0.6 |
| Financial institutions | 19.3 | (8.3) | 0.3 | 0.4 | 2.5 | (0.6) | 0.1 | 3.5 | 3.5 | 3.5 |
| Real estate | 2.0 | 22.5 | 12.6 | 12.7 | 13.8 | 17.0 | 3.5 | 4.4 | 4.0 | 4.0 |
| Restaurants and hotels | 5.2 | 8.4 | 7.2 | 3.8 | (6.2) | 12.3 | 24.4 | 4.9 | 5.9 | 5.7 |
| Other | (26.2) | 18.4 | 6.0 | (9.2) | (9.7) | 7.5 | 10.6 | (13.8) | (8.0) | (7.6) |
| Plus: Import duties | (7.7) | 5.6 | 3.6 | (5.4) | (4.5) | 5.2 | 7.0 | (6.8) | (3.0) | (2.5) |
| Less: Imputed banking charges | (19.3) | 8.3 | (0.3) | (0.4) | (2.5) | (2.5) | (2.5) | (2.5) | (2.5) | 2.5 |
| TOTAL GDP | (2.8) | 6.9 | 3.3 | (1.9) | 2.2 | 3.6 | 4.9 | 3.3 | 4.3 | 5.0 |
| Memorandum Items | | | | | | | | | | |
| Non-agricultural GDP | (8.5) | 8.7 | 5.1 | (2.4) | 0.7 | 4.0 | 6.4 | 4.3 | 4.2 | - |
| Non-mining GDP | 2.1 | 7.5 | 3.5 | 1.3 | 4.9 | 3.8 | 4.3 | 2.3 | 4.4 | - |

Source: Central Statistical Office

Table 12.2: Manufacturing Value Added by Sub-sector (in K billions) include 2005 and 2006

| Years | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Food, beverages, and tobacco | 144.3 | 138.6 | 146.0 | 154.8 | 185.1 | 164.0 | 172.8 | 187.7 | 197.3 |
| Textiles, leather and leather products | 27.1 | 39.1 | 42.4 | 44.8 | 46.6 | 46.8 | 49.7 | 51.3 | 52.4 |
| Wood and wood products | 18.1 | 19.6 | 19.2 | 19.3 | 19.1 | 20.3 | 21.9 | 24.4 | 26.1 |
| Paper and paper products | 4.8 | 7.2 | 7.3 | 7.6 | 7.5 | 7.8 | 8.0 | 8.6 | 8.8 |
| Chemical, rubber and plastics | 20.6 | 22.5 | 18.7 | 15.5 | 16.5 | 22.8 | 25.1 | 26.4 | 28.8 |
| Non-metallic mineral products | 4.7 | 4.1 | 4.5 | 4.4 | 4.9 | 4.8 | 4.9 | 5.6 | 6.3 |
| Base metal products | 3.1 | 3.3 | 1.3 | 1.3 | 1.6 | 1.2 | 1.2 | 1.4 | 1.5 |
| Fabricated metal products | 7.9 | 8.0 | 7.3 | 5.9 | 6.4 | 6.0 | 5.8 | 6.1 | 6.4 |
| Other manufacturing | 0.5 | 0.5 | 0.5 | 0.6 | 0.6 | | | | |
| Total Manufacturing | 231.1 | 242.8 | 247.2 | 254.2 | 288.4 | 273.7 | 289.4 | 311.5 | 327.6 |
| Total GDP | 2,329.8 | 2,405.6 | 2,360.4 | 2,418.0 | 2,492.1 | 2,621.3 | 2,707.9 | 2,846.7 | 2,988.9 |
| Share of Manufacturing in Total GDP | 9.9 | 10.1 | 10.5 | 10.5 | 11.6 | 10 | 11 | 11 | 11 |

Source: Economic reports 2004

The leading sub-sector in manufacturing was food, beverages, and tobacco, accounting for over two-thirds of total value added, followed by textiles, leather, and leather products where Zambia has comparative advantage. The performance of the textiles and leather industries was adversely affected by increased imports especially from South East Asian countries. The importation of duty free second-hand clothes worsened the situation as duty on these products was negligible. The other significant sub-sectors were chemical, rubber and plastics and wood and wood products respectively as indicated in Table 12.2 above.

The performance of the food, beverages, and tobacco sub-sector was driven by the strong performance of the agricultural sector, increases in domestic demand and exports to regional markets. Textiles and leather were stimulated by the increased production of cotton lint and yarn, direct exports to the USA under the AGOA arrangements and increased investments in cotton processing. Non-metallic metal products (mainly cement, lime and other building materials) also increased induced primarily by an increase in construction and the expansion in mining activity. Fabricated metal production, mainly copper cable, wire and rods also rose due to increased access to Southern and African Development Community (SADC) and Common Market for Eastern and Southern Africa (COMESA) markets.

12.3 Policies and Key Reforms

In order to enhance the growth of the manufacturing sector, the Government during the FNDP period will focus on addressing constraints that have negatively impacted on the performance of the manufacturing sector. Specific interventions include a) assisting enterprises particularly the Medium, Small and Micro Enterprises (MSMEs) to access affordable finance; b) removal of administrative

barriers to establishment of business enterprises; c) improvement of the regulatory frameworks and establishment of multi-facility economic zones in order to enhance both export and locally-oriented manufacturing industries; d) provision of adequate infrastructure (such as roads, rail and telecommunications); e) ensuring access to affordable modern technology; and f) addressing issues of low domestic demand and cross-cutting issues such as HIV and AIDS, gender and the environment.

To achieve the above, the Government will create an enabling environment to aid the growth of the manufacturing sector through improvements to the country's legal and regulatory framework; investments in infrastructure; assisting in unlocking the growth potential of the MSME sector; economic empowerment of indigenous citizens to start manufacturing enterprises; removal of obstacles to private sector development; and attaining progress in macroeconomic stabilisation. Zambia's resolve in the long term is to attain a competitive and sustainable private sector led export-oriented manufacturing industry sector that will be able to compete favourably both regionally and globally. The policies and strategies suggested for the manufacturing sector are oriented towards promoting higher levels of domestic and foreign direct investment (FDI) in order to stimulate economic growth and poverty alleviation mainly through employment creation.

Since the private sector will be the engine of economic growth during the FNDP period, the Government's policies and reforms are primarily designed to improve the business climate in the country by removing impediments to private sector investment, particularly in manufacturing.

The policy reforms to be implemented during the period of the FNDP include the following:

- a) Liberalisation of the domestic and external trade regime;
- b) Private sector development through the completion of the privatisation programme and commercialisation of public enterprises; and
- c) Review of the investment and export processing incentives regimes.

During the Plan period, industrial development aims to achieve the following:

- a) Sustained economic growth through wealth creation;
- b) Raising investments;
- c) Employment creation and poverty reduction;
- d) Increasing and diversifying exports;
- e) Enhancing labour and factory productivity by upgrading human resource and technical skills;
- f) Promoting rural industries in an effort to stem the rural exodus towards the urban areas;
- g) Protecting the environment;
- h) Mitigating the effects of the HIV and AIDS pandemic; and
- i) Promoting gender equity in the manufacturing sector.

The FNDP aims in the long term to develop an open, competitive, dynamic, and sustainable manufacturing sector that is driven by the private sector, with emphasis on upstream and downstream manufacturing activities based on the mining and agro-industry sub-sectors. The private sector will be the principal actor in carrying out industrial activities in order to maximise economic productivity, industrial growth, and employment generation. To ensure long-term sustainability, private sector investments in the sector are expected to depend on FDI and the soundness of the local investment regime.

To promote the growth, development, and competitiveness of the manufacturing and trade sectors, various institutional reforms have been undertaken in recent years. In 1994, the Competition and Fair Trading Act was enacted. The Act provided for the establishment of the Zambia Competition Commission (ZCC), an institution mandated to strengthen and uphold competition in order to ensure success of the deregulatory reforms. Further, amendments were made to other pieces of legislation, such as the Investment Act (1993) that was amended in 1996 in order to create a more investor-friendly environment, and the Companies Act to set up the Patents and Companies Registration Office (PACRO) to improve efficiency in business registration. Other statutes or legislation were enacted or amended to establish institutions such as Small Enterprises Development Board (SEDB), Zambia Weights and Measures Agency (ZWMA), Zambia Export and Processing Zone (ZEPZA) and Zambia

Bureau of Standards (ZABS). The major goals of these measures were to promote small-scale entrepreneurs, remove inefficiency in the economy, facilitate the promotion of investments and improve the quality of locally produced goods among others.

During the FNDP, the Government shall operationalise the Zambia Development Agency (ZDA) and also set up a tariff commission. The functions of five statutory bodies, namely – Zambia Investment Centre (ZIC), Zambia Privatisation Agency (ZPA), ZEPZA, Export Board of Zambia (EBZ) and SEDB – will be merged and rationalised into the ZDA. The ZDA shall be a one-stop window facility for operations of business registration and administrative processes, to be created as a result of the merger of these institutions. This would be complemented by other statutory bodies to enhance investment flows for both local and foreign. The other key organizations identified in the policy are the ZCC, ZABS, ZWMA, PACRO.

Private sector investment has received a priority focus as the Government strives to enhance productivity in the economy. The role of the private sector in fostering economic growth is considered critical to the achievement of sustained economic growth. The Government has embarked on a Private Sector Development (PSD) Reform Programme with the aim of accelerating private sector led economic growth. A PSD Action Plan has been developed, grouping actions under six main reform areas as shown in Table 12.3.

Table 12.3: Objectives of the PSD Reform Programme

| Reform Areas | Reform Objectives |
|--|--|
| Policy Environment and Institutions | Create an enabling macroeconomic environment, strengthen public agencies that support PSD, and enhance public/private dialogue |
| Regulations and Laws | Improve regulatory frameworks and investment code to foster PSD |
| Infrastructure | Enhance the infrastructure platform for PSD by encouraging private investment in infrastructure |
| Business Facilitation and Economic Diversification | Remove administrative barriers to business entry and operation and facilitate development of high growth sectors |
| Trade Expansion | Create greater opportunities for access to regional and international markets by Zambian businesses |
| Citizens' Empowerment | Unlock the growth potential of citizens through business development support and empowerment initiatives |

12.4 Vision and Goal

The vision is: *A competitive export-led manufacturing sector that contributes 20 percent to GDP by 2030.*

The goal is: *To develop a sustainable, diversified, and competitive export-led value-adding manufacturing sector and to increase the share of manufacturing in total GDP from the current 11 percent to 15 percent by 2010.*

12.5 Programmes, Objectives and Strategies

The Government's commercial, trade, and industrial policy aims at fostering social and economic development through sustainable domestic and foreign private sector investments in the manufacturing sector. The role of the Government during the FNDP period shall primarily be that of facilitator and regulator rather than a direct provider of goods and services. Through a competitive industrial base, the manufacturing sector will become the engine of economic growth and development. The overall strategy will be to strengthen and widen the country's manufacturing base with emphasis on backward and forward linkages given the country's wide resource base. In this regard, the programmes, objectives and strategies of the manufacturing sector during the FNDP are indicated in the matrix below.

| Sector: Manufacturing | | | |
|-----------------------|----------------------|--|---|
| No. | Programmes | Objectives | Strategies |
| 1 | Investment Promotion | a) To lay the foundation for Private Sector Development; | a) Promote investment in infrastructure in order to stimulate private investment; b) Maintain a stable macroeconomic environment in order to |

| Sector: Manufacturing | | | |
|------------------------------|---|--|---|
| No. | Programmes | Objectives | Strategies |
| | | b) To increase domestic and foreign investment in the manufacturing sector; c) To increase and diversify the range of value added products for both the domestic and export markets. | deepen capital market development in the long term; c) Rationalise the Triangle of Hope Initiative into the PSD Programme Establishment of a one window facility (ZDA); d) Disseminate information on investment opportunities in Zambia abroad.. |
| 2 | Capital Market Development | a) To develop and diversify the capital market. | a) Provide affordable private sector financing mechanisms such as project financing for medium to long-term lease financing; b) Provide through the financial markets, affordable long-term credit to support production and investment. |
| 3 | Technology and Industrial Skills Development | a) To improve industrial skills and craftsmanship; b) To invest and generate adaptive science, technology, and applied research and development; c) To promote links between research and technology institutions with the manufacturing sector. | a) Encourage practical proficiency through the development of industry-relevant skills and on-the-job apprenticeships; b) Provide incentives to facilitate technological transfer through FDI; c) Establish technical exchange programmes with foreign countries; d) Ensure that FDI facilitates technology transfer; e) Establish technical exchange programmes with foreign companies. |
| 4 | MSME Development and Citizens' Economic Empowerment Initiative | a) To promote growth in micro, small and medium-scale manufacturing enterprises (MSMEs). | Promotion development of indigenous investments through: a) Improve access to funding and use of public procurement to support legally compliant MSMEs; b) Support training of MSMEs in business management and technical skills; c) Strengthen the linkage between the MSMEs and large manufacturing firms, especially for MSMEs supplying intermediate raw materials and those utilising labour-intensive production processes; d) Develop appropriate institutional and legal instruments to support MSMEs, including the informal sector; e) Develop an economic empowerment policy and empowerment programme that, <i>inter alia</i> , provide business development services to MSMEs; f) Develop the Citizens' Empowerment Initiative to ensure that local entrepreneurs are afforded easy access to factors of production, especially finance and land; f) Encourage partnerships between local businesses with foreign companies in order to facilitate transfer of skills through sub-contracting and training. g) Promote supplier consolidation in identified bulk supply needs, particularly for the mining sector. |
| 5 | Rural Industrialisation | a) To develop rural-based industrial enterprises | Develop an appropriate infrastructure in rural areas so as to support small-scale manufacturing, targeting the processing of rural-based primary products, focusing on: a) Address issues of economic viability and poor infrastructure in order to ensure that more manufacturing entities are established in rural areas; b) Establish linkages between agricultural farming blocks, industrial estates, and outgrower schemes in order to establish industries close to the raw material source; c) Develop of a rural industrialisation policy; d) Assess the economic potential of rural districts; e) Explore market opportunities for rural manufactured goods; f) Develop new forms of small and medium financial services; g) Promote the use of alternative and renewable sources of |

| Sector: Manufacturing | | | |
|------------------------------|---|---|---|
| No. | Programmes | Objectives | Strategies |
| | | | energy, such as solar power. h) Encourage on-site agro-processing in new agricultural farm blocks; i) Establish partnerships between smallholders and emergent farmers and commercial growing cash crops, such as tobacco, sugar cane, ground nuts, sunflower and soya beans. |
| 6 | Product Quality Improvement | To improve the quality of domestic products | Improve the quality of local products in order to make them competitive both regionally and internationally, focusing on: a) Strengthen the testing, calibration, inspection, certification, and accreditation procedures; b) Ensure that manufacturers affiliate to ZABS; c) Disseminate information pertaining to quality control. |
| 7 | Cross-Cutting Issues of HIV and AIDS, Gender, Governance and Environment | a) To reduce HIV and AIDS prevalence and improve the health status of employees in the manufacturing sector; b) To promote the participation of women and youths in commercial and manufacturing activities; c) To ensure that enterprises adopt environmentally-friendly production systems. | a) Mitigate the negative impact of the HIV and AIDS pandemic; b) Encourage gender equality in the manufacturing sector; c) Reduce environmental degradation through government enforcement of pollution and emission control measures; d) Sensitise factories/enterprises on the consequences of polluting the environment. e) Strengthen corporate governance. |

12.6 Implementation, Monitoring and Evaluation Framework

The Government will ensure that there is compliance by industry to laws and regulations, such as those relating to company tax and returns; stock exchange listing rules; and accounting, auditing, and environmental standards. Moreover, the Government will harmonise existing industrial property rights with those of other countries with a view to provide investors with the opportunity to benefit from the international industrial and commercial property rights regime. This will ensure that local and international investors are free from the risk of unfair expropriation.

The implementation of manufacturing sector strategies in the FNDP will involve a broad stakeholder base that will rely on private sector initiatives and participation. The Government will play a facilitative role with very minimal involvement in production. Market regulation and infrastructure development will be the domain of the Government with full participation of the private sector under formal business associations and representation. The Ministry of Commerce, Trade and Industry will take the lead in ensuring that the manufacturing development strategy is implemented during the FNDP period. The Ministry shall coordinate government intervention and regulation in the sector and provide the policy focus.

In terms of monitoring of progress towards implementation and evaluation of results post-implementation, various methods will be used such as the surveys. Monitoring and evaluation by the SAG will ensure that programmes are on track and are delivering the desired results. Further, it will also ensure that implementation slippages are corrected and aligned to evolving realities.

The key indicators to be tracked on a quarterly basis will be the index of industrial production, employment levels, and investment performance. This will be complemented by annual tracking of the growth rate of manufacturing GDP and employment in the manufacturing sector. These indicators shall be made available from the national income accounts. Other programme-specific indicators will also be used, including special studies on technical efficiency and productivity of large-scale and MSME manufacturing firms.

Lastly, a monitoring system will be used to assess performance in terms of inputs, process, outputs, outcomes, and impact. Monitoring will be a continuous process, taking place at short intervals, in order to understand and correct the performance of programme.

SECTOR: Manufacturing
(K Billion)

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------------|-----------|--|--------------|--------------|--------------------|--------------|--------------|--------------------|--------------|--------------|--------------------|--------------|--------------|--------------------|--------------|--------------|---------------|---------------|---------------|
| | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Total | GRZ | Donor |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| Core FNDP Programs | 1 | Investment Promotion (including establishment of ZDA) | 18.27 | | 18.27 | 25.63 | | 25.63 | 9.29 | | 9.29 | 12.90 | | 12.90 | 13.79 | | 79.87 | 79.87 | - |
| | 2 | Technology & Skills Development | | | | | | | | | | | | | | | | | |
| | 3 | MSMES Development & Citizens Economic Empowerment | 1.29 | | 1.29 | 0.49 | | 0.49 | 0.55 | | 0.55 | 0.21 | | 0.21 | 0.19 | | 2.73 | 2.73 | - |
| | 4 | Product Quality Improvement | 10.63 | | 10.63 | 2.60 | | 2.60 | 2.24 | | 2.24 | 0.79 | | 0.79 | 0.70 | | 16.95 | 16.95 | - |
| | 5 | Support to Private Sector Development | 1.30 | | 1.30 | 0.51 | | 0.51 | 0.55 | | 0.55 | 0.25 | | 0.25 | 0.21 | | 2.82 | 2.82 | - |
| | 6 | Export Development Project II | - | 41.57 | 41.57 | - | 37.89 | 37.89 | - | 30.13 | 30.13 | - | 36.97 | 36.97 | - | 17.67 | 164.23 | - | 164.23 |
| | | | - | 4.41 | 4.41 | - | 8.37 | 8.37 | - | - | - | - | - | - | - | - | 12.78 | - | 12.78 |
| | | Sub Total | 31.49 | 45.98 | 77.47 | 29.23 | 46.25 | 75.49 | 12.64 | 30.13 | 42.77 | 14.14 | 36.97 | 51.11 | 14.89 | 17.67 | 279.39 | 102.38 | 177.01 |
| None-core FNDP Programs | 1 | Capital Market Development | 0.02 | | 0.02 | 0.01 | | 0.01 | - | | - | - | | - | - | - | 0.03 | 0.03 | - |
| | 2 | Legal & Institution Reform | 0.10 | | 0.10 | - | | - | - | | - | - | | - | - | - | 0.10 | 0.10 | - |
| | 3 | Rural Industrialisation | | | | | | | 0.13 | | 0.13 | 0.06 | | 0.06 | - | - | 0.45 | 0.45 | - |
| | 4 | Cross Cutting Issues of HIV/AIDS, Gender & Environment | 3.96 | | 3.96 | 1.02 | | 1.02 | 1.13 | | 1.13 | 0.48 | | 0.48 | 0.43 | | 7.01 | 7.01 | - |
| | 6 | Personal emoluments | 2.24 | | 2.24 | 2.55 | | 2.55 | 2.91 | | 2.91 | 3.25 | | 3.25 | 3.63 | | 14.58 | 14.58 | - |
| | | Sub Total | 6.47 | - | 6.47 | 3.70 | - | 3.70 | 4.17 | - | 4.17 | 3.79 | - | 3.79 | 4.06 | - | 22.18 | 22.18 | - |
| | | Grand Total | 37.95 | 45.98 | 83.93 | 32.93 | 46.25 | 79.18 | 16.80 | 30.13 | 46.94 | 17.93 | 36.97 | 54.90 | 18.95 | 17.67 | 301.57 | 124.56 | 177.01 |

COMMERCE AND TRADE



Commerce and Trade

13.1 Introduction

Trade is widely viewed as an important tool for economic growth which, in turn, is a pre-requisite for long-term poverty-reduction. With a small domestic market, Zambia will use its trade policies to take advantage of external market opportunities and promote the diversification of the economy. The limited domestic market size and low domestic purchasing power suggest that sustained economic growth must be export-led. Active participation in multilateral trade will enable Zambia take advantage of opportunities in foreign markets, while improving domestic competitiveness. Regional markets also provide additional outlets for Zambian goods. In particular, the geographic proximity of regional markets makes them attractive export destinations for products from small and medium enterprises, as well as from smallholder farmers. Increased agricultural output from smallholder farmers, which is directed at regional markets (e.g. in Common Market for Eastern and Southern Africa (COMESA) and Southern Africa and Development Community (SADC) can assist in national poverty-reduction efforts. Zambia shall, therefore, utilize its trade policy to promote economic growth and diversification, and to address its poverty reduction goals.

13.2 Review of Past Performance

Zambia currently participates in international trade agreements at multilateral, regional, and bilateral levels. At the multilateral level, Zambia is a member of the World Trade Organization (WTO). At the regional level, the country is a member of the Common Market for Eastern and Southern Africa (COMESA) and the Southern African Development Community (SADC). Zambia also participates in the European Union – African Caribbean Pacific Cotonou Trade Protocol, which is planned to be replaced by Economic Partnership Agreements (EPAs). Zambia also benefits from various preferential trade arrangements such as the Everything-but-Arms Agreement (from the EU), the Africa Growth and Opportunity Act (AGOA) from the USA and the ‘Canadian Initiative.’

Since the mid-1990s, the Government has pursued significant trade liberalization reforms, which were aimed at simplifying the national trade regime, stimulating economic diversification, and promoting export-led growth. Economic and trade liberalization in Zambia since 1991 has brought mixed effects. Some benefited from external market opportunities (e.g. cut flowers, sugar, etc.) and economies of scale. At the same time, several firms in the manufacturing sector (textiles and clothing, glass, paper, wood and wood products, leather, rubber, etc.) lost not only sizeable domestic markets but also their limited export markets. There was a rise in the cost of imports. External debt increased and the currency depreciated.

Metal exports (copper followed by cobalt) have hitherto dominated Zambia’s exports. However, in an effort to diversify the economy away from copper, the Government has directed its efforts at increasing non-traditional exports by an annual target rate of 20 percent. These include horticultural, floricultural, and other agricultural products, processed foods, manufactures, gemstones, and processed metal products. Other exports include various categories of primary products, including cotton, tobacco, and sugar sold on the world market. Non-traditional exports (NTEs) have shown a strong growth, rising from US \$124.0 million (or 4 percent of GDP) in 1993 to US \$ 415.0 million (10 percent of GDP) in 2003. Analysis of import trends shows upward movement with growth registering an approximate 69 percent increase over the 1993 to 2003 period. Imports accelerated from a base of US \$700 million (21.4 % of GDP) in 1993 to US \$1,551 million (36.0% of GDP) in 2003, which in absolute terms was more than double the imports in 1993. As a result, imports as a percentage of GDP rose from 21.4 percent in 1993 to 36.1 percent in 2003. A notable trend in the trade statistics is that whereas from 1993 to 1997 exports were consistently above import magnitudes, this situation reversed from 1998 onwards with imports outstripping exports. This was largely attributable to increased imports of capital goods as

privatised companies acquired new plant and machinery to refurbish their factories and mines. The result has been a negative trade balance leading to an increasing trade deficit.

Mining and quarrying still continue to dominate the trade sector, contributing around 6 percent to real GDP and some 70 percent of Zambia's earnings from merchandise exports. Agriculture, including livestock, forestry, and fishing, accounts for about 17 percent of GDP and over 70 percent of employment. The manufacturing sector is the source of just over 11 percent of employment and around 18 percent of GDP. The services sector, meantime, provides the bulk of non-agricultural employment opportunities in Zambia, and accounts for nearly 60 percent of GDP.

An assessment of the trade sector's performance for the period 1993 to 2003 shows a declining trend. The share of merchandise trade in GDP has declined steadily from 62.2 percent in 1993 to 1996 to an average of 56.5 percent for the period 2000 to 2003. The decline has been attributed mostly to the poor performance of the mining sector during the period 1965 to 1975. During this period, other external financial difficulties, such as the depletion of international reserves also contributed to the problem. Merchandise exports registered a decline of 21 percent as a percentage of GDP, with these barely rising from US \$1,030 million in 1993 to US \$1,080 million in 2003 after peaking at US \$1,238 million in 1995. This represents a meagre growth, which was negatively affected by the steep decline in exports of copper and cobalt. Overall metal exports dropped by about 48 percent up to 1999 before recovering by 43 percent over the remaining five years. Consequently, exports as a percentage of GDP also dropped from 31.5 percent to 25.0 percent.

The size of Zambia's trade deficit steadily increased over the period 1993 to 2003. Recent increases in the size of the deficit are partly explained by higher import costs needed for refurbishment of privatised mines, as well as the high costs of other imports such as machinery, crude oil, chemicals, iron, and steel. Export trends are shown in Table 13.1.

Table 13.1: Export Trends, 2000- 2004

| | 2000 | 2001 | 2002 | 2003 | 2004 |
|---|---------------|---------------|---------------|-----------------|-----------------|
| (as percentage of total value of merchandise exports) | | | | | |
| Metal Exports | 66.41 | 65.42 | 60.31 | 61.71 | 69.46 |
| NTEs | 33.6 | 34.6 | 39.7 | 38.3 | 30.5 |
| - Engineering products | 2.6 | 2.4 | 2.4 | 2.7 | 4.1 |
| - Floricultural products | 4.3 | 3.8 | 3.3 | 2.1 | 1.7 |
| - Gemstones | 2.0 | 2.3 | 4.0 | 2.2 | 1.0 |
| - Horticultural products | 3.5 | 4.0 | 4.8 | 4.2 | 2.3 |
| - Primary agricultural products | 4.7 | 5.7 | 8.2 | 9.0 | 10.3 |
| - Processed and refined foods | 4.5 | 4.8 | 4.7 | 4.1 | 3.1 |
| - Textiles | 4.6 | 3.8 | 2.8 | 2.4 | 1.6 |
| Total export growth % | 1.64 | 14.91 | 2.83 | 16.85 | 46.43 |
| Metal export growth % | 11.3 | 13.22 | -5.14 | 19.57 | 64.82 |
| NT export growth % | -13.42 | 18.27 | 18.12 | 12.72 | 16.80 |
| Total Exports US \$ million | 784.73 | 901.81 | 928.03 | 1,084.40 | 1,587.92 |

Source Export Board of Zambia

In order to promote agricultural trade, the predominant issues include the need to create access to both markets for inputs and products for rural farmers. Concerning small-scale mining, particularly gemstones, there is immense potential to earn the country up to US \$600 million per annum as long as the Government is able to monitor and regulate investors in the sector, provide sound information to potential investors on available mining plots, and establish a transparent marketing mechanism.

Manufacturing, particularly of textiles, garments, and processed foods offer key opportunities to expand trade in this sector. Processed foods have potential markets in the European Union and the Democratic Republic of Congo. Locally, there is potential to expand trade in the food, beverages, and tobacco sub-sectors. The tourism sector also provides a key growth opportunity for Zambia.

Although the agricultural sector has recorded consistent and commendable growth since 2000 and has increasingly become the largest pillar for NTE growth, many problems still affect the sector's performance record. For example, the sector has continued to be burdened by levies and taxes, poor road infrastructure, inadequate government extension services, crop piracy in cotton and tobacco amongst many others. The other major challenges to export expansion in Zambia include the following:

- a) Poor infrastructure, including inadequate road and railway networks;
- b) High costs of telecommunications;
- c) High transportation costs due to landlocked status, which increases the costs of inputs for Zambian exporters;
- d) Uncertain business environment, including high inflation, high tax rates, high cost utilities, and burdensome regulations;
- e) Inadequate access to credit facilities, and high cost of capital;
- f) Low levels of productivity due to lack of skilled labour;
- g) Lack of modern technology;
- h) Inability to meet standards requirements of foreign markets due to lack of appropriate standards and certification facilities; and
- i) Non-technical barriers to trade, including sanitary and phytosanitary regulations

13.3 Policies and Key Reforms

During the Plan period, the Government shall continue with the identification of appropriate trade expansion measures in the context of the PSD Programme. Moreover, the Government shall remain engaged in multilateral trade negotiations at the WTO in order to secure preferential trading arrangements that provide access to foreign markets. Already, Zambia benefits from various preferential schemes such as the Everything-but-Arms Initiative (from the EU); the African Growth and Opportunity Act (AGOA); the Canadian Initiative; and other trade preferences provided under the Generalized System of Preferences (GSPs) for developing countries. Zambia is also a signatory to the EU-ACP Cotonou Trade Protocol, and is currently negotiating Economic Partnership Agreements (EPAs) with the EU as part of the Eastern and Southern African (ESA) configuration. The Government shall continue with these initiatives during the Plan period.

To achieve the objective of export promotion, the Government shall continue working on the concept of Multi-Facility Economic Zones (MFEZs) which takes into account domestic trade, investment and exports. The operationalisation of MFEZs will be done through the Zambia Development Agency (ZDA). This shall continue to be supplemented by the Private Sector Development (PSD) programme that was launched in 2004, aimed at, *inter alia*, providing an enabling environment for private sector economic activity and addressing trade impediments. Under the FNDP, the Government will also introduce a legal and regulatory framework to ensure the protection of industrial and commercial property rights. During the FNDP a tariff commission will also be established to facilitate the effective implementation of trade remedies and oversee tariff classification, rationalization and implementation.

In the light of the above, the broad policy objectives of the trade sector during the FNDP period are as follows:

- a) Transform the Zambian economy into a diversified and competitive one which is well integrated into the international trading environment;
- b) Stimulate and encourage value-addition activities on primary exports as a means of increasing national earnings and income flows;
- c) Stimulate investment flows into export-oriented production areas in which Zambia has comparative and competitive advantages as a strategy for inducing innovation and technology transfer into the national economy;
- d) Formalize, monitor and regulate domestic trade activities with a view to promoting and stimulating a vibrant domestic trading sector; and

- e) Assist domestic firms to increase their levels of efficiency and, therefore, withstand increasing competition in the domestic market.

The Government's major aim is to create a link between primary extraction and industrialization through addition of value to primary goods, especially those for export. Such a programme is expected to induce capital market development, skills development, technology, research and development, micro, small and medium enterprise development and rural industrialization.

13.4 Vision and Goal

The vision is: *To become an export-driven, competitive and viable commerce sector by 2030.*

The goal is: *To improve the quality of locally produced goods and services and increase Zambia's share in world exports.*

13.5 Programmes, Objective and Strategies

In order to take advantage of the international trade opportunities and Zambia's comparative advantage in selected products and, thereby, achieve the objectives of the trade sector, the main programmes and strategies for the sector are indicated in the matrix below:

| Sector: Commerce and Trade | | | |
|-----------------------------------|---|---|---|
| No. | Programmes | Objectives | Strategies |
| 1 | Promotion of Standards, Quality Assurance, Metrology and Accreditation | To strengthen and decentralize the administration of testing and certification | <ul style="list-style-type: none"> a) Strengthen infrastructure capacity at the Zambia Bureau of Standards ZABS and Zambia Weights and Measures Agency (ZWMA); b) Decentralize standards, testing and certification infrastructure; c) Affiliate to international certification and accreditation bodies; d) Capacity-building and training programmes for officials at MCTI/ZABS/ZWMA at other regional certification bodies; e) Facilitate certification and accreditation other laboratory centres. |
| 2 | Export Promotion | Increase volume of Zambian exports, particularly in non-traditional sectors | <ul style="list-style-type: none"> a) Finalize and implement national export strategy; b) Improve and promote market access; c) Promote domestic value addition and export of high value products; d) Facilitate effective participation in trade fairs, forums and expositions; e) Capacity building of trade promotion agencies and private sector associations; f) Establish export financing facility; g) Disseminate export information to potential exporters; h) Conduct market research studies. |
| 3 | Enhancement of Domestic Trade and Competition | Formalize and monitor domestic trade activities and stimulate a vibrant domestic trading sector | <ul style="list-style-type: none"> a) Promote the consumption of locally produced goods and services; b) Promote and facilitate the development of micro and small business enterprises; c) supervise and monitor trade licensing programmes; d) Compile and disseminate domestic commerce and trade data; e) Organize and participate in domestic trade fairs; f) Ensure fair and competitive market practices in Zambia; g) Ensure compliance with Corporate Social Responsibility Tenets (CSR); h) Promote local economic development; i) Ensure compliance with fair procurement procedures in the economy; j) Implement Local Business Development Programme; k) Implement the Citizens Empowerment Act . |

| Sector: Commerce and Trade | | | |
|-----------------------------------|---|--|---|
| No. | Programmes | Objectives | Strategies |
| 4 | Trade Promotion (Multilateral, Bilateral and Regional) | To secure improved market access for Zambian goods and services | a) Capacity building in trade-related issues for the private sector; b) Strengthen trade reference centres in government, private sector, and other relevant institutions; c) Hold regular meetings with domestic stakeholders to facilitate effective dialogue; d) Build effective negotiation capacity for multilateral, regional and bilateral trade Agreements; e) Utilize the services of Zambian missions abroad by establishing regular consultations on trade and investment. |
| 5 | Establishment of Tariff Commission | To facilitate the effective implementations of trade remedies and oversee tariff classification, rationalization and implementation. | a) Establish Tariff Commission; b) Review and formulate tariff policy; c) Review tariff structure and levels; d) Review other measures affecting trade (e.g. subsidies, tax structures; incentives); e) Build capacity to conduct investigations into unfair trade practices and ensure the proper application of rules of origin; f) Improve capacity to implement trade remedies. |
| 6 | Promotion of Commercial Services | Increase trade in services | a) Conduct comprehensive domestic trade assessments; b) Formulate national strategy on trade in services; c) Conduct training seminars for domestic private sector on the development and trade of services products; d) Implement annual services audit survey; e) Promote investment opportunities in trade in services. |
| 7 | Elimination of Trade-related Supply Constraints | Reduce trade related supply constraints | a) Improve transportation infrastructure; b) Facilitate Public Private Partnerships (PPP) development ; c) Improve access to financial services; d) Facilitate technology transfer; e) Undertake value chain analysis. |

13.6 Implementation, Monitoring and Evaluation Framework

The Ministry of Commerce, Trade and Industry will work actively towards achieving the goal and objectives spelt out in the FNDP. In addition, other institutions, namely, Zambia Development Agency (ZDA), Zambia Bureau of Standards (ZABS), Zambia Weights and Measures Agency (ZWMA), Patents and Companies Registration Office (PACRO) and the Zambia Competition Commission (ZCC) will also play an active role in ensuring that the goals of the FNDP in the trade sector are realised. The Ministry of Commerce, Trade and Industry will be the lead execution agency for the implementation and monitoring of the commerce and trade sector programmes during the FNDP. The other major players in the implementation and monitoring of the commerce and trade sector programmes will be the following institutions:

- a) Zambia Development Agency (ZDA) is to act as a one stop shop for implementing the export promotion programme and will provide monitoring and evaluation information on a monthly basis. ZDA will also participate in the quarterly monitoring and evaluation of this programme;
- b) The Zambia Bureau of Standards (ZABS) and the Zambia Weights and Measures Agency (ZWMA) will be responsible for the implementation of the Standards Quality Assurance, Accreditation and Metrology programmes;
- c) The Ministry of Commerce, Trade and Industry will be responsible for the implementation and monitoring of the trade programmes; and
- d) The Zambia Competition Commission (ZCC) will be responsible for implementing programmes relating to Consumer Welfare Protection and Competition and Fair Trading.

Implementation of the various programmes will also be closely aligned to other government initiatives in the Medium Term Expenditure Framework (MTEF). The basis for implementation shall be through the annual work plans, which will also form the basis for monitoring and evaluation of programmes and strategies.

The Sector Advisory Group (SAG) will constitute the forum through which reporting will be achieved on a quarterly basis. Departments and participating institutions will be required to submit quarterly progress reports to the coordinating unit of the SAG. The Ministry of Commerce, Trade and Industry will annually set up stakeholders' review taskforce meetings to evaluate effectiveness of the programmes.

The performance of the commerce and trade sector programmes shall be monitored through the tracking of key indicators that include new certified products entering the market; volume of trade; and the value of export earnings from non-traditional exports in regional, European, North American and other markets.

SECTOR: Commerce and Trade
(K Billion)

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------------|-----------|---|--------------|-------------|---------------------|--------------|-------------|---------------------|--------------|-------------|---------------------|--------------|-------------|---------------------|--------------|-------------|--------------|--------------|-------------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | | | |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | Total | GRZ | Donor |
| Core FNDP Programs | 1 | Standards, Quality Assurance, Accreditation & Metrology | 18.15 | 0.00 | 18.15 | 7.72 | 0.00 | 7.72 | 6.64 | 0.00 | 6.64 | 4.42 | 0.00 | 4.42 | 5.42 | 0.00 | 5.42 | 42.35 | 0.00 |
| | 2 | Export Promotion | 12.22 | 0.00 | 12.22 | 3.48 | 0.00 | 3.48 | 5.30 | 0.00 | 5.30 | 6.91 | 0.00 | 6.91 | 6.81 | 0.00 | 6.81 | 34.72 | 0.00 |
| | 3 | Domestic Trade & Competition | 2.06 | 0.00 | 2.06 | 0.67 | 0.00 | 0.67 | 1.00 | 0.00 | 1.00 | 1.26 | 0.00 | 1.26 | 1.17 | 0.00 | 1.17 | 6.16 | 0.00 |
| | | Sub Total | 32.42 | 0.00 | 32.42 | 11.87 | 0.00 | 11.87 | 12.95 | 0.00 | 12.95 | 12.59 | 0.00 | 12.59 | 13.40 | 0.00 | 13.40 | 83.23 | 0.00 |
| | 1 | Multilateral Trade | 2.60 | 0.00 | 2.60 | 1.13 | 0.00 | 1.13 | 1.69 | 0.00 | 1.69 | 2.07 | 0.00 | 2.07 | 1.95 | 0.00 | 1.95 | 9.43 | 0.00 |
| None-core FNDP Programs | 2 | Bilateral Trade | 0.45 | 0.00 | 0.45 | 0.22 | 0.00 | 0.22 | 0.62 | 0.00 | 0.62 | 0.40 | 0.00 | 0.40 | 0.37 | 0.00 | 0.37 | 2.05 | 0.00 |
| | 3 | Tariff Commission & Tariff Policy | | | | | | | | | | | | | | | | | |
| | | Commercial services | 0.32 | 0.00 | 0.32 | 0.06 | 0.00 | 0.06 | 0.09 | 0.00 | 0.09 | 0.11 | 0.00 | 0.11 | 0.10 | 0.00 | 0.10 | 0.67 | 0.00 |
| | 4 | Trade Related Supply Constraints | 0.20 | 0.00 | 0.20 | 0.10 | 0.00 | 0.10 | 0.04 | 0.00 | 0.04 | 0.04 | 0.00 | 0.04 | 0.04 | 0.00 | 0.04 | 0.42 | 0.00 |
| | 5 | Regional Trade | 0.13 | 0.00 | 0.13 | 0.06 | 0.00 | 0.06 | 0.07 | 0.00 | 0.07 | 0.09 | 0.00 | 0.09 | 0.08 | 0.00 | 0.08 | 0.43 | 0.00 |
| | 6 | | 0.10 | 0.00 | 0.10 | 0.05 | 0.00 | 0.05 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.15 | 0.15 | 0.00 |
| | | Sub Total | 3.80 | 0.00 | 3.80 | 1.61 | 0.00 | 1.61 | 2.49 | 0.00 | 2.49 | 2.71 | 0.00 | 2.71 | 2.54 | 0.00 | 2.54 | 13.15 | 0.00 |
| | | Grand Total | 36.22 | 0.00 | 36.22 | 13.48 | 0.00 | 13.48 | 15.44 | 0.00 | 15.44 | 15.30 | 0.00 | 15.30 | 15.94 | 0.00 | 15.94 | 96.38 | 0.00 |

ENERGY



14.1 Introduction

Zambia is richly endowed with a range of indigenous energy sources, particularly woodlands and forests, hydropower, coal and renewable sources of energy. Woodland and forests cover about 66 percent of the total land area and provide about 70 percent of the country's energy requirements. The country's hydropower resource potential stands at an estimated 6,000 Mega Watts (MW) while the installed capacity is a mere 1,876 MW. Hydroelectric plants represent 99 percent of electricity production in the country with the major sources being Kafue Gorge, Kariba North Bank and Victoria Falls Power Stations. The country's electricity is predominantly consumed by the mines, accounting for 68 percent while households only use 19 percent of the total.

Proven coal reserves are estimated at 30 million tons with several hundred million tons of probable reserves. Currently, only two coal mines are in operation at Maamba with a design output of 1 million tons per annum. In recent years, the contribution of coal to total energy consumption has declined to barely 2 percent due to production constraints. Established infrastructure for petroleum import and processing include the 1,710-kilometre TAZAMA Pipeline, the INDENI Petroleum Refinery and the Ndola Fuel Terminal. INDENI is designed to process around 1 million tons of spiked crude per annum.

The availability and accessibility of modern energy services result in sustained economic growth, environmental protection and poverty reduction. Access to energy services is a prerequisite to the achievement of the Millennium Development Goals. In implementing the FNDP, poverty can be reduced by increasing access to energy services. Every economic and social sector needs adequate, reliable and affordable energy input to grow.

14.2 Review of Past Performance

The performance of the energy sector has been closely linked with the level of economic activity in the country. For instance, during the period 1990 to 2002, the energy sector's growth was constrained by the economic decline experienced during the period, especially in the mining sector, the biggest consumer of petroleum and electricity. Some of the significant characteristics of the energy sector during the past decade include the continued rise in the consumption of wood fuel, rising international and domestic oil prices, frequent breakdowns in Zambia's petroleum delivery infrastructure, such as the Single Buoy Mooring (SBM), and Petroleum Tank Farm in Tanzania, the TAZAMA Pipeline, and the INDENI Refinery.

As shown in Figure 14.1, the overall consumption of commercial energy (petroleum, electricity and coal) has been declining over time accounting for 32 percent of national total energy consumption in 1990 while by 2001 it had fallen to 21 percent. This was due mainly to the decline of the copper dependent economy in the 1980s and 1990s. Wood fuel (firewood and charcoal) remains the dominant source of energy in Zambia, accounting for almost 80 percent of total energy consumption. Firewood is predominantly consumed by rural households while charcoal is a major source of energy for urban households. Woodlands and forests cover about 54 percent of the total land area with the growing stock equivalent to 4,355 million tons of wood that provides about 80 percent of the nation's energy needs. Annual loss of forest cover was estimated at 1.2 percent for the 1975 to 2003 period. Much of the loss was due to land clearing for agricultural use rather than energy purposes. The charcoal industry provides employment for about 50,000 people in rural and urban areas.

Figure 14.1: Energy Consumption Trends, 1986-2002

Source: Department of Energy, 2003

The PRSP/TNDP focused on poverty reduction through increased electricity access rates, promotion of efficient charcoal production and utilisation and use of alternative household fuels, such as millennium gel fuel and liquid petroleum gas (LPG). Exports of power were to be increased from the current levels of 100 MW to 600 MW. The following progress was recorded during the PRSP /TNDP period.

14.2.1 Electricity Sub-sector

14.2.1.1 Electrification of rural areas: The electrification of rural areas continues to be slow. Nevertheless, the Government has established the Rural Electrification Authority (REA) to spearhead faster electrification of rural areas.

14.2.1.2 Power Rehabilitation Project: The Project's components include the Victoria Falls, Kafue Gorge and Kariba North Bank; ZESCO Power Transmission System; Lusaka distribution network; the distribution networks of Ndola and Kitwe on the Copperbelt; loss reduction in the Lusaka west area; Gwembe-Tonga Development Programme; ZESCO Institutional Strengthening; and Hydropower Development and Transmission Line Policy. Rehabilitation of some of the components has been completed while the remaining works will continue during the period of the FNDP.

14.2.2 Petroleum Sub-sector

Petroleum Rehabilitation Project: The components included the rehabilitation of the TAZAMA Pipeline from Dar Es Salaam to Ndola, including the tank farm in Dar-es-Salaam; cathodic protection of the pipeline; refurbishment and improvement of pumps on the pipeline. Other components include improvement of telecommunications; rehabilitation of the Ndola fuel terminal; construction of a 40,000-ton capacity crude oil tank in Ndola; and creation of a Technical Cell on petroleum in the Ministry of Energy and Water Development. The Government will seek to mobilise resources from both public and private sources during the FNDP period to rehabilitate and refurbish the petroleum infrastructure.

14.2.3 Biomass

14.2.3.1. Promotion of Efficient Production and Utilisation of Wood Fuel: The programme has so far involved the production of a Charcoal Production Manual and dissemination of improved wood fuel stoves. This programme will continue during the FNDP period.

14.2.3.2 Promotion of Gel Fuel and Liquid Petroleum Gas: The aim of these efforts is to provide an alternative to wood fuel for household energy requirements. The net result of these efforts is to achieve an annual saving in wood of about 10 percent of total wood consumption, which is equivalent to 400,000 tons per annum.

14.3 Policies and Key Reforms

There are a number of structural and management issues that the Government is addressing and will focus upon during the FNDP period. Firstly, energy management is considered an important activity and an area of investment whose benefits have not been fully exploited. This is due mainly to lack of awareness of the significant direct savings that can be generated at consumer and national level through prudent energy efficiency and conservation practices. The implementation of energy conservation and substitution practices has in the past been undertaken on a very low scale in both households and industry. It is anticipated that the implementation of these measures will be enhanced during the FNDP period. Secondly, the underlying principle for the policy on energy pricing is to ensure that costs among consumers are allocated according to the burden that they impose on the energy delivery system. Additionally, the policy aims at ensuring that a real return on investment and a minimum level of service to persons who cannot afford the full costs are provided for. In the light of this, the Government shall review the current pricing mechanisms in the energy sector to reflect existing arrangements in the market in addition to ensuring that a subsidy mechanism is put in place to mitigate high energy prices, especially in rural areas.

The FNDP aims to ensure that Zambia has reliable, affordable and environmentally sound energy for sustained social and economic development. Its focus is to meet the energy challenge by increasing options and exploitation of Zambia's indigenous energy resources for a better future. In order to derive maximum sustainable benefits from Zambia's abundant renewable energy resources, such as solar, wind, geothermal, biogas, mini and micro hydro plants, research and development will also be a priority during the FNDP period.

The Ministry of Energy and Water Development (MEWD) is responsible for the formulation and implementation of policy in the energy sector. The adoption of the National Energy Policy (NEP) in 1994 was meant to strengthen the management and coordination of energy sector activities at government level. At institutional level, the policy was meant to improve the efficiency and effectiveness of service delivery by the Boards and utilities in the energy sector. Consequently, appropriate pieces of legislation in the form of the Energy Regulation, Rural Electrification and amended Electricity Acts have been enacted. These pieces of legislation have provided for the formation of the Energy Regulation Board and the Rural Electrification Authority.

While some of the aspirations of the 1994 NEP are still valid, the Ministry is in the process of reviewing it and the new policy is expected to take into account new developments not only in the energy sector but the economy as a whole. Some of the policy issues to be addressed include measures on bio-fuels and strategic petroleum reserves. In addition, the policy will seek to encourage more players in the electricity industry through a legal framework that promotes easy access to the electricity supply industry both at producer, supplier and customer end. To achieve this, the NEP embraces the National Grid Code which outlines the rules for all the players in the sector.

Under the Public Sector Reform Programme, MEWD was restructured in 2003 to strengthen the management and coordination of the energy sector. However, issues of petroleum and coal supply and utilisation are still inadequately addressed, an aspect that shall be corrected during the FNDP. Existing institutions and the legislative framework will be strengthened through the review of the institutional capacity and implementation of the energy sector's reform measures. In the supply of petroleum products, mechanisms will be worked out regarding the most effective means of procurement of petroleum products and the management of the fuel terminal in Ndola. Similarly, the Government shall put in place an industry structure that will promote private sector participation and competition and facilitate increased access to electricity services. Moreover, as a way of promoting the wider exploitation of the existing potential, a coordinating mechanism for renewable energy technologies development shall be created. Access is expected to increase rapidly after competitive tariffs have been adopted after the industry undergoes further reforms and when the NEP is adopted.

The Government is pursuing other reforms in the petroleum sub-sector to include modalities for setting up strategic reserves of petroleum products and facilitating private sector participation in the procurement of petroleum feedstock for refining. The idea behind the setting up of strategic petroleum reserves is to ensure stabilisation of supply of petroleum products on the local market in the event of disruptions in supply of the product on the international market.

During the FNDP period, the projects to be implemented through public-private partnerships, the Government or the private sector include those listed below:

- a) Kafue Gorge Lower Power Station with the potential to generate 750MW. The project is anticipated to be developed through the public-private partnership model;
- b) Kariba North Bank Extension, estimated at 320MW;
- c) Itezhi-Tezhi Hydropower project with a capacity of 120 MW. Additional to this is the construction of a 200 km 220 kV transmission line from Itezhi-Tezhi to Choma (Muzuma), which is the nearest point of inter-connection to the national grid;
- d) The Zambia-Tanzania-Kenya Interconnector project involving the construction of a total of 700 km of 330 kV transmission line, 600 km on the Zambian side and about 100 km on the Tanzanian side. In addition, 200 km of 330 kV transmission line will be built from Arusha to Nairobi. The proposed line will be able to supply an estimated load of up to 200 MW of power in Phase I. In Phase II another 200 MW will be exported to the East African market. Private and public investors are expected to develop the project;

- e) The Zambia-Democratic Republic of Congo Inter-connector is being developed by Copperbelt Energy Corporation (CEC) and SNEL. This will enable power transfers of up to 500 MW from Congo DR to the Southern African market. A 200 km 330 kV line between Luano and Solwezi was commissioned by ZESCO in 2004 to supply power to Kansanshi Copper Mines. A further 70 km of 330 kV line will be constructed to supply power to Lumwana Mine and will be extended to Kolwezi in Congo DR;
- f) Electrification of farm blocks and other social and health institutions;
- g) Development of bio-fuels and other renewable energy programmes that aim to work towards the integration of the use of renewable sources of energy in the provision of energy services to communities;
- h) Implementation of energy efficiency and conservation measures, including improved household and industry fuel combustion technologies;
- i) Implementation of Phase II of the Zambia-Namibia 220 kV Inter-connector from Victoria Falls to Katima Mulilo;
- j) Hwange-Livingstone 330 kV Inter-connector (Zimbabwe-Zambia). The inter-connector is meant to decongest the Insukamini-Phokoje-Matimba 400 kV line;
- k) The Kalungwishi Hydro Power Scheme (200 MW) to supply the northern part of the country to stabilise and increase the reliability of the National Grid. All major power stations are located in the Southern and Central parts of the country. The scheme would also be strategic to the regional power supply system linking to the Congo DR and Tanzania;
- l) Development of the Lunsemfwa Lower Hydro Power Scheme (55 MW) to support mining and agriculture in the Central and Copperbelt provinces; and
- m) Development of both mini/micro and other hydro electric potential not captured above by both public and private sectors.

The development of these projects will lead to tremendous increase in access to energy services.

14.4 Vision and Goals

The vision is: *Universal access to clean, reliable and affordable energy at the lowest total economic, financial, social and environmental cost consistent with national development goals by 2030.*

The goal is: *To ensure availability and accessibility to adequate and reliable supply of energy from various sources at the lowest total economic, social and environmental cost consistent with national development goals of sustained growth, employment generation and poverty reduction.*

14.5 Programmes, Objectives and Strategies

The matrix below presents the energy sector's programmes, objectives and strategies.

| Sector: Energy | | | |
|----------------|--|---|--|
| | Programmes | Objectives | Strategies |
| 1 | Energy Sector Reform | To strengthen the institutional, legal and policy framework in order to ensure effective development, management and provision of quality energy services | <ul style="list-style-type: none"> a) Institute a legislative and institutional framework to facilitate the effective development of the energy sector; b) Institute legislative reforms in the sector; c) Implement policy reforms in the sector; d) Undertake institutional reforms in the sector; e) Review the regulatory and pricing mechanism in the sector f) Put in place policies that ensure poor households have access to more efficient energy sources. |
| 2 | Electricity Generation and Transmission Line | To increase generation capacity, accessibility (through transmission lines) | <ul style="list-style-type: none"> a) Mobilise financial and technical resources to facilitate the implementation of new infrastructure |

| Sector: Energy | | | |
|-----------------------|--|---|--|
| | Programmes | Objectives | Strategies |
| | Development | and trade of electricity | development projects. |
| 3 | Strategic Petroleum Reserves | To ensure security of supply of petroleum products in the country | a) Design and implement an institutional and operational framework for the management of strategic petroleum reserves; b) Mobilise financial resources and develop infrastructure for the reserves. |
| 4 | Rural Electrification | To increase electrification levels in order to increase access for social economic development in rural communities | a) Develop and implement the Rural Electrification Master Plan; b) Develop Micro/Pico hydro power schemes in order to increase access to electricity services in rural areas; c) Mobilise financial resources to promote rural electrification. |
| 5 | Bio-Fuel Development | To facilitate the development of biofuel industry | a) Develop a strategy for promoting the utilization of bio-fuel; b) Develop a bio-fuel development implementation strategy |
| 6 | Management of Petroleum Sub-sector and Rehabilitation of Infrastructure | To enhance an enabling environment for stable and increased supply and security of supply of petroleum | a) Develop and implement a petroleum management plan; b) Mobilise resources for rehabilitation of petroleum infrastructure; c) Rehabilitate petroleum infrastructure. |
| 7 | Hydrocarbon Exploration | To explore for hydrocarbon resources in order to increase security of supply | a) Promote oil exploration by the private sector; b) Mobilise financial resources for exploration; c) Develop capacity in Government to manage hydrocarbon resources; d) Develop a framework for entry into the exploration industry. |
| 8 | Energy Efficiency and Conservation | To promote energy efficiency and conservation | a) Develop and implement programmes that promote increased energy conservation and management practices in households and the industrial sector; b) Mobilise financial resources for the above programmes. |
| 9 | Renewable and Alternative Energy Development and Promotion | To provide and disseminate up to date information on renewable and alternative energy resources for effective planning and awareness, development, management and utilisation | a) Undertake a comprehensive assessment of renewable energy potential in selected parts of the country in order to develop a resource map and bankable project proposals; b) Conduct awareness campaigns. |
| 10 | Creation of Energy Development Fund | To create opportunities for different types of energy projects | a) Promote gassification technology; b) Promote the development of bio-fuel; c) Promote other renewable energy technology. |
| 11 | Promotion of Improved Charcoal Production Technology | To promote the efficient production of charcoal in order to create an opportunity for improved charcoal production technology | a) Promote and carry out practical demonstrations and pilot schemes on the efficient usage of charcoal; b) Mobilise financial resources for promotion of improved charcoal production; c) Develop an implementation strategy for improved charcoal production. |
| 12 | Gender and HIV and AIDS Mainstreaming | To ensure that gender and HIV and AIDS are mainstreamed in all the energy programmes or project preparation and implementation | a) Develop and implement specific measures in the sector to enhance mainstreaming of cross-cutting issues such as gender and HIV and AIDS; b) Mitigate the negative impact of HIV and AIDS in the energy sector. |

| Sector: Energy | | | |
|-----------------------|--|--|--|
| | Programmes | Objectives | Strategies |
| 13 | General Administration and Organization | To effectively manage and develop human resources for efficient performance of the sector | Develop and implement human resources development and management plan. |
| | | To undertake and coordinate the planning, monitoring and evaluation of energy sector programmes and projects in order to ensure their effective implementation | Develop monitoring and evaluation guidelines. |

14.6 Implementation, Monitoring and Evaluation

Ministry of Energy and Water Development (MEWD) will be the core institution, which will facilitate the effective implementation of energy programmes in the FNDP. In this regard, MEWD will assist by providing the necessary conducive environment. The Energy SAG, comprising various stakeholders, will play a coordinating role in sector development in collaboration with relevant government institutions. It will ensure that regular and continuous checks and documentation activities are adopted to ascertain whether objectives and planned programmes/activities have been implemented and have realised the desired outputs and impact. The Ministry will ensure that an effective approach for the collection of data for monitoring purposes is put in place.

The decentralisation policy and Decentralisation Implementation Plan (DIP) will facilitate the participation of districts in the monitoring of results and recommend changes when required and where necessary.

Sector: Energy
(K Billion)

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------------|-----------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|-------------|--------|--------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Grand Total | | |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | Total | GRZ | Donor |
| | 1 | 0.00 | 3.00 | 3.00 | 1.00 | 1.30 | 2.30 | 0.30 | 0.20 | 0.50 | 0.20 | 0.20 | 0.40 | 0.30 | 0.20 | 0.50 | 6.70 | 1.80 | 4.90 |
| Core FNDP Programs | | | | | | | | | | | | | | | | | | | |
| | 2 | 0.00 | 12.80 | 12.80 | 3.40 | 9.60 | 13.00 | 4.30 | 8.00 | 12.30 | 10.20 | 25.00 | 35.20 | 10.30 | 25.00 | 35.30 | 108.60 | 28.20 | 80.40 |
| | 3 | 0.09 | | 0.09 | 4.50 | 5.00 | 9.50 | 7.00 | 7.50 | 14.50 | 13.20 | 8.00 | 21.20 | 10.00 | 10.00 | 20.00 | 65.29 | 34.79 | 30.50 |
| | 4 | 11.77 | 4.00 | 15.77 | 13.20 | 20.00 | 33.20 | 15.00 | 28.00 | 43.00 | 23.00 | 35.00 | 58.00 | 25.00 | 10.00 | 35.00 | 184.97 | 87.97 | 97.00 |
| | 5 | 0.40 | | 0.40 | 1.50 | 5.00 | 6.50 | 2.90 | 4.00 | 6.90 | 3.00 | 5.00 | 8.00 | 2.00 | 5.00 | 7.00 | 28.80 | 9.80 | 19.00 |
| | 6 | 0.30 | 1.60 | 1.90 | 46.40 | 0.50 | 46.90 | 4.10 | 2.00 | 6.10 | 7.20 | 5.00 | 12.20 | 8.80 | 0.50 | 9.30 | 76.40 | 66.80 | 9.60 |
| | 7 | 0.60 | 0.96 | 1.56 | 1.00 | 5.00 | 6.00 | 2.00 | 5.00 | 7.00 | 3.00 | 5.00 | 8.00 | 3.00 | 5.00 | 8.00 | 30.56 | 9.60 | 20.96 |
| | | 13.16 | 22.36 | 35.52 | 71.00 | 46.4 | 117.4 | 35.6 | 54.7 | 90.3 | 59.8 | 83.2 | 143 | 59.4 | 55.7 | 115.1 | 501.32 | 238.96 | 262.36 |
| None-core FNDP Programs | | | | | | | | | | | | | | | | | | | |
| | 1 | 0.09 | 0.64 | 0.73 | 0.30 | 2.00 | 2.30 | 2.00 | 1.50 | 3.50 | 3.00 | 1.50 | 4.50 | 3.00 | 1.50 | 4.50 | 15.53 | 8.39 | 7.14 |
| | 2 | 2.26 | 0.00 | 2.26 | 2.50 | 2.50 | 5.00 | 2.20 | 3.80 | 6.00 | 3.10 | 4.00 | 7.10 | 6.50 | 4.00 | 10.50 | 30.86 | 16.56 | 14.30 |
| | 3 | 0.00 | 0.00 | 0.00 | 1.00 | 1.00 | 2.00 | 1.00 | 1.30 | 2.30 | 2.00 | 2.00 | 4.00 | 2.00 | 2.00 | 4.00 | 12.30 | 6.00 | 6.30 |

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------|---|---------------------|--------|-------|---------------------|--------|--------|---------------------|--------|---------|---------------------|--------|---------|---------------------|--------|--------|-------------|--------|-------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Total | GRZ | Donor |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| 4 | Improved Charcoal Production Technology | 0.00 | 0.00 | 0.00 | 0.10 | 0.20 | 0.30 | 0.30 | 0.20 | 0.50 | 0.50 | 0.20 | 0.70 | 0.50 | 0.20 | 0.70 | 2.20 | 1.40 | 0.80 |
| 5 | General Administration and Organisation | 1.16 | 0.00 | 1.16 | 1.50 | 0.00 | 1.50 | 1.60 | 0.00 | 1.60 | 1.90 | 0.00 | 1.90 | 2.00 | 0.00 | 2.00 | 8.16 | 8.16 | 0.00 |
| 6 | Personnel Emoluments | 3.87 | 0.00 | 3.87 | 4.56 | 0.00 | 4.56 | 5.06 | | 5.06 | 5.50 | | 5.50 | 6.01 | 0.00 | 6.01 | 25.00 | 25.00 | 0.00 |
| | Sub-total | 7.38 | 0.64 | 8.02 | 9.566 | 5.7 | 15.656 | 12.20 | 6.8 | 18.959 | 16.0 | 7.7 | 23.702 | 20.01 | 7.7 | 27.71 | 94.0 | 65.50 | 28.54 |
| | Grand Total | 20.5 | 23 | 43.5 | 80.96 | 52.1 | 133.06 | 47.759 | 61.5 | 109.259 | 75.8 | 90.9 | 166.702 | 79.41 | 63.4 | 142.81 | 595.40 | 304.47 | 290.9 |

SCIENCE AND TECHNOLOGY



Science and Technology

15.1 Introduction

In the contemporary society, Science and Technology are considered to be central to creating wealth and improving the quality of life. A well developed science and technology sector is fundamental as it allows countries to generate new scientific knowledge, to wisely select and implement existing technologies, and to effectively adapt them to local circumstances. To achieve these tasks, a critical mass of human resource base, built by science and technology concerted effort is urgently required through more investment and efficient allocation of existing resources.

15.2 Review of Past Performance

In Zambia, the development of science and technology has been constrained by a number of factors that include, in historical perspective, the fact that the colonial government considered the country principally as a source of raw materials. During this time, industrial apprenticeship focused on hands-on skills development as opposed to analytical skills that are usually required for high level advancement of science and technology. This meant that, at independence in 1964, Zambia had no critical human resource to promote science and technology development and application. After independence, the Government invested heavily in human resource development by establishing the University of Zambia, Zambia Institute of Technology, and regional agricultural research centres. Notwithstanding this, the country has failed over the years to consolidate the initial developments in science and technology as a result of under-funding; inadequate policy focus on science and technology; limited integration of curricula in training institutions and the world of work; and insufficient investment by the private sector in innovative ideas.

The situation in science and technology in Zambia can be described as relatively underdeveloped, as measured by *Technology Achievement Index*. The index measures how well a country is creating and diffusing technology and building up its human skills base. It includes research and development expenditures as percent of GNP, number of scientists and engineers per million population, number of patent applications and percent of exports with high technology content to total manufacturing exports. Between 1990 and 2003, according to *Human Development Report (HDR) 2005*, Zambia spent an insignificant proportion of her GDP on research and development.

Zambia has about 1,000 scientists and engineers per million population engaged in research and development, which is approx. 1 scientist/engineer per 1000 Zambians. This ratio is insignificant to make any meaningful contribution in the science and technology sector. Patent applications provide another indicator of a country's technological innovation capacity and performance. The number of Zambian patents since 1988 registered with the Patents Office is 28. This number of patents is very low compared to the fact that over 2 million Zambians have post-secondary school qualifications.

There are a number of research centres that have been established in Zambia with a view to undertake S&T-related research. They include the Zambia Agricultural Research Institute (ZARI); the National Institute for Scientific and Industrial Research (NISIR) - formerly National Council for Scientific Research (NCSR); the National Malaria Control Centre (NMCC); the Tropical Diseases Research Centre (TDRC); Universities and the Golden Valley Agricultural Research Trust (GART). Research and development institutions have achieved many successes in the development of processes and technologies in the area of carbonated drinks such as Tip-Top, Masuku wine, school chalks, improved seed varieties and ceramic wares, which culminated in the formation of Zambia Ceramics Ltd. These achievements have had direct and spill-over effects on the Zambian people.

The way forward for science and technology in Zambia is to increase accessibility to high quality laboratory facilities; increase funding for research and development; increased high levels of commercialization of research and development results; sufficient numbers of well trained science and technology personnel; motivation for research and development personnel; significant links with the

international scientific community and high accessibility to the global stock of up to date scientific and technological knowledge.

15.3 Policies and Key Reforms

Science and technology programmes are implemented across all sectors of the Zambian economy. To facilitate this process, the National Science and Technology Policy was formulated in 1996 and the Science and Technology Act No. 26 of 1997 set the legal environment for implementation of the policy. The mission of the National Science and Technology Policy is to promote and exploit science and technology as an instrument for developing an environmentally friendly indigenous technology capacity in a sustainable socio-economic manner in order to improve the quality of life in Zambia. The overall policy objective with respect to research and development is to embed science and technology as part of the culture of the key economic sectors and to promote competitiveness in the production of a wide range of quality goods and services.

In terms of institutional reforms and in its effort to address the problems experienced by research and development institutions, the Ministry of Science, Technology and Vocational Training (MSTVT) undertook a rationalisation programme of the science and technology systems. Accordingly, NCSR was replaced with NISIR by the Science and Technology Act 26 of 1997, which effectively de-linked the coordination and advisory functions of NCSR from research activities. Consequently, the National Science and Technology Council (NSTC) was created with a view to coordinate, monitor and implement science and technology policies as well as advise the Government on the same. Similarly, the Government, through statutory instrument No. 13 of 1999, created the National Technology Business Centre (NTBC), whose function is to promote research and development products to the end users, that is industry and the commercial sector.

The Government will facilitate innovations that shall be characterised by sustainable and equitable distribution of the benefits. Consequently, the following legal and policy reforms are envisaged during the FNDP period:

- a) Review of the National Science and Technology Policy;
- b) Enactment of Bio-safety legislation;
- c) Formulation of an Intellectual Property Rights policy;
- d) Formulation of a National Policy on indigenous knowledge, genetic resources and folklore; and
- e) Review of Science and Technology Act and related Acts.

15.4 Vision and Goal

The vision is: *A Zambia where science and technology and innovation are the driving forces in national development by 2030.*

The goal is: *To enhance the contribution of science and technology to national productivity and competitiveness.*

15.5 Programmes, Objectives and Strategies

The matrix below presents the programmes, objectives and strategies for the science and technology sector during the FNDP.

| Sector: Science and Technology | | | |
|---------------------------------------|---|---|---|
| No. | Programmes | Objectives | Strategies |
| 1 | Research and Development | To identify and conduct research and development activities in areas of national priority | <ol style="list-style-type: none"> a) Identify sectors/industries of national economic growth and targeting research and development results and their focus towards these sectors; b) Encourage interdisciplinary research; c) Conduct target-specific research and development; d) Provide target-specific research and development funds; e) Identify technological needs in areas of national priority; f) Establish research and innovation funds for priority research. |
| 2 | Human Resource Development and Retention | To develop and retain qualified science and technology personnel | <ol style="list-style-type: none"> a) Link support in staff development for research and development institutions to approved training programmes; b) Improve conditions of service; c) Re-engage retired highly experienced scientific and |

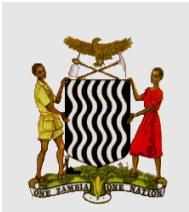
| | | | |
|---|---|---|---|
| | | | <p>technological staff to impart knowledge in young scientists;</p> <p>d) Introduce performance based annual/bi-annual awards among research and development institutions and staff;</p> <p>e) Develop linkages with the TEVET and tertiary system;</p> <p>f) Increase proportion of bursary scheme allocated to females taking science and technology-related courses.</p> |
| 3 | Infrastructure Development and Rehabilitation | To develop, rehabilitate and maintain science and technology infrastructure | <p>a) Prepare annual development, rehabilitation and maintenance programmes;</p> <p>b) Allocate adequate funding towards the objective.</p> |
| 4 | Commercialisation of R&D | To promote and commercialise results of research and Development.) | <p>a) Facilitate participation of research and development institutions in fairs/exhibitions, public discussions, business forums;</p> <p>b) Ensure publication of results of various research and develop activities;</p> <p>c) Prepare and product promotional materials by research and development institutions;</p> <p>d) Provide tax rebates to commercial entities taking technology from local research and development institutions.</p> |
| 5 | Policy, Legislative and Institutional Strengthening | To review and strengthen the policy, legal and institution framework | <p>a) Identify constraints in the policy, legal and institutional environment of the sector.</p> |
| 6 | Popularisation of Science and Technology in National Development | To create and promote public awareness on the role of science and technology in national economic development | <p>a) Develop an effective information, education and communication system;</p> <p>b) Promote the concept of open or field days in all research and develop institutions;</p> <p>c) Ensure science week activities are conducted in all provincial centres;</p> <p>d) Promote district, provincial and national JETS fairs;</p> <p>e) Create incentives to promote active participation in research and develop by the private sector;</p> <p>f) Promote science and technology through activities of the proposed Museum of Science and Technology in Ndola;</p> <p>g) Encourage female participation in science and technology related courses.</p> |

15.6 Implementation, Monitoring and Evaluation Framework

The monitoring and evaluation of the implementation of the programmes under the FNDP will be achieved through the institutional framework established under the Science and Technology Act No. 26 of 1997. Therefore, research and development will be coordinated and monitored by the National Science and Technology Council under the supervision of MSTVT. MSTVT will also ensure that linkages of research and development activities across sectors are strengthened. In line with this, the Ministry will strengthen the legal framework. The Sector Advisory Group responsible for the sector will oversee the implementation, monitoring and evaluation of programmes in the sector.

SECTOR: Science and Technology
(K Billion)

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|--------------------|---|--------------------|-------------|--------------|--------------------|-------------|--------------|--------------------|-------------|--------------|--------------------|-------------|--------------|--------------------|-------------|--------------|--------------|--------------|-------------|
| | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Total | GRZ | Donor |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| 1 | Research & Development | 0.57 | - | 0.57 | 5.63 | - | 5.63 | 2.30 | - | 2.30 | 2.50 | - | 2.50 | 2.90 | - | 2.90 | 13.90 | 13.90 | - |
| 2 | Human Resource Development & Retention | - | 1.11 | 1.11 | 0.20 | - | 0.20 | 0.25 | - | 0.25 | 0.35 | - | 0.35 | 0.45 | - | 0.45 | 2.36 | 1.25 | 1.11 |
| 3 | Infrastructure development & rehabilitation | 2.11 | 0.71 | 2.82 | 2.50 | - | 2.50 | 2.10 | 0.40 | 2.50 | 2.25 | 0.40 | 2.65 | 2.50 | 0.40 | 2.90 | 13.37 | 11.46 | 1.91 |
| 4 | Commercialisation of R & D | 0.93 | - | 0.93 | 0.93 | - | 0.93 | 0.41 | - | 0.41 | 0.51 | - | 0.51 | 0.61 | - | 0.61 | 3.39 | 3.39 | - |
| 5 | Policy, Legislative & institutional strengthening | 0.77 | 0.05 | 0.82 | 0.06 | 1.97 | 2.03 | 1.00 | - | 1.00 | 0.17 | - | 0.17 | 0.21 | - | 0.21 | 4.23 | 2.21 | 2.02 |
| 6 | Popularisation of Science & Technology | 0.08 | - | 0.08 | 0.83 | - | 0.83 | 0.15 | - | 0.15 | 0.31 | - | 0.31 | 0.39 | - | 0.39 | 1.75 | 1.75 | - |
| Sub-total | | 4.45 | 1.88 | 6.33 | 10.15 | 1.97 | 12.12 | 6.21 | 0.40 | 6.61 | 6.09 | 0.40 | 6.49 | 7.06 | 0.40 | 7.46 | 39.01 | 33.96 | 5.05 |
| 1 | PE (MSTVT) | 2.60 | - | 2.60 | 0.40 | - | 0.40 | 3.39 | - | 3.39 | 3.78 | - | 3.78 | 4.22 | - | 4.22 | 14.39 | 14.39 | - |
| 2 | Management & Administration | 5.64 | - | 5.64 | 4.90 | - | 4.90 | 7.43 | - | 7.43 | 8.30 | - | 8.30 | 9.00 | - | 9.00 | 35.27 | 35.27 | - |
| Sub Total | | 8.24 | - | 8.24 | 5.30 | - | 5.30 | 10.82 | - | 10.82 | 12.08 | - | 12.08 | 13.22 | - | 13.22 | 49.66 | 49.66 | - |
| Grand Total | | 12.69 | 1.88 | 14.57 | 15.45 | 1.97 | 17.42 | 17.03 | 0.40 | 17.43 | 18.17 | 0.40 | 18.57 | 20.28 | 0.40 | 20.68 | 88.66 | 83.61 | 5.05 |



Part

4

FNDP Sectoral Plans

Social Sectors



EDUCATION AND SKILLS DEVELOPMENT



Education and Skills Development

16.1 Introduction

Education and training provide skills to drive economic and social development within the context of both the local and global economy. Education and training also provide equality of opportunity for individuals to participate in local and national development. Given the importance of education and training for the required socio-economic development, there is need for greater investment of resources in this sector in the FNDP. This chapter provides an investment framework for the sector, over the next five years, which is strategically focused on improving the quality of education and training within and outside the public education and training system. Further, the chapter has been developed taking into consideration all key stakeholders' plans to implement decentralisation as stipulated in the National Decentralisation Policy (2004). The chapter also takes cognisance of the rights based approach to education and provides for progressively fulfilling the rights to education.

The education and training sector in Zambia comprises four ministries, namely the Ministry of Education (MoE); the Ministry of Science, Technology and Vocational Training; the Ministry of Sport, Youth and Child Development; and the Ministry of Community Development and Social Services. The MoE is mandated to guide education delivery as well as provide education at basic, high school and college (teacher education) levels. It is also responsible for pre-schooling, including pre-school teacher training, schools for continuing education, the National Science Centre, Educational Broadcasting Services, the Curriculum Development Centre and university education. The Examinations Council of Zambia also falls under the auspices of MoE.

The responsibility for technical education, vocational and entrepreneurship training (TEVET), on the other hand, lies with the Ministry of Science, Technology and Vocational Training (MSTVT). The Ministry is responsible for policy direction for the provision of technical education and vocational training. The Ministry of Sport, Youth and Child Development is responsible for community based skills training. The Ministry of Community Development and Social Services is responsible for leadership and practical skills as well as literacy classes that are offered mainly to vulnerable groups, such as the handicapped, women, orphans and non-literate youth and adults.

There are also many non-government providers of education and training at all levels from the private sector. Further, some non-governmental organisations (NGOs), faith based organisations (FBOs) and community based organisations (CBOs) also provide education and training. These organisations provide education, using alternative delivery systems, to a large population of young people by equipping them with knowledge and skills needed for their livelihood.

16.2 Review of Past Performance

The MoE is the largest stakeholder in the education sector and employs about 65,000 teachers and lecturers and over 4,400 administrative and support staff. Currently, under the MoE, education provision is guided by the education policy document, *Educating Our Future* (1996). This policy focuses on equitable access to quality education at all levels. Actual implementation of the policy has, since 2003 been based on the education sector *Strategic Plan, 2003 to 2007*. The major sub-sectors are basic, high school, and tertiary education. The MoE is organised according to the following levels: Headquarters, 9 Provincial Education Offices (PEOs) and 72 District Education Boards (DEBs). In order to strengthen education decentralisation and facilitate the deconcentration and devolution process, the MoE has created Provincial Education Management Committees (PEMCs) and District Education Management Committees (DEMCs) at provincial and district levels respectively. Many private and public institutions offer distance education programmes from basic to university level. The MoE is also the leading provider of distance education programmes in the country.

16.2.1 Early Childhood Care, Development and Education (ECCDE)

The 1977 *Educational Reforms* stated that the provision and funding of early childhood and pre-school education would be the responsibility of local councils, local communities, NGOs, private individuals and families. The major challenges in the early childhood care, development and education sub-sector include fragmented curriculum; lack of coherent policy, standards monitoring and supervision; and confining of early childhood care, development and education to pre-schooling instead of offering a more comprehensive learning experience. Financing of early childhood care, development and education has remained unclear as most of the learning dispensed at this level is in the hands of private providers.

16.2.2 Basic Education

Some marked successes have been recorded, especially concerning improvements in access to basic education for Grades 1-9. Enrolment in Grades 1-7 and Grades 8-9 has increased at an average of 9 percent annually since 2000. Gross enrolment ratios (GER) for Grades 1-9 went up from 75.1 in 2000 to 89.8 in 2004; net enrolment ratios (NER) increased from 68.1 in 2000 to 79.4 in 2004. A good part of the overall increase in enrolment has been due to the significant increase in the number of community schools. Despite these gains, however, there still exists a disparity between male and female pupils, with girls representing a GER of 86.4 in 2004 against 93.2 for boys and completion rates of 65.8 and 78.3 respectively.

During the PRSP/TNDP period, in order to ensure quality education, provision of teaching and learning materials (particularly textbooks) and deployment of more trained teachers were given priority. There was also a marked increase in the number of teachers attending in-service training during this period. The curriculum for the basic school level was re-conceptualised in order to make it more relevant to the needs of the learners and society. Despite these interventions, the gains in the quality of education have not matched the levels achieved in terms of access. Numerous challenges still remain at the basic education level. The major ones include drastically raising the learning achievement in key subject areas; shifting of more qualified teachers to teaching the foundation years (Grades 1 to 2); improving the quality, relevance and delivery of the curriculum; and provision of more teaching and learning materials to match the increased enrolment. Others include increasing access to vulnerable children; improving the retention rate for girls and ensuring they complete the education system and actually benefit from it; and increasing school places for the 7-year old age group.

16.2.3 Literacy Education

The national literacy rate of the age group 15 to 24 years old in 2003 was 70 percent. The challenges facing the provision of literacy education include a greater commitment by the Government in terms of more resources, and the development of institutional structures and mechanisms to facilitate the development of a coordinated, coherent and sustainable programme.

16.2.4 High School Education

The high school education sub-sector (Grades 10 to 12) has remained stagnant since the 1970s in terms of expanding the infrastructure; for example, the last public secondary school (Grade 8 to 12) was built in 1970. On the other hand, there has been a steady increase in student enrolment since 2000, averaging 10 percent per year. Completion rates have improved from 11.9 percent in 2000 to 18 percent in 2004. However, the high school sub-sector is also facing even greater gender disparities than basic education in all key indicators. Moreover, the quality of high school education has not benefited from the same level of investment as basic education, resulting in deterioration in the quality of education in high schools over the last 30 years. Pupil/teacher ratios have also worsened from 10.9 in 2000 to 16 in 2004. In addition, many of the teachers in this sub-sector are only qualified to teach at upper basic level. The low investment in high school education principally explains the stagnation of examination pass rates for Grade 12, which have consistently remained below 70 percent since 2000.

16.2.5 Tertiary Education: Teacher Education

In 2005, there were 10 basic colleges of education (CEs) and 2 Junior Secondary CEs and University of Zambia (UNZA), training senior secondary school teachers. Recently, there have been

initiatives to increase teacher output, such as through the Zambia Teacher Education Course (ZATEC) at basic education level in order to meet teacher demand. From 2000 to 2005 teacher output under the ZATEC programme doubled. In a bid to upgrade teachers with certificates and diplomas, some continuing professional development programmes have been introduced, such as the Primary Teachers' Diploma by Distance Learning, along with the existing distance learning programmes at both UNZA and secondary colleges. The major challenges facing teacher education include among others, inadequate funding; rundown infrastructure; inadequate and poor staff accommodation; high lecturer-student ratios; insufficient teaching/learning materials and information communication technology (ICT); high attrition rate of teachers due to HIV and AIDS; and poor retention rates.

16.2.6 Tertiary Education: University Education

The combined efforts of UNZA and Copperbelt University (CBU) have resulted in the production of over 25,000 graduates as at December 2004. Both universities have established Staff Development Programmes, which have resulted in significant training of indigenous staff who make up close to 90 percent of the academic staff. While the two universities have made significant achievements in undergraduate education over the past four decades, postgraduate training is still lagging behind. The two universities have experienced severe under-funding since the 1970s. This has led to overcrowding; dilapidation in infrastructure; high student lecturer ratios; lack of expansion in facilities; high levels of indebtedness; and inadequate education materials and ICT.

16.2.7 Basic Skills Education and TEVET

Zambia has experienced a rapid decline in the performance of its economy since the mid-1970s. This has seriously affected its ability to generate employment opportunities for its labour force. This situation has further been worsened by the rapid growth of the labour force, which is at present about 6 million. Of particular concern is the problem of large numbers of youths, about 200,000 per annum, leaving the school system without any opportunities for acquiring skills for personal improvement. In view of the foregoing, the Government through the MSTVT instituted the Technical Education, Vocational and Entrepreneurship Training (TEVET) Reforms in 1994 that saw the formulation of the TEVET Policy (1996), the Strategy Paper (1997) and the TEVET Act No. 13 of 1998. For effective management of TEVET and other forms of training, the Technical Education, Vocational and Entrepreneurship Training Authority (TEVETA) was established to regulate all forms of technical education and vocational training. As a result of this, all training providers, regardless of ownership, are required by law to register with the Technical Education, Vocational and Entrepreneurship Training Authority (TEVETA). By way of regulation, the TEVETA is supposed to facilitate the drawing up of national curricula as well as provide guidelines for the development of local curricula. The MSTVT has under its ambit 23 institutions; 21 of these are managed by management boards and TEVETA.

The broad intentions of the TEVET Reforms are to have an effective and efficient TEVET that will facilitate access, equity and participation in TEVET by all; ensure equality and demand responsive training; and ensure employability of TEVET graduates. Currently, there are a total of 319 registered technical and commercial training institutions in Zambia. The main challenges facing the skills training sub-sector include the fact that formal employment has not grown to take up many of the school leavers and graduates from technical education and vocational training colleges. Besides, the institutions that promote generation of employment have neither resources nor ability to adequately offer the skills demanded by the labour market. Addressing these challenges remains a serious concern, especially with regard to sustainable financing of the sub-sector. Currently, the financing gap in the TEVET sub-sector is mainly covered by donor assistance. To meet the challenges of financing skills training for the Zambian economy, the Government has established a TEVET Fund and measures are being considered for sustaining the Fund. Ultimately, it is expected that industry (which is the major beneficiary of TEVET graduates) will begin to contribute to financing training. This partnership between industry and government presents the most feasible long-term solution for sustaining the TEVET sub-sector. There are also other skills training institutions in other line ministries.

16.2.8 Equity Issues

16.2.8.1 Orphans and Vulnerable Children

The Government has made significant inroads in expanding school places for orphans and vulnerable children (OVC). In 2000, it was estimated that there were 560,000 out-of-school children in the age bracket of 7 to 13. This represented 29 percent of the whole population. By 2004, the number had decreased to just over 290,000, representing 13.7 percent of the population. Likewise, the enrolment of orphans in basic schools increased from 11.1 percent of the total enrolment in 2002 to 20.1 percent in 2004.

16.2.8.2 Children with Special Educational Needs

In 2002, the total number of Children with Special Education Needs (CSEN) in basic education was just over 23,000, representing only 1.1 percent of the total school population. By 2004, the number had risen to over 73,000 pupils, representing 2.9 percent of all the pupils. The rate of increase was also similar in the high school sub-sector over the same period.

16.2.8.3 HIV and AIDS

Under the Basic Education Sub-Sector Investment Programme (BESSIP), the MoE developed a comprehensive HIV and AIDS strategy, which will be scaled up. This strategy is at 3 levels: the mainstreaming of HIV and AIDS issues in the curriculum; dissemination of information to both learners and teachers; and the work place programme, which includes advocacy, and Anti-Retroviral Therapy (ART). The greatest challenge remains that of management and mitigation of the impact of HIV and AIDS on the teaching staff, in particular.

16.2.8.4 Gender

There have been various interventions in the education sector over the years targeted at eliminating gender disparities in order to mainstream and achieve gender equality in education. These have included a number of projects, a full component under BESSIP, and the Pregnancy Re-admission policy. The Government is now close to reaching gender parity in Grades 1 to 7. In high schools, however, the number of girls is still below that of boys.

16.2.8.5 School Health and Nutrition

There is clear evidence of widespread stunting of children due to poor or insufficient diet, and the recent cycle of food insecurity due to drought and floods has exacerbated the problem. Many children go to school hungry and are unable to concentrate; thus their performance drops. In the worst affected parts of the country, school or community feeding programmes seem to have increased attendance. The School Health and Nutrition (SHN) pilots in Eastern province have proved effective, and are now being scaled out to other provinces.

16.2.9 Bursaries

The Bursaries Committee administers government bursaries, grants, scholarships and fellowships for study at universities both in-country and abroad. Close to 70 percent of students are entitled to bursaries, which cover 75 percent of tuition fees for most beneficiaries, and up to 100 percent for vulnerable groups (such as double orphans). The major challenge concerning bursaries is to make them accessible at all levels. Given increasing vulnerability at all levels, the Government recognises the need to widen coverage to the other sub-sectors and various vulnerable groups. However, there is a limited number of bursaries at basic and high school level for vulnerable pupils.

16.2.10 Financing of Education

The Government prioritises education as a key social sector. The MoE expenditure for 2005 was budgeted to be 2.8 percent of GDP. The Government has targeted a minimum allocation of 20.5 percent of the total annual discretionary budget for the sector.

16.3 Policies and Key Reforms

The FNDP will place emphasis on improvement of quality, while still regarding increase in access as a priority for early childhood care, development and education, upper basic, high school, vocational training and tertiary education. In this regard, reforms in curriculum development; syllabus design; professional teacher enhancement; making the learner environment more

productive and conducive to the learning and welfare of the learner; and attainment of educational standards will be among the key reform areas.

In the area of access to education, the major reforms in the FNDP will involve provision of education through low cost/high impact interventions for different categories of learners who previously were not sufficiently catered for as children, youth or adults. One reform will be through the expanded use of open and distance learning and provision of literacy and basic skills education. Other reforms will continue to ensure that pro-poor policies are instituted to offer equitable education to vulnerable members of society, notably under gender, HIV and AIDS, SHN, OVC, CSEN and out of school children. Reform of existing policies and/or development of new ones will focus on the following areas:

- a) Curriculum diversification and assessment;
- b) Development, production, procurement and supply of educational materials;
- c) Teacher education, deployment and retention;
- d) Governance, community participation and cost sharing;
- e) Early Childhood Care, Development and Education;
- f) Literacy Education;
- g) Distance and Open Learning;
- h) Community schools – ownership, management and financing;
- i) Equity; and
- j) Decentralisation.

In order for these policy reforms and priorities to be translated into viable programmes, partnerships shall be built and/or strengthened, especially between the Government, on the one hand, and donors, NGOs, FBOs, and private providers of education and training, on the other. Additionally, appropriate legislation will be instituted for the proposed policy reforms.

Finally, the Government will significantly increase the levels of funding to the education and training sector and additional funding will be sourced from external funding agencies. This entails an increase by 2010 to Southern African funding levels of a minimum of 5 percent of GDP devoted to education and training. The external partners will also need to both increase the present levels and move towards unrestricted sector support (pool funding) and general budget support to address the challenges the sector is facing in other key sub-sectors.

16.4 Vision and Goals

The vision is: *Innovative and productive life long education and training accessible to all by 2030.*

The goals are as follows:

- a) To ensure universal basic education provision to children;
- b) To ensure that opportunities exist for all citizens to have equitable access to ECCDE, basic and high school, tertiary education and/or technical and vocational training;
- c) To improve the quality and relevance of education and skills training;
- d) To promote efficiency and cost-effectiveness;
- e) To enhance institutional coordination in both public and private education and training institutions; and
- f) To ensure that library services are improved to contribute to high standards and quality of education in Zambia.

16.5 Programmes, Objectives and Strategies

The five objectives below cover the whole sector, whereas the strategies and programmes are for the specific sub-sectors of early childhood care, development and education, basic, literacy, high school, teacher education, university education, and basic skills education and technical education, vocational and entrepreneurship training. The following are the broad objectives of the education and training sector during the FNDP period:

- a) To strengthen or establish institutional frameworks to coordinate provision of education and training through government, community and private institutions;
- b) To introduce policy changes reflective of the current educational requirements;

- c) To promote use of alternative modes of education and training provision;
- d) To promote innovative methodologies in learning institutions;
- e) To promote use of responsive monitoring of standards and assessment tools; and
- f) To enhance provision of teaching/learning materials and equipment.

The matrix below presents the FNDP programmes and their respective objectives and strategies.

| Sector: Education and Skills Development | | | |
|---|---|---|---|
| No. | Programmes | Objectives | Strategies |
| 1 | Curriculum Development and Educational Materials | <ol style="list-style-type: none"> To design a comprehensive and diversified curriculum that is interlinked throughout all educational levels To provide relevant educational materials | <p><i>Early Childhood Care, Development and Education</i></p> <ol style="list-style-type: none"> Develop a national early childhood care, development and education curriculum framework; Develop, produce and distribute teaching/learning materials for early learners <p><i>Basic Education</i></p> <ol style="list-style-type: none"> Develop a basic school curriculum and syllabus for Grades 8 and 9 and review the curriculum framework for Grades 1 to 7; Develop, produce and distribute teaching/learning materials for pupils; Develop and produce open and distance learning materials for the Alternative Basic Education Programmes <p><i>Literacy Education</i> Review and improve literacy teaching and learning materials</p> <p><i>High School Education</i></p> <ol style="list-style-type: none"> Develop a high school curriculum and syllabus for Grades 10-12; Improve teaching and learning, especially in practical, scientific and technological disciplines; Develop, produce and distribute teaching/learning materials for pupils <p><i>Tertiary Education: Teacher Education</i></p> <ol style="list-style-type: none"> Improve the quality of training through the provision of equipment and teaching/learning resources; Develop, produce and distribute teaching/learning materials for students <p><i>Tertiary Education: TEVET</i></p> <ol style="list-style-type: none"> Develop appropriate training, assessment and qualification systems to meet current and future demands of the labour market; Improve the quality of training through the provision of equipment and teaching/learning resources; Develop, produce and distribute teaching/learning materials for students <p><i>Tertiary Education: University Education</i></p> <ol style="list-style-type: none"> Design a comprehensive and diversified university curriculum with relevant linkages to other educational levels and to the needs of socio-economic development; Develop, produce and distribute teaching/learning materials for students |
| 2 | Standards and Assessment | <ol style="list-style-type: none"> To develop a comprehensive assessment system reflective of an outcome and demand based curriculum To establish the National Qualifications Framework (NQF) | <p><i>Early Childhood Care, Development and Education</i></p> <ol style="list-style-type: none"> Develop monitoring and evaluation instruments for early childhood care, development and education; Monitor learning performance through increased standards visits <p><i>Basic Education</i></p> <ol style="list-style-type: none"> Develop an assessment system, including methods of continuous assessment and examinations; Monitor learning performance through increased standards visits <p><i>Literacy Education</i> Develop monitoring and evaluation instruments for literacy education</p> |

| Sector: Education and Skills Development | | | |
|---|-----------------------------------|--|--|
| No. | Programmes | Objectives | Strategies |
| | | | <p><i>High School Education</i></p> <ul style="list-style-type: none"> a) Develop an assessment system, including methods of continuous assessment and examinations; b) Monitor learning performance through increased standards visits <p><i>Tertiary Education: Teacher Education</i></p> <ul style="list-style-type: none"> a) Develop an assessment system reflective of an outcome based curriculum; b) Monitor learning performance through increased standards visits; c) Establish the criteria for the operations and management of the Zambia Qualifications Authority (ZQA) and National Qualifications Authority (NQF) within the context of the SADC framework <p><i>Tertiary Education: TEVET</i></p> <ul style="list-style-type: none"> a) Develop appropriate training, assessment and qualification systems to meet current and future demands of the labour market; b) Strengthen regulatory capacity within TEVET <p><i>Tertiary Education: University Education</i></p> <ul style="list-style-type: none"> a) Review and develop the internal mechanisms for assessment, including methods of continuous assessment and examinations; b) Establish the criteria for the operations and management of the ZQA and NQF within the context of the SADC framework |
| 3 | Teacher Education | <ol style="list-style-type: none"> 1. To strengthen the systems for continuous professional development, management and support 2. To strengthen the systems for initial teacher training, management and support 3. To develop a comprehensive national policy and institutional framework for promotion and development of library services in Zambia | <p><i>Early Childhood Care, Development and Education</i> Provide continuous professional development to serving teachers and care givers</p> <p><i>Basic Education</i></p> <ul style="list-style-type: none"> a) Provide continuous professional development to serving teachers; b) Provide pre and in-service training of teachers in SHN interventions and create health promoting schools <p><i>Literacy Education</i> Provide continuous professional development to serving providers</p> <p><i>High School Education</i> Provide continuous professional development to serving teachers</p> <p><i>Tertiary Education: Teacher Education</i></p> <ul style="list-style-type: none"> a) Develop a training policy and plan for initial training for ECCDE teachers and care givers; b) Train qualified teachers with basic education teacher competencies in order to eliminate double shifting in all schools; c) Develop a training policy and plan for initial training for literacy providers; d) Design a comprehensive library service that is inter-linked throughout all education levels; e) Provide relevant library services and education materials <p><i>Tertiary Education: TEVET</i></p> <ul style="list-style-type: none"> a) Increase the number of lecturing staff in TEVET; b) Increase participation of females and the disabled in skills teacher training; c) Enhance skills and qualification levels of lecturing personnel in skills training <p><i>Tertiary Education: University Education</i> Train qualified teachers with high school teacher competencies in order to reallocate those qualified Grade 8-9 teachers currently teaching in Grades 10-12 to basic education</p> |
| 4 | Infrastructure Development | To provide appropriate and sufficient | <p><i>Early Childhood Care, Development and Education</i></p> <ul style="list-style-type: none"> a) Develop designs for Early Childhood Care, Development and Education classrooms; |

| Sector: Education and Skills Development | | | |
|---|---|--|--|
| No. | Programmes | Objectives | Strategies |
| | | infrastructure facilities and services including rehabilitation and maintenance in order to improve equitable access to and quality of education | <p>b) Construct, rehabilitate and maintain Early Childhood Care, Development and Education centres in selected regions and districts</p> <p><i>Basic Education</i></p> <p>c) Provide sufficient classrooms in lower basic schools in order to eliminate double shifting;</p> <p>d) Provide sufficient classrooms and other facilities (laboratories, etc.) to upgrade lower basic schools into full basic schools;</p> <p>e) Rehabilitate and maintain basic schools;</p> <p>f) Provide and maintain water and sanitation facilities with a view to provide equitable access for girls and CSEN;</p> <p>g) Provide staff housing with emphasis on rural schools</p> <p><i>Literacy Education</i></p> <p>NB: There are no planned activities under infrastructure as literacy training will be conducted using existing infrastructure facilities for adult literacy centres</p> <p><i>High School Education</i></p> <p>a) Provide designs for low cost day schools with weekly boarding facilities for selected regions;</p> <p>b) Provide sufficient classrooms and other facilities (laboratories, libraries and practical classrooms etc.);</p> <p>c) Construct and rehabilitate boarding and technical high schools;</p> <p>d) Provide and maintain water and sanitation facilities with a view to provide equitable access for girls and CSEN;</p> <p>e) Provide staff housing with emphasis on rural schools</p> <p><i>Tertiary Education: Teacher Education</i></p> <p>a) Construct additional classroom space at each of the 12 Colleges of Education;</p> <p>b) Construct additional zonal resource centres;</p> <p>c) Rehabilitate and maintain colleges of education, including provincial, district and zonal teacher resource centres;</p> <p>d) Provide and maintain water and sanitation facilities with a view to provide equitable access for girls and CSEN;</p> <p>e) Provide staff housing</p> <p><i>Tertiary Education: TEVET</i></p> <p>a) Provide and expand infrastructure in order to increase access to TEVET;</p> <p>b) Rehabilitate and maintain existing infrastructure</p> <p><i>Tertiary Education: University Education</i></p> <p>a) Provide and expand infrastructure in order to increase access to university education;</p> <p>b) Establish a third university based on a public-private partnership model;</p> <p>c) Rehabilitate and maintain universities, including hostels, libraries and laboratories</p> |
| 5 | Distance Education and Open Learning | <p>1. To expand access and participation in the provision of basic education through alternative modes of delivery using appropriate methodologies and technologies</p> <p>2. Promote private sector participation</p> | <p><i>Early Childhood Care, Development and Education</i></p> <p>NB: Distance education and open learning methodologies will not be used in this sub-sector</p> <p><i>Basic Education</i></p> <p>a) Develop a framework to coordinate provision of open and distance education;</p> <p>b) Identify and utilise appropriate methodologies and technologies to improve access to and quality of open and distance education;</p> <p>c) Develop and produce open and distance learning materials for the Alternative Basic Education Programmes</p> <p><i>Literacy Education</i></p> <p>a) Develop a framework to coordinate provision of open and distance education;</p> <p>b) Establish adult literacy centres in selected regions and in coordination with other line ministries</p> <p><i>High School Education</i></p> |

| Sector: Education and Skills Development | | | |
|---|-------------------|--|--|
| No. | Programmes | Objectives | Strategies |
| | | | <ul style="list-style-type: none"> a) Develop a framework to coordinate provision of open and distance education; b) Identify and utilise appropriate methodologies and technologies for facilitating distance and open learning; c) Promote e-learning; d) Reform provision of APU <p><i>Tertiary Education: Teacher Education</i></p> <ul style="list-style-type: none"> a) Develop a framework to coordinate provision of open and distance education; b) Identify and utilise appropriate methodologies and technologies for facilitating distance and open learning; c) Promote e-learning <p><i>Tertiary Education: TEVET</i></p> <ul style="list-style-type: none"> a) Increase access to TEVET through the provision of distance learning facilities; b) Identify and utilise appropriate technologies and methodologies for facilitating distance and open learning; c) Promote e-learning. <p><i>Tertiary Education: University Education</i></p> <ul style="list-style-type: none"> a) Develop an effective framework to coordinate provision of open and distance education; b) Identify and utilise appropriate methodologies and technologies for facilitating distance and open learning; c) Promote e-learning. |
| 6 | Equity | <ol style="list-style-type: none"> 1. To develop flexible and inclusive education programmes that provide mechanisms for increasing equitable access to quality basic education for CSEN and OVC 2. To provide interventions on HIV and AIDS and SHN | <p><i>Early Childhood Care, Development and Education</i></p> <ul style="list-style-type: none"> a) Develop and strengthen strategies that encourage retention and progression of girls and OVC; b) Equip teachers and care takers with adequate and relevant information about HIV and AIDS <p><i>Basic Education</i></p> <ul style="list-style-type: none"> a) Increase access, participation and retention in basic education, with particular emphasis on CSEN and OVC; b) Increase bursary provisions; c) Develop and support actions aimed at mitigating and reducing the impact of HIV and AIDS and other social and health related issues; d) Equip teachers with adequate and relevant information about HIV and AIDS <p><i>Literacy Education</i></p> <p>Equip adult literacy providers with adequate and relevant information about HIV and AIDS</p> <p><i>High School Education</i></p> <ul style="list-style-type: none"> a) Increase access, participation and retention in high schools, with particular emphasis on girls; b) Eliminate gender disparities in both participation and learning achievement; c) Develop and support actions aimed at mitigating and reducing the impact of HIV and AIDS and other social and health related issues; d) Equip teachers with adequate and relevant information about HIV and AIDS <p><i>Tertiary Education: Teacher Education</i></p> <ul style="list-style-type: none"> a) Equip lecturers with adequate and relevant information about HIV and AIDS; b) Increase access, participation and retention in college education with particular emphasis on CSEN, women and OVC; c) Eliminate gender disparities in both participation and learning achievement <p><i>Tertiary Education: TEVET</i></p> <ul style="list-style-type: none"> a) Increase access, participation and retention of girls and women in TEVET; b) Train more lecturers in courses for the disabled and increase participation of the disabled in TEVET; c) Identify and utilise appropriate methodologies to facility |

| Sector: Education and Skills Development | | | |
|---|---|---|---|
| No. | Programmes | Objectives | Strategies |
| | | | <p>equity in training;</p> <p>d) Facilitate access to bursaries for the disadvantaged</p> <p><i>Tertiary Education: University Education</i></p> <p>a) Equip lecturers with adequate and relevant information about HIV and AIDS;</p> <p>b) Increase access, participation and retention in basic education for females, CSEN and OVC;</p> <p>c) Eliminate gender disparities in both participation and learning achievement;</p> <p>d) Increase bursary provisions</p> |
| 7 | Management and Administration | To develop, revise and improve the overall framework for quality educational planning, human resource, financial management and administration of education delivery | <p>a) Establish an institutional framework within the education and training sector to coordinate and oversee the implementation of ECCDE and community schools;</p> <p>b) Conduct focused policy relevant studies and reviews in response to identified policy gaps;</p> <p>c) Revise and improve the resource allocation criteria for institutions and operational levels;</p> <p>d) Develop a framework to coordinate the provision of literacy and establish literacy programmes in collaboration with other ministries, NGOs, universities and communities;</p> <p>e) Improve information management systems that are responsive to the needs of the education and training sector at all levels;</p> <p>f) Devise mechanisms for retention and attraction of teachers to rural areas;</p> <p>g) Establish an efficient, accountable and decentralised procurement and distribution system;</p> <p>h) Strengthen accountability and transparency in the utilisation of funds;</p> <p>i) Improve the internal management and implementation structures at the headquarters and provincial levels, including decision-making, flow of information, time management and procedures for meetings;</p> <p>j) Strengthen the systems for continuous professional development, management and support in colleges of education;</p> <p>k) Expand and regulate the production of qualified teachers and teacher educators;</p> <p>l) Strengthen management and administrative systems in universities;</p> <p>m) Liquidate the institutional debt and expand the sustainable financial resource base in universities;</p> <p>n) Develop institutional capacity for dealing with HIV and AIDS at all levels of the education and training sector.</p> |
| 8 | Research in Education | To strengthen research and innovation capabilities in private and public tertiary institutions | <p>a) Encourage sustainable scientific and technological development through research;</p> <p>b) Implement and/or strengthen programmes on attachment to and exchange of students and staff between tertiary institutions and industry</p> |
| 9 | Basic Skills Education and TEVET | To develop, revise and improve the overall framework for quality educational planning, human resource, financial management and administration of technical and vocational education delivery | <p>a) Provide appropriate infrastructure and facilities to enhance increased enrolment that is inclusive of vulnerable and disadvantaged learners in the basic skills and TEVET institutions;</p> <p>b) Foster community participation and investment in the provision of basic skills and TEVET;</p> <p>c) Develop diversified curricula that will mainstream entrepreneurship, career guidance and development from early childhood to TEVET in order to provide skilled human resources for increased productivity and income generation in the formal and informal sectors;</p> <p>d) Strengthen the regulatory functions of TEVETA;</p> <p>e) Improve the overall coordination and management of basic</p> |

| Sector: Education and Skills Development | | | |
|--|------------|------------|---|
| No. | Programmes | Objectives | Strategies |
| | | | <p>skills and TEVET, including information management systems;</p> <p>f) Develop appropriate training, assessment and qualifications systems to meet the current and future demands of the labour market;</p> <p>g) Develop effective and efficient modalities for the provision of training and support services to the micro, small and medium enterprises in order to improve household incomes;</p> <p>h) Mainstream cross-cutting issues (e.g. HIV and AIDS, gender, disability and environment) in the basic skills and TEVET systems;</p> <p>i) Expand a sustainable financial resource base</p> |

16.6 Implementation, Monitoring and Evaluation Framework

The implementation of the ongoing programmes shall continue to be based on the existing *Sector Plan, 2003 to 2007*. However, some of the programmes will be adjusted in line with the new vision and goals.

Monitoring the progress and impact of the FNDP educational programmes will be done on a regular basis using various methods. This will mainly be based on the following key performance indicators and targets:

- a) Net Enrolment Ratios;
- b) Completion Rates;
- c) Pupil/Student Teacher/Instructor/Lecturer ratios;
- d) Teacher/Instructor/Lecturer Qualifications;
- e) Gender Parity Index; and
- f) District Education Profile Index (number of districts obtaining agreed minimum levels of performance).

In addition, respective education administrators will monitor implementation through specific indicators and targets defined in the respective annual work plans and budgets. Finally, administrators will be expected to carry out monitoring as an integral part of their key functions. The Education and Training SAG will play a supervisory and monitoring role. The main focus of monitoring shall be on the *impact* of the FNDP interventions.

Sector: Education and Skills Development
Sub Sector: Basic, High and Tertiary
(K Billion)

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Sub Total | | |
|------------------------|--|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|-----------|-------|-------|
| | | Cost In K' Billions | | | Cost In K' Billions | | | Cost In K' Billions | | | Cost In K' Billions | | | Cost In K' Billions | | | Total | GRZ | Donor |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| Core FNDP Programs | 1 Personal enoluments | 888 | 0 | 888 | 1,155 | 0 | 1,155 | 1,270 | 0 | 1,270 | 1,506 | 0 | 1,506 | 1,747 | 0 | 1,747 | 6,566 | 6,566 | 0 |
| | 2 Infrastructure Development | 69 | 170 | 239 | 84 | 208 | 292 | 93 | 233 | 326 | 110 | 264 | 373 | 132 | 292 | 424 | 1,655 | 488 | 1,166 |
| | 3 Curriculum Development & Educational Materials | 57 | 20 | 77 | 74 | 23 | 98 | 82 | 26 | 108 | 97 | 29 | 126 | 112 | 33 | 146 | 554 | 423 | 132 |
| | 4 Equity | 4 | 14 | 18 | 6 | 17 | 22 | 6 | 19 | 25 | 8 | 21 | 29 | 9 | 24 | 32 | 127 | 33 | 94 |
| | 5 Teacher Education | 16 | 17 | 33 | 21 | 20 | 41 | 23 | 22 | 45 | 27 | 25 | 52 | 31 | 28 | 60 | 231 | 118 | 113 |
| | 6 Standards and Assessment | 8 | 6 | 13 | 10 | 7 | 17 | 11 | 7 | 18 | 13 | 8 | 21 | 15 | 9 | 24 | 94 | 56 | 38 |
| Non Core FNDP Programs | 7 University Education | 162 | 8 | 170 | 210 | 15 | 225 | 232 | 16 | 248 | 274 | 18 | 293 | 318 | 14 | 333 | 1,269 | 1,197 | 72 |
| | 8 Distance Education & Open Learning | 2 | 6 | 8 | 3 | 7 | 9 | 3 | 7 | 10 | 3 | 8 | 12 | 4 | 9 | 13 | 53 | 15 | 38 |
| | Sub-total | 1,206 | 240 | 1,446 | 1,563 | 296 | 1,859 | 1,720 | 332 | 2,052 | 2,038 | 374 | 2,412 | 2,369 | 410 | 2,779 | 10,548 | 8,897 | 1,652 |
| | 1 Management and Administration | 71 | 39 | 110 | 87 | 52 | 139 | 96 | 57 | 153 | 113 | 66 | 179 | 124 | 72 | 196 | 778 | 491 | 287 |
| | Sub-total | 71 | 39 | 110 | 87 | 52 | 139 | 96 | 57 | 153 | 113 | 66 | 179 | 124 | 72 | 196 | 778 | 491 | 287 |
| | Grand total | 1,277 | 279 | 1,556 | 1,650 | 348 | 1,998 | 1,816 | 389 | 2,205 | 2,151 | 441 | 2,591 | 2,493 | 483 | 2,976 | 11,326 | 9,387 | 1,939 |

TEVETA

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------|--|---------------------|--------------|--------------|---------------------|--------------|---------------|---------------------|---------------|---------------|---------------------|--------------|---------------|---------------------|---------------|---------------|----------------|--------------|----------------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Grand Total | | |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | Total | GRZ | Donor |
| 1 | Infrastructure Development | 7.7 | 26.3 | 34.0 | 22.95 | 6.23 | 29.18 | 14.87 | 30.50 | 45.37 | 17.3 | 33.5 | 50.8 | 19.7 | 57.36 | 77.06 | 236.4 | 82.5 | 153.9 |
| 2 | Equity & access | 1.25 | 4.5 | 5.8 | 4.5 | 5.55 | 10.05 | 4.35 | 5.89 | 10.24 | 4.77 | 7.87 | 12.64 | 5 | 8.6 | 13.6 | 52.3 | 19.9 | 32.4 |
| 3 | Standards and Assessment | 3.2 | 3 | 6.2 | 6.9 | 17.13 | 24.03 | 2 | 3.5 | 5.50 | 2.25 | 9.56 | 11.81 | 1.2 | 10 | 11.2 | 58.7 | 15.6 | 43.2 |
| 4 | Distance Education and open learning | 0.10 | 0.30 | 0.4 | 12.3 | 0 | 12.3 | 0.65 | 0.65 | 1.30 | 0.66 | 2.24 | 2.9 | 0.64 | 3.5 | 4.14 | 21.0 | 14.4 | 6.7 |
| 5 | Curriculum development & Education Materials | 1.0 | 3.87 | 4.9 | 3.7 | 10 | 13.7 | 10.601 | 5.17 | 15.77 | 12.66 | 5.16 | 17.82 | 20.48 | 5.85 | 26.33 | 78.5 | 48.4 | 30.1 |
| 6 | Teacher Education | 0.19 | 0.51 | 0.7 | 0.55 | 0.30 | 0.85 | 0.67 | 0.394 | 1.06 | 0.66 | 1.05 | 1.71 | 0.87 | | 0.87 | 5.2 | 2.9 | 2.3 |
| | Sub-Total | 13.44 | 38.48 | 51.92 | 50.9 | 39.21 | 90.11 | 33.141 | 46.104 | 79.245 | 38.3 | 59.38 | 97.68 | 47.89 | 85.31 | 133.2 | 452.155 | 183.6 | 268.484 |
| 1 | Management and Administration* | 11 | 19.1 | 30.1 | 9.16 | 1.2 | 10.36 | 14.5 | 18.23 | 32.73 | 15 | 19.44 | 34.44 | 17 | 19.18 | 36.18 | 143.8 | 66.7 | 77.2 |
| | | | | - | | | 0 | | | 0.00 | | | 0 | | | | | - | - |
| | Sub-Total | 11 | 19.1 | 30.1 | 9.16 | 1.2 | 10.36 | 14.5 | 23.4 | 37.90 | 15 | 19.44 | 34.44 | 17 | 19.18 | 36.18 | 149.0 | 66.7 | 82.3 |
| | Grand Total | 24.44 | 57.58 | 82.0 | 60.06 | 40.41 | 100.47 | 47.641 | 69.504 | 117.15 | 53.3 | 78.82 | 132.12 | 64.89 | 104.49 | 169.38 | 601.14 | 250.3 | 350.8 |

HEALTH



17.1 Introduction

Health and development are inter-related. Economic development is expected to improve the health status of the general population but at the same time, better health contributes to economic development by increasing worker productivity and lengthening the expected working life of human beings. Better child health and nutrition promote future productivity growth by helping children develop into healthier and more productive adults. Better health can also reduce the amount of money spent on curative care thereby freeing up resources for alternative investments. In this regard, economic investments should, to a large extent, include investments in human capital through improved health and education as a way of maintaining the nation's human capital base for sustained economic growth.

Health care in Zambia is provided by government institutions, the Churches Health Association of Zambia (CHAZ), the mining companies, parastatal organisations, private clinics and traditional healers. The structure of public health services run by the Government comprises: health posts, health centres, level one hospitals, level two hospitals and level three hospitals. One health post should ideally cater for a population of 500 households in rural areas and 1,000 households in the urban areas, or to be established within 5 km radius for sparsely populated areas. The target is to have 3,000 health posts but currently only 20 have been commissioned. Urban health centres are intended to serve a catchment population of 30,000 to 50,000 people while rural health centres should service a catchment area of 29 km radius or a population of 10,000. The target is 1,385 but currently there are a total of 1,210 health centres (973 rural, 237 urban). Lastly, there should be at least one first level hospital in each district to serve as a referral point for satellite health centres. There are currently 19 districts without a district hospital.

By 1991, the quality of health service delivery had deteriorated due mainly to increased demand for health services arising from rapid population growth and a declining economy. This compromised the Government's ability to provide quality health care. The Government was unable to provide adequate medical supplies, equipment and infrastructure for optimal basic health care services. At the same time the epidemiological situation of the country was also rapidly changing and getting compounded by the HIV and AIDS pandemic.

In an effort to improve the quality and provision of health care delivery, the Government introduced the Health Reforms in 1992. The key tenets of the reforms were decentralisation of health services planning and provision to the district level and a focus on preventive rather than curative care. This innovation also culminated in the introduction of an "Essential Health Care Package", which defined key interventions that the public health system should provide within the available resources. The reforms also emphasised the importance of community participation in the management of health services and coordination of donor support in the framework of a sector wide approach involving pooling of resources to finance a jointly approved health sector plan.

17.2 Review of Past Performance

Between 1992 and 2002, some health indicators showed a marked decline in service delivery and quality of care while others registered a marginal improvement. The Maternal Mortality Rate increased from 649 deaths per 100,000 live births in 1996 to 729 deaths per 100,000 live births in 2002. On the other hand, infant mortality and under five mortality rate declined from 109 and 197 per 1,000 in 1996 to 95 and 168 per 1,000 live births in 2002 respectively (see Table 17.1). Factors that contributed to the decline of some health indicators include the HIV and AIDS pandemic; brain drain; poor state of health facilities; inadequate drugs and medical supplies; and high poverty levels. Table 17.2 presents the general trends in the health care delivery indicators for the period 2000 to 2005.

Table 17.1: Summary of Health Key Performance Indicators

| Indicator | 1992 | 1996 | 2001/2002 |
|--|------|------|-----------|
| Life Expectancy at birth | 45 | 46.8 | 51.9 |
| Infant Mortality Rate per 1,000 births | 107 | 109 | 95 |
| Under 5 Mortality Rate per 1,000 births | 191 | 197 | 168 |
| Maternal Mortality Ratio per 100,000 live births | N/A | 649 | 729 |
| HIV Prevalence Rate ⁴ | 23 | 20 | 15.6 |

Source: Zambia Demographic Health Survey 1992; 1996; and 2001/2002

Table 17.2: Selected Health Care Delivery and Impact Indicators

| Indicator | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|--|------|------|------|------|------|------|
| Health centre outpatient per capita attendance | 0.42 | 0.77 | 0.73 | 0.86 | 0.76 | 0.78 |
| First antenatal coverage (%) | 90 | 88 | 90 | 95 | 97 | 93 |
| Average antenatal visits (times) ⁵ | 3.6 | 3.6 | 3.4 | 3.3 | 3.1 | 3.0 |
| Supervised deliveries (%) | 39 | 44 | 49 | 55 | 61 | 62 |
| Fully immunised children under five years (%) | 76 | 86 | 76 | 74 | 80 | 82 |
| Underweight prevalence (% weight) | 23 | 23 | 22 | 21 | 17 | 16 |
| Health centre staff load (patients/staff) | 17 | 14 | 16 | 17 | 17.4 | 17 |

Source: Ministry of Health HMIS data base

Health Centre Staff Daily Contacts measure the average number of contacts each qualified worker in an institution attends to, over a given reporting period and can be used as a proxy to measure the distribution and work load of staff in the various health institutions. Table 17.2 shows that no improvement was recorded in this indicator for the period 2000 to 2005. Further analysis of staff patient ratios in fact shows that qualified workers in rural provinces have a higher workload compared to their counterparts in urban provinces. Table 17.2 also shows that supervised deliveries (estimated proportion of deliveries at health facilities and those assisted by trained Traditional Birth Attendants – (tTBAs) have been increasing over the years. However, the proportion of institutional deliveries has been going down due to shortage of trained midwives and weak referral systems while the percentage of deliveries assisted by tTBAs has been increasing over the years. Lastly, Table 17.2 shows that the number of children under the age of one who completed the recommended series of immunizations increased from 75 percent in 2003 to 80 percent in 2004 and then to 82 percent in 2005. Lusaka province had the highest coverage in 2005 (101 percent) followed by Southern and Central each with 93 percent.

17.2.1 Human Resource Management and Development

The health sector in Zambia is experiencing a human resource crisis, which is undermining capacity to provide basic health care services to the people. Currently, the health sector is operating at 50 percent of the establishment, with nearly 45 percent of the rural health centres run by unqualified health workers. In some provinces such as the Northern province, the doctor to population ratio is as high as 1:69,000 compared to the World Health Organisation recommended ratio of 1:5,000. In 2004, the Government set up a human resource task force to develop an emergency Human Resource Rescue Plan and criteria for implementation. The committee highlighted key human resource constraints and helped in identifying strategies to address these constraints; these strategies have been included in the recently developed human resources strategic plan. This strategic plan has recommended replacing the human resource task force with a higher level committee to oversee implementation of the plan. Other efforts to check the brain drain include the rural retention loan scheme and housing development for rural staff. Training has also been made a priority on the government agenda by strengthening the operations of institutions involved in training of health workers.

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⁴ For 1992 and 1996 Antenatal surveillance data was used to estimate the national seroprevalence of HIV/AIDS among the adult population whereas for 2001/2002 the HIV prevalence was estimated from population-based surveys.

⁵ Four visits are requirements per each pregnancy

17.2.2 The Basic Health Care Package

Since the onset of the health reforms, the focus of the Government has been on Primary Health Care (PHC) which has been identified as the main vehicle for delivering health services. The reasoning behind the PHC approach is that most of the diseases in Zambia can be prevented or managed at primary health care level which in itself can lower the cost of referral curative care by reducing the number of people seeking services. Further, in an attempt to promote allocative efficiency in a climate of limited resources, the Government has developed a Basic Health Care Package (BHCP) which is a set of carefully selected high impact interventions that is offered through the public health system freely or on a cost-sharing basis at different levels of the health care delivery system. Interventions outside this package are offered on a full cost recovery basis. Interventions included in the BHCP were selected on the basis of an epidemiological analysis of those diseases and conditions that cause the highest burden of disease and death. Currently, ten priority areas for health services have been identified for inclusion in the BHCP as indicated in Table 17.3. Further work is needed to refine the packages and use them in the manner they were intended.

Table 17.3: National Health Priorities

| Priority Area | | Objective |
|---------------|--------------------------------------|--|
| 1 | Child health and nutrition | To reduce the mortality rate among children under five |
| 2 | Integrated reproductive health | To reduce the Maternal Mortality Ratio |
| 3 | HIV and AIDS, TB and STIs | To halt and begin to reduce the spread of HIV, TB and STIs through effective interventions |
| 4 | Malaria | To reduce incidence and mortality due to malaria |
| 5 | Epidemics | To improve public health surveillance and control of epidemics |
| 6 | Hygiene, sanitation and safer water | To promote and implement appropriate interventions aimed at improving hygiene and access to acceptable sanitation and safer water |
| 7 | Human resources | To train, recruit and retain appropriate and adequate staff at all levels |
| 8 | Essential drugs and medical supplies | To ensure availability of essential drugs and medical supplies at all levels |
| 9 | Infrastructure and equipment | To ensure availability of appropriate infrastructure and equipment at all levels |
| 10 | Systems strengthening | To strengthen existing operational systems, financing mechanisms and governance arrangements for effective delivery of health services |

Ministry of Health

17.2.3 Malaria

Malaria remains a major public health problem in Zambia, accounting for nearly 40 percent of all outpatient attendances and 50 percent of cases among children under-five years of age. It is estimated that malaria is responsible for nearly 4 million clinical cases and 50,000 deaths per year, including up to 20 percent of maternal mortality. Malaria incidence rates in Zambia tripled over the three decades, from 121/1,000 in 1976 to 396/1,000 in 2003 due predominantly to chloroquine resistance; reduced vector control; limited access to quality care and poor clinical care management; HIV and AIDS; and poverty. The Government is implementing the Roll Back Malaria (RBM) programme. The main components of the programme include a change in the malaria treatment policy to address the emergence of chloroquine-resistant strains; indoor residual spraying; improvements in methods of diagnosis for malaria; promotion of the use of insecticide treated nets (ITNs); and staff training.

17.2.4 HIV/AIDS, STIs and Tuberculosis

According to the 2001/2002 *Zambia Demographic and Health Survey (ZDHS)*, HIV prevalence in the general population was estimated at 16 percent of the population aged 15 to 49. The infection rate was higher among women, at 18 percent, than men at 13 percent. The place of residence is also closely associated with HIV levels and the rate was twice as high in urban areas as in rural areas (23 percent and 11 percent, respectively). Provinces with levels above the national average include Lusaka (22 percent), Copperbelt (20 percent), and Southern (18 percent). Approximately 39.5 percent of babies born to HIV positive mothers are infected with the virus. Voluntary Counselling and Testing (VCT) and Prevention of Mother to Child Transmission (PMTCT) programmes were introduced in 2000. There are currently about 72 VCT and 83 PMTCT centres country-wide with further expansions ongoing. In 2002, the Government introduced provision of anti-retroviral therapy (ART) in public health institutions. The number of centres providing ART increased from 53 in 2003 to 84 in 2004 while the number of patients

on ART stood at around 43,000 by the end of 2005. The Government targeted to have 100,000 eligible HIV patients on ART by the end of 2005. The Government has now adopted a policy to provide free ART services to all eligible patients. With regard to sexually transmitted diseases, Central Board of Health (CBoH) Syndromic Guidelines indicate that over 10 percent of the reported outpatient attendance to clinics is due to sexually transmitted infections (STIs). The 2001 to 2002 ZDH shows that 7 percent of women and 8 percent of men in the 15 to 49 age group have syphilis.

Tuberculosis (TB), on the other hand, is one of the major non-pneumonia respiratory infections in Zambia. TB notification rate increased from 105 per 100,000 population in 1985 to 545 per 100,000 population in 2002 mainly due to the HIV/AIDS epidemic. It is estimated that 70 percent of patients with TB are HIV positive. The peak age group for TB is 20 to 35 years and the annual risk of infection in Zambia is estimated to be around 2.5 percent. In recent years, cure rates have improved from 58 percent in 2001 to 64 percent in 2004. Similarly, the treatment success rate improved from 74 percent in 2003 to 77 percent in 2004. These improvements were largely attributed to the successful implementation of a number of interventions such as the Directly Observed Treatment Short-course (DOTS) and improved supply of TB drugs.

17.2.5 Integrated Reproductive Health

The Maternal Mortality Rate increased from 649 per 100,000 live births in 1996 to 729 in 2002 (which is one of the highest in the world) despite high antenatal attendance, currently estimated at 80 percent for urban and 68 percent for rural areas. It is estimated that approximately 50 percent of maternal mortality is directly attributed to postpartum haemorrhage, sepsis, obstructed labour, abortion and eclampsia. Indirect causes of maternal mortality include malaria, anaemia and HIV/AIDS related conditions. Other contributing factors include delays in accessing health care at community and health centre levels. Although on average 92 percent of all pregnant women received some kind of ante-natal care during the period 2000 to 2005, only an average of 38.5 percent delivered in health facilities (institutional deliveries) during the same period. However, the number of supervised deliveries (a combination of deliveries by both institutional and trained traditional birth attendants) increased from 39 percent in 2000 to 62 percent in 2005. The national antenatal coverage also rose from 90 percent in 2000 to 93 percent in 2005. For the Prevention of Mother to Child Transmission (PMTCT) plus programme, an average of 5,000 women were being counselled each month. The main challenges in integrated reproductive health include shortage of appropriately trained staff; socio- cultural factors leading to delays in seeking health care; poor transport and communication systems resulting in delays in reaching facilities; poor quality of ante-natal care; inadequate appropriate infrastructure and equipment; and inadequacy of drugs and other essentials.

17.2.6 Child Health

Child mortality rates have in the recent past shown some slight decrease. During the period from 1992 to 2002, the Under 5 mortality rate declined by 12 percent, from 191 per 1,000 live births to 168, while infant mortality rate declined by 11 percent from 107 per 1,000 live births to 95. Despite these decreases, the current child mortality rates are still unacceptably high. The major causes of child mortality are malaria; respiratory infection; diarrhoea; malnutrition; and anaemia. HIV and AIDS is increasingly contributing to morbidity and mortality in children. Malnutrition has also been on an increase, which is attributed to the worsening poverty levels and increase in food insecurity as well as sub-optimal infant and young child feeding practices. There is also a general critical deficiency of micro-nutrients (iodine, iron and Vitamin A) among both children and expecting mothers. Under the 2001 to 2005 national health sector plan, various child health interventions/strategies were implemented. These included promotion and support for nutrition and immunisation and management of common childhood illnesses. Immunisation coverage in Zambia is higher than in most Sub-Saharan African countries, with coverage rates for measles, DPT3 and polio in the range of 80 to 85 percent and TB vaccination (BCG) at above 90 percent of the eligible populations. Full immunisation coverage in 2004 stood at 80 percent.

Although improvements have been noted in child health, the constraints in achieving high impact include the inadequate coverage of effective child health interventions and the poor quality of services

provided. The major reasons for this include the critical shortage of skilled staff, weak infrastructure and inadequate funding for child health interventions. The challenge for the health sector is to scale-up child survival interventions, including immunisation, management of childhood illnesses, management of the new born, nutrition promotion and strengthening of school health programmes.

17.2.7 Nutrition

Nutrition and health are interrelated. Malnutrition, long recognised as a serious public health problem in Zambia, has now worsened. The latest figures on Protein Energy Malnutrition (PEM) indicate that 47 percent of Zambian children are stunted, 28 percent are underweight while 5 percent are wasted. These rates are among the highest in the sub-region. The high prevalence of HIV and AIDS in Zambia has had a negative influence on breast-feeding. Exclusive breast-feeding until six months of age has become less of an automatic choice because of the possibility that an infected woman can pass on the AIDS virus to her child during breast-feeding, which calls for introducing infant and young child feeding practices that reduce the risk of transmission while minimising the risk of other causes of morbidity and mortality.

Micronutrient deficiencies continue to be of public health concern with Vitamin A deficiency being a major public health problem. Statistics indicate that 5 percent of children between 6 to 59 months have severe vitamin A deficiency and 49.1 percent had moderate vitamin A deficiency. Statistics also show that 50 percent of women attending ante-natal clinics and 15 percent of children under 15 years have Iron deficiency, while 65 percent of the children, 39 percent of the women and 23 percent of the men are anaemic.

One critical aspect that needs to be considered is the dietetic management of in-patients and referrals for non-communicable diseases which has not received much attention. There will be need to focus on adolescent and maternal nutrition which has also not received much attention in health programmes in the past. The inadequate staffing and capacity at national and provincial level to provide support to districts has contributed to poor implementation of nutrition programmes and will require strengthening.

17.2.8 Other Diseases

Aside from malaria, TB, and HIV/AIDS/STIs, other diseases contribute significantly to the disease burden in Zambia. These diseases include acute respiratory infections, diarrhoea, worm infestations and bilharzias (schistosomiasis) and non-communicable diseases (NCDs). Schistosomiasis (bilharzias) is prevalent in rural districts especially those close to lakes and rivers. It is estimated that close to 2 million people in Zambia are infected with bilharzia. The prevalence is as high as 90 percent in some communities. Children are often heavily infected, and then suffer serious morbidity several years later when as adults their liver, bladder and kidneys become affected by trapped eggs. Infections with intestinal helminths (hookworm, ascaris and whip worm) are also very common and found throughout the country. Heavy infections cause anaemia in children and pregnant women.

17.2.9 Other Main Challenges

Essential drugs and medical supplies still pose vexing challenges to the health system in Zambia. The 2001 to 2005 National Health Strategic Plan projected the availability of essential drugs at 85 percent by the year 2005. Over the past 4 years, the bulk supply of essential drugs and medical supplies was erratic, with as much as 50 percent of essential drugs being out of stock during some periods in each of the years under review. However, the availability of rural health centre kits was fairly steady. Health centre stocks, on average, improved from 73 percent in 2002 to 76 percent in 2004. A number of activities were undertaken in the area of essential drugs and medical supplies. These included the following:

- a) Development of a three-year procurement plan for the period 2005 to 2007;
- b) "Essential Drugs" and "Tracer Drugs" lists were developed, intended to help in the monitoring of stocks and management of procurement for critical drugs and supplies;
- c) In order to facilitate enforcement of quality assurance legislation, the National Drug Policy Steering Committee (NDP-SC) carried out in 2003 a review of the Food and Drug Act and Laboratory to establish their capacity to effectively enforce quality control on medicines; and

- d) In order to improve the quality of donated drugs and medical supplies, in 2004 the Pharmaceutical Regulatory Authority (PRA), in collaboration with various stakeholders, produced guidelines on donation of drugs and medical supplies, which are awaiting dissemination.

Shortages and inappropriate clinical usage of drugs and medical supplies still remain major problems. Efforts need to be enhanced in the dissemination and enforcement of compliance with recognised/recommended treatment guidelines and prescriptions.

With respect to infrastructure development, there are challenges related to distribution of health facilities and the state of existing infrastructure. It has been estimated that less than 50 percent of the rural population live within 5 kilometres of the nearest health facility compared to over 90 percent for the urban population. This has the effect of limiting access to the much needed health services. On the other hand, the deterioration of health facilities has reached a stage where urgent repairs and replacements are required for the health system to function effectively. Various issues have contributed to this state of affairs, including inadequate financial resources; emphasis on an expansion of the network rather than on the rehabilitation of existing facilities; lack of a preventive maintenance policy (and guidelines); and lack of skilled staff for preventive and corrective maintenance. Analysis of the Joint Investment Plan 2001 to 2005 clearly shows that there is inadequate investment going to infrastructure. In order to provide information that would feed into the development of a prioritised capital plan, the Government commissioned a health facility census in 2004. Information generated from the census will be used to develop infrastructure development plans.

Furthermore, efficient and effective delivery of clinical care also depends on the availability of appropriate equipment and accessories. The list of essential equipment and accessories has already been defined for the health post, health centre and level one district hospitals. Work has continued on the development of lists for the level 2 and 3 referral hospitals. The remaining challenges at this level include developing appropriate equipment management plans whose objective would be to restock clinical centres with the right quantities of appropriate equipment; develop criteria to determine human resource needs for equipment management and maintenance; develop appropriate maintenance facilities, with appropriate tools and equipment; and allocate adequate budget funds for maintenance activities at all levels of service delivery.

Gender mainstreaming is another challenge facing the health sector. Zambia still shows major gender disparities in some health outcomes such as HIV/AIDS prevalence. Overall, the issue of gender differences in access to health care and the impact on health outcomes does not seem to have received the attention it deserves. Currently, the participation of men in reproductive and family health is still relatively low; gender policies are not transformed into concrete action plans; there is no collection of gender-disaggregated data within the health management information system (HMIS) and there are fewer women in management positions at all levels of the public health system. Mainstreaming gender in the health sector has been hampered by inadequate conceptual understanding of gender and technical expertise and inadequate appreciation of linkages between gender and health.

Lastly, in line with government policy in mitigating the impact of HIV and AIDS for its members of staff, the health sector has developed plans aimed at implementing a programme on HIV/AIDS in the work place through creation of HIV/AIDS campaigns at places of work and support to those infected through the provision of free ARVs.

17.3 Policies and Key Reforms

A policy decision was made by Cabinet in 2004 to restructure the health sector. Consequently, the National Health Services Act of 1995, which created the Central Board of Health (CBoH) and Health Boards was repealed to pave way for restructuring the health sector. An assessment of the functions of MoH and CBoH conducted in 2002 concluded that “the dividing line between the two institutions remained thin”, and that there was evidence of duplication of functions resulting in “a bloated and costly central level structure.” The main challenge during the FNDP period is to proceed with the reforms and to ensure that the systems that were developed and served well are protected and that

interruptions to service delivery are minimised. To this effect, the provincial and district level structures shall be retained in their present form. Statutory bodies, both regulatory and service,⁶ shall continue to play an important role in the attainment of the overall government health policy. These statutory bodies have been operating in isolation despite the Government establishing a coordinating mechanism through Statutory Instrument No. 147 of 1997, which established the National Public Health Regulatory Authority Board (NPHRAB). This challenge shall be addressed during the FNDP.

It is government policy to support private-public-partnerships (PPP) in health services delivery and the FNDP period shall strive to enhance this. The private health sub-sector may be defined as comprising all providers who exist outside the public sector whether their aim is philanthropic or commercial, and whose aim is to treat illness or prevent disease. There is a small but growing private sector comprising of the private for profit organisations (private clinics and hospitals); the private not-for profit organisations (such as the Churches Health Association of Zambia) and an increasing number of NGOs that operate at community level. The PPP policy aims at consolidating achievements by strengthening the implementation, functioning and performance of District Health Boards, Health Centre Committees, and Neighbourhood Health Committees. The Government maintains that this informal health sub-sector caters for the majority of clients in need of health care though there are substantial concerns about the quality of care given, especially at the more informal end of the range of providers. The main challenge for the Government during the FNDP is to strengthen its regulatory role to ensure that services provided by the private sector conform to national standards and guidelines.

The health reforms embarked on in 1992, introduced the concept of cost sharing in all public health institutions. The rationale behind the introduction of user fees was that this would create a sense of ownership of the health care delivery system, regulate health seeking behaviour so as to reduce moral hazard associated with provision of “free services” and raise some revenue to supplement funds from the central treasury for quality improvement. It has, however, been realised that user fees constitute a formidable barrier to access to health services by the poor and are a form of direct tax that falls most heavily on the poor. The user-fee exemption system put in place proved to be ineffective due to difficulties in targeting exemptions to intended beneficiaries, namely the vulnerable, children under the age of 5 and people with chronic conditions like TB. In early 2006, Government abolished user fees for primary health care services with the aim of allowing those unable to pay to access health services. The process of removing user-fees is being done in phases beginning with rural areas and eventually scaling up to cover the whole country.

Lastly, it is the policy of the Government to make available at least one first level hospital in each district, which would operate as a referral hospital to satellite health centres. Although there are currently 74 first level hospitals, there are 19 districts without a level one referral hospital. During the implementation of the FNDP, more emphasis shall be placed on constructing first level hospitals in each of the remaining districts. The Government has also recognised the need for rightsizing health facilities, which will involve reclassifying some level two hospitals to level one and some level one hospitals to health centres.

To meaningfully address these processes during the FNDP period, the Government shall focus on the main challenges that include the need to complete the health facility infrastructure development plan in order to ease the allocation of resources as well as prioritisation of capital projects in under-served areas. Other interventions shall include:

- a) Finalisation of the health facilities (infrastructure) databank to serve as a source of information for formulation of development and procurement plans for capital/infrastructure programmes;
- b) Finalisation of infrastructure standards and guidelines, which will form the basis for implementation of programmes;
- c) Approval of the draft maintenance policy, which will provide guidelines on how to manage repairs and maintenance of infrastructure; and
- d) Increasing allocations to capital investment programmes.

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17.4 Vision and Goal

The vision is: *Equitable access to cost-effective and quality health care by 2030.*

The goal is: *To improve the health status of the people in Zambia in order to contribute to socio-economic development in line with the Millennium Development Goals (MDGs).*

17.5 Programmes, Objectives and Strategies

The matrix below presents the health sector's programmes, objectives and strategies during the FNDP period.

| Sector: Health | | | |
|-----------------------|--|---|---|
| No. | Programmes | Objectives | Strategies |
| 1 | Human Resource Development and Management | To train, recruit and retain adequate and appropriate staff at all levels | <ul style="list-style-type: none"> a) Improve the availability of an appropriate mix of human resources for health through training, recruitment and retention of health workers; b) Train health providers in sign language to adequately cater for the health needs of the deaf; c) Strengthen systems for human resource management, planning and development; d) Strengthen the regulatory role of certification and registration of health professionals; e) Develop appropriate mechanisms for retaining health workers; f) Review existing health legislation to increase the scope of the health profession |
| 2 | Basic Health Care Package | To provide efficient and cost-effective quality basic health care services at all levels of the health care delivery system as defined in the Basic Health Care Package | <ul style="list-style-type: none"> a) Finalise the BHCP for all levels; b) Develop and distribute standards, guidelines, logistics and supplies for implementation and coordination of essential clinical services; c) Strengthen the provision of the essential package of care at primary, secondary and tertiary level as required; d) Strengthen the referral system in order to support the implementation of the BHCP; e) Develop the capacity of health providers through pre-service and in-service training of health workers in essential clinical services |
| 3 | Malaria Control and Prevention | To reduce morbidity and mortality due to malaria in the general population | <ul style="list-style-type: none"> a) Scale-up integrated vector management interventions, including access and usage of ITNs and indoor residual spraying; b) Scale-up prevention of malaria during pregnancy, through intermittent presumptive treatment; c) Improve laboratory diagnosis for malaria; d) Scale-up the use of Coartem to the private sector and community health workers; e) Strengthen national, provincial and district health systems' capacity to effectively and efficiently plan, implement and manage malaria control efforts; f) Develop and implement an effective information, education and communication system in order to impart knowledge and skills to families and communities for effective prevention and control of malaria |
| 4 | HIV/AIDS and STIs | To halt new infections and begin to reverse the spread of HIV and STIs through effective interventions | <ul style="list-style-type: none"> a) Facilitate the strengthening of the multi-sectoral response to HIV and AIDS; b) Scale-up prevention activities through increased promotion and support to ABC programmes and culturally sensitive IEC; c) Increase access to HIV and AIDS counselling and testing, in health facilities and at community level including special groups such as the disabled; d) Strengthen PMTCT activities through integration with maternal and child health and routine HIV testing in antenatal clinics; e) Expand access to ART for eligible adults and children; f) Expand access to other sexually transmitted infection interventions |
| 5 | Tuberculosis Control and | To halt new infections and begin to reverse the | <ul style="list-style-type: none"> a) Expand and strengthen the TB DOTS/DOTS plus programmes in all provinces; |

| Sector: Health | | | |
|-----------------------|---------------------------------------|---|---|
| No. | Programmes | Objectives | Strategies |
| | Prevention | spread of TB through effective interventions | <ul style="list-style-type: none"> b) Scale-up and strengthen diagnostic services in all districts; c) Introducing TB/HIV collaborative activities in all districts; d) Scale-up public/private partnerships in TB/HIV programmes; e) Improve the nutritional and socio-economic status of TB patients and care-givers |
| 6 | Integrated Reproductive Health | To reduce the Maternal Mortality Ratio (MMR) by three-quarters | <ul style="list-style-type: none"> a) Strengthen the quality and expand coverage of reproductive health services, including essential obstetrics ante-natal clinics, family planning, delivery and post-natal services; b) Provide emergency obstetric care for all levels of care; c) Promote continuum of care from traditional birth attendants to referral centres through provision of appropriate training, tools, logistical support and incentives; d) Accelerate midwifery training and ensure equitable distribution and retention of midwives; e) Strengthen programmes for health education, screening, treatment and care of cervical, breast and prostate cancers f) Promote male responsibility and participation in family planning |
| 7 | Child Health | To reduce the mortality rate among children under the age of five years by two-thirds | <ul style="list-style-type: none"> a) Scale-up and strengthen community and facility based Integrated Management of Child Illnesses (IMCI) in all districts; b) Strengthen the Expanded Programme for Immunisation in all districts; c) Facilitate the strengthening and expansion of the school health programme in the country; d) Strengthen the care of new born babies in communities and all health facilities; e) Promote and strengthen the involvement of the private sector in child survival programmes |
| 8 | Nutrition | To contribute to the reduction in morbidity and mortality among the general population through improved provision of nutrition services | <ul style="list-style-type: none"> a) Strengthen the National Food and Nutrition Commission for optimal coordination of nutrition programmes in all sectors; b) Strengthen nutrition service delivery in HIV and AIDS programmes and activities; c) Promote optimal feeding practices for infants and children in order to improve their nutritional status, growth development and survival chances; d) Promote maternal nutrition in pregnancy and during lactation; e) Provide support to micronutrient deficiency prevention and control (supplementation); f) Strengthen the growth monitoring and promotion programme; g) Provide information on balanced diet including food aid management services to in and out-patients; h) Strengthen the School Health Programme |
| 9 | Environmental Health | To reduce the incidence of water borne and vector borne diseases | <ul style="list-style-type: none"> a) Strengthen capacity in enforcement of environment health policies and legislation; b) Promote the establishment of new and strengthening of existing Water, Sanitation and Hygiene Education (WASHE) Committees at national, provincial, district and sub-district levels; c) Strengthen coordination and management of environmental health at all levels of care |
| 10 | Mental Health | To improve mental health services at all levels of care | <ul style="list-style-type: none"> a) Strengthen the policy and legal framework for mental health; b) Develop standards and guidelines for management of mental health services; c) Strengthen partnerships in mental health; d) Promote public awareness and education on mental health, especially prevention of mental illnesses; e) Promote the integration of mental health patients into their families and communities; f) Promote the integration of mental health in all relevant community based programmes; g) Strengthen coordination, management, monitoring and evaluation of mental health programmes; h) Strengthen programmes in the area of alcohol, drug and substance abuse, including HIV and AIDS |

| Sector: Health | | | |
|-----------------------|--|---|---|
| No. | Programmes | Objectives | Strategies |
| 11 | Oral Health | To improve the status of oral health service | <ul style="list-style-type: none"> a) Strengthen the policy framework for oral health; b) Scale-up oral health services to all districts; c) Promote oral health awareness and education; d) Integrate oral health in child health and HIV and AIDS programmes |
| 12 | Helminthes and other Parasitic Infestations | To control schistosomiasis and other parasitic infestations | <ul style="list-style-type: none"> a) Promote the use of chemotherapy through the School Health Programme; b) Provide health education; c) Support provision of safe water and adequate sanitation standards |
| 13 | Other Non-Communicable Diseases | To alleviate the burden of other Non-Communicable Diseases (NCDs) | <ul style="list-style-type: none"> a) Develop policies on NCDs; b) Improve capacity of the health system to respond to NCDs; c) Integrate NCDs into Integrated Disease Surveillance and Response (IDSR) |
| 14 | Essential Drugs and Medical Supplies | To provide equity of access for all Zambians to good quality, efficacious and safe essential drugs and medical supplies | <ul style="list-style-type: none"> a) Undertake periodic baseline surveys on the use of drugs and medical supplies; b) Ensure efficient procurement, storage, distribution and rational use of drugs and medical supplies; c) Encourage the establishment of a strong local pharmaceutical and chemical industry to lower the costs of drugs |
| 15 | Blood Transfusion Services | To ensure nationwide availability and rational use of safe blood and blood products | <ul style="list-style-type: none"> a) Streamline the blood transfusion system; b) Establish and operate an efficient coordinated national blood transfusion service that adequately meets national demand and capability to effectively respond to emergencies at all times; c) Ensure adequate supplies of safe blood at all times |
| 16 | Laboratory Support Services | To provide appropriate, efficient, cost-effective and affordable laboratory support services at health centre and hospital levels throughout the country | <ul style="list-style-type: none"> a) Review and maintain an appropriate policy and legal framework; b) Review, develop and ensure adherence, laboratory protocols and standard operating procedures; c) Strengthen existing systems for stores management of laboratory reagents and supplies; d) Strengthen coordination and management of laboratory services; e) Ensure availability of adequate and appropriate laboratory equipment and reagents |
| 17 | Medical Imaging Services | To provide efficient, cost-effective and safe medical imaging and radiation therapy | <ul style="list-style-type: none"> a) Institute operational mechanisms on procurement, installation, repair and maintenance of equipment; b) Deploy trained staff in key imaging modalities such as ultrasound, mammography and radiotherapy in underserved areas; c) Strengthen medical imaging and radiography through the development and implementation of policy and procedural guidelines for imaging services; d) Adopt the use of imaging services for managing cancers |
| 18 | Infrastructure | To provide sustainable infrastructure, conducive for the delivery of quality health services at all levels of the health care system | <ul style="list-style-type: none"> a) Establish a health infrastructure database; b) Define appropriate sizes and types of health facilities for the different levels of care which can also cater for the needs of the physically disabled; c) Develop preventive maintenance plans of infrastructure at all levels of care; d) Prioritise the provision of appropriate infrastructure to underserved areas including training institutions |
| 19 | Medical Equipment and Accessories | To ensure the availability of adequate, appropriate and well-maintained medical equipment and accessories in accordance with service delivery needs at all levels | <ul style="list-style-type: none"> a) Develop standard checklists for essential equipment and accessories; b) Establish and maintain an equipment database; c) Develop and implement appropriate equipment development plans; d) Enhance capacities for management and maintain equipment at all levels. |
| 20 | Gender Mainstreaming | To provide equal employment and training opportunities to all Zambians | <ul style="list-style-type: none"> a) Institutionalise gender within the organisational structure of the Ministry of Health through establishment of a gender management system; b) Integrate gender training into staff development programmes; c) Establish gender sub-committees within the health care delivery |

| Sector: Health | | | |
|-----------------------|--|---|--|
| No. | Programmes | Objectives | Strategies |
| | | | system; d) Develop and disseminate gender mainstreaming guidelines to all levels of the health care delivery system. |
| 21 | HIV and AIDS Work Place Programme | To mitigate the impact of HIV and AIDS on the work force of the health sector | a) Create awareness of HIV/AIDS at work place for all workers in the health sector; b) Provide free medications (ARVs and drugs for opportunistic infections) to all workers in the health sector as well as to their immediate family members; c) Provide nutritional supplements to all workers in the health sector infected with HIV when need arises; d) Promote VCT and other interventions to reduce stigma in the workplace |
| 22 | Health Management Information System (HMIS) | To ensure availability of relevant, accurate, timely and accessible health care data to support the planning, coordination, monitoring and evaluation of health care services | a) Strengthen the HMIS capacity to monitor health sector performance and production of sex disaggregated health information; b) Strengthen ICT through making the database more flexible and strengthening of decentralised information centres that are linked by internet to a central data clearing house; c) Undertake programme oriented research to improve feedback |
| 23 | Integrated Disease Surveillance | To significantly improve public health surveillance and control of epidemics | a) Strengthen the country's capacity to conduct effective surveillance for both communicable and non-communicable diseases; b) Strengthen laboratory capacity and involvement in confirming pathogens and monitoring of drug sensitivity; c) Review HMIS in the context of IDSR to include integrated data collection, and strengthening its capacity to monitor the burden of NCDs |
| 24 | Financial and Administration Management System (FAMS) | To implement a simple, comprehensive, timely, reliable, accountable and transparent financial and administration management system at all levels of the health sector | a) Scale-up implementation of FAMS to all levels of the health delivery system; b) Integrate HMIS, FAMS and other information systems into a single reporting system at all levels; c) Integrate FAMS indicators in performance audits, supportive supervision and accreditation activities at provincial, hospital and district levels |
| 25 | Health Education and Promotion | To facilitate effective and efficient health education and promotion programmes | a) Strengthen the health education unit to provide technical coordination of all health promotion activities; b) Build central, provincial, district, health centre and community focal point capacity and capability to plan and manage health communication; c) Establish collaborative systems with partners, stakeholders and allies to support health communication programmes; d) Advocate for public policies that support health; e) Promote of the role of the lay community to participate and be involved in participatory health communication programmes; f) Develop social support systems to foster health development programmes; g) Initiate, developing and disseminating appropriate health learning materials h) Provide of technical and ethical professional guidelines in health education and promotion |
| 26 | Policy and Planning | To mobilise resources through sustainable means and to ensure efficient use of those resources in order to promote equity of access to cost-effective and quality health care | a) Promote adoption of Health Financing Policy as a long-term guide for financial reform; b) Develop new tools for costing and budgeting and allocation criteria for all levels of care; c) Improve the targeting of exemptions on cost sharing; d) Improve coordination of various health sector financing mechanisms and expand the basket funding mechanism to cover all levels of health care, budget lines and statutory institutions; e) Coordinate resources from bilateral, multilateral and global initiatives to ensure efficient use of external resources; f) Promote the use of National Health Accounts as a tool for planning and resource allocation; g) Strengthen Health Systems Research through improved coordination and establishment of a Research Ethics |

| Sector: Health | | | |
|-----------------------|--------------------------------------|--|--|
| No. | Programmes | Objectives | Strategies |
| | | | Committee; h) Establish a National Health Ethics Committee |
| 27 | Procurement Management System | To provide efficient, cost-effective, transparent and accountable procurement services to all service delivery levels of the health sector | a) Develop and maintain a well coordinated, reliable and transparent procurement and supply system that is acceptable to all stakeholders; b) Develop and enforce procurement management regulations and guidelines at all levels, based on the Zambia National Tender Board and Financial and Administration Management Systems, regulations and guidelines; c) Develop and implement a long-term strategy for Medical Stores Limited, with performance indicators and clear targets; d) Ensure that the Drug Supply Budget Line (DSBL) is established for funding drugs and medical supplies. |

17.6 Implementation, Monitoring and Evaluation Framework

The structures for coordination and implementation of the FNDP will include the MoFNP, the health sector Advisory Group (SAG), the MoH headquarters, Statutory Boards, Provincial Health Offices, DHMT/DHB, health facilities (provincial, mission and district hospitals, health centres, health posts). Each of these institutions will have specific coordination and implementation functions as follows:

Annual Consultative Meeting: An annual consultative meeting will be held in December every year and the purpose of this meeting will be to review annual action plans/MTEF for the following year as submitted by the Ministry of Health including financial commitments and pledges from all cooperating partners (CPs).

Health Sector Advisory Group (SAG): The Health SAG will be responsible for overall steering of the implementation process. The SAG will meet quarterly to review progress, recommend solutions to identified bottlenecks and build consensus on the overall strategic direction of the FNDP.

Monthly Policy Meetings: Policy meetings between MoH and its CPs will be held every last Thursday of the month and will serve to identify and review areas of concern that impede implementation of health services and requiring immediate policy interventions.

Ministry of Health: The Ministry of Health will be responsible for the overall functional/technical coordination of the FNDP implementation. Explicit activities for plan coordination will, therefore, be an integral component of the Planning Directorate's annual action plan. Concurrently to the coordinating function, the various MoH directorates and units are responsible for the implementation of aspects of the Plan in line with their defined roles and responsibilities. Policy development, legislative changes, strategic decision-making, standard setting and enforcement will therefore, predominate at this level.

Provincial Health Offices: Provincial Health Offices will continue serving as intermediaries for operationalisation of the FNDP. They are the MoH's functional link with the lower level structures, training institutions and civil society. PHOs will specifically ensure that the priorities and scope of the hospital and district MTEF and action plans are informed by the parameters provided through the FNDP.

Districts and Hospitals: Hospitals and districts will serve as the major implementing agencies for this Plan. The harmonisation of the district and hospital plans to match the aspirations of the FNDP will, therefore, be crucial for successful implementation.

With respect to the monitoring function, this shall be done routinely depending on the type and relevance of the indicators, on a monthly, quarterly, bi-annual and annual basis. The health management information system, FAMS and other routine systems will be the major tools for data collection. The SAG, MoH and other agencies will primarily use this data and its analyses for decision-making.

There will be two evaluations during the duration of the FNDP. These will consist of a mid-term

assessment after the first two and half years of implementation and a comprehensive final evaluation at the end of the Plan period. The mid-term assessment will focus on progress made in plan implementation and assess the appropriateness of the overall strategic direction. It will be designed to inform the remaining period of the Plan and recommend adjustments as needed. The final evaluation will focus on the impact/outcome of the FNDP and assist in providing the contextual framework for the subsequent planning period

Sector: Health
(K Billion)

| | Program | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | | | |
|--------------------|---|---------------------|-------|---------|---------------------|-------|---------|---------------------|-------|---------|---------------------|-------|---------|---------------------|-------|---------|-------------|------------------------|---------|--|--|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Total | GRZ | Donor | | |
| | | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | | | | | |
| Core FNDP Programs | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | |
| 1 | Human Resource for Health | 352.5 | 23.5 | 376.0 | 408.7 | 3.0 | 411.7 | 487.9 | 11.8 | 499.7 | 571.6 | 45.1 | 616.7 | 661.4 | 21.8 | 683.2 | 2,587.4 | 2,482.2 | 105.2 | | |
| 2 | Basic Health Care Package | 41.0 | 160.2 | 201.2 | 103.0 | 167.2 | 270.2 | 102.9 | 178.0 | 280.9 | 107.2 | 183.4 | 290.6 | 151.6 | 170.3 | 321.9 | 1,364.8 | 505.7 | 859.0 | | |
| 3 | Malaria Control and Prevention | 7.0 | 50.0 | 57.0 | 4.2 | 68.4 | 72.6 | 5.6 | 74.7 | 80.4 | 6.4 | 81.7 | 88.1 | 7.0 | 97.1 | 104.1 | 402.3 | 30.3 | 372.0 | | |
| 4 | HIV/AIDS and STIs | 10.3 | 110.7 | 121.0 | 11.0 | 139.0 | 150.0 | 13.8 | 150.8 | 164.7 | 15.9 | 165.3 | 181.2 | 18.1 | 192.9 | 211.0 | 827.8 | 69.1 | 758.7 | | |
| 5 | Tuberculosis Control and Prevention | 5.9 | 20.2 | 26.0 | 1.9 | 33.5 | 35.4 | 2.7 | 37.3 | 40.0 | 3.3 | 40.1 | 43.5 | 4.7 | 48.5 | 53.2 | 198.1 | 18.4 | 179.7 | | |
| 6 | Integrated Reproductive Health | 7.1 | 16.1 | 23.2 | 14.5 | 18.7 | 33.3 | 17.9 | 20.2 | 38.1 | 18.6 | 22.4 | 41.1 | 26.4 | 25.1 | 51.5 | 187.1 | 84.5 | 102.5 | | |
| 7 | Child Health | 7.8 | 15.5 | 23.3 | 10.9 | 23.0 | 33.9 | 13.5 | 25.4 | 39.0 | 15.4 | 26.6 | 42.0 | 28.8 | 24.2 | 53.0 | 191.1 | 76.4 | 114.7 | | |
| 8 | Nutrition | 1.6 | 2.8 | 4.3 | 3.2 | 3.2 | 6.4 | 4.0 | 3.5 | 7.4 | 4.1 | 3.9 | 8.0 | 5.8 | 4.3 | 10.2 | 36.4 | 18.7 | 17.7 | | |
| 9 | Essential Drugs | 57.2 | 77.8 | 135.0 | 85.5 | 39.7 | 125.1 | 113.6 | 16.4 | 130.0 | 99.7 | 38.5 | 138.1 | 191.6 | 7.5 | 199.1 | 727.3 | 547.5 | 179.8 | | |
| 10 | Laboratory Support Services | 5.5 | 8.4 | 13.9 | 11.2 | 9.8 | 21.0 | 13.8 | 10.6 | 24.4 | 14.4 | 11.7 | 26.1 | 20.4 | 13.1 | 33.5 | 119.0 | 65.3 | 53.7 | | |
| 11 | Blood Transfusion Services | 1.7 | 3.0 | 4.8 | 3.5 | 3.5 | 7.1 | 4.3 | 3.8 | 8.2 | 4.5 | 4.2 | 8.8 | 6.4 | 4.8 | 11.1 | 39.9 | 20.5 | 19.4 | | |
| 12 | Medical Imaging Services | 1.7 | 4.8 | 6.5 | 3.5 | 5.6 | 9.0 | 4.3 | 6.0 | 10.3 | 4.5 | 6.7 | 11.1 | 6.3 | 7.5 | 13.8 | 50.7 | 20.3 | 30.4 | | |
| 13 | Infrastructure | 38.4 | 40.8 | 79.2 | 96.3 | 5.6 | 101.9 | 117.5 | 5.2 | 122.6 | 160.8 | 1.9 | 162.7 | 108.0 | 61.2 | 169.2 | 635.6 | 521.0 | 114.6 | | |
| 14 | Medical Equipment and Accessories | 14.0 | 27.0 | 41.0 | 53.5 | 6.5 | 59.9 | 61.1 | 7.9 | 69.0 | 61.6 | 12.7 | 74.2 | 81.7 | 12.2 | 93.9 | 338.0 | 271.8 | 66.2 | | |
| 15 | Environmental Health | 1.3 | 4.0 | 5.2 | 2.6 | 4.6 | 7.2 | 3.2 | 5.0 | 8.1 | 3.3 | 5.5 | 8.8 | 4.7 | 6.2 | 10.9 | 40.3 | 14.9 | 25.4 | | |
| 16 | Mental Health | 0.4 | 0.6 | 1.0 | 0.7 | 0.7 | 1.5 | 0.9 | 0.8 | 1.7 | 1.0 | 0.9 | 1.9 | 1.3 | 1.0 | 2.4 | 8.4 | 4.3 | 4.1 | | |
| 17 | Oral Health | 0.2 | 0.3 | 0.5 | 0.4 | 0.4 | 0.8 | 0.5 | 0.4 | 0.9 | 0.5 | 0.5 | 1.0 | 0.7 | 0.5 | 1.3 | 4.5 | 2.3 | 2.2 | | |
| 18 | Helminthes and other Parasitic Infections | 0.3 | 0.6 | 0.9 | 0.7 | 0.7 | 1.3 | 0.8 | 0.7 | 1.5 | 0.9 | 0.8 | 1.7 | 1.2 | 0.9 | 2.1 | 7.5 | 3.9 | 3.7 | | |
| 19 | Other Non-Communicable Diseases | 0.2 | 0.4 | 0.6 | 0.5 | 0.5 | 0.9 | 0.6 | 0.5 | 1.1 | 0.6 | 0.6 | 1.2 | 0.9 | 0.6 | 1.5 | 5.3 | 2.7 | 2.6 | | |
| | Sub-Total | 554.0 | 566.6 | 1,120.7 | 815.7 | 533.6 | 1,349.3 | 968.8 | 559.1 | 1,527.9 | 1,094.3 | 652.5 | 1,746.8 | 1,326.9 | 699.8 | 2,026.7 | 7,771.3 | 4,759.7 | 3,011.6 | | |
| | | | | | | | | | | | | | | | | | | Non-core FNDP programs | | | |

| | Program | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|---|---------------------------------|---------------------|-------|---------|---------------------|--------|---------|---------------------|--------|---------|---------------------|--------|---------|---------------------|---------|---------|-------------|---------|---------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Total | GRZ | Donor |
| | | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | | | |
| 1 | Health Education and Promotion | 0.0 | 0.1 | 0.1 | 0.1 | 0.2 | 0.2 | 0.1 | 0.2 | 0.3 | 0.1 | 0.2 | 0.3 | 0.1 | 0.2 | 0.3 | 1.2 | 0.4 | 0.8 |
| 2 | Planning and Budgeting | 0.3 | 0.5 | 0.8 | 0.7 | 2.3 | 3.0 | 0.7 | 2.9 | 3.6 | 0.6 | 3.2 | 3.8 | 0.7 | 3.4 | 4.1 | 15.3 | 2.9 | 12.4 |
| 3 | FAMS | 0.8 | 1.5 | 2.3 | 1.1 | 1.5 | 2.5 | 1.3 | 2.7 | 4.0 | 1.3 | 3.4 | 4.6 | 0.8 | 1.8 | 2.7 | 16.1 | 5.3 | 10.9 |
| 4 | Procurement Management System | 0.1 | 0.1 | 0.2 | 0.1 | 0.1 | 0.2 | 0.1 | 0.1 | 0.2 | 0.0 | 0.1 | 0.2 | 0.1 | 0.1 | 0.2 | 1.0 | 0.3 | 0.7 |
| 5 | HMS | 0.3 | 0.5 | 0.7 | 0.5 | 0.5 | 1.0 | 0.6 | 1.3 | 1.9 | 0.5 | 1.4 | 1.9 | 0.7 | 1.5 | 2.1 | 7.6 | 2.5 | 5.1 |
| 6 | Integrated Disease Surveillance | 1.0 | 1.7 | 2.6 | 1.4 | 1.7 | 3.0 | 1.6 | 3.5 | 5.1 | 1.6 | 4.2 | 5.8 | 2.1 | 4.6 | 6.6 | 23.2 | 7.6 | 15.6 |
| 7 | HIV/AIDS Work Place Programme | 0.4 | 0.7 | 1.1 | 0.6 | 0.7 | 1.2 | 0.4 | 0.9 | 1.3 | 0.4 | 1.0 | 1.4 | 0.5 | 1.1 | 1.7 | 6.7 | 2.2 | 4.4 |
| 8 | Gender Mainstreaming | 0.1 | 0.2 | 0.3 | 0.2 | 0.2 | 0.4 | 0.1 | 0.3 | 0.5 | 0.0 | 0.1 | 0.2 | 0.1 | 0.1 | 0.2 | 1.5 | 0.5 | 1.0 |
| | Sub-Total | 3.0 | 5.2 | 8.2 | 4.4 | 7.1 | 11.6 | 4.9 | 11.9 | 16.8 | 4.5 | 13.6 | 18.2 | 5.0 | 12.9 | 17.9 | 72.6 | 21.8 | 50.8 |
| | Grand Total | 557.0 | 571.8 | 1,128.8 | 820.1 | 540.7 | 1,360.9 | 973.7 | 571.0 | 1,544.7 | 1,098.8 | 666.1 | 1,764.9 | 1,331.9 | 712.8 | 2,044.6 | 7,843.9 | 4,781.5 | 3,062.4 |
| | Current Donor Commitments | | 571.4 | - | | 492.7 | | | 507.4 | | | 600.3 | - | - | 588.7 | 2,760.5 | 1,786.5 | - | 2,760.5 |
| | Funding Gap | | | (0.4) | | (48.1) | | | (63.6) | | | (65.8) | | | (124.0) | | | | (301.9) |

ARTS AND CULTURE



18.1 Introduction

Culture is defined as the whole complex of distinctive spiritual, material, intellectual and emotional features that characterises a society or social group. It includes not only the arts and letters, but also modes of life, the fundamental rights of the human being, value systems, traditions and beliefs. It represents a unique and irreplaceable body of values and its presence is demonstrated through traditions and forms of expression. The strength of culture in Zambia lies in its diversity whose features include national heritage sites, museums, performing arts, traditions, beliefs and ceremonies.

The Zambian society comprises 73 ethnic groups, each with its own set of traditions and forms of expression, which demonstrate their cultural identity. The proliferation of ethnic traditional ceremonies and the expressed desire by several ethnic language groups for their languages to be given recognition in the educational system and the media raise the need for deliberate policy measures to be put in place to protect, stimulate and enrich each ethnic group's cultural identity in order to build up a rich and diverse Zambian cultural identity. Increasingly, the Government recognises the possibility that the promotion of arts and cultural activities can harness local talents, skills and heritage that may provide innovative possibilities for raising incomes and generating quality employment and wealth creation.

The preservation of a nation's history and cultural heritage is a major factor in the maintenance of the nation's identity and pride. The National Museums Board, National Heritage Conservation Commission, National Arts Council and Department of Cultural Services apart from contributing to the preservation of Zambia's heritage and the building up of a rich historical knowledge base for the information, education and enjoyment of present and future generations are foreign exchange earners for the country through cultural tourism products.

Cultural institutions are essential institutions in the country's efforts to collect, preserve, document and interpret its past. Their extensive coverage, nature and character are a measure of the country's culture and history and determination to maintain national identity.

There are currently four national museums maintained and managed by the National Museums Board, namely Livingstone Museum in Livingstone; Moto Moto Museum in Mbala; the Copperbelt Museum in Ndola; and the Lusaka National Museum in Lusaka. These museums endeavour to manage and preserve the movable heritage of the peoples of Zambia.

18.2 Review of Past Performance

The cultural sector has continued to face a number of challenges over the years. Cultural infrastructure is largely underdeveloped, particularly buildings. For example, there is lack of cultural theatres and arenas where members of the public can perform as well as storage facilities which can accommodate collected artefacts for posterity. In a liberalized economy, private sector participation is crucial and therefore culture-based private sector entrepreneurship endeavours become self-rewarding while government institutions become main facilitators of the economic development process. The decline in public expenditure which characterized the 1990s adversely affected capital projects and programmes which required government cash injections under the operation of the cash budget system. This has resulted in the steady erosion of the capacity of cultural institutions to effectively contribute to national development. A prolonged neglect of these institutions led to their run down with devastating effects on the quality of services provided to clients and the public in general. Tourist access roads to these institutions and heritage sites have also remained virtually undeveloped.

The stagnation in the number of cultural establishments and deterioration in the quality of services was exacerbated by a weak regulatory framework that existed in the period prior to 2000. This discouraged private sector investment in the cultural industry thereby stifling competition which is a pre-requisite for good management and efficient and effective provision of quality public services. This also led to unsatisfactory performance in terms of services offered and amount of revenue generated internally. Furthermore, high inflation rates coupled with the credit squeeze in the financial sector affected the development of tourist resorts which are supposed to provide backward and forward linkages from which

cultural industry could benefit. However, the institutions have continued to exist on account of government subvention and if properly financed have great potential to contribute to national economic growth.

Following the enactment of the National Arts Council Act No. 31 of 1994, there has been a growth in cultural activity. Prior to this, the Government enacted the National Museums Board Act No 174 in 1966, aimed at preserving Zambia's movable cultural and natural heritage. Although cultural activities may be perceived to be widespread in Zambia, the development of cultural industries is rarely treated as a serious economic venture and few practitioners are actually able to make a living solely based on their artistic trade. In 1996, the National Arts Council was established. In addition, the Government launched the National Cultural Policy in 2003.

The Government recognises that cultural industries and activities can only grow and become competitive economic ventures when they have clear and well-developed channels for their outputs. The lack of adequate markets for cultural goods and services in Zambia is frequently identified as a major obstacle to the development of a truly vibrant and economically viable cultural sector. Zambia currently has inadequate cultural infrastructure and production materials. This has hindered the production and marketing of culture. In addition, the centralisation of cultural institutions has made it difficult for people to fully participate in decision-making concerning cultural life.

With regard to gender inequalities, the Cultural Sector Support Programme-funded cultural sector Mapping Report found that there are more men participating in the cultural sector than women. In view of this, the Government sees the need to promote equal opportunities for artistic cultural expression among women and men.

Another area that requires attention is cultural education. The development and promotion of cultural education implies not only the formulation of specific programmes designed to foster cultural appreciation and support groups or institutions engaged in creation and dissemination, but also the encouragement of activities that will stimulate public awareness of the social importance of culture and intellectual creation. However, this has not been the case and in an effort to reinforce other existing cultural institutions, the National Arts Council was created. Infrastructure for cultural creation and manifestation is inadequate and in various states of disrepair. Furthermore, protection of artistic and intellectual property is yet to be realised despite the necessary legal framework having been instituted.

Since the mid-1990s, several positive developments have been recorded with respect to the integration of culture in the mainstream of national development by putting in place policies, legislation and other strategies aimed at the preservation, development and promotion of culture for sustainable development. The key focus areas of cultural development and promotion are:

- a) Safeguarding of intangible and tangible cultural heritage;
- b) Development and promotion of culture for sustainable human development;
- c) Promotion of indigenous knowledge systems, folklore and cultural industries;
- d) Preservation of cultural heritage;
- e) Creation of employment; and
- f) Promotion of health.

Positive attempts have been made to develop the following areas of culture:

Cultural Research: In this field, the Government, through its stakeholders, has purchased research instruments and conducted some research in the following areas:

- a) Folklore and intangible heritage in which traditional ceremonies have been recognised and they receive government grants annually;
- b) Luvale culture has been documented and forwarded to UNESCO, Paris for proclamation as a World Heritage (Mukanda and Makishi rituals);
- c) Research has also been conducted in Zambian traditional names and their meanings;
- d) The publication of a map on the tribes of Zambia, their music, dance and language and their location has been undertaken;
- e) The National Archives of Zambia has recorded traditional musical sounds of Zambia in support of the preservation and promotion of indigenous music; and

- f) The Government has established the Centre for the Arts at the University of Zambia for capacity building and continued research in the field of folklore and intangible cultural heritage.

Promotion of Cultural Industries: The Government has developed a deliberate policy of providing venues for production and marketing of cultural goods and services by rehabilitating and constructing cultural centres. The reduction in import duty on artistic goods and equipment has eased access to equipment by artists and practitioners. Moreover, in 1996 the Government established the National Arts Council through which the various National Arts Associations have given apprenticeship training in various artistic skills such as visual arts, popular theatre, music and dance, the film industry and the entrepreneurship skills in the "start your business" (SYB) programme. This programme is spearheaded by the Ministry of Community Development and Social Services and the Ministry of Community Development and Social Services in which at least 500 artists have been trained. Lastly, the Government has enacted the Copyright Act of 1994 to reduce cases of piracy and copyright abrogation.

Promotion of Museums: The existence of museums has contributed to diversification of cultural products. The revival of traditional ceremonies in many parts of Zambia will further improve cultural tourism product diversification. There is therefore, need to devise strategies which will revitalize the sector.

There also exist opportunities in the external environment which both cultural institutions and local communities can take advantage of in order to improve their operations and performance in service provision to their clients. The opportunities are that local communities are willing to effectively participate in the promotion of cultural institutions such as museums. In addition, cooperating partners are willing to participate in the establishment, development, management and promotion of similar institutions through financial and technical assistance and of late many cultural ceremonies in the country have been revived providing many avenues for research and wide sources for the collection of various historical and cultural objects.

18.3 Policies and Key Reforms

The major public sector institutions that will continue to operate in the cultural sector shall be the Ministry of Tourism, Environment and Natural Resources (MTENR); Ministry of Community Development and Social Services (MCDSS); National Arts Council; National Heritage Conservation Commission; and National Museums Board.

In the area of policy, the main aim during the FNDP period will be to operationalise Article 112 (g) of the Constitution, which states that the State shall take measures to promote the practice, enjoyment and development by any person of that person's cultural tradition, custom, and language insofar as these are not incongruent with the Constitution. With regard to statutory frameworks, the Government shall continue to work towards the application of the enacted laws that enhance the enjoyment of cultural rights, such as the National Arts Council Act No. 31 of 1994, the National Heritage Conservation Commission Act (1998), and the Copyright and Performance Rights Act (1994). In this respect, support to the National Arts Council of Zambia, the Zambia National Museums Board, and the National Heritage and Conservation Commission shall be enhanced. The Government shall also implement the new structure for the Department of Cultural Services, focusing on, *inter alia*, devolving its structure down to district level.

18.4 Vision and Goals

The vision is: *A thriving national cultural heritage and cultural sector industry by 2030.*

The goal is: *To provide an enabling environment for safeguarding and promoting Zambian tangible and intangible heritage and to ensure the development and promotion of cultural industries.*

18.5 Programmes, Objectives and Strategies

The matrix below presents the programmes and associated objectives and strategies for the cultural sector during the FNDP implementation period.

| Sector: Arts and Culture | | | |
|---------------------------------|--------------------------------|--------------------------------|--|
| No. | Programmes | Objectives | Strategies |
| 1 | Cultural Infrastructure | To promote the development and | a) Construct the National Cultural Centre in Lusaka and Entertainment Theatre at Lusaka National Museum; |

| Sector: Arts and Culture | | | |
|---------------------------------|---|---|---|
| No. | Programmes | Objectives | Strategies |
| | | preservation of Zambia's cultural heritage | b) Prepare registers and inventory of culture related associations, producers and potential beneficiaries and users of cultural infrastructure; c) Establish central storage and auditorium for the National Museums Board for purposes of preserving Zambia's cultural heritage and enhancing public programmes; d) Improve and upgrade museum exhibitions, heritage sites and related facilities; e) Establish museums in regional centres; f) Facilitate the rehabilitation of museum' buildings and provide storage facilities conducive for cultural preservation. |
| 2 | Intangible Heritage | To encourage the practice and expression of culture, such as folklores and art among indigenous people in heritage institutions, e.g. museums and NAC; To preserve intangible heritage of Zambia's ethnic groups | a) Facilitate the rehabilitation or construction of spaces and venues for preservation, practice and expression of intangible heritage, such as theatres, museums and heritage sites through provision of grants and technical assistance; b) Create sound archives in cultural institutions, such as museums, to document and preserve traditional music, dance and folklore of Zambian ethnic groups; c) Improve museum public programmes to increase participation of local people in preservation of intangible heritage. |
| 3 | International Cultural Cooperation | To enhance international cooperation in support of the development of Zambian culture | a) Establish twinship among museums with similar vision in various parts of the world for purposes of exchanging information and research findings. |
| 4 | Promotion of Cultural Industries | To develop, produce and promote viable cultural works | a) Expand the cultural industry range to include cultural products, such as exhibitions; b) Establish viable handicraft centres to preserve traditional cultural skills and knowledge and economically empower handicraft producers by providing markets for their products in museum shops; c) Promote the practice and expression of culture in museums as a way of promoting ethno-tourism; d) Hold food fairs to teach people the importance of traditional foods and how it can economically be used in ethno-tourism as well as cultural preservation. |
| 5 | Cultural Research | To generate knowledge on culture | a) Strengthen research to enhance exhibitions and knowledge acquisition by the public; b) Hold a stakeholders' conference on research in indigenous knowledge systems and folklore, such as the culture of food and science among traditional communities. |
| 6 | Capacity Building | To enhance technical and financial capacity in culture; To develop human resource to manage cultural heritage in order to derive economic and social benefits from culture | a) Establish a cultural heritage institute that will locally train. professionals to better manage culture |

18.6 Implementation, Monitoring and Evaluation Framework

Cultural sector administration under the Ministry of Community Development and Social Services shall continue to cut across a number of line ministries, such as:

- Ministry of Information and Broadcasting Services (under which Zambia Music Copyright Protection Society and film and cinema administration fall);
- Ministry of Tourism, Environment and Natural Resources (under which the National Museums Board and the National Heritage Conservation Commission fall);
- Ministry of Local Government and Housing (under which administration of Chiefs' Affairs falls);
- Ministry of Science, Technology and Vocational Training (under which the training of artists in colleges falls); and

e) Ministry of Home Affairs (under which the National Archives falls).

The above state of affairs calls for effective coordination of arts and culture services to the nation and the FNDP period shall address this aspect. The culture and arts component of the FNDP will be monitored through the Sector Advisory Group.

Sector: Arts and Culture
(K Billion)

| Priority Order | | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|--------------------------|---|--|-------------|-------------|---------------------|-------------|-------------|---------------------|-------------|-------------|---------------------|-------------|-------------|---------------------|-------------|-------------|--------------|--------------|-------------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Total | GRZ | Donor |
| | | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | | | |
| Core FNDP Programs | 1 | Arts and Culture Infrastructure | 1.00 | - | 1.00 | 1.10 | - | 1.10 | 1.21 | 1.21 | 1.33 | - | 1.33 | 1.46 | - | 1.46 | 6.11 | 6.11 | - |
| | 2 | Folklore and Intangible Heritage | 0.57 | - | 0.57 | 0.66 | - | 0.66 | 0.73 | 0.73 | 0.80 | - | 0.80 | 0.88 | - | 0.88 | 3.64 | 3.64 | - |
| | 3 | Arts and Culture Research | 0.04 | - | 0.04 | 0.04 | - | 0.04 | 0.05 | 0.05 | 0.05 | - | 0.05 | 0.06 | - | 0.06 | 0.25 | 0.25 | - |
| | 4 | Review of policies | 0.04 | - | 0.04 | 0.04 | - | 0.04 | 0.05 | 0.05 | 0.05 | - | 0.05 | 0.06 | - | 0.06 | 0.24 | 0.24 | - |
| | | Sub-total | 1.65 | - | 1.65 | 1.85 | - | 1.85 | 2.03 | 2.03 | 2.24 | - | 2.24 | 2.46 | - | 2.46 | 10.24 | 10.24 | - |
| Non core FNDP Programmes | 1 | Personal Emoluments | 0.58 | - | 0.58 | 0.63 | - | 0.63 | 0.68 | 0.68 | 0.73 | - | 0.73 | 0.78 | - | 0.78 | 3.38 | 3.38 | - |
| | 2 | General Administration | 0.27 | - | 0.27 | 0.30 | - | 0.30 | 0.33 | 0.33 | 0.36 | - | 0.36 | 0.39 | - | 0.39 | 1.63 | 1.63 | - |
| | 3 | International Cultural Cooperation | 0.50 | - | 0.50 | 0.55 | - | 0.55 | 0.61 | 0.61 | 0.67 | - | 0.67 | 0.73 | - | 0.73 | 3.05 | 3.05 | - |
| | 4 | Promotion of Cultural Industries | 0.05 | - | 0.05 | 0.06 | - | 0.06 | 0.06 | 0.06 | 0.07 | - | 0.07 | 0.07 | - | 0.07 | 0.31 | 0.31 | - |
| | 5 | Capacity Building (Shows and Exhibits) | 0.07 | - | 0.07 | 0.07 | - | 0.07 | 0.08 | 0.08 | 0.09 | - | 0.09 | 0.10 | - | 0.10 | 0.42 | 0.42 | - |
| | 6 | Support to Institution - National Arts Council | 0.60 | 0.70 | 1.30 | 0.67 | 0.70 | 1.37 | 0.74 | 0.70 | 0.81 | 0.70 | 1.51 | 0.88 | 0.70 | 1.58 | 7.19 | 3.69 | 3.50 |
| | | Sub-total | 2.06 | 0.70 | 2.76 | 2.27 | 0.70 | 2.97 | 2.49 | 0.70 | 2.71 | 0.70 | 3.41 | 2.94 | 0.70 | 3.64 | 15.98 | 12.48 | 3.50 |
| | | Grand Total | 3.72 | 0.70 | 4.42 | 4.12 | 0.70 | 4.82 | 4.52 | 0.70 | 4.95 | 0.70 | 5.65 | 5.41 | 0.70 | 6.11 | 26.21 | 22.71 | 3.50 |

WATER AND SANITATION



Water and Sanitation

19.1 Introduction

Zambia has vast water resources in form of rivers, streams, lakes and ground water. However, declining rainfall patterns over the years have had a significant adverse impact on the country's water resources. In terms of groundwater, Zambia has favourable geological conditions for accessing groundwater with regard to depth, storage capacity, available yields and exploitation potential. The National Water Policy of 1994, the 1994 National Environmental Support Programme and the Water Resources Master Plan, 1995 to 2015 have outlined strategies and comprehensive plans of action to develop the water sector to realize this potential for Zambia's social and economic development. However, water resource management has not succeeded to substantially improve access to water or prevent the pollution of both surface and groundwater. In agriculture, water is an important factor as a major input in irrigation, livestock watering, aquaculture, fisheries, food processing and other industries. The recently formulated national irrigation plan (NIP), whose focus is to make Zambia's agriculture less dependent on rain, envisages intensive exploitation of Zambia's water resources for irrigation. Water demand in manufacturing is projected to increase to 446,000m³/day in 2015. Water resources are also vital for Zambia's energy sector; generated energy is mainly from hydropower, using 42 percent of the surface water resource. On average, Zambia earns over US \$10 million per year on electricity exports.

Over the years, access to water has not improved significantly because of poor assessment and development strategies. The Government having realised this, is developing a new legal and institutional frameworks that will improve the way water is managed. A new institution is proposed to manage and develop the water resources for various uses. This institution is meant to be self-sustaining in the long run and will take into consideration the decentralisation policy.

19.2 Review of Past Performance

Some successes were achieved in the early and late 1990s during the implementation of the drought relief programme, upgrading of squatter compounds in peri-urban areas, and the rehabilitation of urban water supply programmes, which gave rise to increases in access to safe water supply. The drought relief programme was targeted at drilling and rehabilitation of boreholes and wells in the five drought prone provinces of Eastern, Central, Southern, Western and Lusaka. The rehabilitation of urban water supply systems was concentrated on the line of rail from Chililabombwe to Livingstone. Very little was done for "rural" district towns.

Based on constructed and rehabilitated water and sanitation facilities, access to safe water supplies in Zambia in 2000, was estimated at 86 percent of the population in urban areas and 37 percent of the population in rural areas. With regard to sanitation, the estimated coverage was 33 percent for urban areas in 2000 and 4 percent for rural areas. Real coverage is much lower and varies considerably from one place to another due to non-functioning facilities, and poor usage. In the peri-urban areas, where 50 to 70 percent of the urban population live, water supply and sanitation services are poor, inadequate and unreliable; at least 56 percent of the population do not have access to safe water supply, and as much as 90 percent do not have access to satisfactory sanitation facilities.

The 1998 *Living Conditions Monitoring Survey Report* indicates that in most of the districts in Western province, more than 80 percent of the population have no access to satisfactory sanitation facilities, and in at least four districts in Northern province, more than 80 percent of the population have no access to safe water supply. Thus, there is still a large underserved population, particularly in rural areas and low-income urban communities.

In the late 1980s and early 1990s, the Government began a sector review which revealed that the issues

constraining effective development and management of the water sector in Zambia are:

- a) Weak or inadequate legal and institutional frameworks for water resources development and management and also for rural water supply and sanitation;
- b) Inadequate data and information systems for water resources management and rural water supply and sanitation;
- c) Inadequate human resource and institutional capacity;
- d) Inadequate stakeholder participation, particularly in water resources management;
- e) Lack of integrated water resources management;
- f) Inadequate and unpredictable sector funding, and relatively lower and declining share in budgetary allocation;
- g) Large populations without water supply and sanitation services in urban poor communities and rural areas; and
- h) Insufficient sustainability and self-financing (cost coverage) in the urban water supply and sanitation sub-sector.

In the formulation of the TNDP in 2001, the Government's overall policy objective in the water sector was that of "promoting a sustainable water resources development with a view of facilitating an equitable provision of an adequate quantity and quality of water to all competing user groups at acceptable costs and ensuring security of supply under varying conditions." The goal was to achieve sustainable development and efficient management and utilisation of water resources in order to improve access. In the same vein, the PRSP programmes for the water sector included Water Resources Management; rehabilitation of small dams in Southern province; Ground Water Mapping in Southern province; rural water supply and sanitation (RWSS) Programme; Operation and Maintenance of rural water supply and sanitation; District-Water, Sanitation and Health Education (D-WASHE) support programme; new provincial RWSS programmes; and the urban water supply and sanitation programme. In spite of these positive efforts, implementation of the PRSP/TNDP programmes by the different actors was not very well coordinated, resulting in sub-optimal use of the sector's resources. Additionally, there was inadequate Government funding. The uncoordinated implementation of programmes made monitoring and evaluation difficult at national level.

One of the main interventions during the PRSP/TNDP period was the implementation in 2001 of the Water Resources Action Programme (WRAP), which aimed at implementing Zambia's National Water Policy through streamlining and strengthening water resources management functions, by establishing legal and institutional frameworks and included the revision of the National Water Policy and development of new legislation. Through WRAP, the Government elaborated a new legal and institutional framework and decision support systems for water resources development and management. The following have been prepared:

- a) Water Resources Management Bill;
- b) Proposed new Water Resources Institutional Framework; and
- c) Improved Water Resources Management Information System.

Implementation of these measures awaits the enactment of the proposed Water Resources Management Bill during the plan period. Other interventions include some isolated groundwater exploration and mapping exercises; dam rehabilitation; borehole drilling; and rehabilitation of hydrological stations. In urban and peri-urban water supply and sanitation, the Government has continued with the development of regulation and commercialisation of water supply and sanitation services under the ongoing water sector reforms. The reforms have recorded tangible achievements including the following:

- a) Successful decentralisation/devolution of service delivery from central government to local authorities;
- b) Ten commercial utilities were established by 2004 and performance in the sub-sector has improved;
- c) An effective regulatory regime has been implemented, including a sub-sector wide information and monitoring system; and
- d) The Devolution Trust Fund (DTF) has been operational since 2002 and has continued to offer support to WSS service providers to extend service provision to the peri-urban poor. With

investments of under K2 billion, an additional 40,000 urban poor have been given access to safe drinking water.

With respect to rural water supply and sanitation, the Government has continued to implement RWSS programmes in most provinces to improve access to water and sanitation services. The Government has also continued to support the planning, execution, management, operation and maintenance of RWSS services using D-WASHEs. The complementary D-WASHE support programme has continued with the implementation of programmes in Eastern, Southern, Central and Northern provinces and parts of North-Western province. However, lack of sector-wide information has presented significant challenges to estimating performance and progress in the sub-sector. In terms of overall performance, Zambia's water sector still faces major challenges in meeting the MDGs.

19.3 Policies and Key Reforms

In the late 1980s, the Government began the formulation of a policy and institutional reform of the water sector which culminated in the development and adoption of the national water policy of 1994. The national water policy provides the overall policy framework for the water sector. It covers water resources management, urban water supply and sanitation (i.e. water quality, water tariffs) and rural water supply and sanitation. The policy is guided by seven key principles, namely:

- a) Separation of water resources management from water supply and sanitation;
- b) Separation of regulatory and executive functions;
- c) Devolution of authority from central government to local authorities and private enterprises;
- d) Achievement of full cost recovery for water supply and sanitation services through user charges in the long run;
- e) Human resources development leading to more effective institutions;
- f) The use of more appropriate technologies for local conditions; and
- g) Increased Government priority and budget spending to the sector.

To operationalise water sector policies, a number of strategy documents have been developed. These include:

- a) Strategy and institutional framework for the water and sanitation sector approved in 1995, which specifies the institutional arrangements for provision of WSS by local authorities;
- b) National environmental sanitation strategy launched in 1998;
- c) Peri-Urban water supply and sanitation strategy launched in 2000 that targets WSS service provision to urban low income communities;
- d) Community water supply and sanitation Strategy developed in 2000 that targets rural WSS;
- e) Mainstreaming Gender in water supply and sanitation sector developed in 2000;
- f) WRAP implemented in 2001; and
- g) The national irrigation plan developed in 2001.

With respect to RWSS, the most significant strategy is the WASHE, adopted in 1996. The WASHE has the objective of promoting integrated development of water, sanitation and health education to improve the impact of water supply and sanitation on health and to promote community management so as to ensure sustainability of services through better financial support and operation and maintenance.

The sector's main components are as follows:

19.3.1 Water Resources Management and Development (WRM) which is responsible for sustainable management and development of the country's water resources in order to secure the provision of quality water to meet the social and economic requirements of the country. WRM functions fall under the Department of Water Affairs (DWA). However it is planned to decentralize some functions to the lowest appropriate levels through appropriate legislation. The Ministry of Energy and Water Development (MEWD) has the responsibility of initiating overall national water management policies and for setting national standards and priorities for water development and management. MEWD is also responsible for planning and construction of wells, dams and boreholes to promote irrigation and mitigate the effects of droughts, floods and other emergencies, such as outbreaks of epidemics.

19.3.2 Water Supply and Sanitation (WSS), which caters for:

- a) The provision and maintenance of adequate supply of water for human consumption and domestic use in rural areas. Water supply sources may be from boreholes, shallow water wells or springs. Sanitation aspects include the promotion of hygiene education in rural communities and schools. Rural water supply falls under the Department of Infrastructure and Support Services (DISS) in the Ministry of Local Government and Housing (MLGH), and implementation is decentralized to local authorities/councils; and
- b) Services for human consumption, industrial, agricultural, mining and other uses for urban towns and centres. WSS is managed by ten commercial water utilities in the country. Eastern (with the exception of Chipata) and Luapula provinces are yet to establish commercial water utilities.

During the plan period, a new water bill is scheduled to be presented to Parliament. The proposed new bill will have provisions for implementation of integrated water resource management. The legal framework for water supply and sanitation is currently anchored in two main pieces of legislation namely, the Local Government Act No. 22 of 1991 and the Water Supply and Sanitation Act No. 28 of 1997. Other legislation which has an impact on provision of water includes the Environmental Protection and Pollution Control Act of 1990 whose purpose is protection of the environment and control of pollution, and the Public Health Act of 1995, which has provisions for the management of sanitation and prevention of pollution to water supplies. The key water sector institutions and their responsibilities are given in Table 19.1.

Table 19.1: Players in the Water Sector and their Roles

| Actor | Roles |
|--|--|
| MEWD, Water Board | <ol style="list-style-type: none"> a) National water policy b) IWRM policy and international water c) Management and development of water resources d) Regulate water resources |
| MLGH, DISS | <ol style="list-style-type: none"> a) WSS sub-sector policy, strategy elaboration and overseeing service provision to urban and rural areas by local authorities and the commercial water utilities b) Resource mobilisation |
| MACO, MTENR, MoH | <ol style="list-style-type: none"> a) Strategy elaboration (i.e. irrigation policy), sanitation and hygiene promotion |
| Statutory Bodies: NWASCO, Water Development Board, ECZ | <ol style="list-style-type: none"> a) Advisory and regulatory roles b) Pollution Control (Environmental Council Zambia) |
| CUs | <ol style="list-style-type: none"> a) Service provision |
| Local Authorities | <ol style="list-style-type: none"> a) Service provision in rural and urban areas; in urban areas service provision is delegated to CUs |
| Training and research Institutions | <ol style="list-style-type: none"> a) Human resource training b) Research |
| Cooperating partners and NGOs | <ol style="list-style-type: none"> a) Provision of capital funds b) Execution of WSS programmes and projects by NGOs |
| Private Sector | <ol style="list-style-type: none"> a) Participation in financing and management of WSS b) Consulting services c) Construction of WSS facilities |
| Community and CBOs | <ol style="list-style-type: none"> a) Beneficiary of WSS services b) Maintenance of sources |

Source: Ministry of Energy and Water Development

19.4 Vision and Goal

The vision is: *A Zambia where all users have access to water and sanitation and utilise them in an efficient and sustainable manner for wealth creation and improved livelihood by 2030.*

The goal is: *To promote sustainable water resources development and sanitation with a view to facilitating an equitable provision of adequate quantity and quality for all users at acceptable costs and ensuring security of supply under varying conditions.*

19.5 Programmes, Objectives and Strategies

The following matrix gives the water and sanitation sector's main programmes and their respective objectives and strategies during the FNDP.

| Sector: Water and Sanitation | | | |
|------------------------------|--|--|---|
| No. | Programmes | Objectives | Strategies |
| 1 | Water Resource Development and Infrastructure Development | To assess, develop, and allocate water resources in the four priority pillars of economic development of agriculture, tourism, environment, mining, manufacturing and energy | <ul style="list-style-type: none"> a) Assess water resource in detail in the four pillars of national development, including studies on protection of public health and environment; b) Construct 30 assessment and monitor boreholes per year and rehabilitate existing boreholes in areas where the Government has directed its economic development; c) Construct 4 small dams per year for economic production; d) Rehabilitate and expand dams; e) Water use, irrigation and land use evaluation surveys in peri-urban areas, dambos and settlement schemes in rural areas; f) Provide drought emergency funds for development of water resources, such as boreholes for drought prone areas |
| 2 | Institutional Capacity Building and Enhancement | To promote legal and institutional framework capacity enhancement | <ul style="list-style-type: none"> a) Legal and institutional framework capacity enhancement (e.g. setting-up of the National Water Authority, IWRM unit at national level, catchment councils and water users association), and Marine Meteorological stations; b) Human resource development (recruitment and education and training of personnel to align them into IWRM sphere); c) Stakeholder participation and awareness raising |
| 3 | Water Resource Management and Information Systems | To develop management information systems for planning, development, allocation and management of water resources at catchment, national and regional level and to provide safe water and improve coverage in Zambia | <ul style="list-style-type: none"> a) Establish water resource information systems for planning, development and management; b) Develop catchment management plans; c) Assess water resources at catchment level; d) Rehabilitate dams at catchment level and mobilise communities; e) Assess groundwater based infrastructure at catchment level, such as boreholes; f) Produce weather and water 10-day bulletins; g) Maintain both surface and ground water resource database and the publish yearbooks; h) Implement water resource guidelines and methodology project, including water allocation guidelines; i) Implement conservation, including comprehensive, conjunctive surface and ground water efficiency, ecological protection, etc.; |

| Sector: Water and Sanitation | | | |
|-------------------------------------|--|---|---|
| No. | Programmes | Objectives | Strategies |
| | | | <ul style="list-style-type: none"> j) Implement of monitoring network, wetland survey, and in-stream flow requirement studies at catchment level; k) Implement economic accounting; l) Provide gender and IWRM issues support at catchment level; m) Provide conflict management and arbitrate water resources related conflicts and arbitration; n) Conduct NGO and CBO funding assessment |
| 4 | Water Resource Assessment Programme | To assess surface and groundwater resources country-wide in order to determine the quantity and quality of available water | <ul style="list-style-type: none"> a) Surface water resource assessment: <ul style="list-style-type: none"> ▪ Rehabilitate and upgrade of 300 hydrometric stations, 6 marine meteorological stations and establishing 10 new stations per year (including data collection); ▪ Water assessment (including existing reservoirs); ▪ Design & implement National water quality Monitoring Network (including data collection); ▪ Forecast flood and drought (including training) in conjunction with the Meteorological Department; ▪ Study water quality for threatened areas such as Lusaka, Copperbelt, Luapula, Eastern and Northern provinces; b) Groundwater resource assessment: <ul style="list-style-type: none"> ▪ Observe boreholes for groundwater resource development and assessment; ▪ Develop exploration boreholes; ▪ Monitor wells and boreholes (ground water level and quality monitoring); ▪ Rehabilitate existing groundwater systems, such as monitoring boreholes |
| 5 | International Waters | To manage and develop shared water resources | <ul style="list-style-type: none"> a) Establish an international waters unit; b) Build up capacity in the unit, e.g. negotiating skills; c) Facilitate the implementation of programmes related to international waters for example. SADC, ZRA, ZamCOM programmes; d) Oversee policy, legal and institutional framework governing international waters; e) Conduct research and consultancy in international waters to address specific issues and other related activities including stakeholder consultation |
| 6 | Research and Development | To carry out research and development in selected areas in the country for improved planning, regulation and allocation of Zambia's water resources | <ul style="list-style-type: none"> a) Implement, monitor and harmonise legal study on Institutional Enhancement Project and IWRM integration in Office of the Vice President – Disaster Management Unit; b) Implement Policy and Planning Project to bring about harmonisations of all key sector plans/policies (for |

| Sector: Water and Sanitation | | | |
|-------------------------------------|---|---|--|
| No. | Programmes | Objectives | Strategies |
| | | | <p>example, MACO& MTNER) into one through national consultative forums;</p> <p>c) Conduct water resource mapping, lake and river levels, modelling and development of information systems including use of Remote Sensing and GIS in mapping of selected catchments and hot-spots. Activities include feasibility studies & setting up measuring stations, mapping of impediments to water quantity, quality (e.g. erosion, pollution) where necessary;</p> <p>d) Establish environmental and agro-forest watershed management pilots in selected areas;</p> <p>e) Conduct research in development of simple technologies such as rain water harvesting, reclamation, recycling and re-use of waste water discharged; activities include impact assessment, social benefits and evaluation;</p> <p>f) Promote community participation in water and environmental management for economic growth; activities include environmental regulation review, water accounting, EIA review and assessment, NGO/CBO cooperative implementation, conflict resolution, pilot studies, small-scale irrigation demonstrations and sustainable natural resource management and uses</p> |
| 7 | Mainstreaming Cross-Cutting Issues: HIV/AIDS, Gender and Environment | To implement measures in the sector which enhance mainstreaming of cross-cutting issues | <p>a) Develop capacity in advocacy management, coordination and monitoring of HIV/AIDS and Environment</p> <p>b) Develop community and district level multi-sectoral structures for the implementation of cross-cutting issues;</p> <p>c) Reduce the negative impact of policy related to cross-cutting issues</p> |
| 8 | Monitoring and Evaluation | To monitor and evaluate the proposed programmes in order to achieve the desired impacts | <p>Carry out:</p> <p>a) Human Resource Development;</p> <p>b) Public Opinion Surveys;</p> <p>c) Conduct monitoring and evaluation</p> |
| 9 | Urban Water Supply and Sanitation | To provide adequate, safe, and cost-effective water supply and sanitation services | <p>Development and provision of sustainable water and sanitation service to more people in urban and peri-urban areas through:</p> <p>a) commercialisation, private sector participation and independent regulation;</p> <p>b) support to the national UWSS development that focuses on enhancing institutional capacities, policy and legal frameworks, and information management for planning and development at national, provincial and district levels;</p> |

| Sector: Water and Sanitation | | | |
|------------------------------|--|---|---|
| No. | Programmes | Objectives | Strategies |
| | | | <ul style="list-style-type: none"> c) support to investment programmes that aim at increasing access to safe, adequate water supply to 80 percent of the urban and peri-urban population by 2010, and proper sanitation systems to 70 percent for the urban and peri-urban population by 2010; d) involve service providers in the achievement of investment programmes |
| 10 | Rural Water Supply and Sanitation | To provide adequate, safe and cost-effective water supply and sanitation services with due regard to environmental issues | <p>Facilitation of universal access to safe, adequate and reliable water supply and sanitation services in rural areas through:</p> <ul style="list-style-type: none"> a) institutional support activities to facilitate more effective planning, implementation and monitoring of RWSS, focusing on: <ul style="list-style-type: none"> ▪ develop a supportive legal framework; ▪ institutional development, including development and implementation of appropriate capacity building at community, district, provincial and national levels; ▪ Information Management System (IMS); ▪ advocacy and publicity; ▪ district planning; ▪ Sanitation and Hygiene Education; ▪ Operation and Maintenance (O&M) systems. b) capital investment programmes consisting of projects for construction of new facilities and rehabilitation of facilities to secure or safeguard existing coverage, focusing on: <ul style="list-style-type: none"> ▪ integrated rural water supply and sanitation investment projects in all provinces, with priority given to extension of water and sanitation facilities, and related hygiene education awareness campaigns in the presently under-served Northern, Western, Luapula and Lusaka provinces; ▪ programmes for rehabilitation of existing facilities |

19.6 Implementation, Monitoring and Evaluation Framework

A holistic and comprehensive approach to the development of the water sector shall be used, focusing on the Sector Wide Approach (SWAp) to programming. Institutional responsibilities mandated by national policy will be adhered to while external support will be re-aligned to support sector programmes and priorities. The adoption of a SWAp will help to create a strong constituency advocating for increased funding to the sector and improved coordination and monitoring of sector resources.

In accordance with the national policy and legal framework, the roles and responsibilities for implementing the FNDP are outlined below for each sub-sector.

Water Resources Management (WRM)

The following Table 19.2 summaries the current functions of MEWD and its institutions. This arrangement will continue in the transitional period until the Water Resources Management Authority (WRMA) and its institutions are established and made functional.

Table 19.2: Current functions of MEWD and its Institutions

| Level | Key Institution | Main Responsibilities |
|----------|--|--|
| National | Ministry of Energy and Water Development | a) Leader b) Water policy c) Bilateral and multilateral international agreements |
| National | Water Board | a) Water allocation b) Policy of water abstraction from surface sources |
| National | National Water And Sanitation Council | Regulation of water supply and sanitation |
| National | DWA | Water resources management and development |
| Province | Provincial Water Office | Water resources management and development at provincial level |
| District | District Water Office | Water resources management and development at district level |

Source: Ministry of Energy and Water Development

- The MEWD shall be the lead institution for policy making and ensuring implementation of programmes for international waters;
- The new WRMA will take over the operational and regulatory functions of Department of Water Affairs and WDB, respectively, as well as improve the sub-sector information system and reporting. Department of Water Affairs will be responsible for policy making and management of international waters;
- The catchment Councils, with guidance/oversight from the WRMA, will be expected to implement WRM functions in their areas;
- Private sector participation shall be encouraged; and
- Water supply and sanitation regulatory roles will be performed by the National Water Supply and Sanitation Council (NWASCO).

Table 19.3 shows institutional functions according to the Water Resources Management Bill when enacted into law.

Table 19.3: Institutional functions after the Water Resources Management Act is passed

| Level | Key Institution | Main Responsibilities |
|---------------------|-------------------------------|--|
| National | MEWD | Policy making |
| National | WRMA | Implementation of IWRM |
| National | NWASCO | Regulation of water supply and sanitation |
| National | Department of Water Resources | Policy making and IWRM |
| River Catchments | Catchment Council | Implementation of IWRM at catchment level |
| Sub-Catchment | Sub-Catchment Council | Implementation of IWRM at sub-catchments level |
| User Community Area | Water User Association | Community participation in IWRM at community level |

Source: Ministry of Energy and Water Development

Urban, Peri-Urban Water Supply and Sanitation

- The MLGH shall be responsible for WSS policy, technical and financial supervision as well as resource mobilisation (for capital development) from foreign and local sources;
- National Water And Sanitation Council shall continue to play its role as water supply and sanitation regulator (reporting to MEWD);

- c) Commercial utilities shall be fully responsible for planning and implementation of infrastructure development programmes as well as operation and management of water supply and sanitation systems in their respective jurisdictions;
- d) Commercial utilities within the regulatory framework and funding support of the DTF shall extend service coverage in low income urban areas;
- e) Commercial utilities shall participate in creating awareness and demand for improved sanitation in low income urban areas through sensitisation and demonstration projects; and
- f) The MLGH will oversee capacity building in the sector and promote knowledge sharing among the sector players and support cost-effective in-house training.

Rural Water Supply and Sanitation

The implementation of the RWSS sub-sector programme will be carried out in accordance with the institutional framework adopted by the Government (through MLGH) in 2004. Implementation will be at four levels, with key responsibilities described in Table 19.4:

Table 19.4: Rural Water Supply and Sanitation: Responsibility Allocation

| Level | Key Institution | Main Responsibilities |
|------------|---|--|
| National | 1. Ministry of Local Government and Housing (Department of Infrastructure Support Services) | a) Overall responsibility for planning, implementation and coordination of the national programme; b) Policy guidance, setting standards, criteria for service provision, funding |
| | 2. The responsible agency is the Rural Water Supply and Sanitation Unit | c) Resource mobilisation, coordination with MFNP and cooperating partners; d) Monitoring and reporting on service provision; e) Liaison with line ministries of water, health, and community development to ensure complementary inputs into the programme |
| Provincial | Provincial Local Government Office | a) Coordinate implementation of district plans; b) Monitoring progress of implementation of district plans |
| district | District Council (Department of Works, Community Development and Health) | a) Planning of water supply and sanitation through WASHE; b) Overseeing plan implementation (approve district plans); c) Monitor progress; d) Disburse funds to communities |
| Community | D-WASHE, communities | a) Implementation of RWSS programmes; b) Collection of user charges; c) Operation and Management of facilities |

Source: Ministry of Energy and Water Development

With respect to monitoring and evaluation, regular and continuous checking and documentation of progress shall be undertaken to ascertain whether objectives and planned programmes/activities have been implemented and have realised desirable outputs and impact. The Sector Advisory Group will play an advisory role in sector development with the collaboration of all government institutions in the sector. Further strategies on monitoring will have to be elaborated, particularly at national level. In order for water to have impact on wealth creation, cross-sectoral indicators have to be developed to account for water's input in the productivity of such a sector. A decentralised approach to collecting data for monitoring shall be used. The implementing structure and the beneficiaries will be invited to

participate. Transparency of information and reporting shall be emphasised in order to enhance effective utilisation of budgets and inputs and equity of distribution of resources, which will be communicated in the operational and strategic feedback loop. With the decentralisation policy and the decentralisation implementation plan (DIP) in place, districts will be able to participate in monitoring results and make changes as and when required.

Sector: Water and Sanitation
(K Billion)

| Order of Priority | Program | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | GRAND TOTAL | | |
|-------------------|--|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|-------------|------|---------|
| | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | K'Billions | | |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | Total | GRZ | Donor |
| | | | | | | | | | | | | | | | | | | | |
| 1 | Rural Water Supply and Sanitation | 1.4 | 48.5 | 49.8 | 7.8 | 56.3 | 64.1 | 6.1 | 49.8 | 55.9 | 5.7 | 53.6 | 59.3 | 4.2 | 59.2 | 63.5 | 292.6 | 25.2 | 267.4 |
| 2 | Urban Water Supply and Sanitation | 0.9 | 49.4 | 50.3 | 7.9 | 49.6 | 57.5 | 5.3 | 46.9 | 52.2 | 5.9 | 44.3 | 50.2 | 6.2 | 31.1 | 37.3 | 247.6 | 26.2 | 221.4 |
| | | | | | | | | | | | | | | | | | | | |
| 3 | Peri-Urban Water Supply and Sanitation | 0.4 | 156.9 | 157.3 | 5.0 | 141.2 | 146.2 | 3.1 | 121.3 | 124.4 | 3.8 | 99.3 | 103.1 | 3.9 | 109.3 | 113.2 | 644.3 | 16.2 | 628.1 |
| | | | | | | | | | | | | | | | | | | | |
| 4 | National Solid Waste Management | - | 0.3 | 0.3 | 4.2 | 5.6 | 9.8 | 2.4 | 3.2 | 5.6 | 1.7 | 2.1 | 3.8 | 3.2 | 1.2 | 4.4 | 23.9 | 11.5 | 12.4 |
| Sub-total | | 2.6 | 255.1 | 257.7 | 24.9 | 252.8 | 277.7 | 16.9 | 221.2 | 238.1 | 17.1 | 199.4 | 216.5 | 17.5 | 200.9 | 218.4 | 1,208.4 | 79.1 | 1,129.3 |
| | | | | | | | | | | | | | | | | | | | |
| 1 | O&M of Water Schemes | 2.2 | - | 2.2 | 3.4 | - | 3.4 | 3.9 | - | 3.9 | 4.0 | - | 4.0 | 5.9 | - | 5.9 | 19.4 | 19.4 | - |
| | | | | | | | | | | | | | | | | | | | |
| Sub-total | | 2.2 | - | 2.2 | 3.4 | - | 3.4 | 3.9 | - | 3.9 | 4.0 | - | 4.0 | 5.9 | - | 5.9 | 19.4 | 19.4 | - |
| | | | | | | | | | | | | | | | | | | | |
| GRAND TOTAL | | 4.8 | 255.1 | 259.9 | 28.3 | 252.8 | 281.1 | 20.8 | 221.2 | 242.0 | 21.1 | 199.4 | 220.5 | 23.5 | 200.9 | 224.3 | 1,227.8 | 98.5 | 1,129.3 |

Sector: Water Resource Development
(K Billion)

| Order of Priority | Program | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|--------------------------|---|--------------------|--------------|--------------|--------------------|--------------|--------------|--------------------|--------------|--------------|-------------------|--------------|--------------|--------------------|--------------|--------------|---------------|---------------|--------------|
| | | Cost in K Billions | | | Cost in K billions | | | Cost in K billions | | | Cost in Kbillions | | | Cost in K billions | | | | | |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | Total | GRZ | Donor |
| Core FNDP Programs | Water Resource Development for Productive Use and Infrastructure Development Programme | 3.18 | 6.00 | 9.18 | 8.47 | 7.83 | 16.30 | 17.70 | 14.40 | 32.10 | 25.90 | 7.05 | 32.95 | 29.50 | 5.02 | 34.52 | 125.05 | 84.75 | 40.30 |
| | 1 Institutional Capacity Building and Enhancement Programme | 2.44 | 2.07 | 4.51 | 3.80 | 2.06 | 5.86 | 3.42 | 3.31 | 6.73 | 8.04 | 3.90 | 11.94 | 8.72 | 4.00 | 12.72 | 41.75 | 26.42 | 15.33 |
| | 2 Water Resource Management and Information Systems Programme | | | | | | | | | | | | | | | | | | |
| | 3 Water Resources Assessment Programme to determine quantity and quality country wide | 2.00 | 1.95 | 3.95 | 2.93 | 2.00 | 4.93 | 3.00 | 2.06 | 5.06 | 7.11 | 2.01 | 9.12 | 5.90 | 2.04 | 7.94 | 31.00 | 20.94 | 10.06 |
| | 4 International Waters Programme | 1.73 | 1.00 | 2.73 | 1.97 | 2.50 | 4.47 | 2.41 | 1.55 | 3.96 | 4.03 | 1.90 | 5.93 | 4.00 | 2.98 | 6.98 | 24.07 | 14.14 | 9.93 |
| | 5 Research and Development Programme | 1.10 | 1.20 | 2.30 | 1.00 | 0.92 | 1.92 | 1.02 | 0.40 | 1.42 | 1.02 | 0.40 | 1.42 | 0.80 | 0.62 | 1.42 | 8.48 | 4.94 | 3.54 |
| Non-Core FNDP Programmes | 6 Development Programme | 1.10 | 1.27 | 2.37 | 0.40 | 0.59 | 0.99 | 0.90 | 0.09 | 0.99 | 1.66 | 0.08 | 1.74 | 1.00 | 0.43 | 1.43 | 7.52 | 5.06 | 2.46 |
| | Sub-total | 11.54 | 13.49 | 25.03 | 18.57 | 15.90 | 34.47 | 28.45 | 21.81 | 50.25 | 47.76 | 15.34 | 63.10 | 49.92 | 15.09 | 65.02 | 237.86 | 156.24 | 81.62 |
| | Mainstream cross-cutting issues in the Water Sector such as HIV/Aids, Gender and Environmental concerns | | | | | | | | | | | | | | | | | | |
| | 1 Monitoring and Evaluation of the Programmes | 0.00 | 0.05 | 0.05 | 0.07 | 0.01 | 0.08 | 0.49 | 0.25 | 0.74 | 0.10 | 0.05 | 0.15 | 0.17 | 0.08 | 0.25 | 1.26 | 0.83 | 0.43 |
| | 2 Personal Emoluments (Retrenchment Costs) | 0.90 | 1.00 | 1.90 | 0.90 | 0.10 | 1.00 | 0.60 | 0.50 | 1.10 | 0.80 | 0.30 | 1.10 | 0.70 | 0.50 | 1.20 | 6.30 | 3.90 | 2.40 |
| | Sub-total | 0.90 | 1.05 | 1.95 | 5.97 | 0.11 | 6.08 | 1.09 | 0.75 | 1.84 | 0.90 | 0.35 | 1.25 | 0.87 | 0.58 | 1.45 | 12.56 | 9.73 | 2.83 |
| | Grand Total | 12.45 | 14.54 | 26.98 | 24.54 | 16.00 | 40.55 | 29.54 | 22.56 | 52.09 | 48.66 | 15.69 | 64.35 | 50.79 | 15.67 | 66.46 | 250.42 | 165.98 | 84.45 |

HOUSING



20.1 Introduction

The availability of adequate housing is an important pre-requisite to national economic development, as it is a basic social need after food and clothing. Any shortfall in the housing sector, therefore, could trigger severe negative impacts on social welfare, the environment, and on the general performance of the national economy. Indeed, housing is one of the most important indicators of poverty in the country.

Zambia has been facing a very critical shortage of housing since independence. The lopsided pattern of development between rural and urban areas has resulted in very high rural-urban migration without a corresponding effort to provide appropriate housing in the expanding urban regions. Moreover, until 1996, the country had no housing policy that could guide action in the sector.

20.2 Review of Past Performance

The Government for a long time has not addressed the problems facing the housing sector adequately. During the First Republic, the Government could only provide few institutional houses for government employees as well as a limited number of conventional rental housing under the control of local authorities. Initially, squatter clearance was the official reaction to the growing problem of illegal settlements in urban areas. It was not until the period of the Second National Development Plan that squatter settlements started being recognized for upgrading. Although site and service programmes were introduced, these were inadequately funded. Consequently, the proliferation of unplanned settlements in almost all the urban centres continued unchecked while civic authorities failed to provide them with such social amenities as water, roads and sanitation facilities. In 1991, the total national housing stock was estimated at 1,501,898. This increased to 2,311,988 in 2001 (Table 20.1). This dismal performance is reflected in the current distribution of the total national housing stock which shows that about 80 percent of the houses are informal and poorly serviced or not serviced at all.

Table 20.1: National Housing Stock

| Housing Type | 1991 | | 2001 |
|------------------|---------------|------------------|---------------|
| | No. of Houses | % of total stock | No. of Houses |
| Traditional | 988,249 | 65.8 | 1,527,301 |
| Squatter | 160,703 | 10.7 | 242,771 |
| Site and Service | 58,574 | 3.9 | 87,743 |
| Low cost | 241,806 | 16.1 | 381,498 |
| Medium cost | 24,532 | 1.7 | 32,369 |
| High cost | 26,034 | 1.8 | 39,306 |
| Total | 1,501,898 | 100 | 2,311,988 |

Source: NHA 2001 Annual Report

The main problem in the housing sector is lack of adequate finance. Prior to 1996, investment in housing was less than 3 percent of the GDP. The following realities characterise the sector:

- Due to the high level of poverty, the majority of Zambians cannot afford decent housing;
- Low cost houses have been regarded as high risk business both in transferability and in terms of security of tenancy;
- There is inadequate government investment in the housing sector, particularly low cost housing which is required by the poor;
- There are very few programmes that facilitate the poor to access low interest housing loans, for example the Zambia Low Cost Housing Development Fund Trust (for Africa Housing Fund Project);
- The land tenure system has been riddled with administrative hurdles, thus inhibiting easy entry by the private sector into the housing market. Presently, land acquisition procedures have remained highly centralized and cumbersome. The Land Act of 1975, which is currently being reviewed, has major restrictive provisions in the allocation of land;

- f) Infrastructure services such as water supply, sanitation, roads, storm water drainage, electricity, etc. are inadequate and/or poorly maintained in most residential areas. Land that is provided by local authorities is mostly not serviced to prepare for decent housing development. No roads are usually provided for the developers, thereby making it difficult for them to bring in building materials, while lack of water makes it even more difficult to undertake actual construction; and
- g) Very few local authorities/councils have been involved in the construction of new dwelling structures due to inadequate funding.

In the mid-1990s, some reforms were undertaken by the Government in the housing sector in the area of home ownership through the sale (to sitting tenants) of government pool houses as well as those formerly owned by local authorities and parastatal organizations. Almost all publicly-owned housing units were offloaded onto the housing market, to empower the people with own housing. In addition maintenance of these units proved difficult too. This empowerment policy was also meant to raise the standard of living of the tenants as they bought the houses at highly discounted prices. Many low cost houses were simply given away, except for expenses spent on documentation of change of ownership. The empowerment policy was also meant to solve the problems of lowly paid civil servants and other public workers who had no access to loan facilities and who would have retired into destitution. In addition, the Presidential Housing Initiative (PHI) was introduced. This resulted in the construction of medium to high cost houses, in Lusaka and Ndola.

The National Housing Policy was adopted in 1996 with the overall aim of providing adequate and affordable housing to all income groups in the country. To this end, the Government liberalized the housing sector and provided an enabling environment to stimulate private investment in housing in order to provide more housing units to satisfy the ever increasing demand. Lack of adequate finance in the housing sector has, however, hindered satisfactory performance throughout the country. Moreover, this Policy has not been fully implemented due to the absence of a National Housing Development Programme/Strategy. Nevertheless, the ongoing efforts through the National Housing Authority, the Zambia Low Cost Housing Development Fund Trust (ZLCHDFT), formerly Africa Housing Fund project (AHF), and the introduction of the Municipal Bonds have the potential for improving the housing stock in the country. Housing projects undertaken by the National Housing Authority and the ZLCHDFT given in Table 20.2.

Table 20.2: Housing Units*Development 2002-2004

| Year | NHA | ZLCHDFT | MLGH |
|------|-----|---------|------|
| 2002 | 413 | 176 | - |
| 2003 | 265 | 212 | - |
| 2004 | 186 | - | 21 |

Source: MFNP, Economic Report 2002, 2003, and 2004

20.3 Policies and Key Reforms

The National Housing Policy shall continue to guide policy action in the housing sector during the FNDP. It shall, nevertheless, be reviewed to bring it in line with the Government's new initiatives as it targets the increase of housing stock during this period. Currently, the Housing Policy defines the technical, financial and administrative framework needed to carry out housing programmes. It also identifies the agents, both public and private, responsible for implementation. During the FNDP, the Government shall strive to increase resources earmarked for housing development.

In the Plan period, the Government shall place a high premium on the facilitation of the introduced housing bonds that provide cheap long-term finance for local authorities, obtainable on the capital market. Due to lack of credibility of most councils, a special purpose vehicle has been established to guarantee repayment of such funds, as they also act as a pool of receivable assets and issue the actual bonds. This has been necessitated also by lack of adequate grants to councils from the Central Government and the need for councils to be self-sustaining. A pilot project in five councils (Chipata, Lusaka, Solwezi, Kitwe, and Livingstone) will be undertaken before the programme is replicated in other districts of the country.

20.4 Vision and Goal

The vision is: *Provision of adequate and affordable housing to the majority of Zambians by 2030.*

The goal is: *To provide adequate affordable housing for all income groups in Zambia.*

20.5 Programmes, Objectives and Strategies

The following are the objectives, strategies and programmes for the housing sector over the Plan period.

| | PROGRAMME | OBJECTIVE | STRATEGIES |
|----|---|---|--|
| 1. | National Housing Development Programme | To increase the housing stock in districts for both Home Ownership and Rental. | <ul style="list-style-type: none"> a) Construct 100 Housing units every year (50 low cost, 30 medium cost and 20 high cost houses) in each district; b) Encourage Public-Private Partnerships in the provision of housing; c) Ensure gender equity in the provision of housing; d) Ensure access by all disadvantaged groups; e) Provide basic services for housing development; f) Carry out Housing needs assessment for each district; g) Encourage Home Ownership and Rental Housing schemes; h) Provide serviced land for private housing development; i) Mobilize cheap long-term finance from the capital market for housing development; j) Review the National Housing Policy; k) Synergise efforts in the preparation of building plans and bills of quantities with Ministry of Works and Supply and National Housing Authority. |
| 2. | Upgrading of unplanned settlements | To improve the living environment of unplanned urban settlements. | <ul style="list-style-type: none"> a) Foster housing areas that are healthy, functional, environmentally friendly and aesthetically pleasant; b) Provide basic services such as water and sanitation, roads, and other social amenities; c) Streamline building standards, regulations and other controls; d) Provide solid waste management systems; e) Relocate families living in arrears earmarked for other development in approved Structure Plans. |
| 3. | Promotion of local building materials and technology development | To promote the development and use of cheap local building materials for housing development. | <ul style="list-style-type: none"> a) Research in improving the quality of local material to extend the life span; b) Encourage private sector manufacturing of affordable building materials; c) Develop training programmes for use of local materials; d) Disseminate and demonstrate programmes to popularize the use of local building materials. |
| 4 | National Housing Implementation Programme | To revise and update the National Housing Development Programme. | <ul style="list-style-type: none"> a) Finalize and submit the National Housing Development Programme document for approval; b) Disseminate the National Housing Development Programme to stakeholders. |
| 5 | National Housing Bonds Programme | To mobilize cheap long-term finance on the capital market for housing development in Local Authorities. | <ul style="list-style-type: none"> a) Establish Special Purpose Vehicle (SPV) to ring-fence the Bond from the issuer (Local Authority and Ministry of Local Government and Housing) in order to enhance credibility and boost investor confidence in the Bond issue; b) Appoint a Board of Trustees to manage the SPV; c) Register the SPV as a Trust; d) Encourage Private Sector participation in Housing Bonds; e) Revise and update the National Housing |

| | | | |
|---|---|--|--|
| | | | Development Programme; f) Construct 10,000 housing units by National Housing Authority for Home Ownership and Rental housing. |
| 6 | Low Cost Housing Development for the Poorest of the Poor | To provide adequate, affordable Low Cost Housing for the poorest of the poor in the urban areas. To promote Capacity Building in building technology for the poor and enable self-help methods. | a) Involve communities in the identification and implementation of the Low Cost Housing Projects; b) Conduct training to benefit communities' local building material production and construction methods; c) Build capacity of beneficiaries in micro credit management skills. |
| 7 | Structure Plan Development | To prepare Integrated Development (Structure) Plans (IDPs) for 68 districts. | a) Update outdated IDPs; b) Engage consultants; c) Strengthen the capacities of Planning Authorities in the country; d) Strengthen monitoring and evaluation capacities of Planning Authorities; e) Review Spatial Planning Legislation. |

20.6 Implementation, Monitoring and Evaluation Framework

The two main implementation structures will be the special purpose vehicle (SPV) for the National Housing Bonds Programme and the Zambia Low Cost Housing Development Fund Trust. The former, which is an independent body with its own Board of Trustees, will be used to raise funds using housing bonds from the capital market while the latter will concentrate its work on delivering low cost houses. Although independent, the operations of the two structures will be coordinated by, and harmonized with, the activities of the Department of Physical Planning and Housing at the Ministry of Local Government and Housing (MLGH). The Ministry will be supported by the Technical Committee and the National Consultant on the National Housing Bonds Programme.

The sector activities shall be monitored and evaluated by the MLGH Senior Management Team; the Department of Physical Planning and Housing; the SPV Board of Trustees, the Technical Committee and the National Consultant on the National Housing Bonds Programme, and the Zambia Low Cost Housing Development Fund Trust Board of Trustees. The SAG shall closely track the various implementation instruments, timetables and benchmarks which shall be established.

Sector: Housing

| Order of Priority | | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | K' Billions | | |
|------------------------|-------------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|--------|---------------------|--------|--------|-------------|--------|-------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Total | GRZ | DONOR |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| Core FNDP Programs | 1 | 0.73 | - | 0.73 | 0.97 | - | 0.97 | 1.30 | - | 1.30 | 1.15 | - | 1.15 | 0.88 | - | 0.88 | 5.03 | 5.03 | - |
| | 2 | 0.73 | 8.03 | 8.76 | 0.67 | 8.03 | 8.70 | 0.61 | 4.53 | 5.13 | 0.85 | 4.53 | 5.38 | 0.88 | 4.53 | 5.41 | 33.37 | 3.74 | 29.63 |
| | 3 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | 4 | - | - | - | 27.50 | - | 27.50 | 32.00 | - | 32.00 | 32.00 | - | 32.00 | 26.50 | - | 26.50 | 118.00 | 118.00 | - |
| Non Core FNDP Programs | | | | | | | | 4.50 | 3.50 | 8.00 | 4.50 | 3.50 | 8.00 | | 3.50 | | 8.00 | 9.00 | 10.50 |
| | Sub-total | 1.46 | 8.02 | 9.49 | 29.14 | 8.02 | 37.17 | 38.41 | 8.025 | 46.43 | 38.50 | 8.02 | 46.525 | 28.27 | 8.025 | 36.291 | 175.90 | 135.77 | 40.12 |
| | | | | | | | | | | | | | | | | | - | - | - |
| | Sub-total | | | | | | | | | | | | | | | | - | - | - |
| | Grand Total | 1.46 | 8.02 | 9.49 | 29.14 | 8.02 | 37.17 | 38.41 | 8.025 | 46.43 | 38.50 | 8.02 | 46.525 | 28.27 | 8.025 | 36.291 | 175.90 | 135.77 | 40.12 |

DISABILITY AND DEVELOPMENT



Disability and Development

21.1 Introduction

According to the *Zambian Persons with Disabilities Act No. 33 of 1996*, disability is defined as any restriction resulting from an impairment or inability to perform any activity in the manner or within the range considered normal for a human being, and would or would not entail the use of supportive or therapeutic devices and auxiliary aids, interpreters, white cane, reading assistants, hearing aids, guide dogs or any other animals trained for that purpose. Persons with disabilities face numerous barriers in realising equal opportunities. They are more often among the poorest of the poor. Disability limits access to education and employment, leading to economic and social exclusion. It further leads to environmental, access, legal, institutional and attitudinal barriers. These barriers are usually associated with feelings of shame, fear and rejection. Disability does not just affect the individual, but impacts on the whole community. The cost of excluding people with disabilities from taking an active part in community life is high and has to be borne by society, particularly those who take on the burden of care. This exclusion often leads to losses in productivity and human potential. Accessibility to the physical environment and information is mostly non-existent as almost everything around was built by and for persons without disabilities.

There are many persons with disabilities in all parts of Zambia and at all levels of society. According to the World Health Organisation (WHO), there are 10 to 20 percent persons with disabilities in every given population. This means that there could be about 1 million to 2 million persons with disabilities in Zambia. To a large extent, disability in Zambia is regarded as an issue of charity. The responsibility of supporting persons with disabilities has always fallen on the family. Government intervention, where it has existed, has often been channelled through welfare policies with minimal commitment to addressing disability. It has now become widely recognised that the dependency does little to empower disabled people, and finally isolates them from the mainstream of society. Though awareness has been limited, society is slowly awakening and has come to realise that to make any progress in the struggle of achieving equal opportunities for persons with disabilities, the rights and needs of persons with disabilities have to be entrenched in all pieces of legislation and development plans at all levels of society.

21.2 Review of Past Performance

Between the 1980s and 1990, there was an increase in the number of rehabilitation centres and employment opportunities. However, the period of economic restructuring witnessed significant decline in social welfare as the provision of social services were reduced. The structural adjustment programme, to the extent that it reduced public expenditure on the social sectors, seriously affected the services that were targeting people living with disabilities. Many disabled persons lost their jobs. Currently, the situation is changing as the government now views persons with disabilities as partners in development. The PRSP/TNDP both recognised the importance of addressing the plight of the poor and pro-poor public expenditures were increased. However, the plight of those that are disabled has remained generally unchanged.

There is only one piece of legislation on disability, namely, the *Persons with Disabilities Act No. 33 of 1996*, which also ushered in the Zambia Agency for Persons with Disabilities. Since its enactment, however, the Act has not been enforced and its violations are rarely recognised due mainly to ignorance among the various stakeholders of what it entails. Recently, the Ministry of Community Development and Social Services (MCDSS) produced a national policy on disability but no implementation plan has been put in place to realise its objectives.

21.3 Policies and Key Reforms

Government recognises that all persons with disabilities ought to have the same rights, choices and needs as people without disabilities. As part of the process of equalising opportunities, deliberate efforts shall be made during the FNDP to enable persons with disabilities to assume a more complete and meaningful responsibility as other members of society. Deliberate and effective interventions will be put in place to accelerate progress during the FNDP towards the attainment of the rights and needs of persons with disabilities. In particular, a deliberate effort shall be made by the Government to communicate more effectively with those with impaired vision and hearing through the provision of sign language and braille facilities. Enhanced support to person with disabilities shall be done through, *inter alia*, increased government spending on disability; developing inclusive mainstream policies; review of existing pieces of legislation; and the establishment and/or strengthening of institutions and systems that aim to effectively address the challenges facing people with disabilities. Partnerships among various stakeholders shall be developed and nurtured and interventions up-scaled and effectively coordinated.

21.4 Vision and Goal

The vision is: *People with disabilities enjoying equal opportunities that are generally available in society and are necessary for the fundamental elements of living and development by 2030.*

The goal is: *To attain full participation, equality and empowerment of persons with disabilities during the Plan period.*

21.5 Programmes, Objectives and Strategies and Responsible Institutions

The matrix below presents the FNDP programmes and their respective objectives and strategies and the responsible institutions in the area of Disability and Development.

| Sector: Disability and Development | | | | |
|------------------------------------|-------------------|---|--|--|
| No. | Programmes | Objectives | Strategies | Responsible Institution |
| 1 | Awareness Raising | To promote a positive image of persons with disabilities in order to change society's negative attitude | a) Research, develop and implement a public awareness programme; b) Establish and maintain a database as well as websites on disability issues | Zambia Agency for Persons with Disabilities (ZAPD) |
| 2 | Medical Care | To ensure persons with disabilities have access to quality medical services in order to enable them contribute to the human and socio-economic development of the nation | a) Provide free treatment, as well as any other medical & health services, to persons with disabilities; b) Formulate and disseminate a code of ethics for public and private health care, which promotes quality care and respect for persons with disabilities | MoH & ZAPD |
| 3 | Rehabilitation | To ensure persons with disabilities have access to quality rehabilitation services in order to attain their full functional capacity and contribute effectively to national development | a) Undertake research, development and application of new technologies for persons with disabilities; b) Rehabilitate and or establish new rehabilitation centres and equip them with new technology; c) Establish, promote and support community based rehabilitation for persons with disabilities | ZAPD & MSTVT ZAPD & MCDSS |
| 4 | Support Services | To ensure the development and provision of support services for persons with | a) Develop, distribute and maintain assistive and adaptive devices and equipment, free of charge, for persons with disabilities; | ZAPD |

| Sector: Disability and Development | | | | |
|---|---|--|--|---|
| No. | Programmes | Objectives | Strategies | Responsible Institution |
| | | disabilities in order to increase their level of independence in their daily living | b) Develop and implement programmes on the provision of assistive and adaptive devices, personal assistants and interpreter services to persons with disabilities | |
| 5 | Social Security | To provide social security and insurance for persons with disabilities in order to improve their living conditions | a) Develop and implement policy on significant tax exemptions on income (direct or indirect), assistive devices, etc. for persons with disabilities; b) Develop and implement policy on land and housing allocation to persons with disabilities, including construction of low cost houses; c) Introduce a disability allowance for all persons with disabilities earning an income below the poverty datum line (income tax threshold) and those in destitution, including parents of children with disabilities, as a social protection scheme from extreme poverty | MoFNP & ZAPD MoL, MLGH & ZAPD ZAPD |
| 6 | Education and Skills Development | To facilitate the provision of special needs education for early childhood, basic, high school and tertiary levels for persons with disabilities so as to develop their full human potential and sense of dignity and self-worth | a) Strengthen and implement training programmes for teachers in special needs education; b) Construct and rehabilitate schools and institutions in order to address special learning needs of persons with disabilities c) Provide free education to persons with disabilities, from early childhood to tertiary level; d) Provide adequate educational facilities, services and equipment (e.g. Braille material and sign language interpretation) to persons with disabilities | MoE & ZAPD MoE, MSTVT & ZAPD |
| 7 | Employment | To create equal employment opportunities for persons with disabilities in order to ensure their full participation in national development | a) Provide better tax incentives to organisations employing persons with disabilities; b) Provide micro-credit to persons with disabilities to enable them undertake entrepreneurial activities; c) Put in place measures aimed at designing and adapting work places to create accessibility for persons with disabilities | MoFNP, MoLSS & ZAPD ZAPD, MCDSS & MYSCD MoWS & ZAPD |
| 8 | Recreation, Culture and Sports | To provide recreation and sporting facilities for persons with disabilities so as to enable them have the opportunity to develop and utilise their creative, artistic and intellectual potential | a) Construct and rehabilitate recreational and sporting facilities (e.g. roads, airports, hotels, beaches, sports arenas, gym halls, stadia, etc.,) for easy access by persons with disabilities; b) Collaborate with sports and | MYSCD, MoWS, MTENR, MoTC, MLGH & ZAPD |

| Sector: Disability and Development | | | | |
|---|---------------------------------------|---|--|--|
| No. | Programmes | Objectives | Strategies | Responsible Institution |
| | | | recreational organisations to ensure that persons with disabilities have access to their services | MYSCD, MTENR & ZAPD |
| 9 | Political and Public life | To create an environment in which persons with disabilities can effectively and fully participate in political and public life in order to contribute to the decision- making process | a) Develop, implement and disseminate policy on equal participation & self-representation in politics & public life by persons with disabilities; b) Establish disability desks (or disability focal points) headed by persons with disabilities at all government levels including the Office of the President; c) Establish a Parliamentary Committee on Disability & Development with adequate representation from DPOs | All Ministries, ZAPD & Cabinet Office All Ministries & Cabinet Office Parliament |
| 10 | Policy and Legislation | To formulate and implement inclusive policies, programmes and legislation in order to promote the full participation, equality and empowerment of persons with disabilities | a) Identify and review policy and legislation that impact negatively on persons with disabilities; b) Provide free legal services to persons with disabilities | All Ministries & ZAPD MoJ & ZAPD |
| 11 | Capacity Building of DPOs/DSOs | To support and strengthen Disabled Peoples' Organisations (DPOs) in order to enable them effectively represent persons with disabilities at local, national and international levels | a) Develop and implement training programmes for DPOs and DSOs including, <i>inter alia</i> , sponsorships and scholarships of a local or international nature b) Provide technical and financial support (in form of grants) to accountable and democratically run DPOs & DSOs | ZAPD & MSTVT ZAPD & MoFNP |
| 12 | Resource Mobilisation | To mobilise financial, material, human and technical resources for the implementation of programmes and measures to create equal opportunities for persons with disabilities | a) Ensure that when planning and reviewing technical & economic, bilateral and multilateral cooperation programmes, special attention is given to issues of persons with disabilities; b) Take measures to include a disability component in all government budgets and budgetary allocations at all levels; c) Develop policies and other measures to ensure that the private sector, state lotteries, subscriptions, wills, etc. are other avenues of raising funds for the implementation of programmes | MoFNP, MFA & ZAPD. All Ministries MoFNP & ZAPD |

21.6 Implementation, Monitoring and Evaluation Framework

In the implementation and monitoring of the various disability programmes contained in this Plan, respective sectors will be responsible for related issues to their sector (for example, health related issues will be handled by the health sector). Cross cutting issues (such as awareness raising) will be the responsibility of all sectors. The Zambia Agency for Persons with Disabilities (ZAPD) will be responsible for the implementation of any other interventions such as capacity building of disabled

peoples organisations (DPOs)/disability service organisations (DSOs), as well as to be in the forefront of stimulating inclusive policies in relevant sectors on disability.

In coordinating and monitoring the implementation of various programmes, Government, in collaboration with DPOs as well as DSOs shall:

- a) Undertake to produce a baseline report on the legislative, judicial, administrative and other measures in effect at the time of the coming into force of the FNDP. Such a baseline report shall serve as a basis against which subsequent progress towards the achievement of the needs of persons with disabilities will be measured;
- b) Strengthen the administrative and technical capacity of ZAPD at all levels, to enable it effectively coordinate the implementation and monitoring of the FNDP regarding disability issues with emphasis on adequate and effective representation of all key stakeholders;
- c) Strengthen district structures of ZAPD to ensure that activities and services reach the grassroots. District structures will be strengthened through training and mobilisation of people with disabilities in committees and the acquisition/setting up of an operating centre for each district equipped with computers and telecommunication facilities;
- d) Establish, in monitoring the activities of the FNDP on disability, a Coordinating Committee, under the auspices of ZAPD, comprising representatives from key Disabled Peoples Organisations and other key stakeholders in disability affairs;
- e) Periodically and systematically evaluate national disability programmes and disseminate both the bases and the results of the evaluations;
- f) Create and submit all reports on the implementation of the FNDP *vis-à-vis* disability issues to an Inter-Ministerial and DPOs/DSOs Committee at Cabinet Office through ZAPD; and,
- g) The SAG will oversee the implementation, monitoring and evaluation of the programmes.

SECTOR: Disability and Development
(K Billion)

| Order of priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|------------------------|--------------------|--------------------|------------|-------------|--------------------|------------|-------------|--------------------|------------|-------------|--------------------|------------|-------------|--------------------|------------|-------------|--------------|------------|--------------|
| | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Grand Total | | |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total |
| Core FNDP Programs | 1 | 3.2 | 0.0 | 3.2 | 2.4 | 0.0 | 2.4 | 2.0 | 0.0 | 2.0 | 1.9 | 0.0 | 1.9 | 1.9 | 0.0 | 1.9 | 11.3 | 0.0 | 11.3 |
| | 2 | 1.4 | 0.0 | 1.4 | 2.3 | 0.0 | 2.3 | 2.3 | 0.0 | 2.3 | 2.3 | 0.0 | 2.3 | 2.3 | 0.0 | 2.3 | 10.5 | 0.0 | 10.5 |
| | Sub-total | 4.6 | 0.0 | 4.6 | 4.7 | 0.0 | 4.7 | 4.3 | 0.0 | 4.3 | 4.1 | 0.0 | 4.1 | 4.1 | 0.0 | 4.1 | 21.8 | 0.0 | 21.8 |
| Non Core FNDP Programs | 1 | 3.4 | 0.0 | 3.4 | 3.5 | 0.0 | 3.5 | 4.8 | 0.0 | 4.8 | 4.9 | 0.0 | 4.9 | 4.9 | 0.0 | 4.9 | 21.5 | 0.0 | 21.5 |
| | 2 | 6.7 | 0.0 | 6.7 | 5.6 | 0.0 | 5.6 | 5.1 | 0.0 | 5.1 | 4.5 | 0.0 | 4.5 | 1.6 | 0.0 | 1.6 | 23.5 | 0.0 | 23.5 |
| | 3 | 1.7 | 0.0 | 1.7 | 0.5 | 0.0 | 0.5 | 2.4 | 0.0 | 2.4 | 2.7 | 0.0 | 2.7 | 1.0 | 0.0 | 1.0 | 8.2 | 0.0 | 8.2 |
| | 4 | 4.8 | 0.0 | 4.8 | 4.8 | 0.0 | 4.8 | 4.8 | 0.0 | 4.8 | 4.8 | 0.0 | 4.8 | 4.8 | 0.0 | 4.8 | 24.0 | 0.0 | 24.0 |
| | 5 | 4.2 | 0.0 | 4.2 | 4.2 | 0.0 | 4.2 | 4.1 | 0.0 | 4.1 | 4.1 | 0.0 | 4.1 | 4.1 | 0.0 | 4.1 | 20.7 | 0.0 | 20.7 |
| | 6 | 3.1 | 0.0 | 3.1 | 3.1 | 0.0 | 3.1 | 3.1 | 0.0 | 3.1 | 3.1 | 0.0 | 3.1 | 3.1 | 0.0 | 3.1 | 15.4 | 0.0 | 15.4 |
| | 7 | 2.8 | 0.0 | 2.8 | 2.8 | 0.0 | 2.8 | 2.8 | 0.0 | 2.8 | 2.8 | 0.0 | 2.8 | 2.8 | 0.0 | 2.8 | 13.9 | 0.0 | 13.9 |
| | 8 | 1.8 | 0.0 | 1.8 | 1.8 | 0.0 | 1.8 | 1.8 | 0.0 | 1.8 | 1.8 | 0.0 | 1.8 | 1.2 | 0.0 | 1.2 | 8.6 | 0.0 | 8.6 |
| | 9 | 0.7 | 0.0 | 0.7 | 0.9 | 0.0 | 0.9 | 0.9 | 0.0 | 0.9 | 0.6 | 0.0 | 0.6 | 0.6 | 0.0 | 0.6 | 3.8 | 0.0 | 3.8 |
| | 10 | 1.6 | 0.0 | 1.6 | 0.4 | 0.0 | 0.4 | 0.4 | 0.0 | 0.4 | 0.4 | 0.0 | 0.4 | 0.4 | 0.0 | 0.4 | 3.1 | 0.0 | 3.1 |
| | 11 | 1.1 | 0.0 | 1.1 | 0.4 | 0.0 | 0.4 | 0.3 | 0.0 | 0.3 | 0.3 | 0.0 | 0.3 | 0.3 | 0.0 | 0.3 | 2.5 | 0.0 | 2.5 |
| | 12 | 0.3 | 0.0 | 0.3 | 0.2 | 0.0 | 0.2 | 0.2 | 0.0 | 0.2 | 0.3 | 0.0 | 0.3 | 0.2 | 0.0 | 0.2 | 1.1 | 0.0 | 1.1 |
| | Sub-total | 32.1 | 0.0 | 32.1 | 28.0 | 0.0 | 28.0 | 30.7 | 0.0 | 30.7 | 30.2 | 0.0 | 30.2 | 25.0 | 0.0 | 25.0 | 146.1 | 0.0 | 146.1 |
| | Grand Total | 36.7 | 0.0 | 36.7 | 32.7 | 0.0 | 32.7 | 35.0 | 0.0 | 35.0 | 34.4 | 0.0 | 34.4 | 29.1 | 0.0 | 29.1 | 167.9 | 0.0 | 167.9 |

SOCIAL PROTECTION



22.1 Introduction

Social protection refers to policies and practices that protect and promote the livelihoods and welfare of people suffering from critical levels of poverty and deprivation and/or are vulnerable to risks and shocks. The need for social protection is based on the following considerations:

- a) No meaningful and sustained economic growth can be achieved in the absence of social protection. At the same time, economic growth is necessary to make possible the financing of social protection programmes. Social protection strengthens the capacity of the poor and vulnerable to face risks and reduces the need for expensive emergency interventions in case of shocks;
- b) Social protection contributes directly to poverty reduction by providing direct transfers to people with no immediate capacity to support themselves. Direct transfers raise their incomes and consumption levels, and providing access to education, health and other social services;
- c) Social protection promotes equity by reducing income inequality. Inequality, if not seriously addressed, can be a fertile ground for political upheavals, crime, and anti-social behaviour; and
- d) Social protection leads to the fulfilment of human rights of refugees and internally displaced persons by providing services that strengthen and secure their access to basic rights and freedoms.

Key risk factors can either be co-variant, affecting an entire community, such as natural disasters, HIV and AIDS, and macroeconomic shocks or idiosyncrasies, affecting individuals or defined groups of people through life cycle events, such as sickness, death of breadwinner and old age. Key risks for the most vulnerable groups in society include lack of sustainable livelihoods in rural areas; inadequate access to social security, education and training; inadequate health services; HIV/AIDS; violence against women and children; and lack of legal entitlements for refugees. In its attempt to protect the affected communities and individuals from risks and shocks, social protection seeks to tackle the incidence and impact of any risk event at three possible levels: risk reduction, risk mitigation, and risk coping. Social protection involves a range of different actors such as family, communities, public, and private interventions. The extended family system has been particularly effective in risk management although lately it has been over-stretched by the effects of HIV/AIDS and poor economic conditions.

The extreme poverty and vulnerability levels in Zambia require that the affected communities, households, and individuals are protected from constant shocks. Given scarce resources and limited administrative capacity, social protection during the Plan period will focus on approximately 20 percent of the population. The most vulnerable groups in Zambia can be grouped into three categories, namely:

- a) Low capacity households including widows, the disabled, the old, and other marginalised, low-income households, and informal sector operators;
- b) Incapacitated households with no self-help potential, including mainly households affected by HIV and AIDS; and
- c) Child-headed households and street children.

22.2 Review of Past Performance

Although the PRSP did not comprehensively address issues of social protection, numerous projects and programmes were carried out, involving many stakeholders, such as women development programmes, street children programmes, and special needs programmes for persons with disabilities. However, the coordination of these programmes has been weak at institutional, sectoral and national levels. The impact of variable climatic conditions on agriculture, increased ill-health and death have made important agricultural inputs too expensive for small-scale farmers. Those most affected comprise mainly rural households headed by women, elderly people, children and sick or disabled people.

Past interventions used to address vulnerable people include food aid, public works using food for work (FFW), cash for work (CFW) and food for assets (FFA). Access to basic services has previously been provided through social investment funds and micro-finance tailored towards the vulnerable. Public works have been proven to encourage local development, like roads, schools, etc. However, some needy groups such as the disabled, chronically sick, the aged and children are often excluded. Lessons from past interventions have cited such problems as poor quality of work and unrealistic wages and food rations. Other interventions include food security packs and subsidies on food, fertilizer and seed.

Zambia suffers from the absence of a reliable social security system. Retrenchment and pension schemes have been hampered by inadequacy and delays of remittances, and poor investment decisions, with the result that many pensioners receive little or nothing of their entitlement. The present pension schemes have not addressed fully the health and other social needs of those who fall in the vulnerable category soon after employment.

The HIV/AIDS pandemic has brought about serious challenges to the social security system in Zambia. Uninfected family members are also affected by HIV/AIDS, as they suffer from reduced incomes, and increased and changed demands on the time and labour of both adults and children. The diverse effects of HIV/AIDS on children include being orphaned; dropping out of school; child labour; failing to access health services; and facing emotional burdens and social stigma. Projections show that the total number of orphans will increase to 1,470,000 by 2010, making about 20 percent of children orphaned. Children living without adult caregivers are extremely vulnerable to abuse and exploitation, and live lives of absolute poverty. The core social protection interventions on HIV/AIDS have focused on mitigation and coping activities, such as home based care and giving free ARVs. However, the coverage is small and associated costs related to medical tests are not free. The Ministry of Health has been pursuing a user-fee strategy while FBOs and NGOs offer a range of services that support households affected by HIV/AIDS.

Children who do not access adequate education and training suffer the impact in later life, and are less able to find decent employment, start businesses or manage income-generating activities. Women who have not had adequate education are generally at greater risk than those who have completed at least primary education. The most affected groups are the rural poor, girls, girl orphans, double orphans and children living with grandparents. Many vulnerable children of school-going age are dropping out of school to work or beg in the streets due to lack of income to sustain themselves. Past interventions have been through the policy of free basic education and bursary schemes. Access to health care services has also worsened the problem of vulnerability in Zambia. The introduction of user fees, which are payable for all services apart from specified exempt age groups, conditions and preventive services, has worsened the problem of access to health facilities. While the age-exemptions and antenatal exemptions are well implemented, exemptions based on medical conditions are not consistently available. The implementation of exemptions for those 'unable to pay' is not directed by any criteria or guidelines, or by any agreement with the Department of Social Welfare, and are implemented in an *ad hoc* manner. The Ministry of Health has also introduced a policy of free medical services in rural communities.

Gender-based violence (GBV), including sexual, physical, economic or psychological abuse, has been identified as Zambia's most significant invisible threat, and as a critical problem that affects many women and children, in particular. The most vulnerable victims are those who have low capacity to deal with the situation or to escape from it, such as the poor and uneducated and are voiceless. The Government has responded to this risk through legal means by signing to a number of international conventions that encompass concerns with GBV. The Zambia Police Service has promoted the expansion of Victim Support Units (VSUs). The Convention on the Rights of the Child and the Convention on the Elimination of Discrimination against Women are also key international covenants related to low capacity households. There is, however, lack of compliance and domestication of the provisions of international charters.

Lastly, Zambia is party to the 1951 Convention Relating to the Status of Refugees, the 1967 Protocol Relating to the Status of Refugees as well as the Organization of African Union Refugee Convention.

The fact that the Government made reservations on the articles of the 1951 Convention, which guarantee refugees' freedom of movement and access to employment, requires special attention from the point of view of social protection.

22.3 Policies and Key Reforms

To support the effective implementation of social protection strategies, a number of key policy and institutional reforms have been put in place. The Government recognises that more needs to be done. Reforms in the Ministry of Community Development and Social Services (MCDSS) during the FNDP will place emphasis on assisting the most vulnerable with basic services that enhance their standard of living. In this regard, the reforms shall focus on the following:

- a) The needs of disadvantaged women and children;
- b) Development of a comprehensive social security system which will include informal sector workers;
- c) Enhancement of child survival, development and protection interventions, and support for, and protection of, orphans and vulnerable children through the review of child legislation;
- d) Support for victims of sexual abuse;
- e) Addressing the needs of children living with HIV and AIDS;
- f) Development of policy on the aged; and
- g) The Ministry of Labour and Social Security (MoLSS) will focus on the following changes:
 - i. Development of a comprehensive social security system which will include informal sector workers; and
 - ii. Enhancement of child survival, development and protection interventions, and support for, and protection of, orphans and vulnerable children to eliminate child labour.

The relevant ministries, in collaboration with the affected communities, in particular, shall handle some of the interventions that address the challenges of vulnerability, in general, and social protection in particular. These shall include the Ministry of Education and the Ministry of Health on the fee waivers. Collaborative strategies with agencies such as MCDSS and NGOs will be required to ensure that orphans with special learning difficulties enrol in school by developing strategies that address their special needs. This includes basic clothing, school materials and boarding facilities, where applicable. Consistent with the obligation of any state to provide security and a long-term social safety net within which its citizens can prosper and based on the guiding principle that, where and when this safety net is endangered, the state is obliged to take action to preserve it, Zambia has put in place a national Disaster Management structure with its Secretariat (DMMU) as the hub of coordination mechanism. This structure promotes the vision of a "safety net" for protection of the citizenry, their assets and environment against disasters through a proactive, community based, developmental and multi-sectoral approach that combines disaster preparedness, prevention and mitigation and integrates disaster management into national development.

22.4 Vision and Goal

The vision is: *A nation with capacity to promote and provide sustainable security against constant or periodic critical levels of deprivation and extreme vulnerability by 2030.*

The goal is: *To contribute to the security of all vulnerable Zambians by ensuring that incapacitated and low capacity households have sufficient livelihood security to meet basic needs, and are protected from the worst impacts of risks and shocks.*

22.5 Programmes, Objectives and Strategies

The matrix below presents the Social Protection programmes, objectives and strategies.

| Sector: Social Protection | | | |
|----------------------------------|--|--|---|
| No. | Programmes | Objectives | Strategies |
| 1 | Empowerment of Low Capacity Households | To increase the ability of low capacity households (LCHs) to meet their basic needs | <ul style="list-style-type: none"> a) Create a social security scheme for the informal economy; b) Design best practice support mechanisms for LCHs, including exploration of the feasibility of establishing a funding basket; c) Undertake entrepreneurship training targeting the facilitation of livelihood skills for LCHs; d) Provide low capacity households with agricultural inputs; e) Provide micro-credit and public works services to LCHs; f) Build up the capacity of institutions catering for incapacitated households |
| 2 | Welfare Support to Incapacitated Households | To reduce extreme poverty in incapacitated households through welfare support | <ul style="list-style-type: none"> a) Strengthen PWAS under cash transfer scheme; b) Link cash transfers with regular PWAS activities; c) Review the PWAS scheme with a view to making it more effective |
| 3 | Support for Vulnerable Children and Youths | To rehabilitate street and other vulnerable children and youth and those with disabilities | <ul style="list-style-type: none"> a) Promote research on street children and vulnerable youth; b) Expand the scope of rehabilitation centres to cater for more children on and off the street; c) Provide technical support and resources to NGOs and institutions supporting street children, vulnerable youth and those with disabilities; d) Provide vocational and life skills training for children, the youth and those with disabilities; e) Promote livelihood empowerment programmes for street youth and vulnerable youth; f) Rehabilitate street children and youth |
| 4 | Enhancement of Access to Health Facilities | To increase access to health services for people from incapacitated and low capacity households | <ul style="list-style-type: none"> a) Strengthen health cost schemes; b) Remove user fees; a) Elaborate design options on community health insurance schemes; b) Reduce costs for HIV/AIDS affected households; a) Develop a policy on home based care to prevent labour withdrawal; c) Provide free HIV and AIDS testing |
| 5 | Enhancement of Access to Education Facilities | To increase access to education for people from incapacitated and low capacity households | <ul style="list-style-type: none"> a) Provide bursaries (school fees and other school requirements); b) Review and scale-up school feeding programmes; c) Raise awareness on the application of the policy on free basic education and re-entry into the education system for school drop outs; d) Provide tailor-made services in education to persons with disabilities; e) Provide technical and financial support to the Zambia Community Schools Secretariat and community schools |
| 6 | Enhancement of Vulnerable People's Justice | To increase the level of awareness and ensure the protection of legal rights for vulnerable groups | <ul style="list-style-type: none"> a) Conduct sensitisation on legal rights through legislation, dissemination, discussions and awareness raising; b) Conduct training of paralegal staff in communities; c) Support services for victims of violence, such as women and children |
| 7 | Capacity Strengthening of Institutions Delivering Social Protection | To enhance capacity of local and national institutions delivering social protection programmes | <ul style="list-style-type: none"> a) Develop database on all social protection providers; b) Undertake mapping of institutions and their respective target groups; c) Build up capacity for resource mobilisation and programming; d) Appoint social protection focal point persons at all levels; e) Build up capacity of social protection providers for effective service delivery; f) Undertake needs assessment for capacity building; g) Sensitise all social protection stakeholders on social protection issues; h) Establish an efficient coordination mechanism and national social protection delivery system |
| 8 | Monitoring and Evaluation Framework | To develop a monitoring and evaluation | <ul style="list-style-type: none"> a) Establish and maintain a comprehensive and up-to-date database and information management system; b) Establish and institutionalise an effective data collection system; |

| Sector: Social Protection | | | |
|---------------------------|---|--|---|
| No. | Programmes | Objectives | Strategies |
| | | framework that guides the implementation of social protection programmes | c) Disseminate accurate and up-to-date information to all users through both print and electronic media |
| 9 | Resource Mobilisation for Social Protection | To mobilise adequate resources for social protection programmes | a) Lobby and advocate for an increase in resources to support social protection programmes; b) Identify funds that could be freed for social protection activities; c) Explore possibilities for basket funding for social protection |

22.6 Implementation, Monitoring and Evaluation Framework

The first stage in implementing the social protection strategy is to institutionalise and strengthen the Social Protection Sector Advisory Group (SP-SAG) within the MCDSS to play the role of national level coordinator between the identified activities and all related coordination mechanisms. In this respect, SP-SAG shall be in charge of the oversight function for all social protection programmes, including national level reporting. Other responsibilities shall include the extension of oversight over MCDSS budgeting for social protection activities; resource mobilisation; investment and programming processes; capacity building for social protection; and prioritisation and harmonisation of the FNDP sectoral plans in so far as they relate to social protection. To achieve these tasks, the SP-SAG will be served by a SAG Secretariat, which will be chaired by the Permanent Secretary, MCDSS. As the lead institution, MCDSS will spearhead and coordinate the implementation of social protection programmes by all the actors. Other responsibilities shall include the formulation of appropriate policies and developing the legal framework and operational guidelines; administration of various legislation related to social protection; and the provision of micro-financing to the vulnerable.

Besides the MCDSS and MLSS being the key players in driving the SP-SAG, the contribution of other social sector ministries will be of utmost importance for successful social protection interventions. The roles of the Ministry of Health and the Ministry of Education are to complement the roles of other stakeholders in implementing new and scaling-up existing programmes within their competence. The Disaster Management and Mitigation Unit will manage a coordinated framework for disaster preparedness, prevention and mitigation and also provide reliable information about hazards, risks, vulnerabilities and resources. The Ministry of Agriculture and Cooperatives will promote development of an efficient, competitive and sustainable sector, which ensures food security and increased incomes. The Ministry of Local Government and Housing will provide basic services and ensure that local communities play an effective role in service delivery, and promote high local, political and financial commitment. The Ministry of Energy and Water Development will promote usage of cost-effective and environmentally friendly sources of water and energy in order to increase accessibility and ensure sustainability. The role of the Ministry of Home Affairs is primarily to coordinate the line ministries for extending social protection services for vulnerable refugees and refugee affected communities. The Ministry of Home Affairs is also expected to play a key role in mainstreaming the refugee issue in the national and regional development policies. The Ministry will promote compliance and domestication of international covenants *vis-à-vis* the protection of refugees. It will also explore options of extending social protection services to vulnerable refugees and internally displaced persons. The Ministry of Justice will promote the enactment of legislation that protects the vulnerable and improves access to legal aid. The Ministry of Sport, Youth and Child Development will provide long-term guidance and a framework for the implementation of child survival, and development and protection interventions through a well coordinated and multi-sectoral approach in order to improve the quality of life of every child in Zambia.

The private sector, NGOs, FBOs and communities will, in turn, complement government efforts in providing social protection by operating within a coordinated framework and taking up roles of implementation and monitoring. The role of donor agencies will include provision and pooling of financial resources, materials and technical support.

With respect to monitoring and evaluation, the SP-SAG will provide the overall framework for reporting, monitoring and evaluation. However, the implementers will do the actual reporting, monitoring and evaluation as integral parts of their functions. The SP-SAG will provide advice and make sure that key data are provided by implementers. The key elements of monitoring and evaluation will be impact assessment against overall goals, sub-sector goals and objectives, feedback (documentation and reporting) and routine inspections/visits. Apart from institutional quarterly stakeholder briefings, quarterly performance reports, annual performance reports and mid-term performance reports, the SP-SAG shall carry out a mid-term review of the FNDP social protection activities in mid-2008 as well as a comprehensive review of plan performance in 2010. Surveys on the status of vulnerability, shocks and risks will be undertaken periodically.

Sector: Social Protection
(K Billion)

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------------|-------------|------------------|-------|-------|------------------|-------|-------|------------------|-------|-------|------------------|-------|-------|------------------|-------|-------|-------------|--------|--------|
| | | Cost K' Billions | | | Cost K' Billions | | | Cost K' Billions | | | Cost K' Billions | | | Cost K' Billions | | | Grand Total | | |
| | | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total |
| Core FNDP Programs | 1 | 39.46 | - | 39.46 | 49.42 | - | 49.42 | 50.59 | - | 50.59 | 50.59 | - | 50.59 | 50.59 | - | 50.59 | 240.65 | - | 240.65 |
| | | | | | | | | | | | | | | | | | | | |
| | 2 | 12.12 | 0.50 | 12.62 | 10.77 | 0.50 | 11.27 | 11.25 | 0.50 | 11.75 | 11.25 | 0.50 | 11.75 | 11.25 | 1 | 12 | 59.13 | 56.63 | 2.50 |
| | 3 | 2 | - | 1.72 | 2.02 | - | 2.02 | 1.77 | - | 1.77 | 1.77 | - | 1.77 | 1.77 | - | 2 | 9.05 | 9.05 | - |
| | 4 | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | 5 | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | | | | | | | | | | | | | | | | | | | |
| | 6 | 0 | - | 0.12 | 0.14 | - | 0.14 | 0.14 | - | 0.14 | 0.14 | - | 0.14 | 0.14 | - | 0 | 0.68 | 0.68 | - |
| | | | | | | | | | | | | | | | | | | | |
| | 7 | 2 | - | 2.35 | 2.67 | - | 2.67 | 2.93 | - | 2.93 | 2.93 | - | 2.93 | 2.93 | - | 3 | 13.81 | 13.81 | - |
| | 8 | 1 | - | 0.80 | 0.85 | - | 0.85 | 1.06 | - | 1.06 | 1.06 | - | 1.06 | 1.06 | - | 1 | 4.82 | 4.82 | - |
| | | | | | | | | | | | | | | | | | | | |
| | 9 | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | | | | | | | | | | | | | | | | | | | |
| None-core FNDP programs | | 56.58 | 0.50 | 57.08 | 65.86 | 0.50 | 66.36 | 67.73 | 0.50 | 68.23 | 67.73 | 0.50 | 68.23 | 67.73 | 0.50 | 68.23 | 328.14 | 325.64 | 2.50 |
| | | | | | | | | | | | | | | | | | | | |
| | 1 | 3 | | 2.62 | 3.16 | | 3.16 | 3.92 | | 3.92 | 3.92 | | 3.92 | 3.92 | | 4 | 17.53 | 17.53 | - |
| | 2 | 2 | | 1.97 | 2.99 | | 2.99 | 2.54 | | 2.54 | 2.54 | | 2.54 | 2.54 | | 3 | 12.59 | 12.59 | - |
| | | 4.59 | - | 4.59 | 6.15 | - | 6.15 | 6.46 | - | 6.46 | 6.46 | - | 6.46 | 6.46 | - | 6.46 | 30.12 | 30.12 | - |
| | Grand Total | 61.17 | 0.50 | 61.67 | 72.01 | 0.50 | 72.51 | 74.19 | 0.50 | 74.69 | 74.19 | 0.50 | 74.69 | 74.19 | 0.50 | 74.69 | 358.26 | 355.76 | 2.50 |

YOUTH AND CHILD DEVELOPMENT



Youth and Child Development

23.1 Introduction

Zambia is a youthful country, with young people aged 25 years and below accounting for 68 percent of the country's population of an estimated 11.7 million people in 2006 according to Central Statistics Office projections. Furthermore, the 2000 Census of Population and Housing indicates that there were more than 5.5 million children and 1.3 million youth in Zambia. This bottom heavy demographic structure presents a major challenge for policy makers as it has far reaching consequences on the productive and social sectors of the country.

The revised national child policy (NCP) defines a 'child' as any person aged 18 years and below. The 2004 *Orphans and Vulnerable Children in Zambia Situation Analysis* (OVCSA), the national child policy and the medium-term strategic plan (MTP) (2005 to 2007) on OVC, indicate that the majority of Zambian children suffer from numerous socio-economic problems that negatively affect their growth and development. The children mostly suffer from poverty, hunger, lack of access to safe drinking water and proper sanitation, lack of decent shelter, destitution, exposure to numerous epidemics and illiteracy.

The situation of children in Zambia has been aggravated by the adverse social impact of economic restructuring and the HIV and AIDS pandemic. Nearly 90,000 children in Zambia are infected with HIV. The link between HIV and AIDS and poverty has worsened the problem, especially as it relates to orphans. It is estimated that over one million children in Zambia are in the category of orphans, disadvantaged and vulnerable children. These children are extremely vulnerable. Many suffer severe deprivation, quit school, fail to access training, fall prey to abuse, exploitation and risk HIV infection more than other children. This is especially the case among street children. According to the NCP, there are over 75,000 street children in Zambia, while child-headed households account for an estimated 1-2 percent (about 20,000) of all households in the country. Further, most children are not registered at birth, thereby making planning for children's programmes difficult due to unreliable data.

Although somewhat different, the problems facing children in Zambia are similar to those faced by the youth. According to the revised national youth policy, a 'youth' in Zambia is defined as any person aged between 18 and 35 years. The main problems that youth in Zambia face include poor information flow on issues affecting their survival and transition into adulthood; lack of protection; limited participation in national development and decision-making; and an absence of youth rights. Moreover, most youth in Zambia are affected by high levels of poverty, HIV and AIDS infections and substance abuse as a result of peer pressure and other economic and social factors. Despite the high levels of HIV and AIDS, most of the youth have not been able to access ARVs as they are not specifically targeted in current intervention programmes and they have little or no voice in the current strategies for the mitigation of the impact of HIV and AIDS.

The plight of the youth has been worsened by their limited access to education, which has constrained their access to formal employment. The inadequate number of skills training facilities has further limited youth access to informal employment. This has been worsened by the non-availability of youth friendly credit facilities, which are a potential source of capital for entrepreneurship development among young people. The youth also find it difficult to access land, which has constrained their attempts to go into agriculture. The institutional response to the social and economic marginalisation of youth in Zambia has only had limited impact. The existing strategies and approaches do not take sufficient account of youth needs, capabilities and potential.

The absence of recreation facilities for young people has worsened their situation. The deteriorating socio-economic situation has affected the development of sport, leisure and recreation. Both rural and

urban areas in the country lack the necessary sport and recreation facilities as the available infrastructure is dilapidated. In addition, physical education is not taught in most government schools despite being part of the school curriculum. The Government has recognised the importance of sport, play, leisure and recreation in human development and character formation of young people by signing the International Convention on Economic, Social and Cultural Rights (ICESCR).

23.2 Review of Past Performance

The Government has recognised the need to develop a comprehensive legislative and regulatory framework to guide all institutions dealing with child and youth issues. In 1994, the Government launched the first national child, youth and sports policy. The main objectives of the policy was to holistically address problems affecting children and the youth through implementing programmes that ensured the development of young people who are responsible, assertive and disciplined and to maximise their potential for human resource and national development. The policy was revised in 2006 to make it relevant to the changing needs of children and the youth.

The Government in conjunction with non-governmental organisations (NGOs), community based organisations (CBOs) and faith based organisations (FBOs), often supported by the international community has implemented the following child intervention programmes:

- a) Widespread information dissemination and increased awareness of the United Nations Convention on the Rights of the Child (UNCRC) among the general public through the formation of the CRC-NPA district committees;
- b) Localisation of the United Nations Convention on the Rights of the Child (UNCRC);
- c) The Child Rights Bill has already been presented to Parliament on the review of child legislation and domestication of the United Nations Convention on the Rights of the Child;
- d) Simplification of the United Nations Convention on the Rights of the Child and its translation into local languages;
- e) Commemoration of the Day of the African Child and the International Children's Day of Broadcasting;
- f) Support provided to gender and development activities to combat discriminatory practices arising from gender bias;
- g) Government and civil society organisations have made strides towards eradication of violence against women and children, e.g. the establishment of the Victim Support Unit in the Police Service;
- h) Strengthening of coordinating NGOs through the establishment of the Children in Need Network;
- i) Commencement of children empowerment programmes aimed at addressing the problem of child streetism;
- j) Introduction of juvenile programmes under the Ministry of Home Affairs and community development and social services;
- k) Establishment of a national steering committee on OVCs comprising the Government, NGOs and cooperating partners; and,
- l) Submission of state party reports to the United Nations.

With respect to the youth, the following programmes have been implemented:

- a) Support provided to gender and development activities to combat discriminatory practices arising from gender bias;
- b) Commencement of youth empowerment programmes aimed at addressing the problem of youth unemployment using Zambia National Service facilities;
- c) Establishment of more youth skills training institutions offering demand-driven programmes throughout the country;
- d) Introduction of bursary schemes targeting youth in skills training institutions under the Zambia Education Capacity Building Programme (ZECAB);
- e) Inclusion of unemployed youth in the resettlement programme initiated by the Office of the Vice President in liaison with the Ministry of Sport, Youth and Child Development; and
- f) Re-constitution of the National Youth Development Council.

In the area of sport-leisure and recreation, the Government intends to revise legislation to make physical education compulsory in all government schools. In addition, the Ministry of Sport, Youth and Child Development has been restructured to ensure the presence of sports development officers in provinces and selected districts. Sports development committees have also been established at district level to coordinate sports activities. There has been an increase in private sector participation in sports development with corporate entities sponsoring club and community sport and rehabilitation of sport infrastructure.

23.3 Policies and Key Reforms

During the FNDP, the Government shall prioritise national child and youth programmes through comprehensive and multi-sectoral plans for integrating young people as partners in development. Since the adoption and launch of the national youth policy by the Government in 1994, the profile of young people in Zambia has changed drastically. The changing profile of children has necessitated the need to revise the national child and youth policies. As part of the policy reform process, countrywide consultations were undertaken and existing gaps identified to inform the prioritisation of interventions under the revised policies. These consultations resulted in the development of the revised national child and youth policies. The FNDP shall use the revised national child and youth policies to inform actions. As a signatory to the many international human rights instruments affecting the child and youth, Zambia shall take the necessary legislative and administrative measures during the FNDP towards the fulfilment of the ideals that are enshrined in the international instruments. The process of localizing or domesticating international agreements requires that the principles of such instruments are enshrined in the laws governing the country. The Government maintains that constitutional rights, including family, national and global obligations, cultural, moral and religious values are fundamental for the Zambian child and youth in order for them to grow into responsible and productive citizens.

The new youth policy subscribes to the principles of equal opportunities and equitable distribution of resources. The Government shall endeavour to promote equal access to socio-economic and employment opportunities commensurate with ability, potential and needs of all vulnerable youth. The major driving force for equitable provision of services to the youth will be the promotion of appropriate and modern technology and the bridging of the technological gap that perpetuates imbalances of the rural/urban, rich/poor, able and disabled youth. The youth policy underscores the need to promote a gender inclusive approach to the development of youth in public and private sectors and in civil society. The policy seeks to promote gender equality, including working to elimination of all forms of gender discrimination and violence. The child and youth policies also provide for the mainstreaming of HIV and AIDS in children and youth programmes.

23.4 Vision and Goal

The vision is: *Enhanced youth and child survival, development and protection through a well coordinated and multi-sectoral approach by 2030.*

The goal is: *To achieve increased empowerment and participation of children and youth in all areas affecting their well-being and livelihood and enhance observance and protection of their rights in order to build a sound human resource base, contribute to wealth creation and ensure socially optimal investments and sustainable national development.*

23.5 Programmes, Objectives and Strategies

The matrix below presents the child and youth development programmes and their objectives and strategies during the FNDP.

| Sector: Child and Youth Development | | | |
|-------------------------------------|---|---|---|
| No. | Programmes | Objectives | Strategies |
| 1 | Child and Youth Empowerment | To equip children and youth with relevant skills that will prepare them to cope with the demands of the dynamic world and support their transition into adulthood | <ul style="list-style-type: none"> a) Promote and support for non-formal Community Based Early Childhood Care and Development (CBECCD) programmes; b) Promote and support for access to education and training for out-of-school children and youth; c) Develop deliberate policy to train street children and youth, take them back to school and reintegrate them into society; d) Promote formation of young farmers' clubs, cooperatives and re-establish resettlement schemes for youth; e) Establish youth empowerment fund. |
| 2 | Skills Training and Capacity Building | To reduce inter-generational poverty by promoting life long learning, catch-up education, vocational training, multi-skilling and re-skilling programmes | <ul style="list-style-type: none"> a) Equip children and youth with life long multiple skills for sustainable livelihood; b) Establish community-based mobile skills training programmes, community libraries and virtual learning centres; c) Promote the utilisation of ICT among children and the youth for continued learning and sustainable livelihood |
| 3 | Entrepreneurship Development | To enhance and support youth entrepreneurship development in order to reduce poverty and improve living standards | <ul style="list-style-type: none"> a) Promote of youth entrepreneurship development programmes; b) Provide financial and material resources for entrepreneurship development; c) Promote enterprise training to improve livelihood for the youth; d) Establish youth labour market programmes, such as job and career counselling, internship and apprenticeship |
| 4 | Young Inventors' Programme | To promote innovations by the youth at community and national levels | <ul style="list-style-type: none"> a) Support youth creativity so as to develop their potential; b) Establish centres for promotion of innovations for the youth |
| 5 | Child and Youth Protection | To promote the rights of children and youth for their survival, protection and development | <ul style="list-style-type: none"> a) Protect children and youth from all forms of exploitation and abuse; b) Increase the number of Juvenile Courts and open air prisons; c) Promote of community sentencing as opposed to custodial sentencing for juvenile offenders; d) Strengthen all child and juvenile protection legislation; e) Enforce birth registration; f) Enforce council bylaws to prevent kids from living on streets |
| | | To reduce the vulnerability of children and youth and protect them from all forms of abuse | <ul style="list-style-type: none"> a) Strengthen the socio-economic status of vulnerable families and care-givers to look after children; b) Promote awareness in communities and families on the importance of early childhood and adolescent development; c) Develop an information system and a documentation centre; d) Promote family values among parents and other family members to take care of children and prevent them from living on streets |
| 6 | Child and Youth Participation and Leadership | To promote the participation of female and male children including youths in national development | <ul style="list-style-type: none"> a) Provide of an enabling environment that develops potential and desire of children and youths to participate in matters that affect them; b) Strengthen inter-ministerial cooperation on children and youth issues through mainstreaming children and youth participation and increase budget allocations to children and youth programmes in line ministries; c) Strengthen networking between government and youth civil society organisations; d) Re-introduce of non-military national service for the youth |
| | | To promote the virtues of hard work, national pride and good citizenship among children and youth | <ul style="list-style-type: none"> a) Promote of national youth excellence awards; b) Promote a positive attitude and volunteerism towards community service among children and youth; c) Engage youth in non-military national service; d) Promote and strengthen institutions engaged in leadership and outward bound courses for children and youth; e) Encourage children and youth camps and exchange programmes |
| 7 | Sport and | To promote sport, recreation and physical | <ul style="list-style-type: none"> a) Mainstream sport into national policies and programmes; |

| Sector: Child and Youth Development | | | |
|-------------------------------------|---|---|---|
| No. | Programmes | Objectives | Strategies |
| | Recreation | education as tools for human and economic development and for mitigating the impact of HIV/AIDS and other vices among children and youth; To promote the Right to Play | <ul style="list-style-type: none"> b) Strengthen the capacity of institutions dealing with sport and physical education; c) Establish and rehabilitate community play parks and other recreation facilities; d) Procure and provide sports equipment to communities and learning institutions; e) Promote investment in sport, physical education and recreation by the Government, cooperating partners, NGOs, research institutions and the private sector; f) Institutionalise the use of sport, physical education and recreation activities as viable tools for mitigating the impact of HIV and AIDS and substance and rights abuse among children and youth; g) Design competitive sporting activities that ensure participation of both sexes |
| 8 | Culture and other Expressive Arts | To develop cultural and creative arts infrastructure, strengthen capacity in cultural delivery and use cultural participation and expression as a viable tool for development and to mitigate the impact of HIV and AIDS and other vices among children and youth | <ul style="list-style-type: none"> a) Rehabilitate and construct art and cultural infrastructure in schools and communities; b) Build capacities of arts, music and cultural teachers/trainers, administrators and peer educators; c) Develop outreach programmes for increased access to museums, heritage sites and archives among children, youth and communities; d) Increase the use of art and cultural activities and expression as a viable tool to mitigate the impact of HIV and AIDS, and substance and rights abuse among children and youth; e) Promote of inter-provincial child and youth exchange programmes |
| 9 | HIV and AIDS, Gender and Disability | Reduce the HIV and AIDS prevalence rate and scale-up awareness, prevention and treatment programmes to mitigate the impact of HIV and AIDS and other reproductive health concerns among children and youth | <ul style="list-style-type: none"> a) Develop and, translate into local languages and distribute IEC and training materials on HIV and AIDS and other reproductive health matters; b) Mainstream HIV and AIDS in all children and youth programmes; c) Increase the involvement of psycho-social counsellors in HIV and AIDS interventions; d) Strengthen and promote integrated community based care and support system for orphans and vulnerable children and youth |
| | | To promote gender equity and eliminate gender disparity in access to resources and participation in development programmes for children and youth | <ul style="list-style-type: none"> a) Provide full access to female youth and girl child education within the Rights-Based Approach; b) Introduce programmes to educate parents to prioritise girl child education; c) Promote female youth involvement in micro agro based businesses and other income generating activities; d) Promote greater participation of female youth in employment creation programmes and projects to counter male domination; e) Establish safety and rehabilitate centres for abused female youth. |
| | | To promote inclusiveness of children and youth with disabilities in all programmes | <ul style="list-style-type: none"> a) Integrate youth with disabilities in all youth development programmes; b) Provide appropriate user-friendly facilities; c) Provide equipment and materials suitable for specific disabilities among youths |
| 10 | Human Resource Development and Institutional Capacity Building | To strengthen the human resource capacity and institutions delivering services for children and youth | <ul style="list-style-type: none"> a) Promote and support for professionalism among child and youth service providers for improved service delivery; b) Promote and support for training of child and youth workers; c) Strengthen the capacity of law enforcement agencies (Zambia Police Service, Judicial and Drug Enforcement Commission) on child and juvenile protection; d) Monitor and evaluate child and youth development programmes |

| Sector: Child and Youth Development | | | |
|-------------------------------------|----------------------------|--|---|
| No. | Programmes | Objectives | Strategies |
| 11 | Infrastructure Development | To build and rehabilitate child, youth and sport infrastructure to ensure their availability and accessibility | a) Construct three ultra- modern sports complexes; b) Develop comprehensive policy for the development, provision and management of infrastructure; c) Rehabilitate existing sports, child and youth development infrastructure |

23.6 Implementation, Monitoring and Evaluation Framework

Child and youth development cuts across all sectors. In this regard, the Government seeks to promote a multi-sectoral approach in the implementation of national child and youth programmes. Implementation will require the involvement of all stakeholders in child and youth development. These include the Sector Advisory Group (SAG) on child and youth that will be responsible for overall steering of the implementation process. The SAG will meet quarterly or any agreed number of times to review progress, recommend solutions to identified bottlenecks, and build consensus on overall strategic direction. Public institutions at provincial, district, central and local government levels, NGOs, cooperating partners, CBOs, FBOs, the private sector, various youth organisations, organisations of people with disability, churches, youth and communities will work together with a common purpose, avoiding duplication, and promoting rational use of the available resources.

The implementation of interventions will be done through utilization of existing structures, based on the principles of equity, accessibility and inclusiveness, HIV and AIDS impact mitigation, youth participation, partnership and networking, human rights, and respect of cultural, religious, customary and ethical values. The MSYCD will play a critical role in the implementation process. The major function of the Ministry is to provide direction for sport, youth and child services, to set policies and translate them into tangible programmes.

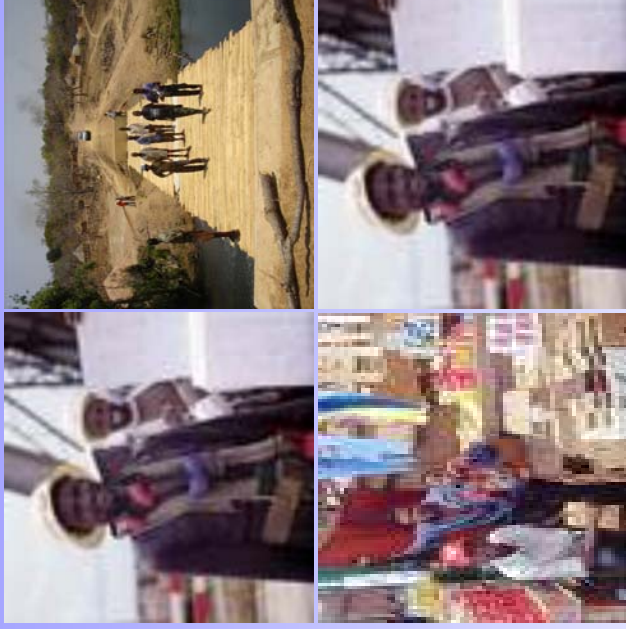
The sector's implementation on child and youth development requires effective monitoring and evaluation with appropriate feedback mechanisms amongst all stakeholders. In this regard, the Ministry responsible for sport, youth and child development, in partnership with key stakeholders, will conduct regular monitoring of children and youth projects and programmes, in addition to yearly evaluations. Reports will be circulated to all stakeholders. Appropriate indicators will be developed and used to assess the performance of the Plan's interventions in this area. Members of the multi-sectoral committee shall be part of the monitoring process. Periodic surveys and research on the status of sport, youth and children will be undertaken from time to time to generate information for policy making and planning of sector development.

Sector: Youth and Child Development
(K Billion)

| Order of Priority | | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------------|-----------|--|--|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|--------|-------------|--------|-------|
| | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | | | |
| | | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total |
| Core FNDP Programs | 1 | Child and Youth Empowerment | 6.40 | | 6.40 | 6.70 | | 6.90 | 6.90 | 7.00 | 7.00 | | 7.00 | 7.20 | | 34.20 | 34.20 | 0.00 | | |
| | 2 | Skills training and capacity building | 4.50 | | 4.50 | 4.80 | | 5.00 | 5.00 | 5.20 | 5.20 | | 5.40 | 5.40 | | 24.90 | 24.90 | 0.00 | | |
| | 3 | Entrepreneurship Development | 2.10 | | 2.10 | 2.20 | | 2.50 | 2.50 | 2.80 | 2.80 | | 2.90 | 2.90 | | 12.50 | 12.50 | 0.00 | | |
| | 4 | Infrastructure Development | 2.00 | | 2.00 | 2.20 | | 2.40 | 2.40 | 2.70 | 2.70 | | 3.00 | 3.00 | | 12.30 | 12.30 | 0.00 | | |
| | 5 | Sports and Recreation | 2.00 | | 2.00 | 2.10 | | 2.50 | 2.50 | 2.60 | 2.60 | | 2.80 | 2.80 | | 12.00 | 12.00 | 0.00 | | |
| | 6 | Child and Youth Protection | 1.20 | | 1.20 | 1.40 | | 1.40 | 1.40 | 1.60 | 1.60 | | 1.60 | 1.60 | | 7.20 | 7.20 | 0.00 | | |
| | 7 | Child and Youth Participation and leadership | 0.50 | | 0.50 | 0.90 | | 0.90 | 0.90 | 0.90 | 0.90 | | 1.20 | 1.20 | | 4.40 | 4.40 | 0.00 | | |
| | 8 | HIV/AIDS, Gender & Disability | 0.50 | | 0.50 | 0.70 | | 0.90 | 0.90 | 0.90 | 0.90 | | 1.20 | 1.20 | | 4.20 | 4.20 | 0.00 | | |
| | 9 | Young inventors programme | | | 0.00 | 0.50 | | 0.50 | 0.50 | 0.50 | 0.50 | | 0.50 | 0.50 | | 2.00 | 2.00 | 0.00 | | |
| | Sub-total | 19.20 | 0.00 | 19.20 | 21.50 | 0.00 | 21.50 | 23.00 | 0.00 | 23.00 | 24.20 | 0.00 | 24.20 | 25.80 | 0.00 | 113.70 | 113.70 | 0.00 | | |
| None-Core FNDP Programs | | 1 | Personal Enrolments | 5.50 | | 5.50 | 5.50 | | 5.50 | 5.50 | 5.50 | | 5.50 | 5.50 | | 27.50 | 27.50 | 0.00 | | |
| | | 2 | Management & General administration | 4.00 | | 4.00 | 4.10 | | 4.20 | 4.20 | 4.30 | 4.30 | | 4.40 | 4.40 | | 21.00 | 21.00 | 0.00 | |
| | | 3 | Human Resource Development and Institutional Capacity Building | | | 0.00 | 0.30 | | 0.30 | 0.30 | 0.30 | 0.30 | | 0.30 | 0.30 | | 1.20 | 1.20 | 0.00 | |
| | | 4 | Culture and other Expressive Arts | | | 0.00 | 0.20 | | 0.20 | 0.20 | 0.20 | 0.20 | | 0.20 | 0.20 | | 0.80 | 0.80 | 0.00 | |

| | Order of Priority | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|--|-------------------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|-------------|--------|--------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Grand Total | | |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total |
| | | 9.50 | 0.00 | 9.50 | 10.10 | 0.00 | 10.10 | 10.20 | 0.00 | 10.20 | 10.30 | 0.00 | 10.30 | 10.40 | 0.00 | 10.40 | 50.50 | 0.00 | 50.50 |
| | Sub-total | 28.70 | 0.00 | 28.70 | 31.60 | 0.00 | 31.60 | 33.20 | 0.00 | 33.20 | 34.50 | 0.00 | 34.50 | 36.20 | 0.00 | 36.20 | 164.20 | 0.00 | 164.20 |
| | Grand Total | | | | | | | | | | | | | | | | | | |

EMPLOYMENT AND LABOUR



Employment and Labour

24.1 Introduction

The high unemployment and poverty levels have been a major concern to the Government. The Ministry of Labour and Social Security has the mandate to analyse the causes and consequences of high and persistent unemployment with a view to proposing effective policy solutions to deal with this challenge. In order to address the unemployment and poverty challenges, it is necessary to secure significant improvement in employment creation, labour productivity, skills development, working conditions and the provision of welfare and social security measures, to workers in both the formal and informal economy. Above all, it is important to ensure that all employees work under conditions that are very conducive.

Therefore, the integration of the employment strategy into the national development plan is essential. It is prudent to note that the employment and labour policy has been evolving in response to the needs of economic development and social justice. This has had a two-fold objective, that is, maintaining industrial harmony, and promoting labour welfare and protecting the rights of workers. However, issues directly linked to poverty reduction and economic growth, such as employment creation and maintaining labour standards at places of work, have not been adequately addressed. For instance, occupational health and safety matters, HIV and AIDS at work places, social security for the informal sector, elimination of child labour, and labour market information management still remain major challenges in the labour market.

24.2 Review of Past Performance

Zambia's population has continued to increase at a rate that the economy has been unable to sustain, resulting in high unemployment levels. University and college graduates are entering the labour market with limited hope for gainful employment. This state of affairs has created a mismatch between the increasing labour force and the rate at which the economy can absorb this increasing labour force leading to high levels of unemployment. The resulting high unemployment levels are also putting pressure on the resource base.

According to the 2000 census, the average population growth between 1990 to 2000 was 2.3 percent, with the current population standing at approximately 11.7 million people. According to employment statistics from Central Statistical Office (CSO), 10 percent of workers are employed in the formal sector, while 68 percent are employed in the informal sector. The lack of new employment opportunities has led to increased brain drain that has continued to affect many important sectors, such as education and health. Furthermore, recent massive job losses have continued to put further pressure on the existing social security system in Zambia. Despite reforms undertaken on the formal social security schemes in the mid-1990s and transformation of Zambia National Provident Fund into the National Pension Scheme and the merger of Pneumoconiosis Board and the Workers' Compensation Control Board, the coverage of these schemes continues to be restricted to employees in the formal sector.

Occupational safety and health standards in the liberalised economy generally still remain low, as demonstrated by the increase in the number of industrial accidents and occupational diseases over the years. Workers have continued to work in unsafe and unhygienic conditions in both the informal and formal sectors. The industries associated with such risks are mainly mining, construction, electricity, forestry, manufacturing and agriculture. There are several laws that govern occupational safety and health at work places. The process of reviewing some of these pieces of legislation has already commenced in order to modernize and harmonise them with international standards of occupational safety and health and the needs of the current socio-economic environment. The HIV and AIDS pandemic has also continued to impact negatively on labour productivity and national economic

development. The effects of HIV and AIDS on labour productivity include high medical costs; loss of person-hours; loss of skilled labour; and increased funeral costs.

There has been a need to review the following pieces of legislation: Employment Act; Industrial and Labour Relations Act; Employment of Young Persons and Children Act; Factories Act; and Statutory Instruments on minimum wages and conditions of service in order to align them with regional and international standards. Zambia has since ratified the core ILO conventions that seek to uphold the fundamental rights of workers at places of work.

In order to achieve improved industrial harmony, greater consideration should be given to appropriate means of dispute resolution both in the public and private sectors, involving the participation of representative organizations of employers and workers. In this regard the Ministry of Labour and Social Security is expected to play a pivotal role in enhancing economic growth and poverty reduction by the maintenance of industrial harmony through social dialogue and the provision of labour market information needed for appropriate formulation of policies.

In view of the changes on the labour market, there is need for Zambia to direct its policies in line with the Millennium Development Goals (MDGs), the Decent Work Agenda under ILO, and the New Economic Partnership for Africa's Development (NEPAD) programmes aimed at employment creation and reducing poverty in Africa.

24.3 Policies and Key Reforms

During the FNDP period, the Government shall adopt a multi-dimensional approach in the implementation of interventions that seek to create an enabling environment for job creation by targeting employment generation in both rural and urban areas. With respect to the safeguarding of labour standards and safety in the workplace, the Government shall facilitate more frequent random checking of factories with severe penalties imposed on those that break the law. Inspections shall be complemented by educational awareness campaigns with regard to the provisions of the Factories Act and related legislation. Labour legislation will be reviewed to align it to regional and international standards.

With regard to the social security reforms that would be undertaken, the objective would be to ensure harmonisation of social protection schemes in order to improve the coverage and delivery of social services in the country. In this regard there is also need to ensure that the coverage of social security schemes is extended to workers in the fast growing informal economy.

In order to respond to various changes in the labour market, the Government, through the Ministry of Labour and Social Security, has developed a national employment and labour market policy. The following are the focal areas that shall be implemented under the FNDP:

- a) Support to the various sectors of the economy aimed at achieving higher employment creation, productivity and improved wages and working conditions;
- b) Revision and formulation of employment/labour policies and legislation;
- c) Contribution to the reduction of population growth and HIV and AIDS prevalence rates;
- d) Reduction of brain drain in the country;
- e) Strengthening the participation of government, employers and workers in social dialogue;
- f) Provision of comparative information on the state of labour through monitoring and analysing the labour market;
- g) Elimination of all forms of discrimination in employment;
- h) Elimination of the worst forms of child labour;
- i) Provision of social protection/security and integration of special and vulnerable groups into the labour market; and
- j) Promotion of awareness and recognition of fundamental rights of workers.

24.4 Vision and Goal

The Vision is: *An Efficient and effective labour market system that promotes job creation in the economy by 2030.*

The Goal is: *To provide the policy and legal framework on employment creation, labour administration and social protection in order to contribute to the enhancement of job creation and productivity in the country.*

24.5 Programmes, Objectives and Strategies

The matrix below presents the programmes, objectives and strategies for the employment and labour sector.

| Sector: Employment and Labour | | | |
|--------------------------------------|---|--|---|
| No | Programmes | Objectives | Strategies |
| 1 | Decent Work Promotion | a) To promote employment | a) Introduce labour market programmes targeting the informal sector; b) Implement labour administration projects |
| | | b) To promote social dialogue | a) Hold regular meetings of the Tripartite Consultative Labour Council; b) Enhance capacity of employers' and workers' organizations to participate effectively in macro-economic issues; c) Train social partners in conflict management techniques; d) Establish a Secretariat to coordinate tripartite consultative mechanisms within the Department of Labour |
| | | c) To promote social protection through the creation of a comprehensive social security system | a) Improve social security service delivery; b) Extend coverage of social security contingencies to those currently excluded; c) Carry out research on social security in order to monitor social security trends and establish and maintain a social security database; d) Improve benefit levels; e) Carry out awareness campaigns on social security; f) Facilitate the review of laws and social security systems in order to remove gender discriminatory practices and biases |
| | | d) To promote fundamental rights of workers | a) Conduct regular labour inspections; b) Convene sensitisation workshops and conduct awareness campaigns on labour laws; c) Enhance employment and labour administration services at provincial and district levels |
| 2 | Labour Market Management Information System | To create public awareness on labour and employment matters and enhance decision-making | a) Identify labour and employment information needs of stakeholders; b) Establish and maintain both an online and in-house database on employment, the labour market and operations of the Ministry; c) Develop and strengthen the Ministry's Management Information System; d) Strengthen the institutional capacity of field stations; e) Schedule and convene information and dissemination workshops and seminars; f) Conduct effective awareness campaigns; g) Revive the Public Employment Exchanges; h) Conduct periodic labour market surveys; i) Develop data collection tools; j) Monitor labour migration |
| 3 | Labour Market Legal and Regulatory Framework Reforms | To strengthen the regulatory and legislative framework for the employment and labour sector | a) Review and re-formulate employment and labour policies and legislation; b) Develop guidelines that foster efficient and effective labour administration in conformity with both local and international standards; c) Conduct research on various labour-related issues; d) Review relevant labour legislation; e) Review and re-formulate labour and social security policies |

| Sector: Employment and Labour | | | |
|--------------------------------------|--|---|---|
| No | Programmes | Objectives | Strategies |
| 4 | Occupational Safety and Health Promotion | To promote and enforce occupational health and safety standards at places of work to ensure a safe and healthy working environment | <ul style="list-style-type: none"> a) Conduct occupational health and safety awareness and accident prevention programmes; b) Conduct factories and machinery inspections; c) Investigate occupational accidents and diseases and provide remedial and control measures and feedback; d) Conduct registration of factories; e) Identify, examine and test pressure vessels and lifting machinery; f) Conduct surveys on occupational accidents and diseases; g) Improve the provision of occupation health services. |
| 5 | National Labour Productivity Promotion | To promote productivity in the country so as to enhance economic growth | <ul style="list-style-type: none"> a) Conduct work culture attitude workshops for employees; b) Introduce productivity-based collective bargaining; c) Design and conduct annual productivity surveys; d) Schedule and organise productivity seminars and workshops; e) Design and implement productivity improvement techniques; f) Undertake public awareness campaigns on educational and occupational assessment services; g) Schedule and undertake educational and occupational assessment activities; h) Collect data for test validation and statistical analysis; i) Provide career guidance and counselling services; j) Conduct tracer studies to ascertain the performance of assessed candidates; k) Establish a National Productivity Centre |
| 6 | Mainstream Special Interest and Vulnerable Groups | To increase employment opportunities for youths, women and persons with disabilities | <ul style="list-style-type: none"> a) Increase programmes for entrepreneurship, apprenticeship and in-house training and industrial attachments for youths, women and vulnerable people; b) Increase youth and women's access to land and other factors of production; c) Develop special skills training for persons with disabilities; d) Increase access to credit facilities for persons with disabilities |
| 7 | HIV and AIDS Interventions at the Work Place | To reduce the spread and impact of HIV and AIDS on workers and employers | <ul style="list-style-type: none"> a) Educate workers on HIV and AIDS legal provisions; b) Formulate legislation to protect HIV and AIDS infected workers; c) Educate workers on the dangers and effects of HIV and AIDS; d) Undertake HIV and AIDS awareness and sensitisation programmes; e) Facilitate the formulation of HIV and AIDS policies at work places |
| 8 | Prevention of Child Labour | To eradicate the worst forms of child labour | <ul style="list-style-type: none"> a) Conduct awareness campaigns to educate trade unions, employers and the general public on the dangers of child labour; b) Review, harmonise and enforce existing pieces of legislation on child welfare; c) Effectively monitor child labour trends in Zambia; d) Conduct baseline surveys on child labour |
| 9 | Labour Migration | <ul style="list-style-type: none"> a) To reduce the brain drain in the country b) To effectively utilize skills of migrant workers and skilled refugees | <ul style="list-style-type: none"> a) Facilitate the improvement of working conditions for strategic personnel; b) Promote the principle of equal pay for equal work of equal value; c) Provide up-to-date labour market information on job opportunities to Zambians working abroad; d) Strengthen the Zambianisation programme; a) Identify skill gaps required in various sectors of the economy; b) Create a database of migrant workers including skilled refugees; c) Develop guidelines of succession plans were migrant workers will eventually transfer skills to Zambians. |
| 10 | Discrimination Prevention | To end discrimination in the labour market | <ul style="list-style-type: none"> a) Promote the principle of equal pay for equal work of equal value; b) Actively promote the greater participation of women in economic and enterprise development activities; c) Ensure greater employment and entrepreneurial opportunities for people with disabilities; d) Combat discrimination and stigmatization in employment based on HIV and AIDS; e) Cooperate with GIDD, MCDSS and other ministries to end discrimination. |
| 11 | Monitoring and Evaluation | To monitor the implementation of | <ul style="list-style-type: none"> a) Constitute a monitoring and evaluation team; b) Develop a monitoring and evaluation system; |

| Sector: Employment and Labour | | | |
|-------------------------------|------------|---|---|
| No | Programmes | Objectives | Strategies |
| . | | programmes and ensure that the intended objectives are achieved | c) Train officers in monitoring and evolution tools and techniques; d) Demonstrate impact of employment and labour policies and activities; e) Disseminate results. |

24.6 Implementation, Monitoring and Evaluation Framework

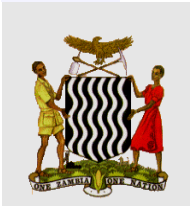
Employment and labour programmes will be monitored by the Ministry of Labour and Social Security in collaboration with the SAG and the Provincial and District Advocacy Groups spearheading the implementation of the national employment and labour market policy. They will ensure timely submission of reports, and verify and validate expenditure and objectives against the following indicators:

- a) Employment/unemployment rates (gender and age disaggregated);
- b) Number of individuals covered by social security schemes (gender and age disaggregated);
- c) Productivity levels (aggregated by sector);
- d) Number/value of benefits paid;
- e) Child labour prevalence rates (gender and age disaggregated);
- f) Days lost through industrial disputes;
- g) Number of industrial accidents; and
- h) Days lost through industrial accidents.

The selection of the above indicators also took into account the need to monitor Zambia's progress towards the achievement of the Millennium Development Goals. The FNDP implementation review meetings involving stakeholders will be held annually. The objective will be to ensure dialogue with all stakeholders. The Tripartite Consultative Labour Council being a major stakeholder will be expected to play a pivotal role during this process as it has the representation of the Government, and workers' and employers' organisations. The monitoring and evaluation will be undertaken by the Sector Advisory Group.

Sector: Employment and Labour
(K Billion)

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|---------------------|-------------|---------------------|-------|-------|---------------------|-------|-------|---------------------|-------|-------|---------------------|-------|-------|---------------------|-------|-------|-------------|------|-------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Total | GRZ | Donor |
| | | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | | | |
| Core FNDP Programs | 1 | 3.3 | 0.0 | 3.3 | 4.5 | 3.0 | 7.5 | 4.8 | 3.0 | 7.8 | 4.9 | 3.0 | 7.9 | 5.1 | 3.0 | 8.1 | 34.6 | 22.6 | 12.0 |
| | 2 | 1.6 | 0.0 | 1.6 | 2.1 | 2.0 | 4.1 | 2.3 | 4.0 | 6.3 | 2.3 | 6.3 | 8.6 | 2.4 | 14.0 | 16.4 | 36.9 | 10.6 | 26.3 |
| | 3 | 0.5 | 0.0 | 0.5 | 0.7 | 1.0 | 1.7 | 0.7 | 2.0 | 2.7 | 0.7 | 0.0 | 0.7 | 0.8 | 0.0 | 0.8 | 6.4 | 3.4 | 3.0 |
| | | 5.4 | 0.0 | 5.4 | 7.3 | 6.0 | 13.3 | 7.8 | 9.0 | 16.8 | 8.0 | 9.3 | 17.3 | 8.2 | 17.0 | 25.2 | 77.9 | 36.6 | 41.3 |
| Non Core Programmes | 1 | 3.4 | 0.0 | 3.4 | 3.2 | 0.0 | 3.2 | 3.6 | 0.0 | 3.6 | 4.0 | 0.0 | 4.0 | 4.5 | 0.0 | 4.5 | 18.7 | 18.7 | 0.0 |
| | 2 | 2.4 | 0.0 | 2.4 | 3.3 | 0.0 | 3.3 | 3.5 | 0.0 | 3.5 | 3.6 | 0.0 | 3.6 | 3.7 | 0.0 | 3.7 | 16.5 | 16.5 | 0.0 |
| | 3 | 0.8 | 0.0 | 0.8 | 1.1 | 0.0 | 1.1 | 1.1 | 0.0 | 1.1 | 1.2 | 0.0 | 1.2 | 1.2 | 0.0 | 1.2 | 5.3 | 5.3 | 0.0 |
| | 4 | 0.7 | 0.0 | 0.7 | 0.9 | 1.0 | 1.9 | 1.0 | 2.0 | 3.0 | 1.0 | 2.0 | 3.0 | 1.0 | 2.0 | 3.0 | 11.6 | 4.6 | 7.0 |
| | 5 | 0.2 | 0.0 | 0.2 | 0.3 | 1.0 | 1.3 | 0.3 | 1.0 | 1.3 | 0.3 | 1.0 | 1.3 | 0.3 | 0.0 | 0.3 | 4.3 | 1.3 | 3.0 |
| | 6 | 0.0 | 0.0 | 0.0 | 0.1 | 2.0 | 2.1 | 0.1 | 2.0 | 2.1 | 0.1 | 2.0 | 2.1 | 0.1 | 2.0 | 2.1 | 8.3 | 0.3 | 8.0 |
| | 7 | 0.2 | 0.0 | 0.2 | 0.3 | 0.0 | 0.3 | 0.3 | 0.0 | 0.3 | 0.3 | 0.0 | 0.3 | 0.3 | 0.0 | 0.3 | 1.4 | 1.4 | 0.0 |
| | 8 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 | 0.0 | 2.0 | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 3.0 | 0.0 | 3.0 |
| | 9 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 | 0.0 | 2.0 | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 3.0 | 0.0 | 3.0 |
| | | 7.7 | 0.0 | 7.7 | 9.0 | 6.0 | 15.0 | 9.9 | 9.0 | 18.9 | 10.4 | 5.0 | 15.4 | 11.1 | 4.0 | 15.1 | 72.1 | 48.1 | 24.0 |
| | Grand Total | 13.1 | 0.0 | 13.1 | 16.3 | 12.0 | 28.3 | 17.6 | 18.0 | 35.6 | 18.4 | 14.3 | 32.7 | 19.3 | 21.0 | 40.3 | 150.0 | 84.7 | 65.3 |



Part

5

Government Administration

CENTRAL ADMINISTRATION



Central Administration

25.1 Introduction

Central administration plays a pivotal role in the development of Zambia. It comprises Cabinet Office, Public Service Management Division (PSMD), and Public Service Commission (PSC). Cabinet Office, whose functions are mainly derived from Article 53 of the Constitution of Zambia, is the highest administrative office in the Public Service. It is responsible for coordinating the effective implementation of government policies, systems and procedures, and for monitoring and evaluating the overall performance of the Public Service. The Public Service Management Division is charged with the overall responsibility of human resources management and development while the Public Service Commission is responsible for prescribing policies and procedures for employment in the Civil Service, making appointments to any office in the Civil Service and exercising disciplinary control over Civil Service personnel.

25.2 Review of Past Performance

In the early 1990s, the Government began a political and socio-economic reform process which involved democratising the political system, transforming the administrative system and liberalizing the economy. During this period the Public Service was bloated, inefficient, ineffective, and inadequately responsive to the needs of the public. It was also characterised by poor discipline, and inadequate professionalism and accountability, resulting in poor service delivery. To redress this situation, the Government embarked on implementing the Public Service Reform Programme (PSRP) in 1993 as a systematic long-term measure to reform the Public Service. The overall goal of the PSRP is “to improve the quality, delivery, efficiency and cost effectiveness of public services to the people of Zambia”. Initially, the Public Service Reform Programme had three main areas of focus, namely, Restructuring; Management and Human Resources Performance Improvement; and Decentralization and strengthening of Local Government. These were aimed at streamlining the functions, structures, establishments, and operations of ministries/institutions in order to create a lean, less costly, but well motivated Public Service. They were also aimed at introducing organisational, management, and accountability systems into government operations to improve efficiency and effectiveness in delivery of public services and decentralising authority and control of resource allocation and utilisation from Central Government to districts and local authorities.

It was realised that for the reforms to have a positive impact on the well-being of the citizens, the Public Service needed significant institutional and human resources capacity building. In 2000, the Government commenced the implementation of the Public Service Capacity Building Project (PSCAP) in order to facilitate and sustain the reform efforts. The PSCAP was designed as a long-term comprehensive government strategy to be implemented in three phases. The first phase, which became operational in 2000 focused on right sizing and pay reform of the public service; improved policy and public service management; improved financial management, accountability and transparency; improved capacity of the judicial and legal systems; and decentralisation and participatory governance. Implementation of various reform initiatives under the PSRP has resulted in a number of significant achievements including the following:

- a) The size of the Public Service was reduced substantially from 139,000 in 1997 to 104,000 in 2000, before increasing to 115,000 in 2004;
- b) Key technical and professional positions were filled by competent and qualified staff;
- c) Appropriate management structures were put in place;
- d) The salary structure was rationalised from 17 salary scales to 5 salary scales by consolidating 14 scales into two, one for civil servants and the other for teachers;
- e) A new open Appraisal System was introduced;
- f) The Performance Management Package was installed in restructured ministries/institutions;

- g) The General Orders were repealed and replaced by Terms and Conditions of Service for the Public Service; Disciplinary Code and Procedures for Handling Offences in the Public Service; Service Commission Regulations; and Procedures for Employment in the Public Service; and
- h) The Payroll Management and Establishment Control (PMEC) System was developed and adopted with unique position codes for all the jobs in the public service. In addition, Payroll and Establishment Cleaning and documentation of Payroll and Establishment related policies and procedures and training of government employees in the use of the PMEC system were undertaken.

25.3 Policies and Key Reforms

During the period 2006 to 2010, the Central Administration will continue to spearhead the implementation of Public Sector Reforms through the Public Service Management (PSM) Component, which is one of the three pillars of the PSRP. The other two pillars are Public Expenditure Management (PEM) and Financial Accountability Reforms (PEMFA) and Decentralization. The overarching policy goal of PSM Component will continue to be that of enhancing effective delivery of services to the people of Zambia. The PSM has four sub-components namely, rightsizing; pay reforms, service delivery improvement and payroll management and establishment control.

25.3.1 Rightsizing Sub-Component

The goal of the sub-component is to ensure that all government ministries and institution have staff complements that are appropriate to their agreed mandates and affordable in relation to the Medium Term Expenditure Framework (MTEF) ceilings. The main thrust of the reforms under this area shall be to continue with right sizing efforts within the dictates of the resource constraints, and with particular emphasis on Provincial and District Administration as well as Local Authorities. Under the rightsizing component, the Government will do the following during the FNDP:

- a) Re-examine current downsizing strategies with a view to reducing costs;
- b) Ensure payment of redundancy packages promptly;
- c) Develop proposals to contract-out non-core services;
- d) Develop and implement an HIV and AIDS prevention and mitigation strategy for the Public Service;
- e) Develop and implement a strategy to create a more gender responsive Public Service; and
- f) Develop and implement a social protection strategy.

25.3.2 Pay Reform Sub-component

The goal of this sub-component is to ensure the following:

- a) Employees' remuneration is related to the job and performance;
- b) The Public Service is able to attract and retain essential technical, professional and managerial staff;
- c) Pay arrangements support and reinforce improved service delivery;
- d) Increases in pay levels are consistent with the resource envelope; and
- e) Development of the public service pay policy.

In line with the above commitments under this sub-component, the Government shall carry out diagnostic work to inform the development of a comprehensive pay policy; develop a Public Service pay structure, which reflects the pay policy; enhance planning and budgeting arrangements for personnel emoluments; and create a sustainable public service pensions fund.

25.3.3 Service Delivery Improvement Sub-component

The goal of this sub-component is to ensure that all ministries and institutions are managing performance effectively within an agreed framework of planned objectives and standards, and are taking action to improve their capacity to deliver better services. In this regard, the Government will do the following during the FNDP:

- a) Undertake an in-depth review of the implementation of all performance management initiatives;
- b) Revise and implement the strategy for performance management;
- c) Implement service delivery charter and a service delivery improvement fund to strengthen the capacity of ministries/institutions to deliver better services; and,
- d) Build management capacity.

25.3.4 Payroll Management and Establishment Control (PMEC) Sub-component

The goal of this sub-component is to ensure that personal emoluments and establishments for the Public Service are effectively managed and maintained at approved levels. To this end, the Government will do the following during the FNDP:

- a) Conduct sensitisation programmes for stakeholders;
- b) Build adequate business and technical capacity to manage and maintain the PMEC system;
- c) Complete verification of establishments and staffing in order to roll-out the system across all ministries, institutions, and provinces;
- d) Contract technical assistance to support implementation as and when needed;
- e) Strengthen payroll integrity;
- f) Implement additional human resource sub-modules;
- g) Decentralise the IT infrastructure to provincial level;
- h) Integrate PMEC with IFMIS; and,
- i) Interface the PMEC system to other systems.

25.3.5 Routine Programmes

In addition to the key reform initiatives, institutions under central administration shall continue implementing routine programmes aimed at sustaining Government operations. These will cover broad areas of management of the policy process, and strategic and human resource management and provision of institutional and system support services.

25.4 Vision and Goal

The vision is: *Quality public services for all by 2030.*

The goal is: *To achieve and sustain efficiency and effectiveness in the delivery of public services.*

25.5 Programmes, Objectives and Strategies

The matrix below presents the programmes and their respective objectives and strategies for Central Administration.

| Sector: Central Administration | | | |
|--------------------------------|--|---|---|
| | Programmes | Objectives | Strategies |
| 1 | General Administration and Support to Institutions | To effectively provide administrative support services for efficient management of government business | <ol style="list-style-type: none"> a) Provide of office administration and logistical support services; b) Provide staff welfare; c) Staff development; d) Plan and budget; e) Transport management; f) Coordinate public affairs and summit meetings; g) Manage international and national days; h) Coordinate provincial administration; i) Provide of grants to Government Communications, NIPA, PSPF, Future Search, ESAMI and Civil Service Recreation Club |
| 2 | Government Systems Re-organisation and Capacity Enhancement | To develop and facilitate the implementation of results oriented management systems in order to improve performance and productivity in the Public Service | <ol style="list-style-type: none"> a) Develop and install performance management systems; b) Implement institutional assessments and service delivery audit; c) Develop and implement service delivery charters; d) Institutionalise performance management package |
| 3 | <ol style="list-style-type: none"> a) Improvement of Human Resources Management and Development b) Management of an Integrated | <p>To improve human resource management and development policies and systems in order to enhance delivery of public services;</p> <p>To mainstream of Gender in management of policies an procedures;</p> | <ol style="list-style-type: none"> a) Review of legal framework; b) Develop and review of human resource policies and procedures; c) Establish and maintain a database on separations and disciplinary cases; d) Develop leadership programs; e) Facilitate negotiation and dialogue; f) Produce establishment register; g) Strengthen human resource management information |

| Sector: Central Administration | | | |
|---------------------------------------|---|---|---|
| | Programmes | Objectives | Strategies |
| | Payroll Management Establishment Control (PMEC) System c) Pay Reform d) Service Delivery Improvement | To attract and retain essential technical, professional and managerial staff and to reinforce performance within budget ceilings. To ensure that all ministries/institutions are managing performance effectively within agreed frameworks of planned activities and strategies. | system and planning; h) Upgrade and maintain PMEC system; i) Develop and implement comprehensive pay policy; j) Develop and implement strategy for performance management; k) Build capacities to implement service delivery initiatives; l) Ensure timely payment of redundancy packages; m) Develop and implement a social protection strategy; n) Develop and implement HIV and AIDS prevention and mitigation strategy for the public service; o) Develop and implement a strategy to create a more gender responsive public service. |
| 4 | a) Strengthening of Coordination, Monitoring and Evaluation Systems b) Management of Policy Process c) Cabinet and Cabinet Committee Meetings Secretariat Services | To strengthen monitoring and evaluation of the implementation of government policies and programmes in order to establish their effectiveness and impact | a) Develop and institutionalise an effective consultative process and enhance intra and inter ministerial and public consultation; b) Build capacity in Ministries through the development of skills in policy formulation, implementation, monitoring and evaluation, and writing of Cabinet Memoranda; c) Maintain electronic system for policy management and coordination; d) Disseminate procedures and guidelines and preparation of national policy documents and Cabinet Memoranda; e) Improve Record Management Systems. |

25.6 Implementation, Monitoring and Evaluation Framework

The FNDP programmes will be translated into Annual Work Plans, which will be costed using the Medium Term Expenditure Framework. Further, implementation of some activities under the Improvement of Salaries and Conditions of Service and the Enhancement and Alignment of Government Systems and Procedures programmes will be facilitated by the Public Service Management Component of the Public Service Reform Programme.

The Central Administration Strategic Plans for the period 2006-2010 set out key strategies and their corresponding performance indicators; Annual Work Plans; and budgets. These Strategic Plans will form the basis for the FNDP monitoring. A review of implementation will be carried out at the end of each year from which activities for the following year will be identified. The responsible divisions will carry out quarterly progress reviews. These quarterly reviews will form the basis for preparing Annual Reports. An independent evaluation will be conducted mid-term and at the end of the Plan period. The entire monitoring and evaluation process will be overseen by the SAG, which will be formed for central administration.

Sector: Central Administration
(K Billion)

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------|---|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|-------------|-------|-------|
| | | Cost in K' Billions | | Total | Cost in K' Billions | | Total | Cost in K' Billions | | Total | Cost in K' Billions | | Total | Cost in K' Billions | | Total | GRZ | Total | DONOR |
| | | GRZ | Donors | | GRZ | Donors | | GRZ | Donors | | GRZ | Donors | | GRZ | Donors | | | | |
| | Government systems reorganisation and capacity enhancement | 2.8 | 0.0 | 2.8 | 3.8 | 0.0 | 3.8 | 3.9 | 0.0 | 3.9 | 4.1 | 0.0 | 4.1 | 4.2 | 0.0 | 4.2 | 18.8 | 18.8 | 0.0 |
| 1 | Strengthening of co-ordination monitoring and evaluation systems | 0.8 | 0.0 | 0.8 | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 | 1.1 | 0.0 | 1.1 | 4.9 | 4.9 | 0.0 |
| 2 | Management of policy process and programmes | 0.6 | 0.0 | 0.6 | 0.9 | 0.0 | 0.9 | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 | 4.5 | 4.5 | 0.0 |
| 3 | Right-sizing | 0.0 | 7.5 | 7.5 | 7.7 | 0.0 | 7.7 | 7.9 | 0.0 | 7.9 | 8.1 | 0.0 | 8.1 | 8.2 | 0.0 | 8.2 | 39.4 | 39.4 | 39.4 |
| 4 | Service Delivery Improvements | 0.0 | 1.0 | 1.0 | 1.1 | 0.0 | 1.1 | 1.1 | 0.0 | 1.1 | 1.1 | 0.0 | 1.1 | 1.1 | 0.0 | 1.1 | 5.4 | 5.4 | 5.4 |
| 5 | PSM Programme Management | 0.0 | 18.0 | 18.0 | 0.0 | 9.7 | 9.7 | 0.0 | 8.0 | 8.0 | 0.0 | 8.0 | 8.0 | 0.0 | 7.1 | 7.1 | 50.7 | 50.7 | 50.7 |
| 6 | Provision of a clear framework | 0.7 | 0.0 | 0.7 | 1.2 | 0.0 | 1.2 | 1.3 | 0.0 | 1.3 | 0.9 | 0.0 | 0.9 | 0.7 | 0.0 | 0.7 | 4.8 | 4.8 | 0.0 |
| 7 | Improvement and implementation of recruitment and placement processes | 0.7 | 0.0 | 0.7 | 0.9 | 0.0 | 0.9 | 0.6 | 0.0 | 0.6 | 0.4 | 0.0 | 0.4 | 0.3 | 0.0 | 0.3 | 3.0 | 3.0 | 0.0 |
| 8 | Separation of employees and disposal of disciplinary cases | 0.5 | 0.0 | 0.5 | 0.8 | 0.0 | 0.8 | 0.0 | 0.0 | 0.0 | 0.8 | 0.0 | 0.8 | 0.0 | 0.0 | 0.0 | 2.1 | 2.1 | 0.0 |
| 9 | Co-ordination of labour matters | 0.3 | 0.0 | 0.3 | 0.3 | 0.0 | 0.3 | 0.4 | 0.0 | 0.4 | 0.5 | 0.0 | 0.5 | 0.5 | 0.0 | 0.5 | 2.0 | 2.0 | 0.0 |
| 10 | Human Resource Planning | 0.7 | 0.0 | 0.7 | 0.9 | 0.0 | 0.9 | 0.9 | 0.0 | 0.9 | 0.9 | 0.0 | 0.9 | 0.9 | 0.0 | 0.9 | 4.3 | 4.3 | 0.0 |
| 11 | Implementation of Performance Management Systems | 0.2 | 0.0 | 0.2 | 0.3 | 0.0 | 0.3 | 0.3 | 0.0 | 0.3 | 0.3 | 0.0 | 0.3 | 0.3 | 0.0 | 0.3 | 1.3 | 1.3 | 0.0 |
| 12 | Human Resource Development | 0.5 | 0.0 | 0.5 | 0.6 | 0.0 | 0.6 | 0.6 | 0.0 | 0.6 | 0.6 | 0.0 | 0.6 | 0.6 | 0.0 | 0.6 | 2.7 | 2.7 | 0.0 |
| 13 | Management of Integrated Payroll management and Establishment Control | 5.7 | 3.2 | 8.8 | 6.5 | 3.3 | 9.8 | 7.5 | 3.4 | 10.9 | 7.5 | 3.5 | 11.0 | 6.5 | 3.5 | 10.0 | 50.5 | 33.7 | 16.9 |
| 14 | Payreform | 1.0 | 1.1 | 2.1 | 0.0 | 1.1 | 1.1 | 0.0 | 1.1 | 1.1 | 0.0 | 1.2 | 1.2 | 0.0 | 1.2 | 1.2 | 6.6 | 1.0 | 5.6 |
| 15 | Civil Service Appointments, Disciplinary control and Separations | 0.3 | 0.0 | 0.3 | 0.4 | 0.0 | 0.4 | 0.4 | 0.0 | 0.4 | 0.4 | 0.0 | 0.4 | 0.4 | 0.0 | 0.4 | 1.7 | 1.7 | 0.0 |
| 16 | | | | | | | | | | | | | | | | | | | |

Core FNDP Programs

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------|---|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|-------------|--------|-------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Grand Total | | |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total |
| | Sub-total | 14.7 | 30.7 | 45.4 | 17.5 | 22.9 | 40.4 | 17.9 | 21.5 | 39.3 | 18.3 | 21.7 | 40.0 | 16.5 | 21.2 | 37.7 | 84.8 | 118.0 | |
| 1 | Personal Emoluments | 84.1 | 0.0 | 84.1 | 90.4 | 0.0 | 90.4 | 89.6 | 0.0 | 89.6 | 100.0 | 0.0 | 100.0 | 111.7 | 0.0 | 111.7 | 475.7 | 0.0 | 0.0 |
| 2 | General Administration | 46.4 | 0.0 | 46.4 | 48.7 | 0.0 | 48.7 | 50.2 | 0.0 | 50.2 | 51.8 | 0.0 | 51.8 | 53.7 | 0.0 | 53.7 | 250.8 | 0.0 | 0.0 |
| 3 | Cabinet and Cabinet Committee Meetings Secretariat Services | 0.3 | 0.0 | 0.3 | 0.3 | | 0.3 | 0.3 | | 0.3 | 0.3 | | 0.3 | 0.4 | | 0.4 | 1.6 | 0.0 | 0.0 |
| 4 | Support to Institutions | 251.2 | 0.0 | 251.2 | 286.7 | 0.0 | 286.7 | 311.1 | 0.0 | 311.1 | 323.7 | 0.0 | 323.7 | 322.5 | 0.0 | 322.5 | 1495.2 | 0.0 | 0.0 |
| | Subtotal | 382.0 | 0.0 | 382.0 | 426.1 | 0.0 | 426.1 | 451.3 | 0.0 | 451.3 | 475.8 | 0.0 | 475.8 | 488.2 | 0.0 | 488.2 | 2223.3 | 0.0 | 0.0 |
| | Grand Total | 396.7 | 30.7 | 427.4 | 443.5 | 22.9 | 466.4 | 469.1 | 21.5 | 490.6 | 494.1 | 21.7 | 515.8 | 504.7 | 21.2 | 525.9 | 2308.1 | 118.0 | |

Non Core FNDP Programs

LOCAL GOVERNMENT AND DECENTRALISATION



Local Government and Decentralisation

26.1 Introduction

The Ministry of Local Government and Housing (MLGH) is responsible for the facilitation of an enabling environment for the smooth functioning of all councils in the country. The local government and decentralisation sector is multi-functional in nature because it is a recipient of delegated responsibilities from various sectors. The sector is driven by the national aspiration to uplift the standard of living of the people through democratisation and strengthening of local decision-making to ensure the provision of quality services by councils. The sector covers such issues as physical and regional planning; infrastructure development and social services; water and sanitation; chiefs' affairs; fire services; decentralization; local economic development; and poverty reduction. The delegated responsibilities of the local authorities are democratised and strengthened through local decision-making processes as defined under various pieces of legislation.

26.2 Review of Past Performance

The Government's provision of services registered marked improvement during the 1960s and 1970s, reflecting the buoyancy of the economy at the time and the general efficiency of the delivery system then. Since the 1980s, however, considerable decline has been evident in service delivery by both the central government, generally, and councils, in particular.

In 2001, the Government recognised that in spite of the changes to the local government system, very little positive change was registered, particularly with respect to improvements in service provision. PDCCs and DDCCs, it has been observed, have remained ineffective. The fact that they control no budgets and that budgeting is actually being done and approved at levels much higher than these committees has continued to reduce their economic and political relevance. Consequently, the Government has recognised that the decentralisation efforts so far made are largely *deconcentration* of central government responsibilities rather than *devolution* of functions and authority to local levels.

A number of factors explain the poor state of service delivery by councils. These are as follows:

- a) Inadequate budget allocation by central government;
- b) Inadequate and late disbursements of funds;
- c) Delays in the implementation of the decentralisation policy, particularly fiscal decentralisation; and
- d) Inadequate capacity in planning, budgeting, revenue collection and expenditure management.

Against the above background, it is evident that there is need to address, in a more inclusive and devolved manner, the challenges being faced by communities in both urban and rural areas in the area of service provision, generally, and in terms of how decisions are made, in particular.

Decentralised systems of service delivery seek to improve governance in three ways: improving the efficiency of resource allocation; promoting accountability and reducing corruption; and improving cost recovery. Decentralisation has generally been associated with the following:

- a) Reduction in power, size, and cost of central government;
- b) Improved efficiency in decision-making;
- c) Better coordination of development activities at the local level;
- d) Greater equity and effectiveness in the allocation of resources;
- e) Better responsiveness from government to the needs of marginalised groups;
- f) Enhanced participation in development;
- g) Improved transparency and accountability; and
- h) More effective mobilization of resources.

In the light of the above, the most fundamental rationale for decentralisation in Zambia lies in its opportunity to bring the government closer to the people by providing citizens with greater control over the decision-making process and allowing their direct participation in public service delivery.

26.3 Policies and Key Reforms

Through the Public Service Reform Programme (PSRP) that was launched in 1993, the Government re-affirmed its commitment to the decentralisation process by pledging to strengthen the management of local authorities. The PSRP includes a component on decentralisation and strengthening of local government. In the document, *Public Service Reform Programme 2000: Strategy and Action Plan, 2000 to 2002*, the Government reiterated its commitment to the principles of decentralisation and the strengthening of the local government system. It is against this background that the Decentralisation Policy was adopted in 2002 and subsequently launched by the President in 2004. The policy provides the vision of “a fully decentralized and democratically elected system of governance characterized by open, predictable and transparent policy making and implementation process, effective community participation in decision making, development and administration of their local affairs while maintaining sufficient linkages between the centre and the periphery.”

The decentralisation policy objectives are as follows:

- a) Empower local communities by devolving decision-making authority, functions, and resources from the centre to the lowest level with matching resources in order to improve efficiency and effectiveness in the delivery of services;
- b) Design and implement mechanisms to ensure a “bottom-up” flow of integrated development planning and budgeting from the district to the central government;
- c) Enhance political and administrative authority in order to effectively and efficiently deliver services to the lowest level;
- d) Promote accountability and transparency in the management and utilization of resources;
- e) Develop the capacity of councils and communities in development planning, financing, coordinating, and managing the delivery of services in their areas;
- f) Build capacity for development and maintenance of infrastructure at local level;
- g) Introduce an integrated budget for district development and management; and
- h) Provide a legal and institutional framework to promote autonomy in decision-making at local level.

In the light of the above, the decentralisation policy has been developed to provide for a more facilitative policy environment for addressing the identified problems. The decentralisation implementation plan (DIP) has been developed to operationalise the decentralisation policy and to give guidance on the activities that shall be undertaken during the 2006 to 2010 period coinciding with the FNDP period. In spite of the urgency to devolve power and authority to lower levels, it is the Government’s view that it is not appropriate to transfer all functions and finance matters to those local authorities that still suffer from severe human resource capacity shortfalls. It is in this vein that the issue of capacity building prior to, and during the implementation of, a decentralised system shall receive particular attention during the FNDP implementation.

26.4 Vision and Goal

The vision is: *A country with a fully decentralised and democratically elected system of governance by 2030.*

The goal is: *To enhance democratic governance and delivery of quality service at the local level.*

26.5 Programmes, Objectives and Strategies

The matrix below presents the core programmes and their respective objectives and strategies for the local government and decentralisation component of the FNDP.

| Sector: Local Government and Decentralisation | | | |
|--|--|--|--|
| No | Programme | Objectives | Strategies |
| 1 | Local Development Programme Planning and Budgeting | <ol style="list-style-type: none"> 1. To contribute to sustainable service delivery for communities and districts 2. To contribute to enhanced capacity of local authorities to manage own revenue and expenditure 3. To contribute to the development of a framework for sustainable fiscal 4. Decentralisation 5. To support local social and economic development at the district level 6. To develop and implement a new integrated planning and budgeting system that is supportive of the National Decentralization Policy | <ol style="list-style-type: none"> a) Empower communities and targeting resources for the poorest segments of the communities; b) Strengthen the local government system and implement aspects of the decentralisation policy, so that decision making is devolved to the people and results in active participation by the communities; c) Strengthen public expenditures process and district administration for resource allocation and financial management; d) Transfer of resources to districts as intended in the decentralisation policy; e) Carry out intensive training in financial management and district development planning; f) Create an integrated district budget and resource mobilisation system at district level |
| 2 | Institutional and Human Resource Capacity Development | To create and strengthen human and institutional capacities to implement, manage, and support decentralized governance, development, and service delivery | <ol style="list-style-type: none"> a) Assess and develop the management and technical capacities of the human resources of the key institutions responsible for implementing the decentralization process; b) Develop and rehabilitate local government institutional capacities, such as Chalimbana and National Fire Training School; c) Prepare and implement of capacity building programmes and monitoring the performance of local authorities. d) Retrench programs for councils e) Implement HIV and AIDS programs |
| 3 | Implementation of the Decentralisation Policy | To empower councils through the implementation of the decentralisation policy and the enhancement of good governance, community participation in decision-making for effective and efficient generation, and delivery of services to local communities | <ol style="list-style-type: none"> a) Empower councils through effective devolution of power, responsibilities and resources from central ministries; b) Conduct nation-wide sensitisation on Decentralise Policy and DIP; c) Produce and disseminate materials on decentralisation; d) Facilitate the mounting of civic education programmes; e) Create an enabling operational environment for the decentralisation secretariat |
| 4 | Financial Management and Accountability Capacity for councils and Local Authorities | <ol style="list-style-type: none"> a. To promote accountability and transparency in the management and utilization of resources b. To establish and operationalise a comprehensive local government financing system; c. To enhance the capacity of councils to mobilize resources and to widen their economic base | <ol style="list-style-type: none"> a) Train finance officers in councils; b) Assess capacity of finance officers in councils; c) Train finance officers in councils on financial management and accounting; d) Implement district planning and budgeting manuals; e) Ensure that Councils are entitled to adequate financial resources of their own, distinct from those of the central government and to dispose freely of such revenue within the framework of their powers; f) Provide block grants, which are not earmarked for the financing of specific projects or services, shall be promoted; g) Work towards the financial empowerment of Councils through fair and equitable sharing of public resources for effective service delivery; h) Enhance internal capacities of Councils to raise and manage own resources; i) Develop financial management and accounting capacities for Councils; |

| Sector: Local Government and Decentralisation | | | |
|--|--|--|---|
| No | Programme | Objectives | Strategies |
| | | | j) Improve property valuation procedures; k) Enhance participation of stakeholders including chiefs in governance and development issues at the local level. |
| 5 | Policy, Legal, and Regulatory Framework | To provide a legal and institutional framework in order to promote autonomy in decision-making and service delivery at the local level | Identify and amend laws needed for effective implementation of the decentralisation policy and strengthening local government |

26.6 Implementation, Monitoring and Evaluation Framework

The implementation of the FNDP interventions for local government and decentralisation shall be closely guided by the DIP. At the national level, Cabinet Office shall assume a strategic role in providing oversight over the implementation of the interventions outlined above.

The Government maintains that community participation in service delivery as well as in actual maintenance of facilities is crucial for the improvement of the communities' welfare. The development of this form of partnership is considered essential not only in terms of people's direct material inputs but, equally important, the use of their presence in councils to establish actual community needs and demands and alter these in the light of increased demand for the services as expressed by the beneficiaries themselves. In this respect, the involvement of communities in service provision at the local level shall be one of the cornerstones of decentralisation. Community involvement shall particularly be facilitated in the delivery of services that are highly localised and which use relatively small-scale infrastructure. This option offers good promise in meeting the social service demands of those in unplanned settlements in the provision of such services as communal boreholes supplying ground water; local drainage and sanitation systems; and solid waste disposal. To secure the effectiveness of this option, the Government, through the decentralisation secretariat, will ensure that stakeholders are directly involved at all decision-making levels of preparation/planning, implementation, and monitoring and evaluation.

The introduction of commercialisation principles in service delivery will be emphasized during the FNDP implementation. Thus, the Government will ensure that, under commercialisation, the provision of services achieves a balance between the economic imperatives of councils and private companies to make money and the social needs of the whole population for adequate service provision.

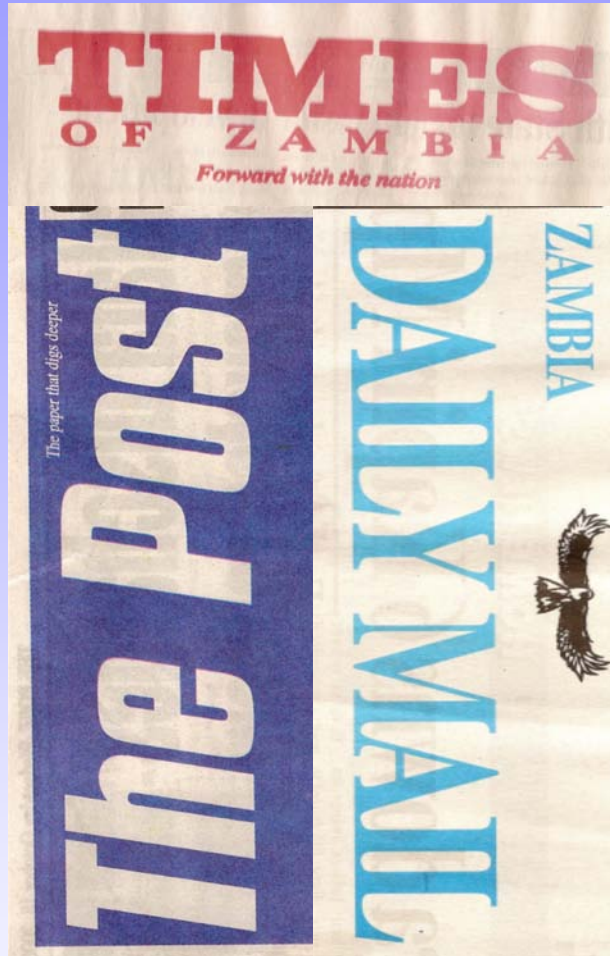
With respect to the monitoring and evaluation system, the main objective is to develop and institutionalise an appropriate monitoring and evaluation system that will facilitate effective surveillance over the implementation of the national decentralization policy, in general, and the identified programmes/activities for the FNDP, in particular. In this respect, an effective national results-based monitoring and evaluation system will be put in place, supported by effective monitoring and evaluation units at all levels. The strengthening of the oversight role of communities and other stakeholders through their effective participation in monitoring and evaluation of decentralisation functions shall be one of the focal areas of intervention.

At the more practical level, periodic monitoring of activities will be undertaken to ensure effective implementation of the interventions. Monitoring reports will be between and among various actors in the decentralization process. Evaluations will also be undertaken by the Ministry periodically and will come up with recommendations for improvements and the way forward. Capacity building through training aimed at equipping different levels of personnel/stakeholders to undertake the effective monitoring and evaluation of programmes within the decentralized structure will be a continuous process during the FNDP period. The role of the National Development Coordinating Committee, PSRP steering committee, the SAG, the Provincial Development Coordinating Committee and the District Development Coordinating Committee will be enhanced.

Sector: Local Government and Decentralisation

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------|---|---------------------|--------|--------|---------------------|--------|--------|---------------------|--------|--------|---------------------|--------|--------|---------------------|--------|--------|-------------|--------|--------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | | | |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | Total | GRZ | Donor |
| 1 | Capacity Building for Local Authorities | 1.00 | 27.64 | 28.64 | 0.75 | 23.10 | 23.85 | 1.11 | 25.11 | 26.22 | 0.87 | 20.93 | 21.80 | 0.77 | 21.39 | 22.15 | 122.66 | 4.50 | 118.16 |
| 2 | Decentralisation Secretariat operations | 1.37 | 28.57 | 29.94 | 2.60 | 28.57 | 31.17 | 2.60 | 41.73 | 44.33 | 2.60 | 25.68 | 28.28 | 2.60 | 25.68 | 28.28 | 162.00 | 11.77 | 150.23 |
| 3 | Transfers to local authorities (IFA) including CDF | | | | | | | | | | | | | | | | | | |
| 5 | Fire Services Equipment | 4.91 | - | 4.91 | 3.91 | - | 3.91 | 4.21 | - | 4.21 | 4.41 | - | 4.41 | 5.37 | - | 5.37 | 22.81 | 22.81 | - |
| 6 | Preparation of Valuation Rolls | 2.87 | - | 2.87 | 2.87 | - | 2.87 | 3.62 | - | 3.62 | 3.74 | - | 3.74 | 4.29 | - | 4.29 | 17.38 | 17.38 | - |
| | Sub-total | 10.15 | 56.20 | 66.36 | 111.93 | 51.67 | 163.60 | 113.34 | 66.84 | 180.18 | 113.41 | 46.61 | 160.02 | 114.83 | 47.07 | 161.89 | 732.05 | 463.66 | 268.39 |
| 1 | Personal Enrolments | 5.48 | | 5.48 | 5.56 | | 5.56 | 6.17 | | 6.17 | 6.73 | | 6.73 | 8.26 | | 8.26 | 32.21 | 32.21 | - |
| 2 | General administration | 11.47 | | 11.47 | 12.68 | | 12.68 | 14.49 | | 14.49 | 14.95 | | 14.95 | 17.18 | | 17.18 | 70.76 | 70.76 | - |
| 3 | Institutional and Human Resource Capacity Development | 4.91 | - | 4.91 | 4.31 | - | 4.31 | 6.21 | - | 6.21 | 6.41 | - | 6.41 | 7.36 | - | 7.36 | 29.21 | 29.21 | - |
| 4 | Financial Management in Local Authorities | 2.46 | - | 2.46 | 2.46 | - | 2.46 | 3.11 | - | 3.11 | 3.20 | - | 3.20 | 3.68 | - | 3.68 | 14.90 | 14.90 | - |
| 5 | Traditional and Customary Matters | 6.39 | - | 6.39 | 6.39 | - | 6.39 | 8.07 | - | 8.07 | 8.33 | - | 8.33 | 9.73 | - | 9.73 | 38.91 | 38.91 | - |
| 6 | Local Authority Administration | 6.77 | - | 6.77 | 6.77 | - | 6.77 | 17.78 | - | 17.78 | 19.45 | - | 19.45 | 27.60 | - | 27.60 | 78.37 | 78.37 | - |
| 7 | Policy, Legal and Regulatory Framework | 0.06 | - | 0.06 | 0.06 | - | 0.06 | 0.07 | - | 0.07 | 0.08 | - | 0.08 | 0.08 | - | 0.08 | 0.34 | 0.34 | - |
| | Sub-total | 37.54 | - | 37.54 | 38.23 | - | 38.23 | 55.90 | - | 55.90 | 59.14 | - | 59.14 | 73.91 | - | 73.91 | 264.71 | 264.71 | - |
| | Grand Total | 47.69 | 56.20 | 103.89 | 150.16 | 51.67 | 201.83 | 169.24 | 66.84 | 236.08 | 172.55 | 46.61 | 219.16 | 188.73 | 47.07 | 235.80 | 996.75 | 728.37 | 268.39 |

INFORMATION SERVICES



Information Services

27.1 Introduction

The information services sector in Zambia plays an important role in the socio-economic development of the country. Essentially, the flow of information takes place between information producers and information consumers. This takes place mainly through the print and electronic media, folklore and music. Nations which have effectively used information to their advantage have made tremendous strides in many development initiatives. The objective of the sector is to enhance the use of the print media, electronic media and Information and Communication Technology (ICT) by various sections of Zambian society for the benefit of the entire nation.

27.2 Review of Past Performance

During the implementation of the PRSP/TNDP, a number of programmes were implemented in the information services sector. Most public media institutions were fully computerised while the exercise is still ongoing in others. To improve radio reception in the country, the Government procured 56 FM radio transmitters that have since been installed in a number of districts. Further, implementation of the satellite television project, whose objective is to improve television reception countrywide commenced. With regard to training, the sector performed well.

Notwithstanding the above achievements, the sector experienced a number of challenges that should be addressed in order to achieve the set objectives. Key challenges include:

- a) Inadequate infrastructure, financial resources and lack of legal framework;
- b) Obsolete or inadequate equipment; archaic technologies; inadequate transport; and poorly motivated staff. The challenge at this level is to devise new ways of financing media operations on a more sustainable basis;
- c) Lack of access to modern ICTs has adversely affected timely and effective delivery of information as the current information and communication infrastructure is inadequate to meet the information needs of the whole population. This has led to poor and limited radio and television coverage, thereby denying information to most people living in the rural parts of Zambia. Inaccessible roads in rural areas and non-existence of telecommunication services in other areas has equally affected distribution and outreach of print media products, such as newspapers and magazines. There is, therefore, need to establish communication channels which ensure that every citizen has access to information as a basic human right;
- d) The prevailing media legislative environment does not adequately provide for freedom of the media, freedom of information and good governance. Some existing laws are inconsistent with the requirements of media operations in a changing political environment. There is, therefore, need for a review of the current media law regime and enactment or enforcement of new laws that promote press freedom, freedom of information and democratic governance;
- e) In spite of the many gender sensitisation initiatives carried out in the last few years, gender insensitivity in the media continues to be a contributing factor to inequalities between male and female journalists. Limited participation of women in information and the media is a factor contributing to the continued stereotypical manner in which women are portrayed as passive participants in national development activities. The situation is compounded by women's limited access to ICT, especially in rural areas where infrastructure is inadequate or does not exist at all. Further, women's interests are not well-catered for because decision-making positions in the media are dominated by males who generally are not gender-sensitive. In view of this, there is need for the mainstreaming of gender equity in all media operations in line with the international treaties to

which Zambia is a signatory, such as the SADC Declaration on Gender and Development signed by Heads of State and Government in 1997;

- f) The HIV and AIDS pandemic has negatively impacted the information services sector through morbidity and mortality. In spite of this, the media have not been successful in designing and communicating appropriate messages to address the problem. There is, therefore, need for fresh approaches to the coverage of HIV and AIDS and related issues. An additional challenge is to develop effective ways of combating the spread of the pandemic within the information services sector itself. This calls for the mainstreaming of HIV and AIDS in all media operations and activities;
- g) The liberalization of the media industry, which allows the importation of unedited foreign media products, some of which conflict with the norms and values of Zambian culture, poses a challenge for the Zambian media to counter the negative influences of such products with the positive aspects of Zambian culture. The revival of, and support given to, many traditional or cultural ceremonies all over the country is evidence that this is possible;

There is need for capacity building that enhances candidates for setting-up community radio stations to expand on-going programmes; and

- h) There is also need to establish an interface system between the Government and the media by developing fitting functional infrastructure service units in MPSAs.

27.3 Policies and Key Reforms

The information services sector operates under a number of statutes, which are complemented by the National Media Policy of 1996, which is currently under review. The statutes include the Zambia National Broadcasting Corporation (ZNBC) Amendment Act No. 20 of 2002 Cap. 154; the Copyright and Performance Rights Act No. 44 of 1994 Cap 406; the Theatres and Cinematography Exhibition Act Cap 158; the Zambia Institute of Mass Communication (ZAMCOM) Act of 1996; the Independent Broadcasting Authority (IBA) Act No. 17 of 2002; and the Printed Publication Act Cap 161. A number of institutional reforms in the sector have also been implemented. The key reforms have been the liberalisation of the airwaves, which has facilitated the establishment of a number of community radio stations and private commercial radio and television stations. The number of private radio stations stood at 29 in 2005 while that of private television stations stood at four. In addition, three construction permits for television stations have been issued.

Further, in order to streamline operations, the Zambia News Agency and Zambia Information Services were merged to form the Zambia News and Information Services (ZANIS). This was done in the context of the Public Service Reform Programme. To improve ethics and professional standards, a number of media bodies, including the Zambia Community Media Forum (ZaCoMef) and the Media Ethics Council of Zambia (MECOZ), have been formed. The FNDP period shall concentrate on the consolidation of these positive structural reforms and ensure that legislation is enabling enough to guarantee effective performance of the information services sector. Above all, the role of the private sector and communities in providing information services shall be one of the focal points during the FNDP period.

27.4 Vision and Goal

The vision is: *A well informed citizenry fully utilizing Information and Communication Technology for national development by 2030.*

The goal is: *To increase media access and outreach throughout the country in order to promote free flow of information on development related programmes.*

27.5 Programmes, Objectives and Strategies

The programmes and their respective objectives and strategies for the information services sector during the FNDP are presented in the matrix below.

| Sector: Information Services | | | |
|-------------------------------------|--|--|---|
| No. | Programmes | Objectives | Strategies |
| 1 | Electronic Media Promotion | To facilitate the timely dissemination of relevant information in order to promote public awareness for national development | a) Procure specialized equipment; b) Develop electronic media infrastructure; c) Expand media coverage. |
| 2 | Development of Print Media Infrastructure | To facilitate the timely dissemination of relevant information in order to promote public awareness for national development | a) Decentralise the printing of newspapers and periodicals; b) Develop print media infrastructure; c) Expand media coverage; d) Streamline newspaper distribution. |
| 3 | Computerisation of Sector Operations | To promote utilization of ICTs in information gathering and dissemination for improved decision-making | a) Establish a Wide Area Network to link the sector; b) Establish management information systems; c) Promote wider usage of ICT in outreach efforts |
| 4 | Promotion of Private-Public Partnerships | To promote participation of the private partners in media development | a) Formulate guidelines for the establishment of a Media Revolving Fund; b) Create baseline data on community media; c) Promote government-donor partnerships; d) Promote rural-based media; e) Improve access to information in order to promote citizenry participation in economic development activities. |
| 5 | Media Policy and Institutional Reforms | To provide a conducive legal and institutional framework for the development of the sector | a) Operationalise the IBA; b) Review statutes that impede press freedom; c) Finalize the review of the 1996 Media Policy; d) Build capacity in development reporting; e) Build capacity in media management at local level; f) Engender the 1996 Media Policy. |

27.6 Implementation, Monitoring and Evaluation Framework

The information services component of the FNDP shall be implemented at national, provincial, and district levels in line with sector development programmes. The Ministry of Information and Broadcasting Services shall perform the functions of policy development and overall coordination and programming. Responsibility for overseeing the monitoring and evaluation will be undertaken by the Sector Advisory Group. The actual monitoring and evaluation functions will be undertaken at all levels. Specific outputs identified under respective programmes will form the basis for monitoring and evaluation. Monitoring will be undertaken quarterly, while the evaluation will be done at the end of the FNDP.

Sector: Information Services
(K Billion)

| Order of Priority | | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------|---|---------------------|-------------|-------------|---------------------|-------------|--------------|---------------------|-------------|--------------|---------------------|-------------|--------------|---------------------|-------------|--------------|--------------|--------------|-------------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Grand Total | | |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Total | Donor |
| | Electronic Media Promotion | 6.10 | 0.00 | 6.10 | 5.00 | 0.00 | 5.00 | 7.50 | 0.00 | 7.50 | 8.00 | 0.00 | 8.00 | 9.20 | 0.00 | 9.20 | 35.80 | 35.80 | 0.00 |
| 1 | Information Management | 0.17 | 0.00 | 0.17 | 0.20 | 0.00 | 0.20 | 1.00 | 0.00 | 1.00 | 1.50 | 0.00 | 1.50 | 2.00 | 0.00 | 2.00 | 4.87 | 4.87 | 0.00 |
| 2 | System | | 0.00 | | | | | | 0.00 | | | | | | | | 0.00 | | 0.00 |
| 3 | Media Support Fund | 0.00 | 0.00 | 0.00 | 2.00 | 0.00 | 2.00 | 2.49 | 0.00 | 2.49 | 3.00 | 0.00 | 3.00 | | 0.00 | | 7.49 | | 0.00 |
| 4 | Decentralisation of Printing Press | 0.00 | 0.00 | 0.00 | 4.00 | 0.00 | 4.00 | 4.00 | 0.00 | 4.00 | 4.00 | 0.00 | 4.00 | 4.00 | 0.00 | 4.00 | 16.00 | 16.00 | 0.00 |
| 5 | Media Policy Review | 0.06 | 0.00 | 0.06 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.06 | 0.06 | 0.00 |
| | Sub total | 6.33 | 0.00 | 6.33 | 11.20 | 0.00 | 11.20 | 14.99 | 0.00 | 14.99 | 16.50 | 0.00 | 16.50 | 15.20 | 0.00 | 15.20 | 64.22 | 64.22 | 0.00 |
| | Personal Emoluments | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1 | General Administration | 3.59 | 0.00 | 3.59 | 2.67 | 0.00 | 2.67 | 2.99 | 0.00 | 2.99 | 3.30 | 0.00 | 3.30 | 3.65 | 0.00 | 3.65 | 16.20 | 16.20 | 0.00 |
| 2 | Capacity Building | 4.51 | 0.00 | 4.51 | 4.62 | 0.00 | 4.62 | 5.34 | 0.00 | 5.34 | 5.62 | 0.00 | 5.62 | 7.28 | 0.00 | 7.28 | 27.39 | 27.39 | 0.00 |
| 3 | Management | 0.00 | 0.00 | 0.00 | 0.16 | 0.00 | 0.16 | 0.19 | 0.00 | 0.19 | 0.20 | 0.00 | 0.20 | 0.25 | 0.00 | 0.25 | 0.80 | 0.80 | 0.00 |
| 4 | Financial Management | 0.76 | 0.00 | 0.76 | 0.77 | 0.00 | 0.77 | 0.89 | 0.00 | 0.89 | 0.92 | 0.00 | 0.92 | 1.19 | 0.00 | 1.19 | 4.54 | 4.54 | 0.00 |
| 5 | Human Resource Management | 0.43 | 0.00 | 0.43 | 0.44 | 0.00 | 0.44 | 0.51 | 0.00 | 0.51 | 0.53 | 0.00 | 0.53 | 0.68 | 0.00 | 0.68 | 2.60 | 2.60 | 0.00 |
| 6 | Support to Institutions | 4.10 | 0.00 | 4.10 | 0.90 | 0.00 | 0.90 | 0.90 | 0.00 | 0.90 | 0.80 | 0.00 | 0.80 | 0.80 | 0.00 | 0.80 | 7.50 | 7.50 | 0.00 |
| 7 | Public Relation | 0.39 | 0.00 | 0.39 | 0.40 | 0.00 | 0.40 | 0.46 | 0.00 | 0.46 | 0.48 | 0.00 | 0.48 | 0.62 | 0.00 | 0.62 | 2.34 | 2.34 | 0.00 |
| 8 | Co-ordination of All Media Activities | 0.04 | 0.00 | 0.04 | 0.05 | 0.00 | 0.05 | 0.05 | 0.00 | 0.05 | 0.05 | 0.00 | 0.05 | 0.07 | 0.00 | 0.07 | 0.26 | 0.26 | 0.00 |
| 9 | Copyright Meetings | 0.02 | 0.00 | 0.02 | 0.02 | 0.00 | 0.02 | 0.02 | 0.00 | 0.02 | 0.03 | 0.00 | 0.03 | 0.03 | 0.00 | 0.03 | 0.12 | 0.12 | 0.00 |
| 10 | Copyright Monitoring | 0.02 | 0.00 | 0.02 | 0.02 | 0.00 | 0.02 | 0.03 | 0.00 | 0.03 | 0.03 | 0.00 | 0.03 | 0.04 | 0.00 | 0.04 | 0.15 | 0.15 | 0.00 |
| 11 | Copyright Publicity | 0.05 | 0.00 | 0.05 | 0.06 | 0.00 | 0.06 | 0.06 | 0.00 | 0.06 | 0.07 | 0.00 | 0.07 | 0.09 | 0.00 | 0.09 | 0.33 | 0.33 | 0.00 |
| 12 | Programme Monitoring & Evaluation | 0.20 | 0.00 | 0.20 | 0.21 | 0.00 | 0.21 | 0.24 | 0.00 | 0.24 | 0.24 | 0.00 | 0.24 | 0.32 | 0.00 | 0.32 | 1.21 | 1.21 | 0.00 |
| 13 | Global UNESCO | 0.04 | 0.00 | 0.04 | 0.04 | 0.00 | 0.04 | 0.05 | 0.00 | 0.05 | 0.05 | 0.00 | 0.05 | 0.07 | 0.00 | 0.07 | 0.25 | 0.25 | 0.00 |
| 14 | Information Sector Activities | | | 0.00 | | | 0.00 | | | 0.00 | | | 0.00 | | | 0.00 | 0.00 | 0.00 | 0.00 |
| 15 | Production & Publication of General News & Feature Articles | 1.34 | 0.00 | 1.34 | 1.37 | 0.00 | 1.37 | 1.58 | 0.00 | 1.58 | 1.76 | 0.00 | 1.76 | 2.28 | 0.00 | 2.28 | 8.32 | 8.32 | 0.00 |
| | Development & Communication Research | 0.43 | 0.00 | 0.43 | 0.44 | 0.00 | 0.44 | 0.50 | 0.00 | 0.50 | 0.52 | 0.00 | 0.52 | 0.67 | 0.00 | 0.67 | 2.56 | 2.56 | 0.00 |
| 16 | | | | 0.00 | | | 0.00 | | | 0.00 | | | 0.00 | | | 0.00 | 0.00 | 0.00 | 0.00 |

| | Order of Priority | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|--|-------------------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|-------------|--------|-------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | | | |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total |
| | 17 | 0.01 | 0.00 | 0.01 | 0.01 | 0.00 | 0.01 | 0.02 | 0.00 | 0.02 | 0.02 | 0.00 | 0.02 | 0.02 | 0.00 | 0.02 | 0.08 | 0.00 | 0.00 |
| | | | | 0.00 | | | 0.00 | | | 0.00 | | | 0.00 | | | 0.00 | 0.00 | 0.00 | 0.00 |
| | 18 | 0.13 | 0.00 | 0.13 | 0.13 | 0.00 | 0.13 | 0.15 | 0.00 | 0.15 | 0.22 | 0.00 | 0.22 | 0.28 | 0.00 | 0.28 | 0.91 | 0.00 | 0.00 |
| | | | | 0.00 | | | 0.00 | | | 0.00 | | | 0.00 | | | 0.00 | 0.00 | 0.00 | 0.00 |
| | 19 | 1.77 | 0.00 | 1.77 | 1.81 | 0.00 | 1.81 | 2.09 | 0.00 | 2.09 | 2.22 | 0.00 | 2.22 | 2.87 | 0.00 | 2.87 | 10.76 | 0.00 | 0.00 |
| | | | | 0.00 | | | 0.00 | | | 0.00 | | | 0.00 | | | 0.00 | 0.00 | 0.00 | 0.00 |
| | 20 | 0.00 | 0.00 | 0.00 | 2.49 | 0.00 | 2.49 | 2.31 | 0.00 | 2.31 | 1.19 | 0.00 | 1.19 | 0.00 | 0.00 | 0.00 | 5.99 | 0.00 | 0.00 |
| | 21 | 0.09 | 0.09 | 0.09 | 0.08 | 0.00 | 0.08 | 0.09 | 0.09 | 0.09 | 0.09 | 0.09 | 0.09 | 0.09 | 0.09 | 0.09 | 0.44 | 0.00 | 0.00 |
| | Sub total | 18.04 | 0.00 | 18.04 | 16.83 | 0.00 | 16.83 | 18.64 | 0.00 | 18.64 | 18.48 | 0.00 | 18.48 | 21.53 | 0.00 | 21.53 | 93.52 | 0.00 | 0.00 |
| | Grand Total | 24.37 | 0.00 | 24.37 | 28.03 | 0.00 | 28.03 | 33.63 | 0.00 | 33.63 | 34.98 | 0.00 | 34.98 | 36.73 | 0.00 | 36.73 | 157.74 | 0.00 | 0.00 |

Foreign Relations



Global Development Cooperation

28.1 Introduction

Zambia's foreign policy is premised on the need to promote and maintain the country's international relations and safeguard its sovereignty, territorial integrity, socio-economic development, and other national interests. The Ministry of Foreign Affairs is the principal custodian and coordinator of implementation of Zambia's foreign policy. In order to ensure achievement of foreign policy goals, the Government, through the Ministry, has established diplomatic missions in various parts of the world. The missions are charged with the responsibility of articulating the country's political, social, and economic interests to ensure that maximum benefits are derived from the country's interactions with the international community. In line with its foreign policy objectives, the Government has also entered into various agreements and arrangements with cooperating partners aimed at enhancing development cooperation.

28.2 Review of Past Performance

A number of developments have taken place in the recent past that have affected Zambia's foreign relations. Zambia is not insulated from the effects of advancements in technology at the international level such as globalisation. Technological advancements have led to the opening up of societies, markets, easier movement of people, free flow of ideas, goods, services and capital to the extent that it is facilitating the rapid integration of the world economy into one global village. These advances in technology and the resultant effect of globalisation pose a number of challenges that Zambia has to come to terms with in its foreign relations. In particular, to integrate Zambia into the regional and global economy requires the country to restructure its international relations to maximize the country's benefits from the unfolding global order. The country is presently not sufficiently benefiting from global economic integration. Presently, the majority of Zambians continue to live in abject poverty, contrasting quite markedly to the more favourable global economic trends elsewhere. As the situation obtains presently, globalisation is not likely to bring about equitable and sustainable growth in Zambia. The situation is true for most Sub-Saharan African countries.

Several initiatives thus far undertaken by Zambia testify to the Government's resolve to enhance development cooperation through foreign relations. Zambia, for example, has entered into Joint Permanent Commissions of Cooperation (JPCs) with other African countries within and outside the region. JPCs provide an important forum for coordinating bilateral development programmes with other African countries. Zambia is a member of the Southern African Development Community (SADC). In addition, the hosting of the Common Market for Eastern and Southern Africa (COMESA) Secretariat has continued to enhance Zambia's role in coordinating regional economic integration initiatives. Zambia also continues to affiliate herself to a number of development-oriented international organizations as well as regional groupings and other initiatives, which provide useful platforms for the country to articulate her development needs in order to take advantage of the technical and financial assistance on offer. In this respect, four multilateral missions were established dealing with the United Nations (New York and Geneva), the European Union (Brussels) and the African Union (Addis Ababa). In addition, a number of trade and investment promotion agreements have been entered into with various bilateral and multilateral cooperating partners resulting in increased inflows of aid as well as foreign direct investment into the country.

The successful completion of the Zambia NEPAD Action Plan and the subsequent facilitation of an autonomous Zambia NEPAD secretariat by the Ministry of Foreign Affairs is further testimony to the strategic shift of the Government towards the nurturing of more economic-oriented foreign relations. In line with the NEPAD declaration on democracy, political, economic and corporate governance, Zambia acceded to the African Peer Review Mechanism (APRM) on 22nd January 2006. The Ministry of Foreign Affairs is the focal point for the APRM process in Zambia. The African Peer Review

Mechanism is a country self-monitoring system that encourages member states to undertake a national self-assessment of its political and economic governance systems. Zambia will produce and submit its first country review report in July 2007. The country will then be required to undertake periodic reviews every two to four years. A positive APRM report will further enhance Zambia's opportunities of benefiting from more development aid from cooperating partners as well as create investor confidence in the country.

Zambia has been a member of the Organisation of African Unity (OAU) now the African Union (AU), since its independence. The country has supported the organisation's peace and security agenda to the extent that it embraces some of Zambia's most cherished ideals, namely, an expanded, pro-active, and holistic programme of peace and security that includes democratic and participatory governance, the promotion of basic human rights, and the implementation of peace-building initiatives of reconstruction and development in areas affected by violent conflicts. In recent years, Zambia has played a significant role in facilitating the signing of a ceasefire agreement, known as the Lusaka Protocol, between the Angolan Government and the Union for the Total Independence of Angola (UNITA). Zambia has also contributed to the peace process in the Democratic Republic of Congo (DRC) and the Great Lakes Region. Elsewhere, Zambia has played an important role in other peace efforts by sending peace-keeping troops, under the auspices of the UN, to countries such as Angola, Sierra Leone, Congo DR, Sudan and Kosovo. These activities have had the effect of enhancing the image of the country as a peace facilitator.

Despite the above achievements, government efforts in Zambia's foreign relations continue to face a number of challenges, which have often resulted in the country failing to exploit the full potential of some of the economic and political arrangements. The major challenges include absence of representation in key regions and economic blocks such as the South Pacific and the Middle East. These regions represent some of the most dynamic and fastest growing economies of the world. Zambia's absence, therefore, means that the country is unable to effectively tap into investment potential as well as other social and economic benefits these regions have to offer. In addition, lack of adequate representation at key multilateral institutions, lack of a career diplomatic service, and the deployment of unqualified human resource personnel in missions abroad have resulted in ineffective participation of the country at important economic and political forums.

Furthermore, the weak institutional capacity at both the Ministry of Foreign Affairs, as the primary point of contact with the international community, and its missions abroad has often compromised more effective management of international relations. Other challenges are the inability of the Zambian Institute of Diplomacy and International Studies (ZIDIS) to sustain its operations. This has resulted in the failure to produce career diplomats in a sustained manner. Gender imbalance and HIV and AIDS have also proved to be important challenges impacting negatively on the management of Zambia's external relations.

28.3 Policies and Key Reforms

The FNDP shall continue with a number of policies that have been initiated within the general framework of the Public Service Reform Programme. These include restructuring of the Ministry of Foreign Affairs in order to shift emphasis from political to economic diplomacy. In this respect, the Government shall continue to refocus its attention to foreign relations that, first and foremost, advance the country's economic welfare in the global economy. For a long time, Zambia's foreign policy has been influenced by a number of factors, such as its association with international organizations like the United Nations, AU, and Non-Aligned Movement. The geo-political location of Zambia, with most of its neighbours under colonial rule, meant that the country had to assist in regional countries' freedom struggles. However, with the end of colonialism and the subsequent end of apartheid in South Africa, it has become necessary for Zambia to re-direct its foreign policy thrust towards economic and development issues. Pressures of globalisation have also brought the challenges of economic advancement at the forefront of most developing countries' foreign relations agenda.

In the light of the changing economic and political landscape above, the Government shall, during the FNDP period, continue to strengthen the country's role in the global community focusing primarily

upon the country's direct participation in positive interventions that advocate pro-poor changes to international trade policies at such fora as the World Trade Organisation and the European Union. The issue of attracting FDI shall also occupy centre stage in the country's foreign interactions. Similarly, Zambia sees value in the promotion of South-South cooperation, an aspect that calls for the redefinition of its position at this level. The treaty for the establishment of the African Economic Community, ratified by African governments and later operationalised through the formation of the African Union in Lusaka in July 2001, envisaged the use of existing regional economic integration schemes as the 'building blocks' towards a full integration of the continent. The Government regards this initiative, complemented by NEPAD, to offer opportunities for meaningful South-South cooperation and the FNDP shall practically apply these principles. Furthermore, Zambia is increasingly considering the opportunities being offered by SADC and COMESA as important determinants of her emerging external relations as the Government recasts its foreign policy imperatives more towards economic growth and developmental issues.

With the shift in the area of emphasis from political to economic and developmental issues, the Government shall review the prospects of opening missions in key economic regions such as South Pacific and the Middle East. Further, the Government shall seek to strengthen representation in key multilateral institutions to enable Zambia effectively participate and benefit from the global arena. To this effect, the Government shall, during the FNDP, strive to strengthen its career diplomatic service to secure a more sustained supply of qualified personnel in foreign service.

28.4 Vision and Goal

The vision is: *A prosperous Zambia, which participates competitively in the global economic and political environment and contributes to the promotion of a just economic world order and towards a safe and peaceful world by 2030.*

The goal is: *To ensure sufficient safeguard and active promotion of Zambia's national interest in order to enhance socio-economic development.*

28.5 Programmes, Objectives and Strategies

The programmes and their respective objectives and strategies for foreign relations during the FNDP are presented in the matrix below.

| Sector: Foreign Relations | | | |
|----------------------------------|---|--|--|
| No. | Programmes | Objective | Strategies/Activities |
| 1 | Strengthening of Bilateral and Multilateral Relations | To facilitate and promote regional and international cooperation | <ul style="list-style-type: none"> a) Establish new missions in strategic regions and economic blocks; b) Strengthen bilateral and multilateral relations; c) Maintain closer contact with the NEPAD Secretariat, UN organization, SADC, COMESA and other regional and global institutions; d) Strengthen commercial wings of missions abroad in order to aggressively market Zambia abroad; e) Promote Trade and Investment; f) Undertake trade-lobbying missions; g) Sensitise stakeholders on Zambia's Foreign Policy and its implementation requirements; h) Review existing bilateral and multilateral agreements. i) Facilitate activities related to the New Asia-Africa Strategic Partnership |
| 2 | <ul style="list-style-type: none"> a) Human and Institutional Capacity building b) Development of a Career Diplomatic Service | To increase efficiency in service delivery | <ul style="list-style-type: none"> a) Develop infrastructure b) Procure equipment c) Establish career training campus; d) Affiliate diplomatic school to higher institutions of learning; e) Acquire office and staff accommodation and equipment for Missions abroad; f) Implement Career Diplomatic Service; g) Appoint specialized professional attaches and staff in missions abroad |

| | | | |
|----------|---|---|---|
| 3 | Promotion of Regional and International Peace and Security | To safeguard Zambia's sovereignty, territorial integrity, freedom, and national security | a) Facilitate production of brochures, fliers, and other promotional materials to support efforts that contribute to international peace and security b) Participate in international peace initiatives |
| 4 | Implementation of the African Peer Review Mechanism | To foster the adoption of good political and economic governance policies, standards and practices in line with the NEPAD Declaration | i) Establish a National Governing Council of the APRM ii) Establish an APRM Secretariat iii) Develop a Country Self Assessment Report iv) National Programme of Action v) Ensure public participation through a competent information, education and communication strategy |

28.6 Implementation, Monitoring and Evaluation Framework

The implementation of these programmes will be guided by the sector's strategic plan, foreign policy, and other relevant national documents. The Ministry of Foreign Affairs is mandated to coordinate the implementation of foreign relations programmes. Other institutions under this sector, which are expected to participate in the implementation of these programmes, include Cabinet Office, the Ministry of Finance and National Planning, Ministry of Commerce, Trade and Industry, Ministry of Tourism, Environment and Natural Resources and the Ministry of Home Affairs.

The monitoring and evaluating of the FNDP programmes will be undertaken by the Sector Advisory Group and will be coordinated by the Ministry of Foreign Affairs. Monitoring will be undertaken continuously, while evaluations will be done annually.

Sector: Foreign Relations
(K Billion)

| Priority Order | | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|------------------------|---|------------------|-------|--------|------------------|-------|--------|------------------|-------|--------|------------------|-------|--------|------------------|-------|--------|-------------|--------|-------|
| | | Cost K' Billions | | | Cost K' Billions | | | Cost K' Billions | | | Cost K' Billions | | | Cost K' Billions | | | Total | GRZ | DONOR |
| | | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | | | |
| Core FNDP Programs | | | | | | | | | | | | | | | | | | | |
| | 1 | 2.50 | - | 2.50 | 2.50 | - | 2.50 | 3.00 | - | 3.00 | 2.50 | - | 2.50 | 3.02 | - | 3.02 | 13.52 | 13.52 | - |
| | | | | | | | | | | | | | | | | | | | |
| 2 | | 11.00 | - | 11.00 | 21.00 | - | 21.00 | 25.00 | - | 25.00 | 30.00 | - | 30.00 | 34.00 | - | 34.00 | 121.00 | 121.00 | - |
| | | 13.50 | - | 13.50 | 23.50 | - | 23.50 | 28.00 | - | 28.00 | 32.50 | - | 32.50 | 37.02 | - | 37.02 | 134.52 | 134.52 | - |
| | | | | | | | | | | | | | | | | | | | |
| Non Core FNDP Programs | | | | | | | | | | | | | | | | | | | |
| | 1 | 1.18 | - | 1.18 | 1.18 | - | 1.18 | 1.32 | - | 1.32 | 1.18 | - | 1.18 | 1.18 | - | 1.18 | 6.04 | 6.04 | - |
| | 2 | 3.60 | - | 3.60 | 3.10 | - | 3.10 | 3.30 | - | 3.30 | 3.10 | - | 3.10 | 3.10 | - | 3.10 | 16.21 | 16.21 | - |
| | 3 | 4.22 | - | 4.22 | 4.22 | - | 4.22 | 5.45 | - | 5.45 | 5.25 | - | 5.25 | 5.25 | - | 5.25 | 24.38 | 24.38 | - |
| | 4 | 0.36 | - | 0.36 | 0.24 | - | 0.24 | 0.48 | - | 0.48 | 0.48 | - | 0.48 | 0.48 | - | 0.48 | 2.06 | 2.06 | - |
| | 5 | 0.70 | - | 0.70 | 0.50 | - | 0.50 | 0.50 | - | 0.50 | 0.50 | - | 0.50 | 0.50 | - | 0.50 | 2.70 | 2.70 | - |
| | 6 | 2.63 | - | 2.63 | 0.85 | - | 0.85 | 0.85 | - | 0.85 | 0.79 | - | 0.79 | 0.77 | - | 0.77 | 5.89 | 5.89 | - |
| | 7 | 137.59 | - | 137.59 | 135.42 | - | 135.42 | 141.57 | - | 141.57 | 147.93 | - | 147.93 | 154.94 | - | 154.94 | 717.45 | 717.45 | - |
| | 8 | 1.80 | - | 1.80 | 2.40 | - | 2.40 | 0.90 | - | 0.90 | 0.90 | - | 0.90 | 0.90 | - | 0.90 | 6.90 | 6.90 | - |
| | 9 | 1.00 | - | 1.00 | 1.50 | - | 1.50 | 1.50 | - | 1.50 | 1.50 | - | 1.50 | 1.50 | - | 1.50 | 7.00 | 7.00 | - |
| 10 | | 1.00 | - | 1.00 | 1.50 | - | 1.50 | 1.50 | - | 1.50 | 1.50 | - | 1.50 | 1.50 | - | 1.50 | 7.00 | 7.00 | - |
| | | 141.39 | - | 141.39 | 140.82 | - | 140.82 | 145.47 | - | 145.47 | 151.83 | - | 151.83 | 158.84 | - | 158.84 | 738.35 | 738.35 | - |
| | | 154.89 | - | 154.89 | 164.32 | - | 164.32 | 173.47 | - | 173.47 | 184.33 | - | 184.33 | 195.86 | - | 195.86 | 872.87 | 872.87 | - |



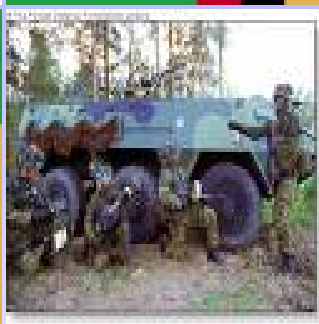
Part

6

Public Safety



DEFENCE



29.1 Introduction

The defence sector has a legal mandate to manage instruments of national defence as per dictates of the Constitution through the Ministry of Defence (MoD). Defence institutions fall into two categories namely, the Zambia Defence Force comprising the Zambia Army (Army) and Zambia Air Force (ZAF), and the Zambia National Service (ZNS). The functions of these defence organs include field operations, economic activities, infrastructure development, and sustenance of national peace and stability. The defence structures are influenced by the geo-political and socio-economic position of the country.

29.2 Review of Past Performance

The security situation in the world, in general, has improved although new sources of tension and potential conflicts have emerged as a result of struggles over resources, such as land, water, food, oil, and minerals. In the area of global peace initiatives, dramatic changes have occurred at the United Nations (UN) where peace support operations have taken new dimensions of wider peace keeping as opposed to the traditional peace keeping methods. Zambia is actively involved in these peace keeping operations as a member of the UN and African Union (AU). At the continental level, the AU has long recognised conflict as the major impediment to economic prosperity. The continental body responded to these challenges by establishing, in 1993, the Organisation of Africa Unity (OAU) mechanism for conflict prevention, management, and resolution with the prime objective of anticipating and preventing conflicts on the continent.

Terrorism has brought in a new dimension of a global threat on a grand scale. This trend is a matter of great concern among governments the world over, more so that it does not only have security connotations but, to a very large extent, economic, social, and political implications as well. Terrorism has brought in unprecedented unity among most nations of the world whose focus is trying to find ways and means of preventing and combating it. Zambia subscribes to the fight against international terrorism and, consequently, stresses the need for ratification of international agreements and treaties designed to prevent and combat this threat. To this end, Zambia cooperates with the international community in information sharing, training, and other appropriate measures to combat terrorism.

In the Southern African region, considerable progress has been made towards the resolution of internal conflicts and the establishment of democratic systems. The Southern African Development Community (SADC) whose principles and objectives provide, *inter alia*, for the peaceful settlement of disputes and the promotion of peace and security respectively, has established the SADC organ on politics, defence, and security cooperation to prevent and manage inter- and intra-state conflicts in the region. This is because competition between specific national interests and values such as political, economic, social, and military conflicts in or between states often occurs.

29.3 Policies and Key Reforms

Zambia's geo-political and social position has impacted on the development of the nature of defence mechanisms since independence. The defence sector operates under a number of statutes that are complemented by the defence policy. The Ministry of Defence, which coordinates the defence sector, has been restructured under the Public Service Reform Programme. One of the key reforms was the establishment of the Defence Procurement Bureau at MoD. The role of the Bureau is to effectively facilitate, monitor, and evaluate procurement and utilisation of equipment, goods, and services within its organs, and the establishment of the staff college, which has saved the country foreign exchange through the localisation of senior staff officer training.

29.4 Vision and Goal

The vision is: *Sustainable peace and stability for national development.*

The goal is: *To protect and defend the sovereignty and territorial integrity of the country in order to sustain peace and stability for national development.*

29.5 Programmes, Objectives and Strategies

The matrix below presents the planned programmes and their respective objectives and strategies for the defence sector during the FNDP.

| Sector: Defence | | | |
|-----------------|---|--|--|
| | Programmes | Objectives | Strategies |
| 1 | Infrastructure Rehabilitation Development, and Procurement | To develop and rehabilitate infrastructure in order to improve operations of the sector | a) Improve and maintain existing infrastructure; b) Build new infrastructure; c) Procure infrastructure; d) Acquire more land for strategic purposes |
| 2 | Equipment Procurement Rehabilitation, and Maintenance | To procure and rehabilitate equipment in order to improve the operations of the sector | a) Improve and maintain existing equipment; b) Procure equipment; c) Rehabilitate equipment |
| 3 | Mineral Exploration and Mining | To undertake agricultural and industrial ventures in order to contribute to the socio-economic development of the nation | a) Undertake feasibility studies in industrial and mining activities; |
| 4 | Manufacturing and Agro-Processing Farming Procurement Marketing | To undertake agricultural and industrial ventures in order to contribute to the socio-economic development of the nation | a) Undertake feasibility studies in agriculture and agro-processing activities; b) Increase agricultural production levels; c) Identify cooperating partners for joint ventures; d) Increase output in exiting defence industries; e) Develop new defence industries; f) Establish new farms and farm enterprises |
| 5 | Research and Development | To protect and defend the sovereignty and territorial integrity of the country in order to sustain peace and stability for national development. | a) Undertake research and development activities in defence industries |
| 6 | Sustaining peace and stability | | a) Defend the sovereignty and territorial integrity |
| 7 | Human Resource Development | | a) Mainstream HIV and AIDS b) Mainstream Gender Issues |

29.6 Implementation, Monitoring and Evaluation Framework

Given the current state of the national economy, programmes and activities for all organs of the sector have been designed to initially concentrate efforts on rehabilitation of equipment and infrastructure in the initial two years of the FNDP. Thereafter, in the last three years of the FNDP, programmes and activities aimed at infusing new equipment and modernising the organs shall be incorporated. The emphasis of the Plan, therefore, is rehabilitation of existing equipment and structures with gradual infusion of new equipment.

The Ministry of Defence shall provide overall superintendence over the implementation of the programmes. The respective services or organs of the defence sector shall be responsible for the day-to-day implementation of the programmes. Programmes and activities in the Plan will be monitored by the Defence Sector Advisory Group (D-SAG) comprising nominated members from Ministry of Defence (MoD) headquarters, Army, ZAF, and ZNS. The D-SAG shall be chaired by the MoD Permanent Secretary and will periodically convene to review progress on implementation and make appropriate adjustments as required. D-SAG shall be assisted by the Defence Procurement Bureau at MoD headquarters, Budget Committees and the Directorates of Audit and Inspections in the sector.

Sector: Defence
(K Billion)

| Priority | Institutions | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|------------------------|--------------------------------|---------------------|------------|--------------|---------------------|------------|--------------|---------------------|------------|--------------|---------------------|------------|--------------|---------------------|------------|---------------|---------------|---------------|------------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Total | GRZ | Donor |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| 1 | | | | | | | | | | | | | | | | | | | |
| | Infrastructure Development | | | 0.0 | 20.0 | 0.0 | 20.0 | 20.0 | 0.0 | 20.0 | 20.0 | 0.0 | 20.0 | 20.0 | 0.0 | 20.0 | 80.0 | 80.0 | 0.0 |
| | Sub Total | 0.0 | 0.0 | 0.0 | 20.0 | 0.0 | 20.0 | 20.0 | 0.0 | 20.0 | 20.0 | 0.0 | 20.0 | 20.0 | 0.0 | 20.0 | 80.0 | 80.0 | 0.0 |
| Non Core FNDP Programs | 1 | | | | | | | | | | | | | | | | | | |
| | Personal Emoluments | 435.4 | 0.0 | 435.4 | 651.5 | 0.0 | 651.5 | 750.6 | 0.0 | 750.6 | 838.1 | 0.0 | 838.1 | 878.1 | 0.0 | 878.1 | 3553.6 | 3553.6 | 0.0 |
| | 2 | | | | | | | | | | | | | | | | | | |
| | Specialised Training Equipment | | | 0.0 | 5.0 | 0.0 | 5.0 | 5.0 | 0.0 | 5.0 | 5.0 | 0.0 | 5.0 | 5.0 | 0.0 | 5.0 | 20.0 | 20.0 | 0.0 |
| | Others | 223.8 | 0.0 | 223.8 | 123.1 | 0.0 | 123.1 | 114.7 | 0.0 | 114.7 | 136.1 | 0.0 | 136.1 | 128.0 | 0.0 | 128.0 | 725.8 | 725.8 | 0.0 |
| | Sub Total | 659.2 | 0.0 | 659.2 | 779.6 | 0.0 | 779.6 | 870.3 | 0.0 | 870.3 | 979.2 | 0.0 | 979.2 | 1011.1 | 0.0 | 1011.1 | 4299.3 | 4299.3 | 0.0 |
| | Grand Total | 659.2 | 0.0 | 659.2 | 799.6 | 0.0 | 799.6 | 890.3 | 0.0 | 890.3 | 999.2 | 0.0 | 999.2 | 1031.1 | 0.0 | 1031.1 | 4379.3 | 4379.3 | 0.0 |

PUBLIC SAFETY AND ORDER





Public Safety and Order

30.1 Introduction

Public safety and order relates to internal security. The principal actors in the sector are Zambia Police Service (ZP), Zambia Prisons Service (PS), Drug Enforcement Commission (DEC), Departments of Immigration, National Registration, Passport and Citizenship, National Archives of Zambia, Commission for Refugees and the Office of the Registrar of Societies. These institutions fall under the superintendence of the Ministry of Home Affairs. They carry out their respective mandates in collaboration with other government wings such as the Anti-Corruption Commission (ACC) and the Zambia Security Intelligence Service (ZSIS). All these institutions have a critical role in fighting crime, which has the potential to undermine economic development and national stability.

30.2 Review of Past Performance

The maintenance of internal security is a pre-requisite for the continuity of a stable government and the enjoyment of human rights. The continuity of stability depends, to a large extent, on the effectiveness of the internal security institutions that exist in the country. The environment within which the Ministry of Home Affairs discharges its functions has changed drastically since 1991. Politically, the change has been from the norms and values of a one-party system characterised by considerable powers of the State over the people, to multi-party democracy that aims at ensuring the people's enjoyment of basic human rights and freedoms. The Ministry has experienced problems of shortage of human resources, transport, logistics and poor conditions of service. As a solution to the organisational constraints, the Ministry will be restructured during the FNDP through the on-going Public Service Reform Programme. The low educational calibre of some law enforcement officers has also affected the adoption, adaptation and appreciation of new and better approaches to law enforcement requirements. Poor conditions of service and lack of adequate residential accommodation contribute to the seemingly growing practices of the vices of corruption and bribery and the abuse of office and people's human rights.

Lack of appropriate equipment for human rights-friendly investigative technologies such as finger printing facilities leave law enforcement officers with little option but to resort to antiquated methods of investigation. In addition, lack of equipment for marine policing, cross-border crimes and smuggling are among other challenges of public safety. Zambia has also seen an increase in proliferation of private security services provision in recent years.

The Zambia Police Service has produced a strategic plan. The core functions identified in the strategic plan include:

- a) Maintenance of public safety and order;
- b) Prevention of crime and protection of life and property;
- c) Detection of crime and prosecution of offenders;
- d) Traffic management;
- e) Upholding of human rights in protecting the Constitution; and
- f) Provision of high quality service to the public.

The Government has introduced reforms that aim to enhance professionalism and accountability and respect for human rights. The Zambia Police Service has been re-oriented and re-trained into a community based service. It has established a Community Services Division which contributes to the protection and maintenance of human rights and the promotion of sound police/public relations. This Division has a Victim Support Unit which offers counselling to families of victims of crime and educates the general public on their rights. The establishment of this Division has resulted in the improvement of relations between the Police and the general public. The Government recognises that these reforms are still in their infancy and a lot still remains to be done in re-orienting the police from a

police ‘force’ to a police ‘service’ that upholds the human rights of citizens. This is in conformity with the Constitutional provision that a person is innocent until found guilty by a competent court. Evidence of police torture has been revealed in the past and an effort is being made to correct such weaknesses that compromise stated government policy.

At another level, the Zambia Prisons Service forms a section of the broader criminal justice system striving to provide safe custody, and efficient and effective correctional services to effectively contribute to the maintenance of internal security, law and order. The Zambia Prisons Service has operated under difficult conditions since its establishment in 1965. Most of the prison buildings were built before independence, e.g., Lusaka Central Prison (1924), Kalomo (1924) and Chipata (1924), and were designed at that time to accommodate a small number of prisoners. For example, Lusaka Central Prison was built for 200 inmates, but now caters for more than 1,000 prisoners on a daily average. Most prison structures have also become unfit for human habitation. Moreover, while the prison population has increased many folds, the staff establishment has not increased significantly. In recognition of the above problems, the Government facilitated the initiation of the Prisons Service Reform Programme that resulted in the development of a multi-year reform plan. The plan primarily focuses on increasing institutional capacity of the service for effective delivery within the framework of the Prisons Service Reform Programme, targeting, *inter alia*, the reorganisation of the Prisons Service structure; training and staff development; review of enabling legislation (particularly the Prisons Act); and infrastructure improvements. In addition, juvenile prisons would be built to rehabilitate, protect and safeguard young prisoners.

The Immigration Department regulates entry into and stay within Zambia of immigrants and visitors. The failure by the Immigration Department to deport persons who have been declared prohibited immigrants for a long time has been one of the contributing factors to the congestion of prisons in Zambia. The Immigration Department has several logistical and administrative constraints, such as shortage of trained personnel; inadequate transport; absence of separate immigration courts and detention centres; and lack of training or re-training in human rights law for Immigration Officers. Poor funding and management capacity weaknesses of the Department significantly explain some of the identified problems. With respect to the question of human rights, the Immigration and Deportation Act, Cap. 123 has no provision for the review by an independent tribunal of decisions made by individual Immigration Officers and the Chief Immigration Officer on the detention of persons who have allegedly entered Zambia illegally. In line with tenets of good governance, there is need to review the Immigration and Deportation Act during the plan period.

Against this background, a number of initiatives have been taken in the area of public safety and order. During the implementation of the PRSP/TNDP, the sector instituted the integration of human rights and good governance programmes into the Police and Prisons training curricula in order to ensure effective delivery of services. In addition, prison and cell facilities were constructed and rehabilitated resulting in the creation of room for over 1,000 inmates. Further, the sector intensified border patrols and operations and prosecuted a number of culprits in drug-related cases. Other successes registered by the sector include increased revenue collection, digitisation of district notebooks and introduction of the Zambia Initiative Programme (ZIP), a pilot project for refugee-hosting communities in Western and North-Western provinces. Despite the above achievements, inadequate infrastructure, human resources, transport and appropriate equipment to fight crime have remained major challenges. The threat of terrorism and trans-national organized crime; proliferation of firearms; corruption; drugs and money laundering; and cyber crime persist. Gender imbalance and HIV and AIDS have also posed a threat to effective delivery of services. These challenges have been compounded by high unemployment levels and conflict in some neighbouring countries.

30.3 Policies and Key Reforms

During the FNDP period, the public safety and order sector will consolidate its policy goals and objectives of maintenance of internal security in order to secure the continuity of a stable government and the enjoyment of personal freedoms. The Government will strive to build and maintain effective internal security institutions, guided by the respective strategic plans of the various arms of the

Government that are contributing to the public safety and order function as well as by the overarching goals of the Public Service Reform Programme. The sector will also focus on securing the trust and confidence of the community as the Government continues its emphasis on community-based policing through such programmes as the Neighbourhood Watch; the Victim Support Unit; Offender Management Programme; and Extension Services for ex-prisoners.

30.4 Vision and Goals

The vision is: *A safer and more secure Zambia by the year 2030.*

The goal is: *To preserve and maintain internal peace and security for national development.*

30.5 Programmes, Objectives and Strategies

The following are the programmes, strategies and objectives of the public safety and order sector during the FNDP.

| Sector: Public Safety and Order | | | |
|---------------------------------|--|--|--|
| No. | Programmes | Objectives | Strategies |
| 1 | Crime Prevention | To develop effective mechanisms for prevention of crime, in order to significantly reduce criminal activities in the country | <ul style="list-style-type: none"> a) Establish crime prevention mechanisms; b) Implement systems for monitoring and evaluating the effectiveness of crime prevention mechanisms; c) Maintain and update database on crime; d) Disseminate information on crime; e) Computerization; f) Strengthen marine policing in inland waters; g) Introduce policing air wing |
| 2 | Enhancement of Investigation and Prosecution Methods | To increase efficiency and effectiveness in investigation and prosecution in order to expedite the clearance of cases | <ul style="list-style-type: none"> a) Streamline and implement effective investigations and prosecution management system; b) Monitor and evaluate implementation of investigation and prosecution measures; c) Apply science and technology in the investigation of crime including gender based crime; d) Establish a specialized training school for law enforcement officers; e) Strengthen the legal framework |
| 3 | Infrastructure Development | To acquire and maintain buildings, plant and equipment in order to improve the work environment | <ul style="list-style-type: none"> a) Develop and implement rehabilitation programme for offices and houses; b) Develop and implement rehabilitation programme for training facilities; c) Develop and implement electrification programme; d) Develop and implement rehabilitation programme for cells, such as police, prisons and juvenile prison/cells; e) Construction of new offices and housing stock; f) Rehabilitate existing offices and housing stock |
| 4 | Human Resource Development | To effectively develop human resources for the efficient performance of the sector | <ul style="list-style-type: none"> a) Undertake staff exchange programmes; b) Strengthen the capacity of, and maintain linkages with, training institutions; c) Undertake a comprehensive training needs assessment; d) Develop and implement a training programme; e) Mitigate the negative impact of hosting refugees; f) Mainstream HIV and AIDS; g) Mainstream Gender |

30.6 Implementation, Monitoring and Evaluation Framework

The Ministry of Home Affairs shall assume overall superintendence of the implementation of the public safety and order components of the FNDP. Actual implementation shall be undertaken by the various principal actors in the sector. These are the Zambia Police, Zambia Prisons Service, Drug Enforcement Commission, Department of Immigration, National Registration, Passport and Citizenship, Commission for Refugees and National Archives.

With respect to the monitoring function, the Research and Planning Units of the relevant bodies shall produce annual, quarterly and monthly reports which shall highlight the performance record and put forward recommendations on improving outputs and outcomes. Institutions will also ensure that efficiency is promoted through strengthening of the existing legislation by the end of 2007; strengthening the management information system in order to improve the operations of the institutions, including improved collaboration with other special agencies and institutions; and intensification of regional and international cooperation in a bid to keep the institutions abreast of modern methods of maintaining law and order.

The public safety and order Sector Advisory Group will provide overall consensus framework or reporting formats for monitoring and evaluation. The SAG will provide advice and ensure that key data is provided by implementers. Key elements of monitoring and evaluation will be impact assessment against overall goals, sub-sector goals and objectives, feedback (documentation and reporting) and routine inspections/visits. Apart from institutional quarterly stakeholder briefings, quarterly performance reports, annual performance reports and mid-term performance reports, the public safety and order Sector Advisory Group shall carry out an all-encompassing mid-term review by mid-2008 and end-of-Plan review in 2010.

Sector: Public Safety and Order Summary
(K Billion)

| | Order of Priority | Institutions | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|------------------------|-------------------|-------------------------------|---------------------|--------|--------|---------------------|--------|--------|---------------------|--------|--------|---------------------|--------|--------|---------------------|--------|--------|-------------|----------|-------|
| | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Total | GRZ | Donor |
| | | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| Core FNDP Programs | 1 | Crime Prevention | 34.31 | 0.00 | 34.31 | 33.91 | 0.00 | 33.91 | 67.20 | 0.00 | 67.20 | 80.93 | 0.00 | 80.93 | 103.28 | 0.00 | 103.28 | 319.63 | 319.63 | 0.00 |
| | 2 | Capacity building | 15.72 | 0.00 | 15.72 | 24.73 | 0.00 | 24.73 | 29.97 | 0.00 | 29.97 | 44.04 | 0.00 | 44.04 | 61.80 | 0.00 | 61.80 | 176.26 | 176.26 | 0.00 |
| | 3 | Infrastructure development | 63.57 | 0.00 | 63.57 | 118.86 | 0.00 | 118.86 | 113.68 | 0.00 | 113.68 | 110.19 | 0.00 | 110.19 | 116.01 | 0.00 | 116.01 | 522.31 | 522.31 | 0.00 |
| | 4 | Infrastructure rehabilitation | 23.26 | 0.00 | 23.26 | 21.35 | 0.00 | 21.35 | 30.25 | 0.00 | 30.25 | 24.64 | 0.00 | 24.64 | 29.43 | 0.00 | 29.43 | 128.92 | 128.92 | 0.00 |
| | Sub-total | | 136.86 | 0.00 | 136.86 | 198.85 | 0.00 | 198.85 | 241.10 | 0.00 | 241.10 | 259.80 | 0.00 | 259.80 | 310.52 | 0.00 | 310.52 | 1,147.12 | 1,147.12 | 0.00 |
| Non Core FNDP Programs | 1 | Personal Emoluments | 200.55 | 0.00 | 200.55 | 230.02 | 0.00 | 230.02 | 260.22 | 0.00 | 260.22 | 290.01 | 0.00 | 290.01 | 323.43 | 0.00 | 323.43 | 1,304.23 | 1,304.23 | 0.00 |
| | 2 | Operations | 6.47 | 0.00 | 6.47 | 5.55 | 0.00 | 5.55 | 6.59 | 0.00 | 6.59 | 6.43 | 0.00 | 6.43 | 17.90 | 0.00 | 17.90 | 42.94 | 42.94 | 0.00 |
| | 3 | Investigations | 12.16 | 0.00 | 12.16 | 12.09 | 0.00 | 12.09 | 13.09 | 0.00 | 13.09 | 12.68 | 0.00 | 12.68 | 12.47 | 0.00 | 12.47 | 62.49 | 62.49 | 0.00 |
| | 4 | General administration | 13.71 | 3.00 | 16.71 | 8.40 | 0.00 | 8.40 | 6.59 | 0.00 | 6.59 | 6.09 | 0.00 | 6.09 | 5.66 | 0.00 | 5.66 | 43.45 | 40.45 | 3.00 |
| | 5 | HW and AIDS | 1.60 | 0.00 | 1.60 | 1.80 | 0.00 | 1.80 | 2.06 | 0.00 | 2.06 | 2.05 | 0.00 | 2.05 | 2.67 | 0.00 | 2.67 | 10.17 | 10.17 | 0.00 |
| | 6 | Gender | 0.40 | 0.00 | 0.40 | 0.50 | 0.00 | 0.50 | 0.80 | 0.00 | 0.80 | 0.80 | 0.00 | 0.80 | 0.80 | 0.00 | 0.80 | 3.30 | 3.30 | 0.00 |
| | 7 | Zambia Initiative | 0.00 | 0.00 | 0.00 | 0.00 | 3.18 | 3.18 | 0.00 | 3.18 | 3.18 | 0.00 | 3.18 | 3.18 | 0.00 | 3.18 | 3.18 | 12.70 | 0.00 | 12.70 |
| | Sub-total | | 234.89 | 3.00 | 237.89 | 258.36 | 3.18 | 261.53 | 289.34 | 3.18 | 292.52 | 318.06 | 3.18 | 321.23 | 362.93 | 3.18 | 366.10 | 1,479.27 | 1,463.57 | 15.70 |
| | Grand Total | | 371.75 | 3.00 | 374.75 | 457.20 | 3.18 | 460.38 | 530.44 | 3.18 | 533.62 | 577.85 | 3.18 | 581.03 | 673.44 | 3.18 | 676.62 | 2,626.39 | 2,610.69 | 15.70 |

Sector: Public Safety and Order –Home Affairs
(K Billion)

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|------------------------|---------------------|--------------------|--------|--------|--------------------|--------|--------|--------------------|--------|--------|--------------------|--------|--------|--------------------|--------|--------|-------------|--------|-------|
| | | Cost in K billions | | | Cost in K billions | | | Cost in K billions | | | Cost in K billions | | | Cost in K billions | | | Total | GRZ | Donor |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| Core FNDP Programs | 1 | 9.90 | 0.00 | 9.90 | 7.06 | 0.00 | 7.06 | 8.04 | 0.00 | 8.04 | 5.74 | 0.00 | 5.74 | 8.74 | 0.00 | 8.74 | 39.48 | 39.48 | 0.00 |
| | 2 | 5.58 | 0.00 | 5.58 | 11.15 | 0.00 | 11.15 | 7.71 | 0.00 | 7.71 | 8.54 | 0.00 | 8.54 | 15.75 | 0.00 | 15.75 | 48.73 | 48.73 | 0.00 |
| | 3 | 57.07 | 0.00 | 57.07 | 51.36 | 0.00 | 51.36 | 41.28 | 0.00 | 41.28 | 41.59 | 0.00 | 41.59 | 44.31 | 0.00 | 44.31 | 235.61 | 235.61 | 0.00 |
| | 4 | 3.26 | 0.00 | 3.26 | 1.20 | 0.00 | 1.20 | 2.31 | 0.00 | 2.31 | 4.43 | 0.00 | 4.43 | 5.23 | 0.00 | 5.23 | 16.42 | 16.42 | 0.00 |
| | Sub-total | 75.81 | 0.00 | 75.81 | 70.77 | 0.00 | 70.77 | 59.34 | 0.00 | 59.34 | 60.29 | 0.00 | 60.29 | 74.03 | 0.00 | 74.03 | 340.24 | 340.24 | 0.00 |
| Non-core FNDP Programs | Personal Enrolments | 41.00 | 0.00 | 41.00 | 46.60 | 0.00 | 46.60 | 52.40 | 0.00 | 52.40 | 58.20 | 0.00 | 58.20 | 64.60 | 0.00 | 64.60 | 262.80 | 262.80 | 0.00 |
| | 2 | 5.47 | 0.00 | 5.47 | 4.55 | 0.00 | 4.55 | 5.59 | 0.00 | 5.59 | 5.43 | 0.00 | 5.43 | 16.90 | 0.00 | 16.90 | 37.94 | 37.94 | 0.00 |
| | 3 | 11.16 | 0.00 | 11.16 | 11.09 | 0.00 | 11.09 | 11.59 | 0.00 | 11.59 | 11.18 | 0.00 | 11.18 | 10.97 | 0.00 | 10.97 | 55.99 | 55.99 | 0.00 |
| | 4 | 12.91 | 3.00 | 15.91 | 7.40 | 0.00 | 7.40 | 5.59 | 0.00 | 5.59 | 5.09 | 0.00 | 5.09 | 4.66 | 0.00 | 4.66 | 38.65 | 35.65 | 3.00 |
| | 5 | 0.60 | 0.00 | 0.60 | 0.50 | 0.00 | 0.50 | 0.37 | 0.00 | 0.37 | 0.25 | 0.00 | 0.25 | 0.37 | 0.00 | 0.37 | 2.09 | 2.09 | 0.00 |
| | 6 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | 7 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Sub-total | 71.14 | 3.00 | 74.14 | 70.14 | 3.18 | 73.32 | 75.54 | 3.18 | 78.72 | 80.15 | 3.18 | 83.33 | 97.50 | 3.18 | 100.68 | 14.79 | 2.09 | 12.70 |
| | Grand Total | 146.95 | 3.00 | 149.95 | 140.91 | 3.18 | 144.08 | 134.88 | 3.18 | 138.06 | 140.44 | 3.18 | 143.62 | 171.53 | 3.18 | 174.70 | 355.03 | 342.33 | 12.70 |

Sector: Public Safety and Order – Zambia Police
(K Billion)

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|------------------------|--------------------|-----------------------|-------------|---------------|-----------------------|-------------|---------------|-----------------------|-------------|---------------|-----------------------|-------------|---------------|-----------------------|-------------|---------------|-----------------|-----------------|-------------|
| | | Costing in K' Billion | | | Costing in K' Billion | | | Costing in K' Billion | | | Costing in K' Billion | | | Costing in K' Billion | | | GRZ | Total | Donor |
| | | GRZ | Donors | Totals | GRZ | Donors | Totals | GRZ | Donors | Totals | GRZ | Donors | Totals | GRZ | Donors | Totals | | | |
| Core FNDP Programs | 1 | 24.41 | | 24.41 | 26.85 | | 26.85 | 59.16 | | 59.16 | 75.19 | | 75.19 | 94.54 | | 94.54 | 280.15 | | 0.00 |
| | 2 | 6.50 | | 6.50 | 67.50 | | 67.50 | 72.40 | | 72.40 | 68.60 | | 68.60 | 71.70 | | 71.70 | 286.70 | | 0.00 |
| | 3 | 10.14 | | 10.14 | 13.58 | | 13.58 | 22.26 | | 22.26 | 35.50 | | 35.50 | 46.05 | | 46.05 | 127.53 | | 0.00 |
| | 4 | 20.00 | | 20.00 | 20.15 | | 20.15 | 27.94 | | 27.94 | 20.21 | | 20.21 | 24.20 | | 24.20 | 112.50 | | 0.00 |
| | Sub-total | 61.05 | 0.00 | 61.05 | 128.08 | 0.00 | 128.08 | 181.76 | 0.00 | 181.76 | 199.50 | 0.00 | 199.50 | 236.49 | 0.00 | 236.49 | 806.88 | 806.88 | 0.00 |
| Non-core FNDP Programs | 1 | 159.55 | 0.00 | 159.55 | 183.42 | 0.00 | 183.42 | 207.82 | 0.00 | 207.82 | 231.81 | 0.00 | 231.81 | 258.83 | 0.00 | 258.83 | 1,041.43 | | 0.00 |
| | 2 | 1.00 | 0.00 | 1.00 | 1.00 | 0.00 | 1.00 | 1.00 | 0.00 | 1.00 | 1.00 | 0.00 | 1.00 | 1.00 | 0.00 | 1.00 | 5.00 | | 0.00 |
| | 3 | 1.00 | 0.00 | 1.00 | 1.00 | 0.00 | 1.00 | 1.50 | 0.00 | 1.50 | 1.50 | 0.00 | 1.50 | 1.50 | 0.00 | 1.50 | 6.50 | | 0.00 |
| | 4 | 0.80 | 0.00 | 0.80 | 1.00 | 0.00 | 1.00 | 1.00 | 0.00 | 1.00 | 1.00 | 0.00 | 1.00 | 1.00 | 0.00 | 1.00 | 4.80 | | 0.00 |
| | 5 | 1.00 | 0.00 | 1.00 | 1.30 | 0.00 | 1.30 | 1.69 | 0.00 | 1.69 | 1.80 | 0.00 | 1.80 | 2.30 | 0.00 | 2.30 | 8.08 | | 0.00 |
| | 6 | 0.40 | 0.00 | 0.40 | 0.50 | 0.00 | 0.50 | 0.80 | 0.00 | 0.80 | 0.80 | 0.00 | 0.80 | 0.80 | 0.00 | 0.80 | 3.30 | | 0.00 |
| | Sub-total | 163.75 | 0.00 | 163.75 | 188.22 | 0.00 | 188.22 | 213.80 | 0.00 | 213.80 | 237.91 | 0.00 | 237.91 | 265.43 | 0.00 | 265.43 | 1,069.10 | 1,069.10 | 0.00 |
| | Grand Total | 224.80 | 0.00 | 224.80 | 316.30 | 0.00 | 316.30 | 395.56 | 0.00 | 395.56 | 437.41 | 0.00 | 437.41 | 501.92 | 0.00 | 501.92 | 1,875.98 | 1,875.98 | 0.00 |



Part

7

Cross-Cutting Issues

GOVERNANCE



31.1 Introduction

The concept of 'governance' cuts across the entire spectrum of both Government and non-Government delivery systems. It is essential that the Government provides good systems of governance which will create the conditions for markets to function; facilitate the efficient and effective delivery of basic services; ensure civil society participates in decision-making processes; and, ultimately, maximise the welfare of Zambian communities and individuals. Government recognises that to deliver the FNDP effectively, there must be a coordinating function for these different aspects of governance. The entity responsible for discharging this coordinating function must be held accountable for its discharge to ensure that management of governance is being undertaken to the standards required for effective delivery. Accordingly, the coordinating entity must be vested with the necessary mandate to be able to coordinate a diverse range of stakeholders in the interests of delivery.

To be able to address governance concerns effectively, Government intends to work through Constitutional structures and to honour its international obligations. Without a functional separation of powers under the constitution in which citizens are able to claim their rights to education, health and improving standards of living, Government will not be able to address those constraints. Support for the independence of the judiciary, the vibrancy of Parliament, rights of assembly and free speech all need to be guaranteed by the executive, for delivery of the FNDP. This chapter incorporates other key areas of governance which are not covered elsewhere in the FNDP. These governance areas are: constitutionalism, human rights, transparency and accountability, administration of justice and democratisation.

The governance organisations that are discussed in this chapter are:

- a) The Human Rights Commission;
- b) Police Public Complaints Authority;
- c) National Assembly of Zambia;
- d) Anti-Corruption Commission;
- e) Commission for Investigations;
- f) Judicial Complaints Authority;
- g) Office of the Auditor-General;
- h) Judiciary;
- i) Ministry of Justice;
- j) Electoral Commission of Zambia; and
- k) Office of the Vice President (Parliamentary Business Division)

Continued close coordination will be maintained between the Governance SAG institutions and institutions under the Ministry of Home Affairs related to work under administration of justice. The coordination mechanisms will continuously be assessed during the planning period for attainment of maximum synergies.

31.2 Review of Past Performance

In the Zambian context the term 'good governance' was first defined in the National Capacity Building Programme for Good Governance in Zambia (NCBPGGZ), approved by Cabinet in 2000. The Poverty Reduction Strategy Paper (PRSP) built on the definition in the NCBPGGZ and went on to emphasise mutually reinforcing relationship between bad governance and deepening levels of poverty. On the one hand, bad governance imposes a particular burden on the poor and throws them deeper into poverty. Equally, poverty constrains the poor from participating in national development, leading to weak governance of institutions. Good governance, on the other hand, is associated with larger growth rates and incomes for the poor. The test of good governance for poverty reduction will continue to be how

equipped and politically prepared the stakeholders are to bias resources, once economic growth has generated these, towards those social services that are fundamental to poverty reduction and alleviation. The Government has, based on the above, undertaken a number of activities in the areas of constitutionalism, human rights, transparency and accountability, administration of justice and democratisation. These are explained below.

31.2.1 Constitutionalism

Government has endeavoured to promote constitutionalism through the implementation of various constitutional provisions. In 1990, the Mvunga Commission of Inquiry was appointed to recommend a Constitution which would assist the country to revert to a multi-party political system. In 1993, the Government appointed the Mwanakatwe Commission of Inquiry to review the 1991 Mvunga Constitution. This was in response to sentiments from various quarters, that the 1991 Constitution was a caretaker constitution meant to allow for multi-party elections. In 2003, the Government appointed the Mung'omba Constitutional Review Commission (CRC) to, *inter-alia*, address shortcomings of the last two commissions, while ensuring that it came up with a widely accepted constitution. The CRC released its report and draft constitution in December 2005. Arising out of the CRC recommendations, Government has accepted the path of utilising the Constituent Assembly towards concluding the constitutional review exercise.

31.2.2 Human Rights

The Government established the Human Rights Commission (HRC) in 1996 specifically to focus on the protection and promotion of human rights. The HRC has since its inception enhanced its accessibility through a decentralisation programme which has seen the establishment of four provincial offices; partnership and collaboration with various stakeholders; establishment of a prohibited immigrant's fund; and a complaints database. The complaints handled by the HRC include employment and labour related cases, torture, and child abuse. The HRC also undertook a number of prison visits. It is worth noting that the HRC faced a number of challenges which ranged from inadequate funding and logistics to understaffing.

In 1999, the Government established the Police Public Complaints Authority (PPCA) which commenced its operations in 2002. The PPCA addresses public complaints against police misconduct in order to secure individual fundamental human rights and freedoms and achieve professionalism in the Zambia Police Service. Zambia has submitted her state party reports to various treaty bodies as provided for in various international and regional human rights instruments ratified or acceded to by the State.

31.2.3 Transparency and Accountability

The Legislature has three main functions namely, to make laws, to vote money for public expenditure, and to oversee Government administration and subject its activities to scrutiny. Other functions are also undertaken, such as ratification of certain presidential appointments, and representation of the electorate. Under the Parliamentary Reform Project (PRP), the National Assembly has undertaken to reform its operations in five key areas namely, the legislative process, member-constituency relations, administration of the National Assembly, support services to Parliament and the Committee system. The PRP activities included; the development and implementation of a strategic plan; review of the standing orders; Information and Communication Technology (ICT), enhancement in National Assembly operations; development of a directory of all civil society organisations; members' handbook; establishment of constituency offices; design of an Internship Programme; Indexing of Committee Hearings and Bills; and the National Assembly Directory. The Transitional National Development Plan (TNDP) period saw the publication of literature by the National Assembly on various aspects of Parliamentary practice, procedure, traditions, and administration for distribution to the public and to constituency offices. In the area of capacity building, training for members of parliament and staff has been conducted. In order to increase coverage of parliamentary news, radio broadcast was expanded 50 kilometres to all places along the line of rail. The Library Collection Development Policy was also developed during the TNDP. The PRP is in its phase II and is expected to be extended into phase III in 2007.

The Office of the Vice President Parliamentary Business Division (OVP – PBD) is another governance institution which coordinates the executive side of Government business in Parliament. The efforts will concentrate on enhancing transparency, accountability and collective responsibility of the Cabinet in the discharge of parliamentary business, particularly the oversight function of parliament over Government Administration. The task of co-ordinating parliamentary duties, was in 1994, delinked from Cabinet Office to the Office of the Vice-President, where the Vice-President became the Leader of Government Business in the National Assembly.

The Government established the Anti-Corruption Commission (ACC) in 1980. The ACC has three main functions namely, to prevent corruption; to investigate and prosecute offenders; educate the public about corrupt practices and foster public support in the fight against the scourge. The ACC consists of five part-time commissioners who are answerable to Parliament and under them is the Director-General who heads the directorate. The ACC has been strengthened by decentralising its operations and establishing offices in all the provincial centres of the country. In addition, a Task Force on Corruption, which is complementing the efforts of the ACC, has been constituted to investigate the plunder of public resources which occurred during the period 1991 to 2001. The ACC's strategic plan and organizational structure were reviewed in 2003 and new ones developed. Furthermore, in 2003 the Government conducted a National Governance Baseline Survey whose aim was to measure perceptions of corruption and public service delivery with a view to developing a comprehensive strategy to combat corruption and enhance public service delivery. The survey provided empirical data on corruption in Zambia and is assisting the ACC develop appropriate corruption prevention mechanisms and interventions. A follow-up National Governance Survey will be conducted during the FNDP period.

The Commission for Investigations came into existence in 1973. The Commission redresses grievances from members of the public and employees in the public service which arise as a result of mal-administration or abuse of office by public organisations. In 2004, the Commission handled a total number of 825 out of which 526 were concluded. This high success rate was partly attributed to the on the spot resolution of cases during the Commission's provincial tours. However, the Commission does not have a policy document. In addition, a strategic plan for the Commission was developed to cover the period 1998 to 2003, but it was never implemented. Consequently, the restructuring process in the Commission never took place.

In 1999, the Government established the Judicial Complaints Authority (JCA), which began operating in mid-2003. The JCA's operations are meant to curb corruption and other forms of misconduct in the judiciary. The JCA has the function of receiving and investigating complaints from the public on alleged misconduct by judicial officers. According to findings of its investigations, the JCA makes recommendations to appropriate authorities for possible disciplinary action. Judicial officers are judges, including the Chief Justice, Deputy Chief Justice, Chairman and Vice Chairman of the Industrial Relations Court, Magistrates, Local Court Justices, and all persons who have the power to hold or exercise the judicial powers of a court.

The Office of the Auditor-General (OAG) is established under the Constitution of Zambia. The Auditor-General's function is to submit an audit report on the accounts relating to the general revenues of the country and the expenditure appropriated by Parliament, the accounts relating to the stocks and stores of the Government, and of such other bodies as may be prescribed by or under any law, in respect of a particular financial year, to the President who causes the report to be laid before the National Assembly. The OAG is also mandated to audit every statutory body, private institutions which receive Government grants, subsidy and or subvention in any financial year, Government ministries and departments, and report to Parliament on the results of the audit. The OAG also conducts environment, IT and performance audits. In 2004, the Government approved the restructuring of the OAG. Notwithstanding the achievements made so far, some of the challenges that the OAG has faced include inadequate allocation of funding.

31.2.4 Administration of Justice

The Judicature of Zambia is a creation of the Constitution and it consists of the Supreme Court, High Court, Industrial Relations Court, Subordinate Court, Small Claims Courts, and the Local Courts. A

number of successes were recorded in this area, which included the holding of all the gazetted High Court and Supreme Court sessions. However, a number of challenges were faced, namely, inadequate court space and time to handle the case loads.

The Ministry of Justice has two chambers namely, Attorney-General's and Director of Public Prosecutions, both constitutional in character. The Ministry has departments structured along constitutional and statutory mandates. The Ministry has under it three statutory bodies, namely Zambia Law Development Commission, Zambia Institute of Advanced Legal Education, Administrator General and Official Receiver and Legal Aid Board and some departments falling under the Attorney-General's Chambers and Administration. The Ministry also houses the Governance Development Unit created following the adoption of the National Capacity Building Programme for Good Governance in Zambia by Cabinet in March 2000. Challenges faced by all statutory bodies and departments of the Ministry during the TNDP included low staffing levels due to unattractive working conditions; inadequate logistics ranging from office space, transport, office equipment, and tools of the trade; and poor funding for operations.

The TNDP period saw the Ministry of Justice embarking on policy formulation in the areas of prosecution and legal aid. These policy initiatives are broad-based in focus, in that they also target service providers outside the confines of the Director of Public Prosecutions and Legal Aid Board respectively. The National Prosecutions Policy was developed and is awaiting Cabinet approval. During the TNDP period, the Legal Aid Directorate underwent institutional reform giving it administrative and financial autonomy. The period initially saw an independent Board appointed with the mandate of administering the Legal Aid Fund. Institutional reforms to improve the administration of justice also included the transformation in 2001 of the juvenile justice system into one conforming to international standards. Plans to extend court annexed mediation were commenced. The more effective discharge of justice has been boosted by a number of infrastructure developments at High Court, Subordinate, and Local Court levels.

The absence of policy frameworks for the Director of Public Prosecutions Chamber and the Legal Aid Board continued to undermine the proper administering of prosecutorial and legal aid services respectively, as did the absence of decentralised structures. The Legal Aid Fund, established under the Legal Aid (Amendment) Act of 2000, could not be operationalised due to the lack of administrative and financial autonomy. This was, however, attained following the enactment of the Legal Aid (Amendment) Act 2005.

The Administrator-General and Official Receiver's office has undergone some organisational changes, though its services are not readily available to those that need them as the office is not fully decentralised. The effectiveness of the Office is also affected by lack of administrative and financial autonomy despite the viability of the Department to stand on its own as an autonomous statutory body following its establishment.

Poor institutional coordination and linkages between the Ministry's departments and statutory bodies and other institutions within and across the governance sector have affected the Ministry's performance in terms of the time it takes to dispose of matters and complete assignments. This situation can equally be attributed to underdeveloped work systems within the Ministry. The absence of a reliable information management system has continued to affect the pace at which the Ministry performs its various functions.

31.2.5 Democratisation

In this area the multi-party system of Government is gaining ground as political parties freely conduct their business and elections are held in a generally conducive atmosphere. The Electoral Commission of Zambia (ECZ) is established as an autonomous body under the Constitution of Zambia and is empowered to make regulations providing for the registration of voters, conduct of presidential, parliamentary and local government elections, election offences, and penalties. The ECZ has performed generally well during the TNDP period. Though mandated to carry out the registration of voters on a continuous basis under Act No. 4 of 2001, the ECZ has not implemented this thus far due to insufficient funds. It is also worth noting that the Government constituted the Electoral Reform Technical

Committee (ERTC) in 2003 that has addressed weaknesses in the electoral process and thereby enhancing democratisation.

31.3 Policies and Key Reforms

During the FNDP period, the Government will undertake a number of policies and reforms in the areas of constitutionalism, human rights, transparency and accountability, administration of justice and democratisation. These are discussed below:

31.3.1 Constitutionalism

The current constitutional review process commenced with a wide consultative agenda and is to be concluded during the FNDP period. The Mung'omba CRC report and draft constitution provide a useful input in the constitutional review process. The outcome of the constitutional review process will have an impact on many governance areas, some of which are mentioned in the following paragraphs. The Government shall facilitate the process that shall usher in a new Republican Constitution that shall be adopted during the FNDP period by the Constituent Assembly. A new constitution will entail development of new national institutions, legal frameworks and capacities for the implementation of the constitution by the Government.

31.3.2 Human Rights

Arising from the 1998 National Vision Conference, a National Plan of Action for Human Rights for the period 2000 to 2009 was adopted in 1999. This Plan of Action shall continue to provide guidance and a framework for the effective promotion and protection of human rights in Zambia during the FNDP period. During the FNDP period, the Government intends to domesticate the seven (7) international human rights conventions to which it is party.

Zambia was elected as a member of the newly created United Nations Human Rights Council (UNHRC) in 2006. Zambia's mandate runs from 2006 to 2008. Zambia's membership to the UNHRC will require that it participates at high political and technical level at various international meetings during Zambia's tenure of office.

During the FNDP, Zambia will be required to prepare and submit six (6) State Reports as follows: Convention on the Elimination of all Forms of Racial Discrimination (due in 2009), Convention on Economic Social and Cultural Rights (due in 2009), the African Charter on Human and Peoples Rights (due in 2010), Convention Against Torture and all Forms of Inhuman and Degrading Treatment (due in 2010), Convention on Civil and Political Rights (due in 2010) and Convention on the Rights of a Child (due in 2009).

31.3.3 Transparency and Accountability

The Government will continue to support Parliamentary reforms in order to make the legislative body more transparent, independent, and accountable to the people of Zambia. In this regard, the Government shall continue to support the Parliamentary Reform Programme and its effort to make Parliament independent and ensure that its capacity to provide its oversight function over the Executive is enhanced.

Government will review the law on corruption in order to strengthen it further and provide for internationally accepted best practices. In this regard, the ACC shall be transformed into a proactive performance-based institution. Emphasis shall be placed on prevention of corruption and related malpractices and seeking to institutionalise corruption prevention in public and private institutions. A new law is expected to be passed in 2006 to this effect. The ACC shall develop the national corruption prevention policy and a strategic implementation plan which are expected to be in place during 2006. The ACC will, during the FNDP, attract, develop, and retain skilled human resources to enable it achieve the objectives set out in the Plan. A need has also been identified to harmonise the operations of the ACC with those of other institutions and offices dealing with prevention of corruption so as to strengthen the administration of criminal justice and the rule of law in general. The strengthening of the administration of criminal justice will require new laws to be passed in the areas of conflict of interest

and disclosure of assets and liabilities by public officers apart from Cabinet Ministers and Members of Parliament as has been the case.

The Government will continue its efforts under the Anti-Money Laundering Authority and aims to have an anti-money laundering strategy in place.

The JCA intends to amend its constitutive Act in order to strengthen its functions. Among others, the Committee proposes to acquire a corporate body status with a title that connotes permanency, such as Commission or Authority. In addition, the JCA has prepared a strategic plan for the period 2005-2011. The Commission for Investigations will also develop a policy document and strategic plan which will guide its operations during the FNDP period.

The OAG will continue in its effort to have its position strengthened in order to enable it deliver its services on an enhanced basis to arms of Government. The Government will seek to facilitate the review and enactment of relevant legislation in order to provide autonomy for the Office of the Auditor General.

31.3.4 Administration of Justice

The most current policy document of the Ministry of Justice was prepared in 1997. The Ministry will up-date its policy document during the FNDP. The Judicature has put in place the process of developing a strategic plan. This will be finalised during the Plan period. It is worth noting that the Judicature in its submissions to the CRC proposed the creation of a Constitutional Court, the establishment of a Court of Appeal, specialization in the court system, and enhancement of the financial autonomy of the Judicature. The outcome of the constitutional review process will, therefore, have an influence on the operations of the Judicature.

31.3.5 Democratisation

The full implementation of the Electoral Commission of Zambia's 2006 to 2010 strategic plan will enhance the democratization process in the country during the plan period.

31.4 Vision and Goals

The vision is: *Total adherence to principles of good governance by 2030.*

The goals are :

- a) To improve access to justice;
- b) To effectively and efficiently manage free and fair elections;
- c) To promote and protect human rights equally for women, men, youths and children;
- d) To strengthen cooperation and collaboration among governance institutions;
- e) To improve effectiveness and efficiency of the National Assembly to enhance its oversight of Government affairs;
- f) To enhance constitutionalism and the rule of law;
- g) To achieve a significant reduction in corruption in Zambia; and
- h) To embed good corporate governance practices in the public and private institutions

31.5 Programmes, Objectives and Strategies

The matrix below shows the programmes and their respective objectives and strategies for the governance sector during the FNDP period.

| Sector: Governance | | | | |
|---------------------------|----------------------------------|--|--|---------------------------------|
| No. | Programmes | Objectives | Strategies | Implementing Institution |
| 1 | Administration of Justice | 1. To improve access to justice for all. | a) Improve coordination and communication among justice institutions and other stakeholders. | All |
| | | | b) Capacity building and retention of personnel. | All |

| Sector: Governance | | | | |
|---------------------------|--------------------------|---|---|--|
| No. | Programmes | Objectives | Strategies | Implementing Institution |
| | | | c) Develop Courts and other infrastructure | Judiciary, MoJ |
| | | | d) ensure the autonomy, effectiveness and efficiency of LAD, Administrator General, and DPP.. | LAD, DPP, MoJ, Admin. G. |
| | | | e) Legislative process and policy framework affecting the administration of justice improved. | LAD, DPP, MoJ |
| | | | f) Decentralise Judicial Complaint Committee, Admin. G. | JCA, MoJ, Admin. G. |
| | | | g) Increase public awareness of human rights and criminal justice system. | All |
| | | | h) Decentralise civil litigation, Administrator General and Official Receiver, Legal Aids and Director of Public Prosecution | Judiciary, MoJ |
| | | | i) Improve record management and information management. | All |
| | | | j) Improve access to justice for the vulnerable, especially women and children. | All |
| | | | k) Capacity Building for personnel in gender issues | All |
| 2 | Constitutionalism | 1. To develop a new national constitution based on broad participation and national consensus. | a) Disseminate information on awareness of constitutional issues | ALL |
| | | 2. To conclude the constitutional reform and electoral review exercises, preferably in 2009 | b) Develop a road map for constitutional process | ALL |
| | | 3. To devolve power to local Government | | |
| | | 4. To develop national institutions, legal framework and capacities for the implementation of the new constitution | a) Implement capacity development programmes for individuals, institutions and to improve the enabling environment | ALL |
| 3 | Democratisation | 1. To strengthen national capacities to organise and manage free, fair and transparent elections | a) Engage all stakeholders to provide data and use of the GIS by staff at the ECZ | ECZ |
| | | | b) Recruit, train and retain qualified human resource for ECZ | ECZ |
| | | 2. To periodically review and reform legislation | a) Review, amend and enact legislation to enable the implementation of governance priorities | All |
| | | | b) Implement recommendations from Electoral Reform Technical Committee | ECZ |
| | | 3. To promote broad based participation in national and local Government elections, especially women candidates and voters. | a) Develop continuous voter registration and an updated accurate voters register | ECZ |
| | | | b) Conduct regular civic and voter education programmes especially targeting women and vulnerable groups to increase representation as candidates and voters. | ECZ, Civil society |
| | | 4. To foster legal and policy environment for enhance public participation between | a) Regular monitoring of policy implementation and electoral legislation reviews. | MoJ, ECZ, Civil society, Judiciary, NA |

| Sector: Governance | | | | |
|---------------------------|--|--|---|---|
| No. | Programmes | Objectives | Strategies | Implementing Institution |
| | | electoral events and to exercise choice | b) Develop frameworks and policy for public participation in political, social, economic and cultural decision making. c) Review of electoral legislation, code of conduct and electoral processes. | MoJ, ECZ, Civil society, Judiciary, NA MoJ, ECZ, Civil society, Judiciary, NA |
| | | 1. To enhance Civic awareness of the citizens | a) Conduct civic education and teaching of civics in schools b) Enhance freedom of the press c) Empower Civil society | |
| 4 | Human Rights | 2. To promote human rights | a) Information dissemination and awareness on electoral, administration of justice and human rights issues. b) Domestication of international conventions and covenants. c) Create a better understanding of human rights issues especially for women and children by all justice administrators and intermediaries d) Establish rehabilitation centres for human rights victims. e) Continue to monitor status by reporting on relevant conventions and treaties and carry out surveys. f) Strengthen institutional capacity work to ensure legislative change in furtherance of human rights | HRC, ECZ, PPCA, Judiciary, MoJ MoJ JCA, Judiciary, HRC. HRC HRC, MoJ HRC, MoJ, Judiciary |
| 5 | Accountability and Transparency | 1. To create effective mechanisms for prevention of corruption, abuse of office and misappropriation in public and private bodies | a) Facilitate the development of Integrity Programmes for Government Ministries, Departments or Agencies b) Develop a corporate code of conduct and a legal framework at company level | ACC, OAG, JCA, CFI, PPCA BOZ, LuSE, ZICA, Institute of Directors, Institute of Secretaries |
| | | 2. To create efficiency in audits, investigations and prosecutions. | a) Capacity building of relevant staff. b) Strengthen organisational framework. | ACC, OAG, CFI, JCA, PPCA ACC, OAG, CFI, JCA, PPCA, DPP |
| | | 3. To establish and maintain collaborative and consultative mechanisms with stakeholders both local and international in order to share experience and enhance co-operation. | a) Integrate through SAG the coordination and collaboration of the governance institutions. b) Involve civil society in decision making and implementation of governance initiatives. c) Seek inspiration and guidance from national and international stakeholders | All All All |
| | | 4. To increase efficiency and effectiveness in the processing and disposal of complaints received by all governance institutions. | a) Assess and develop mechanisms for improved complaint management b) Capacity building c) Conduct inspections and tours of selected Government and parastatal organisations that generate numerous recurrent complaints in public institutions to ensure corrective action. | CFI, JCA, PPCA, ACC All CFI, PPC, JCA, Judiciary |

| Sector: Governance | | | | |
|---------------------------|-------------------|---|--|-------------------------------------|
| No. | Programmes | Objectives | Strategies | Implementing Institution |
| | | | d) Inform public on rights and obligations concerning complaints. | CFI, PPC, JCA, Judiciary |
| | | | e) Strengthen operational and legal framework and decentralise operations of CFI | CFI, PPCA |
| | | 5. To facilitate the review and enactment of relevant legislation in order to attain autonomy of the Office of the Auditor General | a) Legislative review before budget 2008. | OAG, MoJ |
| | | 6. Decentralise OAG and develop new services to clients | a) Decentralisation, including identification of resource needs. b) Develop consultancy services to clients | OAG |
| | | 7. To Develop and implement effective legislative, oversight and budgetary roles of the National Assembly. | a) Develop a permanent professional staff trained to serve MPs in a non-partisan manner. | NA |
| | | | b) Use of ICT to enhance the efficient use of Human Resources in Parliamentary procedures and operations | NA |
| | | | c) Review current legislation and budgetary processes in order to enhance public participation through the enactment of the Parliamentary Service Commission Act and the Budget Act | NA |
| | | | d) Budgetary independence of NA | NA |
| | | 8. To ensure that the Members of Parliament and their Parliamentary Committees are well linked to their Constituents and Civil society organisations. | a) Build Constituency Offices in every Constituency in Zambia. b) Reinforce linkages between Parliamentary Committees and relevant CSOs | NA NA |
| | | 9. To Ensure that all rules and systems and procedures encourage openness and transparency in a multi-party democracy | a) Sensitise the public on the activities of Governance institutions through print and electronic media b) Review and strengthen Governance institutions' legal and institutional framework in order to ensure that the institutions remain responsive and accountable to the stakeholders changing needs c) Capacity Building of staff to enhance their performance d) Establish and implement quality control systems e) Develop a client profile based on Government priorities in the provinces and districts; and recommend corrective measures to Government, local authorities and Parastatal bodies to remedy defective administrative systems and practices observed f) Review impact of policy and legislative implementation by Government on intended targets | NA NA ALL ALL ALL NA |

| Sector: Governance | | | | |
|---------------------------|---|--|---|--|
| No. | Programmes | Objectives | Strategies | Implementing Institution |
| | | 10. To increase efficiency and effectiveness in the performance of the Parliamentary oversight functions by the Executive Wing of Government | a) Revise procedures for process answers to parliamentary questions b) Train parliamentary liaison; c) Establish parliamentary liaison structures in provinces; d) Monitor development of parliamentary constituency officers e) Produce timely actions taken reports, annual reports and answers to questions for oral answers | OVP- PBD, All Line Ministries, All Provinces, Statutory Institutions/Departments |
| 6 | Management, Reporting and Facilitation of Governance Initiatives | 1. Efficient and Effective facilitation of activities under the governance SAG. | a) Capacity Building for the GDU (Governance Secretariat) | GDU (Governance Secretariat) |
| | | 2. High quality reporting and research provided | a) Publication of a "State of governance report" yearly. Follow-up to governance baseline survey published in 2004. b) Ad hoc research and reporting on governance. c) Negotiation of MOU with African Peer review Mechanism Secretariat on future reporting and assessment. | GDU (Governance Secretariat) GDU (Governance Secretariat) GDU (Governance Secretariat) |
| | | 3. Sound management of governance institutions, ensuring efficiency and effectiveness | a) Strategic planning and management support to governance institutions to be developed. | All |
| | | 4. Ensure adequate electronic systems, are in place for efficient and effective performance of mandates | a) Continuously assess the current status of ICT equipment and determine the needs of Governance institutions and Develop institutional ICT policies and plans. | All |

31.6 Implementation, Monitoring and Evaluation Framework

Governance institutions will undertake the implementation of the Governance programmes. The Governance Secretariat will undertake the coordination role of the FNDP programmes. The Governance SAG, chaired by the Permanent Secretary responsible for the governance SAG, shall continue to play the oversight role.

In terms of monitoring and evaluation, the Governance SAG will provide the overall framework format for monitoring and evaluation. However, the implementing institutions will do the actual day to day monitoring and evaluation as integral parts of their functions. The Governance SAG will carry out an all encompassing mid-term review in mid-2008 and end-term review in 2010. Periodic surveys and researches on good governance topics will be undertaken collaboratively with all the key players. The Governance Secretariat will produce review reports highlighting the successes and failures of the programmes and make recommendations.

Sector: Governance
Sub Sector: Anti-Corruption Commission
(K billion)

| Order of Priority | Name | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|------------------------------|------------------|--------------------|-------------|--------------|--------------------|----------|--------------|--------------------|----------|--------------|--------------------|----------|--------------|--------------------|----------|--------------|---------------|---------------|-------------|
| | | Cost in K Billions | | | Cost in K billions | | | Cost in K billions | | | Cost in K billions | | | Cost in K billions | | | Total | GRZ | Donor |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| Core FNDP Programs | 1 | 0.06 | 0.48 | 0.54 | - | - | - | - | - | - | - | - | - | - | - | - | 0.54 | 0.06 | 0.48 |
| | 2 | 0.38 | 0.52 | 0.90 | 0.64 | - | 0.64 | 0.61 | - | 0.61 | 0.71 | - | 0.71 | 0.49 | - | 0.49 | 3.33 | 2.81 | 0.52 |
| | 3 | - | 0.15 | 0.15 | - | - | - | - | - | - | - | - | - | - | - | - | 0.15 | - | 0.15 |
| | 4 | - | 1.72 | 1.72 | 0.46 | - | 0.46 | 0.56 | - | 0.56 | 0.09 | - | 0.09 | 0.06 | - | 0.06 | 2.88 | 1.16 | 1.72 |
| | Sub-total | 0.44 | 2.87 | 3.31 | 1.09 | - | 1.09 | 1.16 | - | 1.16 | 0.79 | - | 0.79 | 0.54 | - | 0.54 | 6.90 | 4.03 | 2.87 |
| Non-Core FNDP Programs | 1 | 11.20 | - | 11.20 | 12.94 | - | 12.94 | 14.65 | - | 14.65 | 16.36 | - | 16.36 | 18.27 | - | 18.27 | 73.42 | 73.42 | - |
| | 2 | 0.87 | 1.21 | 2.07 | 1.00 | - | 1.00 | 0.95 | - | 0.95 | 0.78 | - | 0.78 | 0.79 | - | 0.79 | 5.59 | 4.38 | 1.21 |
| | 3 | 2.57 | 1.02 | 3.59 | 3.15 | - | 3.15 | 2.98 | - | 2.98 | 2.45 | - | 2.45 | 2.45 | - | 2.45 | 14.61 | 13.59 | 1.02 |
| | 4 | 0.02 | 0.30 | 0.32 | 0.03 | - | 0.03 | 0.02 | - | 0.02 | 0.02 | - | 0.02 | 0.02 | - | 0.02 | 0.41 | 0.11 | 0.30 |
| | 5 | 0.05 | - | 0.05 | 0.07 | - | 0.07 | 0.06 | - | 0.06 | 0.06 | - | 0.06 | 0.05 | - | 0.05 | 0.29 | 0.29 | - |
| | 6 | 0.70 | 0.39 | 1.08 | 0.69 | - | 0.69 | 0.65 | - | 0.65 | 0.75 | - | 0.75 | 0.50 | - | 0.50 | 3.67 | 3.28 | 0.39 |
| | 7 | 0.65 | 1.38 | 2.02 | 0.73 | - | 0.73 | 0.65 | - | 0.65 | 0.74 | - | 0.74 | 0.51 | - | 0.51 | 4.64 | 3.26 | 1.38 |
| | 8 | - | 0.21 | 0.21 | - | - | - | - | - | - | - | - | - | - | - | - | 0.21 | - | 0.21 |
| | 9 | 0.42 | 0.15 | 0.57 | 0.45 | - | 0.45 | 0.45 | - | 0.45 | 0.45 | - | 0.45 | 0.40 | - | 0.40 | 2.32 | 2.17 | 0.15 |
| | 10 | 1.24 | - | 1.24 | 1.27 | - | 1.27 | 1.26 | - | 1.26 | 1.19 | - | 1.19 | 1.21 | - | 1.21 | 6.17 | 6.17 | - |
| Sub-total Grand Total | | 17.71 | 4.64 | 22.35 | 20.33 | - | 20.33 | 21.67 | - | 21.67 | 22.78 | - | 22.78 | 24.19 | - | 24.19 | 111.33 | 106.68 | 4.64 |
| | | 18.15 | 7.51 | 25.66 | 21.42 | - | 21.42 | 22.83 | - | 22.83 | 23.58 | - | 23.58 | 24.73 | - | 24.73 | 118.23 | 110.71 | 7.51 |

Sector: Governance
Sub Sector: Human Rights Commission
(K billion)

| Priority Order | Program | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|-------------------------|------------------------|---------------------|-------|-------|---------------------|-------|-------|---------------------|-------|-------|---------------------|-------|-------|---------------------|-------|-------|-------------|-------|-------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Total | GRZ | DONOR |
| | | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | | | |
| Core FNDP Programs | 1 | | | - | 0.29 | | 0.29 | 0.29 | 0.29 | | 0.26 | 0.26 | 0.52 | 0.23 | | 0.23 | 1.33 | 1.07 | 0.26 |
| | 2 | | | - | | | - | | | | | | - | | | - | | | - |
| | | | | | | | | | | | | | | | | | | | |
| | Governance Initiatives | | | | | | | | | | | | | | | | | | |
| | Sub total | | | - | 0.67 | 0.67 | 0.67 | 0.61 | 0.61 | 0.32 | 0.26 | 0.26 | 0.52 | 0.23 | | 0.23 | 2.03 | 1.77 | 0.26 |
| None-core FNDP Programs | 1 | | | - | 0.65 | | 0.65 | 0.81 | 0.81 | | 1.00 | 1.00 | 1.00 | 0.81 | | 0.81 | 3.26 | 3.26 | - |
| | 2 | | | - | 0.92 | | 0.92 | 0.90 | 0.90 | | 0.84 | 0.84 | 0.84 | 0.75 | | 0.75 | 3.41 | 3.41 | - |
| | 3 | | | - | 0.10 | | 0.10 | | | | | | - | | | - | 0.10 | 0.10 | - |
| | 4 | | | - | | | | | | | | | | | | | | | - |
| | | | | | | | | | | | | | | | | | | | - |
| | Personal Enrolments | | | - | 3.81 | | 3.81 | 4.32 | 4.32 | 4.32 | 4.82 | 4.82 | 4.82 | 5.38 | | 5.38 | 36.66 | 18.33 | - |
| | Sub total | | | - | 5.47 | 5.47 | 5.47 | 6.02 | 6.02 | 6.63 | 6.71 | 6.71 | 6.71 | 7.01 | | 7.01 | 43.68 | 25.23 | - |
| | Grand Total | | | - | 6.15 | 6.15 | 6.15 | 6.63 | 6.63 | 6.97 | 6.97 | 6.97 | 6.97 | 7.25 | | 7.25 | 45.71 | 27.00 | - |

Sector: Governance
Sub Sector: Commission for Investigation
(K billion)

| Core FNDP Program | | | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | | | |
|-----------------------|-------------|---------------------------------|--------------------|--|-------|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|-------------|--------|------|-------|------|
| | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | | | | | |
| | | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | | | |
| Order of Priority | 1 | Administration of Justice (CFI) | | | 0 | 0.16 | | 0.16 | 0.16 | | 0.16 | 0.11 | | 0.11 | 0.10 | | 0.10 | 0.54 | 0.00 | | | |
| | | | | | 0 | | | 0.00 | | 0.00 | | 0.00 | | | 0.00 | | 0.00 | 0.00 | 0.00 | | | |
| | Sub-total | | | | 0 | 0.16 | 0.00 | 0.16 | 0.16 | 0.00 | 0.16 | 0.11 | 0.00 | 0.11 | 0.10 | 0.00 | 0.10 | 0.54 | 0.00 | | | |
| Non-Core FNDP Program | | | | | | | | | | | | | | | | | | | | | | |
| | | | 1 | PE | | | 0.52 | 0.58 | | | 0.58 | 0.65 | | 0.71 | | 0.71 | 0.77 | | 0.77 | 3.23 | 0.00 | |
| | | | 2 | General Administration Accountability and Transparency (CFI) | | | 0 | 0.405 | | 0.41 | 0.41 | 0.451 | | 0.45 | 0.482 | | 0.48 | 0.487 | | 0.49 | 1.825 | 0.00 |
| | | | 3 | | | | 0 | 0.401 | | 0.40 | 0.40 | 0.364 | | 0.36 | 0.394 | | 0.39 | 0.393 | | 0.39 | 1.552 | 0.00 |
| | | | 6 | Management and Facilitation of CFI | | | | 0 | 0.079 | | 0.08 | 0.086 | | 0.09 | 0.09 | | 0.09 | 0.089 | | 0.09 | 0.344 | 0.00 |
| | | | 5 | Governance Initiatives (CFI) | | | | 0 | 1.629 | | 1.63 | 1.71 | | 1.71 | 1.779 | | 1.78 | 1.846 | | 1.85 | 6.964 | 0.00 |
| | Sub-total | | | 0 | 0.523 | 0 | 3.10 | 0 | 3.10 | 3.256 | 0 | 3.26 | 3.451 | 0 | 3.45 | 3.588 | 0 | 3.59 | 13.916 | 0.00 | | |
| | Grand Total | | | 0 | 0.523 | 0 | 3.258 | 0 | 3.26 | 3.42 | 0 | 3.42 | 3.558 | 0 | 3.56 | 3.692 | 0 | 3.69 | 14.451 | 0.00 | | |

Sector: Governance
Sub Sector: Auditor-General
(K billion)

| | | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|--------------------------|---|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|-------------|--------|-------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Total | GRZ | Donor |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| Core FNDP Programmes | Order of Priority | | | | | | | | | | | | | | | | | | |
| | Accountability and Transparency OAG | 8.00 | 16.00 | 24.00 | 30.00 | | 30.00 | 20.00 | | 20.00 | 15.00 | | 15.00 | 12.50 | | 12.50 | 101.50 | 85.50 | 16.00 |
| | Sub-total | 8.00 | 16.00 | 24.00 | 30.00 | 0.00 | 30.00 | 20.00 | 0.00 | 20.00 | 15.00 | 0.00 | 15.00 | 12.50 | 0.00 | 12.50 | 101.50 | 85.50 | 16.00 |
| Non-Core FNDP Programmes | Personal Emoluments OAG | | | 0.00 | | | 0.00 | | | 0.00 | | | 0.00 | | | 0.00 | 0.00 | 0.00 | 0.00 |
| | 1 | 8.90 | | 8.90 | 9.80 | | 9.80 | 10.70 | | 10.70 | 11.80 | | 11.80 | 13.00 | | 13.00 | 54.20 | 54.20 | 0.00 |
| | Management and Facilitation of Governance Initiatives OAG | 1.20 | | 1.20 | 0.40 | | 0.40 | 0.40 | | 0.40 | 0.40 | | 0.40 | 0.40 | | 0.40 | 2.80 | 2.80 | 0.00 |
| | Sub-total | 10.10 | 0.00 | 10.10 | 10.20 | | 10.20 | 11.10 | | 11.10 | 12.20 | | 12.20 | 13.40 | | 13.40 | 57.00 | 57.00 | 0.00 |
| | Grand Total | 18.10 | 16.00 | 34.10 | 40.20 | | 40.20 | 31.10 | | 31.10 | 27.20 | | 27.20 | 25.90 | | 25.90 | 158.50 | 142.50 | 16.00 |

Sector: Governance
Sub Sector: Police Public Complaints Authority
(K billion)

| | Order of Priority | Program | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|--------------------|-------------------|----------------------|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|------------------|--------|-------|--------------------|--------|-------|-------------|------|-------|
| | | | Cost in K Billions | | | Cost in K billions | | | Cost in K billions | | | Cost in Killions | | | Cost in K billions | | | | | |
| | | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | Total | GRZ | Donor |
| Core FNDP Programs | 1 | Public awareness | 0.22 | | 0.22 | 0.22 | | 0.22 | 0.20 | | 0.20 | 0.20 | | 0.20 | 0.20 | | 0.20 | 1.06 | 0.00 | |
| | 2 | Capacity building | 0.42 | | 0.42 | 0.31 | | 0.31 | 0.31 | | 0.31 | 0.31 | | 0.31 | 0.31 | | 0.31 | 1.66 | 0.00 | |
| | 3 | Establishing offices | 0.65 | | 0.65 | 0.77 | | 0.77 | 0.79 | | 0.79 | 0.79 | | 0.79 | 0.79 | | 0.79 | 3.78 | 0.00 | |
| | Sub-Total | | 1.30 | | 1.30 | 1.30 | 0.00 | 1.30 | 1.30 | 0.00 | 1.30 | 1.30 | 0.00 | 1.30 | 1.30 | 0.00 | 1.30 | 6.50 | 0.00 | |
| | | | | | | | | | | | | | | | | | | | | |
| | | Grand Total | 1.30 | 0.00 | 1.30 | 1.30 | 0.00 | 1.30 | 1.30 | 0.00 | 1.30 | 1.30 | 0.00 | 1.30 | 1.30 | 0.00 | 1.30 | 6.50 | 0.00 | |

Sector: Governance
Sub Sector: Electoral Commission of Zambia
(K billion)
Editorial

| Order of Priority | Program | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|----------------------|--|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|-------------|-------|-------|
| | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Millions | | | GRZ | Donor | Total |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| Core FNDP Programmes | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Sub-total | Programme | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1 | General Administration | 39.0 | 0.0 | 39.0 | 20.0 | 0.0 | 20.0 | 20.0 | 0.0 | 20.0 | 20.0 | 0.0 | 20.0 | 20.0 | 0.0 | 20.0 | 119.0 | 0.0 | 119.0 |
| 2 | Elections | 387.9 | 0.0 | 387.9 | 17.5 | 0.0 | 17.5 | 6.9 | 0.0 | 6.9 | 6.2 | 0.0 | 6.2 | 6.1 | 0.0 | 6.1 | 424.6 | 0.0 | 424.6 |
| 3 | Voter Registration | 27.9 | 0.0 | 27.9 | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 | 8.0 | 0.0 | 8.0 | 38.9 | 0.0 | 38.9 |
| 4 | Capacity Building, Review of Electoral and General Legislation | 7.2 | 0.0 | 7.2 | 2.4 | 0.0 | 2.4 | 1.2 | 0.0 | 1.2 | 0.6 | 0.0 | 0.6 | 0.6 | 0.0 | 0.6 | 12.1 | 0.0 | 12.1 |
| 5 | Financial Management System | 0.4 | 0.0 | 0.4 | 0.2 | 0.0 | 0.2 | 0.2 | 0.0 | 0.2 | 0.2 | 0.0 | 0.2 | 0.2 | 0.0 | 0.2 | 1.2 | 0.0 | 1.2 |
| 6 | Corporate Image Building | 0.3 | 0.0 | 0.3 | 0.1 | 0.0 | 0.1 | 0.1 | 0.0 | 0.1 | 0.1 | 0.0 | 0.1 | 0.1 | 0.0 | 0.1 | 0.6 | 0.0 | 0.6 |
| 7 | Enhancement of Information Management Systems | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 | 5.0 | 0.0 | 5.0 |
| 8 | Management Systems | 0.7 | 0.0 | 0.7 | 0.7 | 0.0 | 0.7 | 0.7 | 0.0 | 0.7 | 0.7 | 0.0 | 0.7 | 0.7 | 0.0 | 0.7 | 3.5 | 0.0 | 3.5 |
| Sub Total | | 464.5 | 0.0 | 464.5 | 42.9 | 0.0 | 42.9 | 31.0 | 0.0 | 31.0 | 29.8 | 0.0 | 29.8 | 36.6 | 0.0 | 36.6 | 604.9 | 0.0 | 604.9 |
| Grand Total | | 464.5 | 0.0 | 464.5 | 42.9 | 0.0 | 42.9 | 31.0 | 0.0 | 31.0 | 29.8 | 0.0 | 29.8 | 36.6 | 0.0 | 36.6 | 604.9 | 0.0 | 604.9 |
| Non Core FNDP | | | | | | | | | | | | | | | | | | | |

Sector: Governance
Sub Sector: Ministry of Justice
(K billion)

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|---------------------|-------------|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|-------------|--------|-------|
| | | Cost in K Billions | | | Cost in K billions | | | Cost in K billions | | | Cost in K billions | | | Cost in K billions | | | Grand Total | | |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total |
| Core Programmes | 1 | 0.0 | 0.0 | 0.0 | 2.0 | 0.0 | 2.0 | 2.5 | 0.0 | 2.5 | 2.2 | 0.0 | 2.2 | 0.7 | 0.0 | 0.7 | 7.4 | 0.0 | 7.4 |
| | 2 | 8.5 | 0.0 | 8.5 | 182.5 | 0.0 | 182.5 | 186.5 | 0.0 | 186.5 | 15.0 | 0.0 | 15.0 | 3.6 | 0.0 | 3.6 | 396.1 | 0.0 | 396.1 |
| | | 8.5 | 0.0 | 8.5 | 184.5 | 0.0 | 184.5 | 189.0 | 0.0 | 189.0 | 17.2 | 0.0 | 17.2 | 4.3 | 0.0 | 4.3 | 403.5 | 0.0 | 403.5 |
| Non-Core Programmes | 1 | 7.0 | 0.0 | 7.0 | 11.0 | 0.0 | 11.0 | 12.3 | 0.0 | 12.3 | 13.5 | 0.0 | 13.5 | 15.5 | 0.0 | 15.5 | 59.4 | 0.0 | 59.4 |
| | 2 | 5.0 | 0.0 | 5.0 | 5.5 | 0.0 | 5.5 | 5.5 | 0.0 | 5.5 | 6.0 | 0.0 | 6.0 | 7.3 | 0.0 | 7.3 | 29.3 | 0.0 | 29.3 |
| | 3 | 2.0 | 0.0 | 2.0 | 2.1 | 0.0 | 2.1 | 2.2 | 0.0 | 2.2 | 2.5 | 0.0 | 2.5 | 3.0 | 0.0 | 3.0 | 11.8 | 0.0 | 11.8 |
| | 4 | 0.8 | 0.0 | 0.8 | 0.9 | 0.0 | 0.9 | 1.1 | 0.0 | 1.1 | 1.2 | 0.0 | 1.2 | 1.3 | 0.0 | 1.3 | 5.3 | 0.0 | 5.3 |
| | 5 | 1.6 | 0.0 | 1.6 | 2.0 | 0.0 | 2.0 | 2.5 | 0.0 | 2.5 | 2.8 | 0.0 | 2.8 | 2.6 | 0.0 | 2.6 | 11.5 | 0.0 | 11.5 |
| | 6 | 6.5 | 0.0 | 6.5 | 7.0 | 0.0 | 7.0 | 8.0 | 0.0 | 8.0 | 9.0 | 0.0 | 9.0 | 6.0 | 0.0 | 6.0 | 36.5 | 0.0 | 36.5 |
| | 7 | 2.0 | 0.0 | 2.0 | 3.0 | 0.0 | 3.0 | 3.5 | 0.0 | 3.5 | 4.0 | 0.0 | 4.0 | 4.1 | 0.0 | 4.1 | 16.6 | 0.0 | 16.6 |
| | 8 | 1.0 | 0.0 | 1.0 | 1.2 | 0.0 | 1.2 | 1.5 | 0.0 | 1.5 | 1.8 | 0.0 | 1.8 | 2.2 | 0.0 | 2.2 | 7.7 | 0.0 | 7.7 |
| | 9 | 1.5 | 0.0 | 1.5 | 1.5 | 0.0 | 1.5 | 1.5 | 0.0 | 1.5 | 1.5 | 0.0 | 1.5 | 1.5 | 0.0 | 1.5 | 7.5 | 0.0 | 7.5 |
| | 10 | 0.5 | 0.0 | 0.5 | 0.5 | 0.0 | 0.5 | 0.6 | 0.0 | 0.6 | 0.7 | 0.0 | 0.7 | 0.9 | 0.0 | 0.9 | 3.2 | 0.0 | 3.2 |
| | 11 | 0.8 | 0.0 | 0.8 | 0.9 | 0.0 | 0.9 | 0.9 | 0.0 | 0.9 | 0.9 | 0.0 | 0.9 | 0.9 | 0.0 | 0.9 | 4.4 | 0.0 | 4.4 |
| | | 28.7 | 0.0 | 28.7 | 35.6 | 0.0 | 35.6 | 39.6 | 0.0 | 39.6 | 43.9 | 0.0 | 43.9 | 45.3 | 0.0 | 45.3 | 193.1 | 0.0 | 193.1 |
| | GRAND TOTAL | 37.2 | 0.0 | 37.2 | 220.1 | 0.0 | 220.1 | 228.6 | 0.0 | 228.6 | 61.1 | 0.0 | 61.1 | 49.6 | 0.0 | 49.6 | 596.6 | 0.0 | 596.6 |

Sector: Governance
Sub Sector: Governance - National Assembly
(K billion)

| Core FNDP Program | Order of Priority | PROGRAMME | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|------------------------|-------------------|------------------------------------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|---------------------|--------|-------|-------------|-------|-------|
| | | | Cost in K' Billions | | Total | Cost in K' Billions | | Total | Cost in K' Billions | | Total | Cost in K' Billions | | Total | Cost in K' Billions | | Total | GRZ | Donor | Total |
| | | | GRZ | Donors | | GRZ | Donors | | GRZ | Donors | | GRZ | Donors | | GRZ | Donors | | | | |
| | 1 | Parliamentary Reforms | 2.7 | - | 2.7 | 5.0 | - | 5.0 | 6.0 | - | 6.0 | 7.5 | - | 7.5 | 8.5 | - | 8.5 | 29.7 | - | 29.7 |
| | Sub-total | | 2.7 | - | 2.7 | 5.0 | - | 5.0 | 6.0 | - | 6.0 | 7.5 | - | 7.5 | 8.5 | - | 8.5 | 29.7 | - | 29.7 |
| Non-Core FNDP Programs | | Personal Emoluments | | | 95.9 | | | 66.9 | | | 78.8 | 122.5 | - | | | - | 99.3 | | - | - |
| | 1 | General Administration | 95.9 | - | 6.4 | 68.9 | - | 6.6 | 78.8 | - | 6.6 | 70 | - | | 99.3 | - | 7.1 | 522.7 | - | 465.4 |
| | 2 | Capacity Building - Staff Training | - | - | - | 0.4 | - | 0.4 | 2.0 | - | 2.0 | 2.0 | - | | 7.0 | - | 1.9 | 27.3 | - | 33.7 |
| | 3 | Capacity Building - MP's Training | 5.6 | - | 5.6 | 6.2 | - | 6.2 | 6.8 | - | 6.8 | 7.5 | - | | 2.0 | - | 8.2 | 6.3 | - | 6.3 |
| | 4 | Inter-Parliamentary Relations | 2.4 | - | 2.4 | 2.4 | - | 2.4 | 2.6 | - | 2.6 | 2.6 | - | | 7.5 | - | 8.2 | 34.3 | - | 34.3 |
| | 5 | Oversight | 3.4 | - | 3.4 | 3.8 | - | 7.3 | 4.0 | - | 4.0 | 4.5 | - | | 2.6 | - | 2.7 | 12.7 | - | 12.7 |
| | 6 | Legislation | 10.0 | - | 10.0 | 10.5 | - | 10.5 | 10.5 | - | 10.5 | 13.2 | - | | 4.5 | - | 5.0 | 20.7 | 3.5 | 24.2 |
| | 7 | | | | | | | | | | | | | | | | 1.4 | | | 45.6 |
| | Sub Total | | 123.7 | - | 123.7 | 98.8 | 3.5 | 102.3 | 111.3 | - | 111.3 | 181.3 | - | | 181.3 | - | 125.7 | 640.7 | 3.5 | 644.2 |
| | Grand Total | | 126.4 | - | 126.4 | 103.8 | 3.5 | 107.3 | 117.3 | - | 117.3 | 188.8 | - | | 188.8 | - | 134.2 | 670.5 | 3.5 | 674.0 |

HIV AND AIDS



HIV and AIDS

32.1 Introduction

Zambia is one of the Sub-Saharan African countries worst affected by the HIV and AIDS pandemic. Estimates put the prevalence rate at about 16 percent among the 15 to 49 years age group and about 1 million Zambians infected with HIV, of which over 200,000 are in need of anti-retroviral therapy (ART). About 8 percent of boys and 17 percent of girls aged 15 to 24 are living with HIV and 40 percent of infants born to HIV infected parents are HIV infected. The epidemic is characterised as follows:

- a) Overall stabilisation of national HIV prevalence to 1994 levels after years of a consistently increasing trend;
- b) Higher prevalence among women, with women 1.4 times more likely to be HIV-infected than men, and infection rates among young women aged 15 to 24 years 4 times higher than those for young men in the same age group;
- c) HIV rates vary considerably among and within provinces, ranging from 8 percent in Northern province to 22 percent in Lusaka province, and higher prevalence in urban areas with 23 percent of urban residents HIV-infected compared with 11 percent in rural areas;
- d) Nearly 80 percent of HIV transmission in Zambia is through heterosexual contact exacerbated by the high levels of poverty; stigma and discriminatory practices; gender inequity; high prevalence of sexually transmitted infections (STIs); and high risk sexual practices. The remaining 20 percent is predominantly due to mother-to-child transmission during pregnancy, at birth or while breastfeeding.

The human toll of AIDS is a tragic reality being experienced by families, communities and the nation at large. There is no aspect of life that has not directly or indirectly been negatively influenced by the AIDS epidemic. AIDS has become one of the major causes of illness and death among the young and middle aged Zambians, depriving households and society of a critical human resource base and thereby reversing the social and economic gains the country is striving to attain. Further, the feminisation of AIDS means that young women are 4 times at greater risk of contracting HIV than young men. These are key factors in influencing the reasons for engaging in sexual activity and how much power one has in determining the nature and frequency of sexual activity.

In effect, HIV and AIDS are limiting the realization of economic development and have the potential to continue diminishing the chances of alleviating poverty and hunger; of achieving universal primary education; of promoting gender equality; and of reducing child and maternal mortality. The pandemic is one of the factors limiting achievement of the Millennium Development Goals (MDGs). It threatens the country's development efforts because it affects the most productive age group of 15 to 49 years.

As much as poverty makes people vulnerable to risky behaviours vis-à-vis HIV, the loss of the main income earner or earners in the prime of their lives due to HIV and AIDS is pushing many families into poverty – and the cycle repeats itself. The HIV and AIDS epidemic is as much a development concern as it is a health and gender concern. The increase in morbidity and mortality rates due to HIV and AIDS is altering the structure of the Zambian population, in particular the labour force and the dependency ratios, thereby negatively impacting the functioning of the productive sectors by limiting productivity and the supply of services. Simultaneously, HIV and AIDS increase the demand for adequate and qualitative health and other social services. Consequently, the nation has continued to witness a breakdown in social service delivery, reduction in household incomes and a less than optimal national economic growth rate necessary for overall national development.

While there have been major advancements in HIV and AIDS prevention, treatment and care in Zambia, behavioural change has not been commensurate with these advancements and efforts to

significantly scale up responses to HIV and AIDS have been inadequate. Therefore, a more systematic approach is needed to build up local capacity to manage and sustain a comprehensive response to the epidemic. Through efforts to create a more enabling environment for community based and local government initiatives, foundations can be built up to support the scaling up of responses to HIV/AIDS.

32.2 Review of Past Performance

The national HIV and AIDS response to date has successfully focused on mass media campaigns to sensitise and educate the general population, especially young people, on the ABCs (abstinence from sex, being faithful to one partner, consistently using condoms) of safer sex and on reduction of stigma and discrimination against people living with HIV and AIDS. As a result, the mean age of sex debut has increased to 18.5 years and the percentage of young people 15 to 24 years reporting sexual relations with a non-regular partner has decreased to 29 percent for males and 16 percent for females. Whereas nearly everyone has heard about HIV and AIDS, only 34 percent of young people can correctly identify ways of preventing sexual transmission of HIV and reject major misconceptions about HIV transmission. Also, condom utilisation for this group with a non-cohabiting partner is low, at 38.4 percent for males and 26.1 percent for females.

Access to Voluntary Counselling and Testing (VCT) and Prevention of Mother to Child Transmission (PMTCT) services has continued to increase with 400 and 270 sites respectively offering these services. However, only 25 percent of HIV positive mothers are receiving a complete course of anti-retroviral (ARV) prevention and 39 percent of infants born to HIV positive mothers are infected. 100 percent of transfused blood units are routinely screened for HIV. In 2003, the Government launched its national policy of providing free and universal access to anti-retroviral therapy, which was expanded in 2005 to include all anti-retroviral therapy related services. By the end of 2005, an estimated 43,000 persons living with HIV and AIDS, out of an estimated 200,000 persons requiring treatment, were on anti-retroviral therapy. However, only 10 percent of persons with STIs are estimated to be appropriately diagnosed, treated and counselled. Links between the treatment of HIV and AIDS and STIs, TB and other opportunistic infections need to be strengthened to ensure the prioritisation of related interventions to improve the quality of life for people living with HIV and AIDS.

A stark example of a group made more vulnerable is orphans whose parents died from HIV and AIDS. Estimates of the number of orphans range from 750,000 to 1.2 million, of which 75 percent are HIV orphans. Access to formal education is a key consideration for this group of children, which in turn will affect the quality of the labour force as well as possible impacts on national security. The increase in community schools and the provision of bursaries for poor children have contributed to increasing orphan access to basic education. According to the Ministry of Education, in 2004 total orphan enrolment in schools was 536,672. The ratio of orphaned pupils to non-orphans aged 10 to 14 years was 0.2 in 2005.

Throughout Zambia, there are initiatives in support of orphans and vulnerable children being implemented by the Government, cooperating partners, NGOs, and several other groups. There are also successful programmes that keep children in the community rather than in orphanages. Currently, over 400 organisations are running programmes that work towards increasing income to vulnerable households. Other programmes provide psycho-social and physical help to vulnerable families. Some other additional national achievements include:

- a) The development of a child policy that addresses orphans and vulnerable children (OVC) issues comprehensively;
- b) The development of a five-year national strategic plan on OVC;
- c) The establishment of district level coordinating mechanisms for OVC in some districts.

32.3 Policies and Key Reforms

32.3.1 Macro-level Response

The Government has put in place a number of national support structures as follows:

- a) A high level Cabinet Committee of Ministers on HIV and AIDS, which provides policy direction and supervises and monitors the implementation of HIV and AIDS programmes;

- b) A Partnership Forum has been established to include high level representation of different stakeholders in the *Zambian Multi-sectoral HIV Response*;
- c) The National AIDS Council (NAC), established through an Act of Parliament in 2002, is a broad-based corporate body with government, private sector and civil society representation. The NAC is the national mechanism to coordinate and support the development, monitoring and evaluation of a multi-sectoral national response to HIV and AIDS whose overall mission is the prevention and combating of the spread of HIV and AIDS and reduction of the personal, social and economic impacts of the HIV and AIDS epidemic;
- d) The National HIV/AIDS/STI/TB Policy of 2005 provides the direction and mandate for the national response;
- e) At lower levels, provincial, district and community HIV and AIDS Task Forces (PATFs, DATFs and CATFs) have been established to operate as sub-committees of the decentralised development coordinating structures, the Provincial Development Coordinating Committees (PDCCs) and the District Development Coordinating Committees (DDCCs) respectively. Local level planning to support development of more strategic planning for HIV and AIDS at decentralised district level has been initiated. Districts have also been given guidelines for the mainstreaming of HIV and AIDS into the district development plans and sector plans.

32.3.2 Sector-Level Response

Sectoral mainstreaming of HIV/AIDS in the public sector is being addressed. The capacity of the Ministries of Agriculture and Cooperatives (MACO), Health and Education were assessed by a Public Service Management Division (PSMD) commissioned study in December 2004. The study indicates multiple factors limiting their capacity. Statistics in the Ministry of Agriculture and Cooperatives (MACO) on mortality trends show that deaths in six provinces and MACO headquarters increased by more than 100 percent between 1990 and 1998. Analysis of causes of mortality unveils a pattern that follows the national picture. While the bulk of cases (55 percent) were classified as “unknown,” the major cause of death was tuberculosis (16.22 percent), followed by malaria (15.91 percent).

By the end of March 2005, line ministries had conducted workshops on HIV and AIDS awareness that had reached 17,290 sector employees by 2005. Seventy-six employees from line ministries had been trained in counselling (34 in 2004 and 42 in 2005), and 918 had been trained as peer educators (628 in 2004 and 290 in 2005).

32.3.3 Civil Society Response

Within the context of the Government’s participatory structures, civil society is considered to include the media, trade unions, traditional healers, youth structures as well as NGOs, CBOs and FBOs. Civil society is considered an important stakeholder and plays a significant role in strengthening the multi-sectoral response to HIV/AIDS, TB and STIs. Civil society organisations (CSOs) are frequently key role-players in developing and implementing innovative, culturally-sensitive approaches that include elements of mainstreaming, decentralisation, outreach and community participation.

Zambia is making considerable progress in strengthening its grant administration systems for CSOs, especially those in non-metropolitan areas. Nevertheless, it is acknowledged that grant making to CSOs can be bureaucratic and slow and there are significant human resource constraints in providing technical and monitoring support to funded projects.

The role of Traditional Health Practitioners in strengthening the national response to HIV/AIDS, TB and STIs is increasingly acknowledged. The Traditional Health Practitioners’ Association of Zambia (THPAZ) has also been active in natural remedies research and income generating activities, such as crop production and processing as well as community-based catering.

32.3.4 Private Sector Response

The private sector accounts for an estimated 58.5 percent of the formally employed work force in Zambia, which is an estimated 243,645 employees. The design and implementation of HIV and AIDS work place programmes in companies and businesses have been largely supported by the private sector.

A workplace survey of 21 of the larger companies in Zambia was completed by NAC in 2005 in order to provide some preliminary information on the range of HIV and AIDS activities and the type of support that was needed to continue the development of the private sector response. There are many examples of Zambian companies undertaking innovative practices in the work place across prevention, treatment, care and support.

32.3.5 The Main Challenges

The commitment to tackling HIV and AIDS is unprecedented. The challenge for Zambia is to secure ownership by developing capacity to continuously identify HIV and AIDS related problems, set priorities and establish accountable systems to enable the rapid scaling up of a multi-sectoral response to AIDS at all levels on a continuous basis.

The Government shall facilitate the expansion of ART access during the FNDP period, accompanied by the implementation of a renewed and intensified prevention programme. Despite some of the successes that have been demonstrated with HIV prevention efforts with small populations, such as sex workers, many of these lessons have not been taken to scale for the general population to have an impact on overall incidence. It is government position that the epidemic can only be reversed by intensifying effective HIV prevention in scale and scope, to control the rate of new infections.

During the FNDP, the Government and other stakeholders will have to place additional emphasis on reaching the youth of Zambia, and even more effort to reach the youth and children to reduce stigma and discrimination for the growing number of persons who will live with HIV. The combined impact of intensified HIV prevention and expanded access to treatment, care and support will have a multiplier effect for the communities in the longer term. The FNDP has the potential to achieve this by focusing new and available resources in a more harmonised way and to institutionalise the response in the evolving coordination structures and mechanisms.

The challenges can be summarised as follows:

- a) Understanding and application of the concept of mainstreaming HIV and AIDS in development sector plans and operations;
- b) The serious “implementation” gap existing between national plans and strategies on the one hand and operational capacity to implement them at the local level on the other;
- c) Devolving power, authority, functions and resources including relevant capacity building for HIV and AIDS at the local level; and,
- d) The financing of technical support.

32.4 Vision and Goal

The vision is: *A nation free from the threat of HIV and AIDS by 2030.*

The goal is: *To halt and begin to reverse the spread of HIV and AIDS.*

32.5 Programmes, Objectives and Strategies

The overall objective for the sector is “to prevent the spread of HIV and provide appropriate care, support and treatment to HIV and AIDS infected persons and those affected by HIV and AIDS, TB, STIs and other opportunistic infections by the year 2010. The Government shall, furthermore, strive to integrate VCT, PMTCT and anti-retroviral therapy into the public health care delivery system and in private health care services. The matrix below presents the specific programmes, objectives and strategies in the HIV and AIDS field during the FNDP implementation period.

| Sector: HIV and AIDS | | | |
|----------------------|----------------------------------|--|--|
| No. | Programmes | Objectives | Strategies |
| 1 | Promotion of Safer Sex Practices | To intensify prevention of HIV infection | a) Promote safer sexual behaviour; b) Prevent Mother to Child Transmission; |

| Sector: HIV and AIDS | | | |
|-----------------------------|--|---|---|
| No. | Programmes | Objectives | Strategies |
| 2 | Prevention of Mother to Child Transmission of HIV | | c) Improve blood safety through transfusion, injection and universal precautions; |
| 3 | Safe Blood, Blood Products and Body Parts and Infection Control | | d) Improve access to Voluntary Counselling and Testing; |
| | | | e) Reduce stigma and discrimination; |
| 4 | Voluntary Counselling and Testing | To provide appropriate care, support, and treatment to HIV and AIDS infected persons and those affected by HIV | f) Promote male involvement in safer sex practices; |
| 5 | ART | | g) Provide Human Rights based education to both female and male citizens |
| 6 | Home Based Care | | a) Integrate Voluntary Counselling and Testing with treatment; |
| 7 | Palliative Care | | b) Provide universal access to anti-retroviral therapy; |
| | | | c) Expanding treatment for common opportunistic infections; |
| 8 | Orphans and Vulnerable Children | To provide improved care and support services for orphans and vulnerable children and others affected and at risk | d) Strengthen home/community based care and support; |
| 9 | Decentralised Response | To strengthen the decentralised response and mainstreaming HIV and AIDS | e) Utilise alternative and/or traditional medicines; |
| 10 | Mainstreaming HIV and AIDS in All Developmental Activities | | f) Promote research in vaccines and cure; |
| | | | g) Promotion of appropriate nutrition; |
| | | | h) Support to the infected and affected; |
| | | | i) Promoting male involvement in home based care |
| 11 | Monitoring and Evaluation Mechanisms and Structures | a) To improve leadership, management and coordination of multi-sectoral capacity at national level (NAC and Secretariat), provinces and districts (decentralised institutions); | a) Protect orphans and vulnerable children; |
| | | b) To develop the national HIV and AIDS strategy and refine or adapt tools for the effective mainstreaming or operationalisation of HIV and AIDS into development instruments; | b) Support highly vulnerable groups |
| | | c) To strengthen country monitoring and evaluation mechanisms and structures that facilitate oversight by NAC and district stakeholders | a) Develop capacity in advocacy, management, coordination and monitoring of multi-sectoral response at district level; |
| 12 | Coordination of the Multi-sectoral Response | To strengthen advocacy and multi-sectoral response to HIV and AIDS | b) Develop district multi-sectoral HIV and AIDS programmes and annual implementation plans; |
| | | | c) Organizational development in support of mainstreaming and improving coordination of multi-sectoral response at district level; |
| | | | d) Improve the capacity of district, provincial and national planning mechanisms in multi-sectoral HIV and AIDS planning and mainstreaming; |
| | | | e) Reduce the negative impacts of sectoral development policies, plans and strategies; |
| | | | f) Reducing the impact of HIV and AIDS in work place settings; |
| | | | a) Strengthening country monitoring and evaluation mechanisms; |
| | | | b) Strengthening research and access to information on best practices and cost-effective interventions; |
| | | | c) Strengthening the collection, storage and analysis of gender disaggregated data |
| | | | a) Strengthening the institutional and legal framework; |
| | | | b) Resolving areas of duplication and gaps in the |

| Sector: HIV and AIDS | | | |
|-----------------------------|---|-------------------|--|
| No. | Programmes | Objectives | Strategies |
| 13 | Advocacy of the Multi-Sectoral Response | | multi-sectoral response to HIV and AIDS, including resource mobilisation; |
| 14 | Resource Mobilisation, Disbursement and Tracking | | c) Advocacy for mainstreaming, effective policy implementation and fighting stigma and discrimination; d) Strengthening the collection, storage and analysis of gender disaggregated data |

32.6 Implementation, Monitoring and Evaluation Framework

To facilitate effective coordination, the Government, through NAC, has developed a national HIV and AIDS M&E system to allow the country to track its progress towards the goals and objectives as stated in the National HIV and AIDS strategic framework. In order to establish a national M&E system, NAC operationalised the NAC activity reporting systems using NAC activity reporting forms (NARFs) as a means of capturing HIV and AIDS programme monitoring data from provincial and district levels.

At national level, the HIV and AIDS Sector Advisory Group (SAG) shall continue to monitor and evaluate the implementation of the Plan. The HIV and AIDS structures at the district and provincial levels (DATFs and (PATFs) shall be harmonised within formal existing structures and will be supported by the Government on a permanent basis in order to allow for improved and sustainable implementation, monitoring and evaluation.

For the period 2006 to 2010 and in keeping with the focus on improving coordination at local levels, the implementation of the monitoring and evaluation Plan will continue to elaborate mechanisms for monitoring of the response at local levels. Too often, data is collected to be passed onwards and not enough attention is paid to the use of monitoring data and information for decision-making at local or provider levels. This is an imperative for this planning period.

The joint annual programme review is a key element of the monitoring and coordination of the multi-sectoral response to ensure appropriate responses and value for money at a strategic level. However, it is not meant to replace the continuous monitoring and performance management by providers, but rather build on that to ensure that best practice and value for money aspects are being shared and incorporated into action plans.

Sector: HIV and AIDS
(K Billion)

| Order of Priority | Program | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|--------------------|-------------|------------------|-------|-------|------------------|-------|-------|------------------|-------|-------|------------------|-------|-------|------------------|-------|-------|-------------|-------|--------|
| | | Cost K' Billions | | | Cost K' Billions | | | Cost K' Billions | | | Cost K' Billions | | | Cost K' Billions | | | Grand Total | | |
| | | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | Total | GRZ | Donor |
| Core FNDP Programs | 1 | 0.26 | 6.41 | 6.67 | 0.32 | 6.73 | 7.05 | 0.41 | 7.07 | 7.47 | 0.51 | 7.42 | 7.93 | 0.64 | 7.79 | 8.43 | 37.56 | 2.14 | 35.41 |
| | 2 | 0.58 | 14.42 | 15.00 | 0.73 | 15.14 | 15.87 | 0.91 | 15.90 | 16.81 | 1.15 | 16.69 | 17.84 | 1.45 | 17.53 | 18.98 | 84.50 | 4.82 | 79.68 |
| | 3 | 0.45 | 11.22 | 11.66 | 0.56 | 11.78 | 12.34 | 0.71 | 12.37 | 13.08 | 0.90 | 12.98 | 13.88 | 1.13 | 14.18 | 15.31 | 66.27 | 3.75 | 62.52 |
| | Sub total | 1.28 | 32.04 | 33.33 | 1.61 | 33.65 | 35.26 | 2.03 | 35.33 | 37.36 | 2.56 | 37.10 | 39.65 | 3.22 | 39.50 | 42.72 | 188.32 | 10.71 | 177.61 |
| | Grand Total | 1.28 | 32.04 | 33.33 | 1.61 | 33.65 | 35.26 | 2.03 | 35.33 | 37.36 | 2.56 | 37.10 | 39.65 | 3.22 | 39.50 | 42.72 | 188.32 | 10.71 | 177.61 |

ENVIRONMENT



33.1 Introduction

The term “environment” in this chapter is taken to cover a) management of environmental resources (such as clean water, fertile soils, clean air and healthy biodiversity) that provide goods and services important to people as well as b) environmental hazards (such as floods and drought and climate change) that affect people’s vulnerability, and c) the ecological processes that drive the above (energy, water and nutrient flows and population dynamics).

The chapter generally discusses issues in all these three sub-groups but specifically addresses issues dealing with the so-called “brown issues” concerned with environmental conditions, including environmental stresses and the ecosystem.

The purpose of environmental management is to guide the utilization of environmental goods and services and to promote sustainable development in Zambia during the Fifth National Development Plan period and beyond. Sustainability factors are environmental, social and economic in nature. This means that apart from ensuring growth in GDP per capita income and ensuring accessibility of the population to basic needs and an improved living standard, maintaining environmental standards during the plan period and beyond will also be critical.

While socio-economic development is imperative to addressing poverty in Zambia, economic growth can result in the deterioration of the environment in the short-term if uncontrolled and further cause irreparable damage to the natural resources that support it. Optimising development and maintaining its sustainability will only be possible by safeguarding the environment through conserving it and its life support systems. Poverty should be regarded as both a consequence of environmental degradation as well as its cause. Environmental degradation exacerbates the poverty situation through the depletion of the natural resource base thereby contributing to, for example, food insecurity, water and airborne diseases and limiting survival strategies resulting in disempowerment of most people particularly in the rural areas and especially women. Thus, tackling poverty requires that adequate environmental protection and natural resource management systems are put in place. For example, the proposed economic development drivers (agriculture and tourism) are nature based, and in order to contribute to poverty reduction, they should ensure environmental sustainability in their expansion programmes.

33.2 Review of Past Performance

In Zambia, unsustainable utilization of the environment has affected the livelihoods of people especially the poor. Land contamination from solid waste disposal continues to grow as an environmental problem. Although still a relatively new issue in environmental protection in Zambia, waste management particularly the management of municipal solid waste (domestic, trade and manufacturing and hospital waste) has emerged as serious environmental concerns in urban areas. The extraction and production processes of industries also have negative impacts on the environment which principally relate to disposal of waste that generate both on and off-site pollution. Notable polluters include chemical fertilizer plants, textile factories, edible oil factories, tanneries and cement factories. The limited knowledge of the problems and appropriate solutions in connection with restricted economic resources makes it difficult to solve the problems of hazardous waste management.

Land dereliction is also a problem in mining areas. The problem occurs and manifests itself as tailings dumps largely un-vegetated and aesthetically unpleasant. Land subsidence too is a problem in mining areas on the Copperbelt. In Kitwe residential areas above shafts, like Chamboli and AMCO are at risk. Possible land subsidence is manifested through cracking houses, as foundations are sheared by sinking motion.

Water ecosystems are polluted mainly from the release of dissolved substances, including heavy metals as well as oils, into rivers, wetlands and ground water. Water quality in the Kafue river, for example, is threatened by industrial activity and residue from agriculture run-off. On the Copperbelt, the discharge of effluent with sediments from the mining industry continues to compromise the quality of water as well as threaten the Kafue river base due to sedimentation. Water contamination problems are more acute in the peri-urban areas than in the rural areas. High population densities in urban areas leading to smaller plots and consequently very short distances between latrines and open yard wells or hand pumps present considerable risk to subterranean and surface pollution of water.

There is still localised air pollution in Zambia, mainly felt in and around fertilizer manufacturers, cement manufacturers, lime producers as well as around petroleum production facilities. On the Copperbelt where mining activity is again picking up, air pollution is mostly felt in areas near Nkana mine smelter in Wusakile and in Mufulira. Dust dispersal from the desiccated surfaces or tailings impoundments from mine areas also continue to contribute to air pollution. High emissions of sulphur dioxide into the atmosphere from the Mufulira smelter have been blamed for desertification in Kankoyo, a very large high density residential area.

With respect to global warming, greenhouse gases in Zambia (carbon dioxide, methane and nitrous oxide) are negligible compared to world levels. Carbon dioxide has significant implications for atmospheric warming and climate change. Despite low green house gas emissions, the threat of climate change looms in Zambia. Predicted temperature warming is expected to decrease rainfall in the range of 8 to 30 percent and drought frequencies expected to be more pronounced in agro-ecological zone I which covers the valley areas (Gwembe, Lunsemfwa and Luangwa and the southern parts of Western and Southern provinces). Zambia is also likely to be affected by damage to the ozone layer which is caused by ozone depleting substances (ODS) emitted into the atmosphere, which results in the thinning out of the layer.

Demography also has an adverse effect on the environment. Rapid increases in the population combined with over-exploitation of resources have threatened the resource base and, in turn, the lives of the people.

Much of the land in Zambia is under traditional tenure and administered by traditional rulers under their respective traditional arrangement. In many cases, the tenure systems prevailing under these arrangements have no clearly defined property rights. For many years, there has been no national land-use planning framework to specify how land should be allocated for various purposes and what land should be reserved for different future uses at the national, provincial and district levels. It is noteworthy that environmental degradation has also been due to inadequate institutions particularly ill-defined property rights.

Although a comprehensive assessment of ecosystems has never been undertaken for Zambia, there are pointers to the fact that ecosystem services are consistently being degraded or used unsustainably. This has serious ramifications for the sustainability of the economy. The MDGs that Zambia has committed herself to reflect the relationship between the environment and sustainable development: the targets and indicators are based on the delivery of ecosystem services to the poor. While MDG 7 is the only goal explicitly targeting the environment, achieving each of the goals will require the support of functioning ecosystems. In turn, achieving Goals 1-6 will support delivery of Goal 7. As demands for the services provided by ecosystems grow and the ability of these systems to meet these demands is compromised, increasingly difficult challenges must be confronted by the Government.

33.3 Policies and Key Reforms

Sustainable development objectives for Zambia must be supported by sectoral policies and strategies that fulfil national obligations. Over the years, significant progress has been made in developing policies and strategies which will contribute to achieving environmental sustainability and poverty alleviation. In 2004, the Government prepared the draft *National Policy on the Environment* (NPE) which proposes an all encompassing approach to environmental management.

In the context of the above, the NPE shall continue to be implemented to secure the promotion of environmental sustainability. This shall be done through the following actions during the FNDP:

- a) Raising the profile of the environment by mainstreaming environmental issues into national development programmes and enforcement of existing policies and laws to protect the environment;
- b) Strengthening the current instruments for policy implementation, such as licensing fees and permits;
- c) Quickening the judicial process for handling environmental offences;
- d) Retention of licensing fees and other charges for implementation of policy instruments;
- e) Instituting economic incentives/disincentives which seek to influence the behaviour of producers and consumers by enabling them to choose the most appropriate measures based on own assessed costs and benefits;
- f) Promotion of implementation strategies that focus more on establishing an economic environment for promoting environmental protection and less of the government implemented environmental protection initiatives; and
- g) Provision of a broad legal framework for environmental management and implementation.

The National Environmental Action Plan (NEAP) shall remain key to national environmental planning and implementation during the FNDP period. As a complement to this, Environmental Impact Assessment (EIA) Regulations shall be strengthened through the following actions:

- a) Developing cohesiveness between sectors and existing structures;
- b) Extending EIA beyond industry to other equally important sectors, such as agriculture, fisheries and tourism;
- c) Integrating EIA into large sectoral programmes and core national programmes;
- d) Promoting EIA as a positive environmental management tool contributing to sustainable development;
- e) Promoting of effective public participation in the EIA process;
- f) Developing and maintaining skilled capacity to manage EIA processes;
- g) Strengthening regular monitoring of mitigation plans; and,
- h) Preparing and implementing district environmental plans.

Before 1985, Zambia had no coherent and comprehensive policy framework and an apex institution for the management and utilization of environment and natural resources. Thereafter, important policy and institutional developments took place which include the adoption of the national conservation strategy, the enactment of the Environmental Protection and Pollution Control Act (EPPCA) and the subsequent establishment of the Environmental Council of Zambia (ECZ) and the Ministry of Environment and Natural Resources (MENR) in 1992 as apex institutions. These heralded the development of major programmes such as the National Environmental Action Plan (NEAP) (1994), the Environmental Support Programme (ESP), the Zambia National Biodiversity and Action Plan (NBSAP), the Zambia Forestry Action Plan (ZFAP), the National Action Plan (NAP) for the implementation of the United Nations Convention to Combat Desertification (UNCCD), and the Zambia Wetland Strategy and Action Plan. Despite these developments that have taken place in the sector, the following issues have continued to persist and are challenges for the FNDP:

- a) *Coordination Problems:* There are various institutions and agencies (public, NGOs/CBOs and private sector organizations) involved in environment and natural resources management. The existence of the various institutions in itself makes coordination of activities in the sector extremely difficult. Recently, however, the Inter-Regulatory Environmental Coordinating Committee (IECC) has been established in an effort to address some of the key issues among all key stakeholders and will lead to improved coordination and effective implementation of programmes. These efforts shall be strengthened and supported during the FNDP period;
- b) *Implementation of the National Policy on the Environment:* The preparation of the NPE has since been finalized through a nation-wide consultative and participatory process. The next steps include the development of an Implementation Plan and the Environmental Investment Strategic Plan (EISP). These activities shall be undertaken during the FNDP;

- c) *Domestication of International Environmental Conventions:* Zambia has acceded to over 20 international environmental conventions, and these have a bearing on natural resource management. Different conventions are at different levels of domestication and implementation. During the FNDP, the Government shall focus on the domestication of 5 conventions, particularly those that are critically relevant to Zambia;
- d) The Government will expand the protected area system to include ecosystem and wetland types which are in open areas in order to conserve them for the present and future generations. The Government shall maintain a representative protected area system; and
- e) Zambia lacks a well informed and organized local public sector to participate in publicising the vulnerability of the environment and inculcating a sense of responsibility for the environment. The Government shall promote public participation and a sense of responsibility for the environment through the use of environmental education methodology to publicize vulnerability of the environment.

33.4 Vision and Goal

The vision is: *A productive environment and well conserved natural resource for sustainable development by 2030.*

The goal is: *To reverse environmental damage, maintain essential environmental and biological processes and ensure sustainable use of natural resources for the benefit of the people."*

33.5 Programmes, Objectives and Strategies

The programmes, objectives and strategies for the environment sector during the FNDP period are presented in the matrix below.

| Sector: Environment | | | |
|---------------------|--|---|---|
| No. | Programmes | Objectives | Strategies |
| 1 | Environmental Institutional Capacity Building | To improve institutional capacity and coordination for environmental management | <ul style="list-style-type: none"> a) Enhance national and regional coordination; b) Improve human resources for organisation and administrative systems; c) Improve financial management systems; d) Improve the legal and policy framework; e) Improve data management systems; f) Improve monitoring capability; g) Improve coordination and administration; h) Develop institutional and build capacity; i) Promote effective participation of women in decision-making at all levels in institutions dealing with management of the environment. |
| 2 | Sustainable Environmental Management | <p>To protect essential environmental processes and functions;</p> <p>To promote sustainable development by minimizing irreversible environmental damage, biodiversity loss, waste production and pollution</p> | <ul style="list-style-type: none"> a) Formulation and implementation of appropriate gender sensitive policies, legal frameworks and plans in order to enhance environmental sustainability; b) Incorporation of provisions for strategic and environmental assessment, biological diversity impact assessment and management in all economic and development activities; c) Pollution control; d) Maintenance of a representation of eco-systems for the benefit of current and future generations; e) Integration of international environmental conventions in national laws and local programmes; f) Environmental rehabilitation; g) Waste collection, transportation and disposal; h) Retention in the sector of charges for environmental offences and license fees |
| 3 | Management of Environmental Information | To establish and support an effective institutional framework able to effectively manage | Improved coordination and partnerships for environmental information management |

| Sector: Environment | | | |
|---------------------|------------------------------------|---|---|
| No. | Programmes | Objectives | Strategies |
| | | environmental information | |
| 4 | Public Participation and Awareness | To promote public participation and a sense of responsibility for the environment | Use environmental education methodology to publicize vulnerability of the environment |
| 5 | Gender and HIV and AIDS | To mainstream gender and HIV and AIDS in environmental concerns | a) Promote gender and HIV and AIDS awareness; b) Mainstream Gender and HIV and AIDS in wetlands management |

33.6 Implementation, Monitoring and Evaluation Framework

The pivotal aspect in the environment sector during the FNDP is to increase the implementation capacity of the Ministry of Tourism, Environment and Natural Resources, its Departments and Statutory bodies. Decentralization, increased stakeholder collaboration and effective implementation of the above programmes crucially hinge on well guided annual planning processes. Accordingly, institutional reforms and improved sector administration and capacity building shall be given special consideration during Plan implementation.

Monitoring mechanisms shall be made simple and aligned to existing capacity. The key monitoring input for performance will be the management information system. A limited number of performance indicators shall be selected for which it is feasible to collect monitoring data. The SAG will oversee overall monitoring and evaluation of the programmes in the sector.

Sector: Environment
(K Billion)

| Priority Order | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|----------------|--|---------------------|-------|-------|---------------------|-------|-------|---------------------|-------|-------|---------------------|-------|-------|---------------------|-------|-------|-------------|-------|----------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Grand Total | | |
| | | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total |
| 1 | Environmental Institutional Strengthening: | | | | | | | | | | | | | | | | | | |
| | National Capacity Self Assessment for Global Environmental Management | | 1.4 | 1.4 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0 | - | 1.00 | 2.4 | - | 2.438 |
| | National Adaptation Programme of Action on Climate Change | 0.0 | 9.4 | 9.47 | | 10.2 | 10.20 | 13.6 | 13.60 | - | - | - | - | - | 1.2 | 1.20 | 34.5 | 0.0 | 34.428 |
| | Develop and maintain national capacity to attend to environmental emergencies | 0.0 | 0.1 | 0.10 | | 12.1 | 12.10 | 6.4 | 6.40 | - | 2.6 | - | - | - | 3.4 | 3.40 | 22.0 | 0.0 | 24.57386 |
| | Strengthening Institutional Capacity to ensure compliance with environmental regulations | | 0.2 | 0.23 | 0.2 | 0.2 | 0.42 | 6.2 | 6.39 | 0.2 | 0.2 | 0.2 | 0.4 | 0.2 | - | 0.42 | 7.9 | 0.8 | 7.1164 |
| 2 | Sustainable Environmental Management: | | | | | | | | | | | | | | | | | | |
| | Lake Tanganyika Integrated Management Project | | 4.31 | 4.31 | 4.3 | 4.31 | | 6.2 | 6.21 | - | 4.0 | - | - | 4.74 | - | 4.74 | 23.6 | - | 23.6 |
| | Removing Barriers to Invasive Plant Management | | | | | | | | | | | | | | | | | | |
| | Natural Resources Management Project | | 0.80 | 0.80 | 1.1 | 1.65 | 0.60 | 1.1 | 1.65 | 0.60 | 1.1 | 1.6 | 0.60 | 1.05 | 1.65 | 7.4 | 2.4 | 5.0 | |
| | Environmental Protection and Natural Resources Management Project | | 3.18 | 3.18 | 3.2 | 3.18 | - | 3.2 | 3.25 | - | 4.0 | 4.0 | - | 4.00 | 4.00 | 17.6 | - | 17.6 | |
| | Environmental Support Programme | 0.25 | 1.60 | 1.60 | 0.3 | 2.2 | 2.56 | 0.3 | 2.2 | 2.56 | 0.3 | 9.6 | 9.9 | 0.3 | 2.24 | 2.53 | 19.1 | 1.2 | 17.9 |
| | Mkombo Woodlands Management Project | | 0.25 | 0.25 | - | - | - | - | - | - | 3.2 | 3.2 | - | 1.20 | 1.20 | 4.7 | 0.3 | 4.4 | |
| | Review of environmental legislation | | | | 6.8 | 6.80 | - | - | - | - | 2.8 | 2.8 | - | 1.00 | 1.00 | 10.6 | - | 10.6 | |
| | Environment and Biodiversity Impact and strategic assessment | | | | 0.3 | 0.26 | - | 0.3 | 0.26 | - | 0.6 | 0.6 | - | 0.26 | 0.26 | 1.4 | - | 1.4 | |
| | Enforcement of Environmental Management Plans | 0.03 | | 0.03 | 12.0 | 12.00 | - | - | - | - | - | - | - | - | - | 0.00 | 12.0 | - | - |
| | Protection of the Ozone Layer | | 0.20 | 0.20 | 0.2 | 0.22 | 0.02 | 0.2 | 0.22 | 0.02 | 6.8 | 6.8 | 0.02 | 0.20 | 0.22 | 7.7 | 0.1 | 7.6 | |
| | Control of mining and industrial pollution | | 0.03 | 0.03 | 0.0 | 0.03 | - | 0.0 | 0.03 | - | 0.5 | 0.5 | - | 0.03 | 0.03 | 0.6 | - | 0.6 | |
| | Development of Environmental Standards | | 1.20 | 1.20 | 1.31 | 4.2 | 5.51 | 4.2 | 4.20 | 1.31 | 4.2 | 5.5 | 1.31 | | 1.31 | 17.7 | 3.9 | 13.8 | |
| | | 0.32 | 0.32 | 0.12 | 0.3 | 0.43 | 0.12 | 0.3 | 0.43 | 0.12 | 0.5 | 0.6 | 0.12 | 1.90 | 1.92 | 3.7 | 0.5 | 3.3 | |

| Priority Order | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|----------------|--|---------------------|--------------|--------------|---------------------|--------------|--------------|---------------------|--------------|--------------|---------------------|--------------|--------------|---------------------|--------------|--------------|---------------|--------------|---------------|
| | | Cost In K' Billions | | | Cost In K' Billions | | | Cost In K' Billions | | | Cost In K' Billions | | | Cost In K' Billions | | | Grand Total | | |
| | | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Donor | Total | GRZ | Total | Donor |
| | Southern Africa Biodiversity Support Programme | | | | | 4.0 | 4.00 | | | | | | | | | 0.00 | 4.0 | | 4.0 |
| 3 | Management of Environmental Information: | | 0.40 | 0.40 | | 0.4 | 0.40 | | 0.8 | 0.80 | | 0.8 | 0.8 | | 0.80 | 0.80 | 3.2 | | 3.2 |
| | Environmental Information Management and Reporting | | | | | 8.8 | 8.80 | | | | | 4.8 | 4.8 | | 0.50 | 0.50 | 14.1 | | 14.1 |
| 4 | Public Participation and Awareness | 0.09 | 0.20 | 0.29 | 0.24 | 6.6 | 6.84 | 0.24 | 0.2 | 0.44 | 0.24 | 12.4 | 12.6 | 0.24 | 0.20 | 0.44 | 20.6 | 1.0 | 19.6 |
| | Development of Project Proposals in Environmental Management | | | | | | | | | | | | | | | | | | |
| 6 | | 0.04 | - | 0.04 | | - | - | 0.1 | - | 0.08 | 0.1 | - | 0.1 | - | 0.08 | 0.08 | 0.3 | 0.2 | 0.1 |
| | Sub Total | 0.42 | 23.43 | 23.86 | 2.78 | 76.92 | 79.71 | 1.56 | 50.96 | 52.52 | 2.82 | 64.51 | 64.74 | 2.75 | 24.94 | 27.69 | 248.51 | 10.35 | 228.74 |
| | Personal Enrolments | | | | | | | | | | | | | | | | | | |
| 1 | Grants and Other Payments | 0.31 | - | 0.31 | 0.37 | - | 0.37 | 0.39 | - | 0.39 | 0.40 | - | 0.4 | 0.43 | - | 0.43 | 1.9 | 1.9 | - |
| 2 | Contributions to International Organisations | 1.08 | - | 1.08 | 1.08 | - | 1.08 | 1.08 | - | 1.08 | 1.08 | - | 1.1 | 1.08 | - | 1.08 | 5.4 | 5.4 | - |
| 3 | General Administration | 0.07 | - | 0.07 | - | - | - | - | - | - | - | - | - | - | - | 0.00 | 0.1 | 0.1 | - |
| 4 | Gender and HIV/AIDS | 0.48 | - | 0.48 | 0.57 | - | 0.57 | 0.60 | - | 0.60 | 0.63 | - | 0.6 | 0.66 | - | 0.66 | 2.9 | 2.9 | - |
| 5 | Human Resource Management and Development | | - | - | - | 2.4 | 2.40 | - | - | - | - | - | - | - | - | 0.00 | 2.4 | - | 2.4 |
| 6 | Planning, Policy, Monitoring and Evaluation | 1.37 | - | 1.37 | 2.80 | - | 2.80 | 1.72 | - | 1.72 | 1.79 | - | 1.8 | 1.88 | - | 1.88 | 9.6 | 9.6 | - |
| 7 | Legislation and Policy Review | 0.37 | - | 0.37 | 0.44 | - | 0.44 | 0.46 | - | 0.46 | 0.48 | - | 0.5 | 4.80 | - | 4.80 | 6.5 | 6.5 | - |
| 8 | | 0.08 | - | 0.08 | 0.10 | - | 0.10 | 0.10 | - | 0.10 | 0.11 | - | 0.1 | 0.11 | - | 0.11 | 0.5 | 0.5 | - |
| | Sub total | 3.75 | - | 3.75 | 5.36 | 2.40 | 7.76 | 4.35 | - | 4.35 | 4.48 | - | 4.48 | 8.96 | - | 8.96 | 29.29 | 26.89 | 2.40 |
| | Grand Total | 4.17 | 23.43 | 27.61 | 8.14 | 79.32 | 87.46 | 5.91 | 50.96 | 56.87 | 7.30 | 64.51 | 69.22 | 11.71 | 24.94 | 36.65 | 277.80 | 37.24 | 231.14 |

None-core FNDP programs

GENDER AND DEVELOPMENT





Gender and Development

34.1 Introduction

Government takes cognizance of the importance gender plays in socio-economic development. Gender can be defined as an analytical concept, which focuses on women's roles and responsibilities in relation to those of men. These roles and responsibilities explain existing disparities between women and men which further leads to the differential impact in the socio-economic development processes. This has resulted in women's limited participation in the development processes. In order to ensure that both men and women participate fully in the development process, there is need for gender mainstreaming which is the making of girls'/women's and boys'/men's issues an integral dimension of the design, budgeting, implementation, monitoring and evaluation processes so that all can participate and benefit equally.

In order to achieve this, Government will, in the next five years strategically focus on the programmes that will address the strategic needs of women and men. These include education and skills training; economic empowerment of women; the review of laws that discriminate against women; and institutional capacity building.

34.2 Review of Past Performance

Mainstreaming of gender in the development programmes has been challenging. Even though gender is mentioned, its importance in the development process still remains to be understood. According to the Population Census of 2000, there are more women than men in the country. However, due to a number of factors such as the low levels of education, limited access and control over resources of production, and the division of labour, women's participation in the development process has been impeded. These factors have been exacerbated by cultural norms and values which promote unequal power relations among men and women. Consequently, women's vulnerability to poverty has increased leading to the 'feminisation' of poverty.

According to the CSO report 2002/2003, poverty among female headed households stood at 58 percent compared to 43 percent among male headed households. Moreover, the proportion of female headed households has increased from 16.9 percent in 1990 to 18.9 percent in 2000. In addition, the gender dimension of HIV and AIDS has exacerbated the problem of poverty among women. In the age group 24 to 29, the HIV prevalence rate among women is four times higher than that of men. Not only are women faced with the challenge of bearing the burden of poverty but also bear the burden of HIV and AIDS in terms of risk of infection and as care givers.

Zambia is also faced with the challenge of reducing the high maternal mortality rate which was 729 deaths per 100,000 births in 2002. This rate was among the highest in the world. In this regard, Government has embarked on the provision of free ante-natal services, especially in rural areas, and upgraded the training of traditional birth attendants.

Further, illiteracy levels are higher among women at 75 percent compared to men at 65 percent. This is linked to the higher dropout rates and lower completion rates for girls compared to boys which stands at 95.4 percent for boys compared to 75.1 percent for girls at primary school level. Factors leading to high dropout rates among girls include pregnancies, early marriages, poverty and HIV and AIDS. Consequently, the lower levels of education among women have led to their lower levels of participation in decision-making and economic development.

Although, the level of women's participation in decision-making has been increasing steadily from 10 percent in 1997 to 18 percent in 2003, the 1997 SADC gender declaration of 30 percent representation has not yet

been attained. Women representation in Parliament in 2004 was 14 percent. At Cabinet, this increased significantly from 7.3 percent in 2000 to 22.7 percent in 2005.

In order to address some of the factors leading to poor education, Government introduced the return to school for pregnant girls policy, the free basic education and has been providing scholarships to vulnerable girls. These measures have contributed to the increase in the enrolment of girls.

The Government, in its effort to encourage and enhance women's participation in economic development, facilitated the training of women in entrepreneurship skills.

The dual legal system in Zambia, in which both statutory and customary laws apply has often led to discriminatory practices which in most cases are biased against women especially in the application of customary law which is not written. For this reason, the Government has initiated the review of customary law to avoid arbitrary interpretation of the customary laws and to align them to statutory laws.

The Government has also embarked on the process of addressing negative cultural beliefs and practices such as early marriages and property grabbing. A cultural policy has been developed to ensure that the traditions and customs do not discriminate against women. In addition, the Government has commenced the process of domesticating the Convention on the Elimination of all forms of Discrimination Against Women (CEDAW) into the Zambian law. Further, the constitutional review process afforded women the opportunity to address issues in the constitution which were discriminatory.

Gender based violence is a critical area of concern particularly in cases relating to girls' and women's rights and its contribution to the spread of HIV. The major cause of gender based violence is unequal power relations. With regard to gender based violence, Government established the victim support unit (VSU) in the Zambia Police Service to address the issue.

34.3 Policies and Key Reforms

The Government adopted the national gender policy in 2000 and launched the strategic plan of action (2004 to 2008) in 2004. The national gender policy highlights a number of policy areas which include poverty, health, education, decision making, gender based violence, land, agriculture, environment, science and technology, legal reforms, natural resources, commerce and trade and labour and employment.

The national gender policy takes into account the issues and concerns contained in strategic documents such as the Convention on the Elimination of all forms of Discrimination Against Women (1979); the Beijing Declaration and Platform for Action (1995); the SADC Declaration on Gender and Development (1997); and the Millennium Declaration and Development Goals (2000).

In 2003, the Government established the gender consultative forum aimed at advising Government on emerging issues and ensuring that policies being formulated and programmes being implemented are gender responsive. At the provincial and district level, gender sub-committees were established as part of the process of strengthening the institutional framework of the national gender strategic plan in 2005.

The Government is preparing the land policy in which it seeks to address, among other things the constraint encountered by women in accessing titled land. Out of the many objectives of this policy is the allocation of at least 30 percent of the available land to women.

34.4 Vision and Goal

The vision is: *Gender equity and equality in the development process by 2030.*

The goal is: *To reduce gender imbalances and attain gender equality.*

34.5 Programmes, Objectives and Strategies

The programmes, objectives and strategies for the gender sector during the FNDP period are presented in the matrix below.

| Sector: Gender and Development | | | | |
|---------------------------------------|---|--|---|--|
| No. | Programmes | Objectives | Strategies | Implementing Institution |
| 1 | Gender Mainstreaming in the National Development Process | To mainstreaming gender in the National Development Process | <ul style="list-style-type: none"> a) Mainstream gender into macro and sectoral policies and programmes; b) Review the implementation plan for the national gender policy; c) Facilitate and coordinate the review of policies and programmes; d) Identify and lobby for the implementation of measures to correct gender imbalances; e) Facilitate the design and implementation of a mechanism for mainstreaming gender into the human resource management and development process; f) Mainstream gender in all policies and programmes on the control and prevention of HIV and AIDS and other STIs. | GIDD, Ministry of Finance and National Planning, Ministry of Health, National AIDS Council |
| 2 | Safe Motherhood | <p>To contribute to providing enabling conditions for reproductive health of men and women;</p> <p>To ensure safe motherhood</p> | <ul style="list-style-type: none"> a) Ensure increased accessibility and quality of maternal health services to women in both rural and urban areas; b) Promote increased awareness on the involvement of men in reproductive health programmes; c) Facilitate training of traditional birth attendants (TBAs). | Ministry of Health, GIDD |
| 3 | Capacity Building for Gender Mainstreaming | To build capacity in institutions to deal with gender issues effectively | <ul style="list-style-type: none"> a) Develop and implement gender training programmes in all government ministries and institutions; b) Facilitate integration of gender into the existing curricula in training institutions; c) Conduct backstopping missions to ministries, provinces and districts. | GIDD, Ministry of Education, PSMD, Ministry of Foreign Affairs |
| 4 | Gender Management Information Systems | To provide information on gender to all stakeholders | <ul style="list-style-type: none"> a) Develop and implement gender programmes for the print and electronic media; b) Identify gender information gaps and conduct relevant research; c) Establish and maintain links with strategic institutions dealing with research and information; d) Redress the negative portrayal of women in the media; e) Ensure the collection of gender disaggregated data in key sectors | GIDD, Ministry of Information and Broadcasting Services, Media organizations, Central Statistics Office. |

| | | | | |
|----------|--------------------------------------|---|---|---|
| 5 | Review of Legal Framework | To put in place gender responsive legal framework | <ul style="list-style-type: none"> a) Facilitate the review and amendment of discriminatory laws and procedures; b) Facilitate the dissemination of regional and international instruments on gender; c) Domesticate regional and international instruments on gender; d) Strengthen collaboration with stakeholders; e) Strengthen the Penal Code on gender based violence; f) Strengthen the Bill of Rights for women in the Constitution; g) Facilitate enactment of gender based violence bill; h) Review customary law and align with statutory law. | GIDD, Ministry of Justice, |
| 6 | Economic Empowerment of Women | To promote equal participation of females and males in education | <ul style="list-style-type: none"> a) Put in place mechanism and facilities to encourage the retention of girls in the education system; b) Provide facilities in education institutions that are girl-friendly. | GIDD, Ministry of Education |
| | | To ensure women's increased control over land and access to agricultural services | <ul style="list-style-type: none"> a) Ensure that at least 30 percent of land allocated is reserved for women; b) Ensure women have access to agricultural extension and credit. | GIDD, Ministry of Lands, Ministry of Agriculture and Cooperatives |
| | | To ensure women's access to factors of production | <ul style="list-style-type: none"> a) Facilitate women's access to credit; b) Train women entrepreneurs; c) Facilitate the removal barriers that constrain women's participation in commerce, trade and industry. | GIDD, Ministry of Commerce, Trade and Industry and Ministry of Justice |
| | | To increase participation of girls in science and technology | <ul style="list-style-type: none"> a) Facilitate the provision of scholarships to girls who have excelled in science and technology subjects. | GIDD, Ministry of Education and Ministry of Science, Technology and Vocational Training |
| | | To redress gender imbalances in labour, employment and social security at all levels | <ul style="list-style-type: none"> a) Ensure at least 30 percent representation of women in the labour market and at decision-making levels; b) Redress gender imbalances in the labour sector. | GIDD, Ministry of Labour |
| | | To reduce the vulnerability of women and men through equitable implementation of social protection measures | <ul style="list-style-type: none"> a) Facilitate awareness creation on the existing social protection measures among women and men; b) Ensure equitable participation of women and men in social protection schemes. | GIDD, Ministry of Community Development and Social Services |
| 7 | Monitoring and Evaluation | To monitor and evaluate the implementation of gender and development programmes in all sectors | <ul style="list-style-type: none"> a) Establish coordination, monitoring and evaluation mechanism; b) Strengthen the operations of the gender consultative forum; c) Promote a system of collecting gender disaggregated data; d) Undertake gender audits in the five priority areas every two years. | GIDD, Line Ministries |

34.6 Implementation, Monitoring and Evaluation Framework

For effective implementation of gender mainstreaming, the Government has established an integrated institutional mechanism for policy formulation, coordination, resource mobilization, utilization, monitoring and evaluation.

Cabinet Office will continue with its role of coordinating, monitoring and evaluation of the activities identified in this sector. Besides Cabinet Office being a key player, the gender/HIV/AIDS SAG will also be of utmost importance in the process of monitoring and evaluating the sector interventions. The gender focal points (GFPs) in line ministries and the gender consultative forum will also be key players in this process. In

addition, the Government has put in place an institutional framework for gender mainstreaming, monitoring and evaluation at provincial and district levels. These include provincial administration through gender sub-committees of the provincial development coordinating committees (PDCCs) and district development coordinating committees (DDCCs).

Sector: Gender and Development
(K Billion)

| | Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|--------------------------|-------------------|--|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|-------------|-------|-------|
| | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Cost in K Billions | | | Total | GRZ | Donor |
| | | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| Core FNDP Programmes | | | | | | | | | | | | | | | | | | | | |
| | | Gender mainstreaming in national development process | 0.0 | 0.0 | 0.0 | 2.00 | | 2.00 | 2.50 | | 2.50 | 2.50 | 0.00 | 2.50 | 2.50 | 0.00 | 2.50 | 9.50 | 9.50 | 0.00 |
| Non-Core FNDP Programmes | | | | | 0.0 | | | 0.00 | | | 0.00 | | 0.00 | 0.00 | | | 0.00 | 0.00 | 0.00 | 0.00 |
| | Sub-total | | 0.0 | 0.0 | 0.0 | 2.0 | 0.0 | 2.0 | 2.5 | 0.0 | 2.5 | 2.5 | 0.0 | 2.5 | 2.5 | 0.0 | 2.5 | 9.50 | 9.50 | 0.00 |
| | 1 | Review of the legal framework | 0 | 0 | 0.0 | 1.26 | | 1.26 | 1.31 | | 1.31 | 1.26 | 0.00 | 1.26 | 1.26 | 0.00 | 1.26 | 5.08 | 5.08 | 0.00 |
| | 2 | Empowerment of women | 0 | 0 | 0.0 | 2.00 | | 2.00 | 2.00 | | 2.00 | 3.00 | 0.00 | 3.00 | 3.00 | 0.00 | 3.00 | 10.00 | 10.00 | 0.00 |
| | 3 | Personal Emoluments | 1 | 0 | 1.2 | 1.50 | | 1.50 | 1.50 | | 1.50 | 1.50 | 0.00 | 1.50 | 2.00 | 0.00 | 2.00 | 7.70 | 7.70 | 0.00 |
| Non-Core FNDP Programmes | | Capacity building for gender mainstreaming | | | | | | | | | | | | | | | | | | |
| | 4 | Gender information management system | 0.0 | 0.0 | 0.0 | 1.04 | | 1.04 | 0.94 | | 0.94 | 0.50 | 0.00 | 0.50 | 0.50 | 0.00 | 0.50 | 2.99 | 2.99 | 0.00 |
| | 5 | | | | | | | | | | | | | | | | | | | |
| | | | 0 | 0 | 0.0 | 1.00 | | 1.00 | 1.00 | | 1.00 | 1.00 | 0.00 | 1.00 | 1.00 | 0.00 | 1.00 | 4.00 | 4.00 | 0.00 |
| | Sub-total | | 1.2 | 0.0 | 1.2 | 6.8 | 0.0 | 6.8 | 6.7 | 0.0 | 6.7 | 7.3 | 0.0 | 7.3 | 7.8 | 0.0 | 7.8 | 29.77 | 29.77 | 0.00 |
| | Grand Total | | 1.2 | 0.0 | 1.2 | 8.8 | 0.0 | 8.8 | 9.2 | 0.0 | 9.2 | 9.8 | 0.0 | 9.8 | 10.3 | 0.0 | 10.3 | 39.27 | 39.27 | 0.00 |

FOOD AND NUTRITION



Food and Nutrition

35.1 Introduction

Nutritional status is determined by a number of factors which, among others, include access to adequate food; good health and sanitation; affordable food prices; steady food availability; stability of sources of income; and the general education for male and female parents and guardians. Poverty is the major underlying factor for poor nutrition. Other principal causes of malnutrition relate to the high prevalence of infectious diseases, including HIV and AIDS, insufficient care for the vulnerable, especially children, and poor environmental, economic, and social conditions. Poor weaning practices and infrequent and inappropriate feeding also contribute to malnutrition. The deteriorating economic situation in the aftermath of radical economic reforms in several African countries has worsened the rising number of cases of malnutrition.

Among the major nutrition problems in Zambia, which affect the vulnerable groups of women, children, the differently abled and the poor, are protein-energy malnutrition, iron deficiency anaemia, and Vitamin A deficiency. Zambia's commitment to ensuring the health and well being of its children has been demonstrated by its ratification of various Conventions, which have been developed at such international meetings as the World Summit on Children in 1990, the International Conference on Nutrition in 1992, and the Millennium Summit of 2000.

Inadequate nutrition hampers economic and social development by reducing labour productivity and increasing the costs of health and educational programmes. In children, malnutrition compromises their cognitive development, immunity, and physical growth. Adequate nutrition is fundamental and critical to the achievement of the following six of the Millennium Development Goals (MDGs): eradicating extreme hunger and poverty; achieving universal primary education; promoting gender equality; reducing child mortality; improving maternal health; and helping to combat HIV and AIDS. This chapter provides scope for accelerating food and nutrition security interventions nationwide.

35.2 Review of Past Performance

Malnutrition has long been recognised as a serious public health problem in Zambia. Indicators for nutritional status of children under five in the twelve year period from 1990 to 2003 show no decrease in the prevalence of under-weight (under nutrition) and wasting (acute malnutrition) and an increase in the prevalence of stunting (chronic malnutrition) from 39.6 percent to 49 percent (Table 35.1). These rates of stunting are among the highest in the region. Chronic malnutrition, as seen in Zambia, indicates long-term exposure of children to poor diets and is associated with worsening poverty levels and an increase in food insecurity where 70 percent of the population is food insecure.

Table 35.1: Nutritional Status of Children Aged 0-59 months, 1991-2003

| | 1991 ZPS I | 1992 ZDHS | 1995 ZPS II | 1996 ZDHS | 2001 ZDHS | 2002 LCMS | 2003 FHANIS | 2003 LCMS |
|--------------------------|---------------|--------------|----------------|--------------|--------------|--------------|----------------|--------------|
| Underweight (W/A) < -2SD | 23.1 | 25 | 25.3 | 24 | 28 | 23 | 24 | 23 |
| Stunting (H/A) < -2SD | 39.6 | 40 | 48.4 | 42.0 | 53 | 49 | 53 | 49 |
| Wasting (W/H) < -2SD | 6.9 | 5 | 5.7 | 4 | 5 | 5 | 5 | 5 |

Source: CSO

Results from the recent Living Conditions Monitoring Survey (LCMS, 2003) show urban children to have a better nutritional status than rural children. Nutritional status was found to be inversely related to their mother's education; children whose mothers had little education were more likely to be stunted (57 percent) than those whose mothers had higher education (29 percent). The difference may be attributed to the quality of care provided to the child (food preparation, feeding and weaning practices, hygiene, water, and sanitation).

Several efforts have been made to reduce malnutrition in Zambia. In terms of improving case management of severely malnourished children admitted to various health facilities, there has been provision of training in the appropriate management of severe malnutrition for frontline health care providers. Other ongoing child survival interventions include Insecticide Treated Nets for the control of malaria; immunization; de-worming; promotion of exclusive breast-feeding; complimentary feeding; and growth monitoring and promotion.

In the case of Vitamin A deficiency, a supplementation programme has been implemented providing children between the ages of 6 and 59 months with Vitamin A capsules every six months through routine and Child Health Weeks. In addition, there is nutrition education on consumption of Vitamin A rich foods. Interventions for iron deficiency anaemia include iron and folic acid supplementation to pregnant women, and de-worming young children through child health weeks. Zambia has also accelerated implementation of the food fortification programme aimed at reducing the prevalence of micro-nutrient deficiencies.

Maternal nutrition also poses significant challenges in Zambia. According to the Zambia Demographic and Health Survey (1996), 10 percent of all women of reproductive age have a low Body Mass Index (BMI). About 9 percent of Zambian mothers of children under 3 years of age are also malnourished with a BMI of less than 18.5. It is estimated that between 10 and 13 percent of children born in Zambia have a low birth weight indicating poor maternal nutrition. Efforts made to address the problem include provision of nutrition education on good diets before, during, and after pregnancy through maternal and child health services and micronutrient supplementation during antenatal care.

Feeding is a critical aspect of caring for infants and young children. WHO/UNICEF recommend that children should be breast-fed for the first six months of life (with the possible exceptions of children of HIV positive mothers – see below). In Zambia, only 25 percent of children are exclusively breastfed for the first 6 months of life (LCMS 2002 to 2003). However, this shows a significant rise from the 6 percent reported in the 1998 LCMS and may indicate success of recent exclusive breast feeding programmes. The National Food and Nutrition Commission (NFNC) has initiated an extensive breastfeeding promotion campaign encouraging women to exclusively breastfeed their newborn children up to six months.

Nutrition also plays a very important role in the management of HIV and AIDS. In the quest to enable the Government to fight the HIV and AIDS epidemic, in 2003 the NFNC spearheaded and facilitated the production of nutrition guidelines for the care and support of people living with HIV and AIDS.

35.3 Policies and Key Reforms

In 2005, the national food and nutrition policy was adopted by the Government in order to ensure that there is proper coordination and adequate capacity to undertake nutrition programmes by strengthening the NFNC institutional framework.

To manage this process the policy provides for the amendment of the NFNC Act in order to respond to the demands of emerging nutrition issues. It further empowers NFNC to adapt to relevant strategic institutional arrangements as they deem necessary as well as strengthen existing and establish new structures for undertaking nutrition activities at national, provincial, district, and community levels, including the private sector. Strong partnerships and promotion of collaboration among all stakeholders at national, provincial, district, and community levels is also emphasised.

To facilitate implementation of the programmes in the FNDP, the NFNC has a five-year strategic plan, 2005 to 2010, providing a framework for strengthening and scaling up of food and nutrition interventions. To operationalise this strategic plan, the NFNC will be restructured to make it effective to meet the challenges and demands of nutrition issues in the next five years. It is, therefore, in this regard that the 1967 National Food and Nutrition Commission Act needs to be reviewed to align to the current issues relating to governance and to the emerging policy directions as guided by the new vision and goal of the food and nutrition sector.

35.4 Vision and Goals

The vision is: *Optimal nutritional status for all sections of the Zambian population.*

The goal is: *To achieve sustainable food and nutrition security.*

35.5 Programmes, Objectives and Strategies

The matrix below presents the programmes and their respective objectives and strategies for the food and nutrition sector during the FNDP.

| Sector: Food and Nutrition | | | |
|----------------------------|-----------------------------------|--|---|
| | Programmes | Objectives | Strategies |
| 1 | Policy Implementation | To develop and/or advocate for policy formulation and programmes that will ensure food and nutrition security, food quality, and safety at individual household, community, and national level | a) Develop and implement of National Food and Nutrition Plan; b) Establish a functional multi-sectoral coordinating mechanism |
| 2 | Advocacy and Sensitisation | | |
| 3 | Monitoring and Evaluation | To effectively formulate, coordinate, and monitor food and nutrition programmes in order to improve delivery and access to nutrition services | a) Establish an Integrated Nutrition Monitoring and Evaluation system; b) Establish the Zambia Nutrition Information System (ZAMNIS) c) Collect, collate and disseminate relevant food and nutrition |
| 4 | Nutrition Information Management | | |
| 5 | Nutrition Research | To conduct comprehensive surveys and research on food and nutrition in order to provide appropriate interventions | a) Develop nutrition research agenda |
| 6 | Human Resource Development | To develop human resources in the food and nutrition sector in order to improve the delivery of nutrition services | a) Facilitate establishment of degree programmes in human nutrition and dietetics as disciplines of study in relevant academic institutions; b) Strengthen the food and nutrition component of the curriculum in the formal and informal educational sector and other relevant training institutions; c) Develop and implement a food and nutrition training policy |
| 7 | Nutrition Education and Promotion | To reduce all forms of malnutrition, including micronutrient deficiencies and establish safe levels of nutrient intake for Zambia To provide food and nutrition awareness for positive nutrition behaviour change | a) Promote healthy diets and lifestyles b) Promote food and nutrition awareness for positive nutrition behaviour change |
| 8 | Nutritional Technical Support | | Provide support to ongoing nutrition programmes under different line ministries |

35.6 Implementation, Monitoring and Evaluation Framework

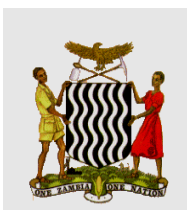
The framework for undertaking nutrition activities in Zambia is entrusted, by legislation, in the National Food and Nutrition Commission that is mandated to develop policies and strategies as well as provide coordination in this field. Currently, as a statutory body, National Food and Nutrition Commission falls under the Ministry of Health. National Food and Nutrition Commission will be the lead agency to coordinate and support nutrition programmes and projects during the FNDP. As provided for in the national food and nutrition policy, the food and nutrition sector will form a national multi-sectoral committee that shall provide technical and policy direction. This committee, with the National Food and Nutrition Commission serving as Secretariat, will monitor and evaluate progress in implementing activities. The key ministries for implementing food and nutrition programmes are Ministries of Health,

Education, and Agriculture and Cooperatives. During the Plan period, the Ministry of Community Development and Social Services will be included to strengthen this. At district level, National Food and Nutrition Commission will promote multi-sectoral nutrition programming. The National Food and Nutrition Commission will also participate and coordinate interventions aimed at strengthening the operations of DDCCs in providing nutritional technical advice on the role that DDCCs can play in achieving the objectives of the FNDP. Further more, National Food and Nutrition Commission will utilize nutrition groups in accordance with Amendment Act No. 23 of 1975. The National Food and Nutrition Commission will also maintain close links and cooperation with local and international organisations in its programmes.

Information from all partners involved in food and nutrition programmes is essential for assessing progress and making policy and programmatic decisions. Information collection systems will logically provide critical data to multiple programmes and sectors. Key indicators, their source, and partners have been identified and an integrated monitoring system that links information from different sources, sectors, and partners will be developed. The National Food and Nutrition Commission will have the primary responsibility of coordinating the collection, analysis, and use of nutrition data from various sources. To do this, a minimum requirement will be the establishment of a multi-disciplinary core team of nutrition analysts drawn from stakeholders at National Food and Nutrition Commission to ensure strong inter-sectoral and inter-institutional collaboration in nutrition programme implementation. Activities shall be periodically evaluated to ascertain the effectiveness with which they are implemented and the level of their impact.

SECTOR: Food and Nutrition
(K Billion)

| Order of Priority | Programme | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | | |
|--------------------------|---|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|--------------------|--------|-------|-------------|--------|-------|
| | | Cost in K' Billion | | | Cost in K' Billion | | | Cost in K' Billion | | | Cost in K' Billion | | | Cost in K' Billion | | | | | |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total |
| Core FNDP Programmes | Food & Nutrition Policy Implementation Programme ¹ | 0.1 | 0.0 | 0.1 | 0.3 | 0.0 | 0.3 | 0.3 | 0.0 | 0.3 | 0.4 | 0.0 | 0.4 | 0.4 | 0.0 | 0.4 | 1.4 | 1.4 | 0.0 |
| | Infrastructure rehabilitation of 2NFNC offices | 0.0 | 0.0 | 0.0 | 1.5 | 0.0 | 1.5 | 1.4 | 0.0 | 1.4 | 0.2 | 0.0 | 0.2 | 0.1 | 0.0 | 0.1 | 3.2 | 3.1 | 0.0 |
| | Nutrition Technical Support Programme ³ | 0.0 | 0.5 | 0.5 | 0.5 | 0.1 | 0.6 | 0.2 | 0.1 | 0.3 | 0.4 | 0.2 | 0.5 | 0.5 | 0.2 | 0.7 | 2.5 | 1.6 | 1.0 |
| | Monitoring & Evaluation Programme ⁴ | 0.0 | 0.2 | 0.2 | 0.2 | 0.1 | 0.2 | 0.2 | 0.1 | 0.3 | 0.3 | 0.1 | 0.4 | 0.5 | 0.2 | 0.6 | 1.7 | 1.1 | 0.0 |
| | Nutrition Information Management Programme ⁵ | 0.0 | 0.0 | 0.0 | 0.8 | 0.1 | 0.9 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.2 | 0.1 | 0.1 | 0.2 | 1.4 | 1.1 | 0.0 |
| | Human Resource Development Programme ⁶ | 0.0 | 0.0 | 0.0 | 0.2 | 0.0 | 0.2 | 0.2 | 0.0 | 0.2 | 0.2 | 0.1 | 0.3 | 0.3 | 0.1 | 0.4 | 1.0 | 0.8 | 0.0 |
| Non-Core FNDP Programmes | Sub-total Advocacy and sensitization Programme ¹ | 0.1 | 0.7 | 0.8 | 3.3 | 0.3 | 3.6 | 2.3 | 0.3 | 2.6 | 1.5 | 0.4 | 1.9 | 1.9 | 0.5 | 2.3 | 11.2 | 9.1 | 2.0 |
| | Nutrition Research Programme ² | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 | 0.1 | 0.1 | 0.0 | 0.1 | 0.1 | 0.0 | 0.1 | 0.1 | 0.0 | 0.1 | 0.4 | 0.4 | 0.0 |
| | Nutrition Education & Promotion Programmes ³ | 0.0 | 0.0 | 0.0 | 0.2 | 0.0 | 0.2 | 0.2 | 0.1 | 0.3 | 0.2 | 0.1 | 0.3 | 0.3 | 0.1 | 0.3 | 1.1 | 0.8 | 0.0 |
| | Personal Emoluments ⁴ | 1.2 | 0.0 | 1.2 | 2.2 | 0.0 | 2.2 | 2.8 | 0.0 | 2.8 | 3.3 | 0.0 | 3.3 | 4.0 | 0.0 | 4.0 | 13.5 | 13.5 | 0.0 |
| | General Administration ⁵ | 0.4 | 0.0 | 0.4 | 0.7 | 0.0 | 0.7 | 0.8 | 0.0 | 0.8 | 0.9 | 0.0 | 0.9 | 1.0 | 0.0 | 1.0 | 3.8 | 3.8 | 0.0 |
| | Sub-total | 1.6 | 0.0 | 1.6 | 3.4 | 0.1 | 3.5 | 3.9 | 0.2 | 4.1 | 4.7 | 0.2 | 4.9 | 5.5 | 0.2 | 5.7 | 19.9 | 19.1 | 0.0 |
| | Grand Total | 1.7 | 0.7 | 2.4 | 6.7 | 0.4 | 7.1 | 6.2 | 0.5 | 6.7 | 6.2 | 0.6 | 6.8 | 7.4 | 0.7 | 8.1 | 31.0 | 28.2 | 2.0 |



Part

8

Regional Development



REGIONAL DEVELOPMENT



Regional Development

36.1 Introduction

Zambia is divided into nine provinces, namely, Central, Copperbelt, Eastern, Luapula, Lusaka, Northern, North-Western, Southern and Western. These provinces consist of 72 districts. The population distribution of the nine provinces varies considerably, with the Copperbelt province having the highest population at about 1.6 million people. The high population on the Copperbelt is attributable to mining activity (see Table 36.1).

Table 36.1: 2000 Census Population by Province and Sex

| PROVINCE | TOTAL | | | RURAL | | | URBAN | | |
|---------------|-----------|---------|---------|-----------|---------|---------|-----------|---------|---------|
| | Total | Male | Female | Total | Male | Female | Total | Male | Female |
| Central | 1,012,257 | 510,501 | 501,756 | 769,202 | 388,182 | 381,020 | 243,055 | 122,319 | 120,736 |
| Copperbelt | 1,581,221 | 799,402 | 781,819 | 350,093 | 179,616 | 170,477 | 1,231,128 | 619,786 | 611,342 |
| Eastern | 1,306,173 | 648,676 | 657,497 | 1,190,865 | 591,198 | 599,667 | 115,308 | 57,478 | 57,830 |
| Luapula | 775,353 | 387,825 | 387,528 | 674,187 | 337,330 | 336,857 | 101,166 | 50,495 | 50,671 |
| Lusaka | 1,391,329 | 705,778 | 685,551 | 252,869 | 129,695 | 123,174 | 1,138,460 | 576,083 | 562,377 |
| Northern | 1,258,696 | 629,976 | 628,720 | 1,081,599 | 541,821 | 539,778 | 177,097 | 88,155 | 88,942 |
| North-Western | 583,350 | 290,856 | 292,494 | 511,647 | 254,910 | 256,737 | 71,703 | 35,946 | 35,757 |
| Southern | 1,212,124 | 601,440 | 610,684 | 955,268 | 472,115 | 483,153 | 256,856 | 129,325 | 127,531 |
| Western | 765,088 | 371,844 | 393,244 | 672,999 | 326,072 | 346,927 | 92,089 | 45,772 | 46,317 |

Source: CSO 2000 Census Report

With a land mass of only 21,896 square kilometres, Lusaka has over 14 percent of the national population with population density of 63.5 persons per square kilometre. The Copperbelt province has a density of 50.5 persons per square kilometre. Northern province with the largest land mass of 147,826 square kilometre has a population density of 8.5 persons per square kilometre. North-Western province has the smallest population at 583,350 with a population density of 4.3 persons per square kilometre.

During the period 1990 and 2000, population growth rates for the provinces varied, with the Copperbelt province showing the lowest rate of 0.7 percent per annum and Lusaka and North-Western provinces recording the highest rates of 3.4 percent per annum. Migration, fertility and mortality have affected the population growth rates, distribution and density of the regions. The Copperbelt has witnessed a low population growth rate due to decreased mining activities and the continued effects of privatisation of the mines that has resulted in out-migration on the Copperbelt and in-migration in provinces like Lusaka and Central. There is likelihood of population increase in North-Western province during the Plan period due to the opening of new mines. Meanwhile, Southern province has recently been experiencing persistent droughts resulting in the migration of farmers from the province to other provinces. Luapula, Northern, North-Western and Western provinces are affected by a high influx of refugees fleeing mainly from civil conflict in neighbouring countries. The population projections indicate that the national population will be around 13,272,553 with AIDS and 13,616,688 without AIDS as indicated in Table 36.2.

Table 36.2: Projected Population by Region and Sex, Medium Variant 2005 and 2010

| PROVINCE | 2005 | | | 2010 WITHOUT AIDS | | | 2010 WITH AIDS | | |
|-----------------|------------|-----------|-----------|-------------------|-----------|-----------|----------------|-----------|-----------|
| | Total | male | female | total | male | female | total | male | female |
| Central | 1,180,124 | 593,231 | 586,893 | 1,426,327 | 714,953 | 711,374 | 1,386,628 | 697,834 | 688,794 |
| Copperbelt | 1,820,443 | 917,714 | 902,729 | 2,134,514 | 1,072,833 | 1,061,681 | 2,088,146 | 1,053,418 | 1,034,728 |
| Eastern | 1,509,530 | 751,453 | 758,077 | 1,797,787 | 896,479 | 901,308 | 1,744,431 | 873,719 | 870,713 |
| Luapula | 903,746 | 450,958 | 452,788 | 1,088,897 | 542,229 | 546,668 | 1,064,422 | 532,085 | 532,337 |
| Lusaka | 1,579,769 | 779,770 | 799,999 | 1,841,526 | 929,610 | 911,916 | 1,733,830 | 880,706 | 853,120 |
| Northern | 1,445,730 | 722,926 | 722,804 | 1,532,514 | 765,688 | 766,826 | 1,513,872 | 757,852 | 756,020 |
| North – Western | 683,367 | 340,756 | 342,611 | 820,769 | 409,536 | 411,233 | 808,046 | 403,690 | 404,356 |
| Southern | 1,407,433 | 698,476 | 708,957 | 1,706,468 | 846,799 | 859,669 | 1,706,468 | 846,799 | 859,669 |
| Western | 863,294 | 420,519 | 442,775 | 1,015,753 | 496,119 | 519,634 | 989,345 | 485,503 | 503,842 |
| National | 11,441,461 | 5,721,133 | 5,720,328 | 13,616,688 | 6,802,193 | 6,814,495 | 13,272,553 | 6,659,427 | 6,613,126 |

Source: Central Statistics Office Projections 2000 - 2025

In terms of socio- economic development, there are variations between provinces with respect to the poverty profile. It is clear that there are major differences between rural and urban provinces in terms of economic and social provisioning. Economic opportunities that tend to be concentrated in urban centres have tended to encourage the phenomenal rural-urban migration that has dire consequences for the urban centres where pressure on infrastructure services such as housing and sanitation has been great. The remainder of this chapter summarises the conditions in the nine provinces of Zambia, highlighting the key programmes and strategies during the FNDP period. This chapter is based on the 72 district development plans for the period 2006 to 2010.

36.2 Central Province

36.2.1 Resource Endowments, Comparative Advantage, and Socio-Economic Conditions

Central province has a landmass of 94,394 square kilometres, and shares borders with all of the other eight provinces. It has forests and forest reserves occupying 9,095,566 hectares of land as well as a National Park and three Game Management Areas. It comprises six administrative districts, namely, Kabwe (provincial headquarters), Kapiri Mposhi, Mkushi, Serenje, Chibombo and Mumbwa. Most of the country's trunk roads and railway routes traverse through the province. All the districts have access to the national electricity grid, and there is potential for harnessing alternative sources of energy to service rural areas. Mobile and landline communication networks cover all the districts. As a major transit point, the province has the potential for a booming trading sector.

The province has fertile soils, particularly around Chisamba, Mkushi and Mumbwa, which are ideal for the production of cash crops such as cotton and maize. Fed with the normal rainfall received in the province, the soils also support the production of maize at subsistence level. Furthermore, there are prospects for the fish industry especially at Lukanga swamps in Kapiri Mposhi. The Kasanka national park and Kundalila falls in Serenje as well as the Mumbwa caves have the potential to boost tourism in the province. The availability of precious metals in Mkushi offers the prospect for small to medium-scale mining in precious metals. Other mining prospects include gold in Mumbwa and coal in Kapiri Mposhi.

The socio-economic situation in Central province declined in the 1990s following the closure of the mining and manufacturing companies that were operating in the province. The number of people in employment significantly declined following the closure of Kapiri glass factory, national milling company, Kabwe pharmaceutical ltd and Kabwe hide and leather industry (tannery industry). The

Zambia Railways Limited was placed under a concession resulting in the downsizing of staff. Informal business sector particularly trading has, thus, grown noticeably in the province especially in Kabwe and Kapiri Mposhi.

Small-scale agriculture dominates the agricultural sector in terms of production levels, especially for maize production. The production of maize, particularly among small-scale farmers, has since 2002 increased significantly. This has, in turn, increased the contribution of the province to the national output up to 30 percent. Large-scale agriculture dominates in cash crop production, although integration to small-scale production is being facilitated through out-grower schemes. The lack of agricultural extension services and poor infrastructure, including feeder roads and dams, access to markets as well as frequent drought and livestock diseases, has limited the growth of the sector.

As a result of the general decline in economic activity experienced during the 1990s and general stagnation recently, poverty levels have remained very high in the province. According to the 2004 LCMS, the incidence of poverty for the province was 69 percent, while the national average was 67 percent. The severity of poverty has equally been high at 15.5 percent, particularly for rural households which are most vulnerable to food insecurity.

The social situation has remained unsatisfactory. Access to quality education has remained low mainly due to poor infrastructure, inadequate teaching staff and teaching materials. Enrolments at upper basic as well as high school have been low due to inadequate infrastructure for both urban and rural areas. The aggregate pupil/teacher ratio was recorded at 48:1 in 2005.

Access to quality healthcare has similarly remained poor with people walking long distances to the nearest health facilities, especially in rural communities. Inadequate medical personnel and equipment at these facilities have compounded this scenario. The rural communities are affected by poor access to safe and adequate water sources. Peri-urban communities in all the districts have similarly experienced poor access to safe water and good sanitation resulting in frequent outbreaks of water related diseases, such as cholera.

36.2.2 The Strategic Focus and Interventions for Central Province during the FNDP Period

In order to turn the socio-economic situation of the province around, the goal of the FNDP is to fully exploit the agricultural potential of the province by improving infrastructure especially feeder roads, improving agricultural marketing and related services. Attention will also be directed to programmes that offer potential for sustainable household income generation. In the social sectors of health, education, water and sanitation, emphasis will be placed on infrastructure development.

The strategic focus for Central province is *“increased investment in agriculture and provision of social infrastructure and related services with emphasis on education and health.”*

36.2.3 Programmes, Objectives and Strategies

The programmes, objectives and strategies for Central province during the FNDP period are presented in the matrix below.

| Central Province | | | |
|------------------|---|--|---|
| | Programmes | Objectives | Strategies |
| 1 | Agriculture Infrastructure, Extension and Marketing and Related Services | To increase investment and output in agriculture | a) Facilitate the construction and rehabilitation of feeder roads; b) Facilitate the construction and rehabilitation of rural storage infrastructure and developing market centres; c) Create an enabling environment for improved agricultural input and output market especially to small-scale farmers in rural areas; d) Promote livestock and fish farming; e) Promote small scale irrigation. f) Support to development of resettlement schemes; |

| Central Province | | | |
|------------------|---|---|--|
| | Programmes | Objectives | Strategies |
| | | | g) Facilitate the construction and rehabilitation of dams; h) Facilitate the establishment of cottage industries. |
| 2 | Provision of Social Infrastructure and Related Services in Education and Skills Training | To improve equitable access and quality of basic and skills education | a) Facilitate the construction, rehabilitation and expansion of school infrastructure and teachers' housing; b) Support youth skills training institutions. |
| 3 | Provision of Social Infrastructure and Related Services in Health | To improve equitable access and quality of health services | a) Facilitate the construction and rehabilitation and expansion of health facilities; b) Provision of health equipment. |
| 4 | Development of Public Infrastructure and Housing Improvement | To facilitate habitable housing and the conduct of administrative and private sector functions | a) Establish new town centre and related infrastructure in Chibombo district and other districts; b) Facilitate the construction and rehabilitation of public buildings and staff housing; c) Improve housing in unplanned settlements; d) Establish a place of safety (transit home) in Kapiri Mposhi. |
| 5 | Sustainable Natural Resource Management and Tourism | To promote sustainable use of natural resources | a) Support tourism infrastructure in Mumbwa and Serenje and other districts; b) Support community participation in natural resource management; c) Provide extension services in natural resource management. |
| 6 | Rural and Peri-urban Water Supply | To improve the access to safe and adequate water in rural and peri-urban communities | a) Provide safe water points to rural and peri-urban areas; b) Support water and sanitation education. |
| 7 | Road and Waterway Infrastructure Development | To improve transportation of goods and services | a) Facilitate construction and improvement road infrastructure in all districts; b) Improve waterway infrastructure; |
| 8 | Economic Empowerment | To improve livelihoods of disadvantaged groups | a) Facilitate sustainable small-scale food processing such as hammer mill projects; b) Support community entrepreneurship initiatives. |
| 9 | Policy Coordination and Monitoring | To coordinate multi-sector policies and monitor implementation of programmes and projects in the province | a) Strengthen institutional arrangement and stakeholder participation for policy coordination and monitoring; b) Establish natural resource database; c) Facilitate resource mobilization and capacity building. |

36.3 Copperbelt Province

36.3.1 Resource Endowments, Comparative Advantage, and Socio-Economic Conditions

The Copperbelt province covers approximately 31,328 square km. It has a population of 1,581,221. Of this population, 78 percent live in urban areas, which cover 25 percent of the land area while 22 percent reside in the rural areas. Administratively, the province has 10 districts 2 of which are cities, Ndola, the provincial headquarters and Kitwe, 5 municipalities, Mufulira, Chingola, Chililabombwe, Kalulushi and Luanshya and 3 rural districts, Lufwanyama, Mpongwe and Masaiti.

The Kafue river flows through the province and has many tributaries with high potential for dam sites. The province has favourable climatic conditions and vast land. Out of the 31, 328 square km, 75 percent is arable land for crop production and livestock farming. The province has potential for agriculture in Masaiti, Mpongwe and Lufwanyama which could make it a breadbasket for the country. The province also has always been the country's economic hub due to the copper mining activities. In addition, the province produces precious and semi-precious stones from Lufwanyama district. However, production

of these resources requires to be better managed in order to benefit the province and the nation as a whole. The other predominant economic activities include quarrying and manufacturing industries, trading and banking, agriculture and forestry which contribute to the economic development of the province. The province is one of the major suppliers of both hard and soft wood. Arising from the vast forest reserves, the province has great potential in the forestry sector. It has well established forestry-related activities such as milling, paper, pulp and furniture industries.

36.3.2 The Strategic Focus and Interventions for the Copperbelt for the FNDP Period

In view of the abundant natural resources in the province, and the experienced drawback of depending on one economic activity, there is need to reorient the priorities for the province. Thus, the major challenge facing the province is to diversify away from mining to agriculture, forestry, tourism, non-traditional mining as well as revamping the manufacturing sector, in view of the volatility of the copper mining sector. As such, the programmes to be implemented during the FNDP will aim at addressing the identified challenges. Therefore, the province's strategic focus over the next five years will be *"Diversify the economic base from mining to agriculture, tourism, forestry and manufacturing."*

In order to kick-start the diversification programme, the province will embark on providing the necessary economic and social infrastructure. In particular, irrigation development, roads, health and education facilities, housing, communication facilities, rural electrification and land resettlement will receive the highest priority.

36.3.3 Programmes, Objectives and Strategies

The programmes, objectives and strategies for the Copperbelt province during the FNDP period are presented in the matrix below.

| Copperbelt Province | | | |
|----------------------------|---|---|---|
| | Programmes | Objectives | Strategies |
| 1 | Promote Development of Agriculture | To facilitate and support sustainable and competitive agricultural sector | <ul style="list-style-type: none"> a) Improve economic infrastructure in order to create an enabling environment; b) Promote agriculture diversification; c) Promote agro-industry development. |
| 2 | Provision of Quality Health, Education and Water and Sanitation Facilities | To increase access to quality Health, Education and Water and Sanitation facilities and services for all. | <ul style="list-style-type: none"> a) Improve rundown infrastructure for health, education and water and sanitation; b) Expand infrastructure for health 'Ndola and Kitwe Central hospitals and Arthur davisson Children's hospital, education and water and sanitation facilities; c) Improve water supply to Health and Education facilities; d) Provide alternative sources of energy to schools and health centres; e) Provision of water reticulation and sewer systemsto Masaiti, Lufwanyama and Mpongwe districts; f) Capacity building of institutions and personnel to ensure quality service provision. |
| 3 | Forestry Development and Conservation | To promote sustainable use of forestry resources and the ecosystem | <ul style="list-style-type: none"> a) Promote participatory forest management and development of small scale forest based enterprises; b) Enhance forestry awareness education. |
| 4 | Land Resettlement Programme | To improve living conditions of settlers | <ul style="list-style-type: none"> a) Provide infrastructure for Land resettlement |

| Copperbelt Province | | | |
|----------------------------|--|--|---|
| | | through provision of Infrastructure and Services | b) Provide land for resettlement schemes |
| 5 | Develop Energy, Transport and Communications Infrastructure | To improve communication infrastructure | a) Encourage partnerships with private sector for energy, transport and communications infrastructure development; b) Enhance rural communication system; c) To develop and improve infrastructure of existing transport system.(Kitwe Chingola T3 road –construction of dual carriageway, 2km runway at South Downs Airport reconstruction, improvement of anillary structures and an access road, maintenance of feeder roads, Chililabombwe – Kasumbalesa dual carriageway construction, Mpongwe – Machiya road, Mpongwe – Mwinuna, Fungulwe – Mpongwe road, Kalengwa – Lumpuma – Mwinuna roads constructions. |
| 6 | Promotion of Tourism Development | To promote and develop Tourism | a) Promote Community participation; b) Improve economic infrastructure in order to create an enabling environment. |
| 7 | Development of Institutional Infrastructure | ?? | a) Expand and rehabilitate prisons, courts; b) Provide residential and office accommodation. |
| 8 | Planning, Monitoring and Evaluation | ?? | a) Upgrade squatters; b) Land use planning; c) Carry out monitoring and evaluation. |

36.4 Eastern Province

36.4.1 Resource Endowments, Comparative Advantage, and Socio-Economic Conditions

The Eastern province has a total area of approximately 69,100 square km. It shares borders with Malawi in the East, Mozambique in the South, Northern province in the North and Central and Lusaka provinces in the West. Administratively, the province is divided into eight districts, namely, Chipata, the provincial capital, Chama, Lundazi, Mambwe, Chadiza, Katete, Petauke and Nyimba. The province is predominantly rural. It has two main geographical areas, which are productive and habitable, namely, the Plateau and the Luangwa Valley. The vegetation is mainly Savannah woodlands and grassland, which provides a buffer for wildlife tourism and mineral deposits. There are also streams and rivers providing potential for dams. The province has a tropical climate with three distinct seasons, the cool and dry season, the hot and dry season and the hot and wet season. The Plateau has good soils and receives sufficient rainfall, making it a high potential area for agricultural production. The valley with quite a good number of isolated portions of fertile soils is generally suitable for drought resistant crops. In addition, there are a number of tourist attractions such as national parks, the diverse ethnic groups of people and their traditional ceremonies.

According to the Living Conditions Monitoring Survey Report 2004, the Eastern province is one of the provinces with a high incidence of poverty, estimated at 70 per cent. The province ranks below the country average of (68 percent and is only surpassed by the Northern province (Central provinces 76 percent and 74 percent North-Western) Luapula province (79 percent) and Western province (83 percent). The report further suggests that 57 percent of the population in Eastern province are extremely poor. The moderately poor comprise 13 percent of the population. The persistent droughts and floods over the past few years have adversely affected the livelihood of people, especially small-scale farmers. The situation has been compounded by poor agricultural marketing arrangements, which have not supported the growth of the agricultural sector in the province.

Literacy rates remained low at 62.1 percent as per the 2000 census. Thus, 37.9 percent of all persons 5 years and above are illiterate and of the same age group 19.4 percent were reported to be in school. The main reason cited for not attending school is lack of support. At primary school level, there are more female children enrolled whereas at secondary school level the situation is reversed. The major constraint in the education sector has been poor infrastructure from the basic to the tertiary sub-sectors. In addition, the pupil-teacher ratio has consistently remained above the national average.

The province has two general hospitals, one belongs to the Government while the other is a mission hospital. There are also three other mission hospitals and four district hospitals that are all Government manned. There are also 168 health centres mostly run by Government. The most commonly reported illness is malaria. The prevalence of HIV and AIDS has had a negative impact on the health of the people.

Access to safe drinking water by rural communities is at less than 40 percent, consequently most communities travel long distances to fetch safe clean drinking water and only 4 districts have stable supply of piped water i.e. Petauke, Chipata, Katete and Lundazi districts.

36.4.2 The Strategic Focus and Interventions for Eastern Province for the FNDP period

The major constraint to development in the province has been poor socio-economic infrastructure, coupled with inadequate and inappropriate marketing arrangements. In addition, environmental degradation, including deforestation, and livestock diseases such as the east coast fever and trypanosomosis have negatively affected agricultural production. In order to boost socio-economic development, the development of infrastructure in agriculture, education and health will receive the highest priority during the FNDP period.

The provincial strategic focus is: *'to increase the linkages between agriculture and related industries with a view to create jobs in order to reduce the high poverty levels in the province.'*

36.4.3 Programmes, Objectives and Strategies

The programmes, objectives and strategies for the Eastern province during the FNDP period are presented in the matrix below.

| Eastern Province | | | |
|-------------------------|--|--|--|
| | Programmes | Objectives | Strategies |
| 1 | Infrastructure Development | To boost socio-economic Development | <ul style="list-style-type: none"> a) Improve and construct district, urban and feeder roads; b) Develop infrastructure in the North and South Luangwa National Park and surrounding areas; c) Construct and rehabilitate schools; d) Construct and rehabilitate health structures; e) Construct and rehabilitate dams and water points; f) Construct Police Post and Immigration Post g) Construct courts; h) Extend electricity grid and other energy renewable sources; i) Construct skills centres. |
| 2 | Education Development | To provide quality education | <ul style="list-style-type: none"> a) Provide teaching facilities for arts, sciences and practical subjects at all levels of education system; b) Staff development at all levels of education system. |
| 3 | Veterinary, Livestock and Fisheries Development | To improve the production of livestock and fish sector in a sustainable manner | <ul style="list-style-type: none"> a) Veterinary Development; b) Facilitate implementation of disease and vector control programmes in priority areas; c) Monitor and regulate the disease and vector control programmes in priority areas; |

| Eastern Province | | | |
|------------------|--|--|---|
| | Programmes | Objectives | Strategies |
| | | | <ul style="list-style-type: none"> d) Regulate and enforce animal and animal welfare legislation; e) Livestock production and extension; f) Produce and distribute livestock training and extension materials/manuals for both farmers and field staff; g) Enforce the legislation on livestock production; h) Promote the production of small livestock (chicken, sheep, goats and pigs); i) Promote the development of dams, ponds and water points for livestock.; j) Livestock research; k) Devise efficient and sustainable diagnostic techniques in investigations of diseases of national importance; l) Strengthen the mechanisms of the cost sharing of diagnostic services provided to farmers; m) Produce veterinary vaccines to meet the national demands; n) Aquaculture Extension; o) Promote aquaculture by providing appropriate extension services and the production and distribution of quality fish seed; p) Enforce the legislation on aquaculture q) Aquaculture Research; r) Conduct fish feed trials to determine the suitable feeds for aquaculture using locally produced and available materials. |
| 4 | Crops and Marketing Development | To provide efficient and effective Crop Extension and Technical and Marketing services | <ul style="list-style-type: none"> a) Promote and strengthen farmer groups and farmer field schools as targets for technology transfers; b) Use electronic and print media as communication tools to support extension information delivery; c) Promote crop diversification and use of improved technologies; d) Promote gender responsive agricultural extension services; e) Facilitate delivery of skills training and technology transfers to small-scale farmers using farmer training centers at farmer land.; f) Promote food crop processing and utilization; g) Conduct soils, crops and fisheries research aimed at generating and adapting technologies for increased and sustainable agricultural production; h) Promote the development of a competitive, efficient and transparent public and private sector driven marketing system for agricultural commodities and inputs; i) Put in place a well regulated and profitable irrigation sector that is attractive to both the private sector and other development partners; j) Promote sustainable use of |

| Eastern Province | | | |
|-------------------------|---|--|---|
| | Programmes | Objectives | Strategies |
| | | | appropriate farm machinery and equipment, appropriate tillage techniques, farm structures, crop storage, and processing and packaging techniques suitable for small-scale farmers. |
| 5 | Community Tourism Development | To promote local community participation and ownership in tourism | a) Encourage local community participation in joint ventures by using land as equity;; b) Promote public, private and community partnerships; c) Facilitate access to development funds by local communities. |
| 6 | Sustainable Tourism Development | To sustain economic and social development | a) Incorporate provisions for an environmental impact assessment in all economic and development activities ; b) Mainstream of a representation of economic system; for the benefit of current and future generations. |
| 7 | Gender and HIV/AIDS | Mainstreaming gender and HIV/AIDS in socio-economic development | a) Promote gender and HIV and AIDS awareness; b) Mainstream gender and HIV and AIDS in development. |
| 8 | Health Development | To provide quality health services | a) Construct and rehabilitate health facilities; b) Improve diagnostic equipment. |
| 9 | Sustainable Environmental Management | To ensure sustainable utilization and management of forest resources | a) Forest resource management; b) Watershed Management. |

36.5 Luapula Province

36.5.1 Resource Endowments, Comparative Advantage, and Socio-Economic Conditions

Luapula province has a landmass of 51,000 square km out of which 40 percent consists of water bodies. It shares borders with Democratic Republic of Congo from the north to southwest, Northern province on the eastern side and Central province on the south eastern side. Administratively, the province is divided into seven districts, namely, Mansa (the provincial head quarters), Kawambwa, Samfya, Mwense, Nchelenge Chiengi and Milenge. The province has two big water bodies, namely, lakes Mweru and Bangweulu. In addition, it has a number of rivers, the main one being the Luapula river. The province also boasts of eight spectacular waterfalls, wildlife and a rich cultural heritage. All these resources provide the province with an ideal setting for the development of a vibrant fishing and tourism industry. Minerals such as manganese, lime, copper and some precious metals are available, stretching from Milenge to Chiengi. Out of the total land mass, half is arable land ideal for crop production, particularly cassava, maize, beans, groundnuts, citrus fruits, millet, tea, coffee sugar cane, palm oil and rubber.

The socio-economic situation in Luapula province has been declining over the years. Despite the rich resource endowment, the province remains one of the poorest in Zambia. According to the 2004 LCMS, the incidence of poverty is estimated at 79 percent of the population, far above the national average of 68 percent. The extreme poor are estimated at 64 percent while the non-poor and moderately poor comprise 21 and 15 percent of the population, respectively. In line with the general decline in the socio-economic situation, employment levels in Luapula have remained low, decreasing from 14.3 percent in 1990 to 8.1 percent in 2000. However, the labour force increased from 157,861 in 1990 to 267,726 in 2000.

Some social indicators in Luapula province have shown signs of improvements such as the Infant Mortality Rate which declined to 138 per 1000 live births in 2000 from 166 per 1000 live births in 1990. Life expectancy at birth increased from 39 to 44 years between 1990 and 2000 respectively. However, adult life expectancy decreased in the same period due to the HIV and AIDS pandemic. The province has six hospitals out of which two are government owned while the rest are mission hospitals. There are 2 nursing schools and 106 health centres, mostly owned by the Government. Literacy levels

in Luapula province increased slightly from 61.3 percent to 61.5 percent between 1990 and 2000 which was lower than the national adult literacy rate of 67.2 percent. In 2000, nearly half of the population in the province was illiterate with illiteracy rate of 51.6 percent of the population aged 5 years and above. The province has 360 government schools (basic) 18 high schools, one Teacher Training College and Trades Training institute. The total enrolment for basic schools (grades 1-7) increased from 109,703 in 1997 to 127,430 in 2000.

The province has about 700 kilometres of paved roads that links the provincial headquarters to other districts as well as other provinces. It also has over 2,000 km of unpaved roads. Of the unpaved roads in Luapula province, 20 percent is in good condition while 80 percent is not. With regard to paved roads, 60 percent is in good condition while 40 percent is not. Less than 5 percent of the province has access to electricity with Mansa having the highest, at 7.1 percent while Milenge has the lowest coverage at 1.7 percent. The low level of electrification has a bearing on the slow pace of development in the province. Luapula province has registered some marginal increase in households' access to safe drinking water.

36.5.2 The Strategic Focus and Interventions for Luapula Province for the FNDP Period

In view of the current socio-economic conditions in the province, the strategic focus during the FNDP period is *“to develop agricultural, tourism, mining and social sectors to create wealth.”* Programmes shall focus primarily on infrastructure development in agriculture, tourism and mining. In addition, infrastructure activities will be undertaken in health, education as well as water and sanitation sectors.

36.5.3 Programmes, Objectives and Strategies

The programmes, objectives and strategies for Luapula province during the FNDP period are presented in the matrix below.

| Luapula Province | | | |
|------------------|---------------------------------|---|---|
| | Programmes | Objectives | Strategies |
| 1 | Agricultural Development | To diversify away from fishing to commercial agriculture and high value crops | <ul style="list-style-type: none"> a) Improving economic infrastructure in order to create an enabling environment for agricultural activities. b) Supporting small scale agro-processing development in the province. c) Provision and development of land for commercial farming. d) Development of Luena farm block e) Development of palm oil out grower schemes f) Fish restocking and farming. g) Provision of infrastructure for agricultural development. h) Provision of support services to farmers. i) Improving and rehabilitating feeder roads. j) Improving land delivery for agricultural development. |
| t 2 | Tourism Development | To promote tourism development in the province | <ul style="list-style-type: none"> a) Improving economic infrastructure to facilitate tourism development. b) Provision credit facilities to promote the development of hospitality industry. c) Improving and developing tourist sites. d) Market tourism destinations in the province. e) Rehabilitation of road, water canals and airstrips in the province. f) Improving road, water and air transport infrastructure. g) Improving delivery of serviced land for tourism development |

| Luapula Province | | | |
|-------------------------|---|--|--|
| | Programmes | Objectives | Strategies |
| 3 | Mining Development | To promote the development of the Mining industry in the province | <ul style="list-style-type: none"> a) Provision of economic infrastructure to create an enabling environment for mining development. b) Provision of support facilities to the development of mines. c) Formation of mining groups in the province. |
| 4 | Natural Resources Development and Management | To develop the natural resources for the economic benefit of communities and the protection of the natural environment in the province | <ul style="list-style-type: none"> a) Forestry protection and development. b) Bee keeping development . c) Rattan development and protection. d) Development of forestry products processing plants. e) Protection of water shed areas and biodiversity. f) Environmental protection and management. |
| 5 | Provision of Health Infrastructure | To improve health delivery through improved health infrastructure | <ul style="list-style-type: none"> a) Improve health facilities. b) Build new health facilities in remote areas c) Provide alternative source of energy to health centers d) Complete Mansa General Hospital's kitchen and laundry |
| 6 | Provision of Education Infrastructure | <p>To improve the quality of education in the province.</p> <p>To improve access to education facilities</p> | <ul style="list-style-type: none"> a) Improve water supply to schools b) Provide alternative sources of energy to schools c) Rehabilitate and maintain rundown education infrastructure. d) Expand education infrastructure. |
| 7 | Provision of Water and Sanitation Infrastructure | To provide clean safe drinking water and sanitary facilities. | <ul style="list-style-type: none"> a) Provide water and sanitation facilities in urban and rural areas. b) sink more boreholes in rural communities. c) Construction of more dams for drinking and agricultural purposes. d) Improve water supply in urban areas |
| 8 | Infrastructure Development for Public Security | To improve security in the province through the provision of infrastructure for public security. | <ul style="list-style-type: none"> a) Construct more police posts and stations. b) Construction of more prisons. c) Construction of more boarder posts . d) Construction of more staff accommodation for security wings personnel. e) Rehabilitate and improve security installations. |
| 9 | Infrastructure Support to New Districts | To improve service delivery by the new districts and attract key personnel | <ul style="list-style-type: none"> a) Construction of office and staff accommodation for public officers. b) Provide basic services to the townships areas. c) Housing development. |
| 10 | Structure Plans Development | To update and develop structure plans for all districts in the province. | <ul style="list-style-type: none"> a) Improve township plans for all Luapula towns. b) Update and prepare new structure plans for all the townships. c) Improve physical development controls in the districts. d) Improve land delivery for development. |

36.6 Lusaka Province

36.6.1 Resource Endowments, Comparative Advantage, and Socio-Economic Conditions

Lusaka province covers an area of about 22,000 square km and has 2,190,000 hectares of land of which 55 percent is arable. The province has three major rivers, namely, Zambezi, Kafue and Luangwa. Lusaka province has moderate temperatures. The plateau part of the province has fertile soils and good

rains as opposed to the valley with poor soils and insufficient rains. The province shares borders internationally with Zimbabwe and Mozambique and locally with Southern, Central and Eastern provinces. Administratively, Lusaka province has four districts, namely, Lusaka, Kafue, Chongwe and Luangwa. Lusaka district is the provincial and national capital and hosts the central government, foreign missions, and headquarters of most local and international organisations. This presents a unique opportunity for partnerships for economic and social development. Lusaka, as compared to other provinces, has superior infrastructure, industrial base and service delivery systems. The province, though the smallest in terms of land size, is the second largest populated with 1,391,329 inhabitants (CSO, 2003). This population includes skilled and trained human resource. In addition, Lusaka has tourist attractions and the international airport, which is the main entry point for most tourists and foreign dignitaries. Being the province hosting the capital city, it is normally privileged to hosting major international conferences.

Economic activity is highest in Lusaka province compared to the other provinces in the country. The manufacturing base has been growing in urban areas of Lusaka province in the last five years. There has been an increase in the production of agro, paper and plastic products, among others. The other major economic activities include construction, stone quarrying, wholesale and trading, tourism, transport and communication. Smallholder agriculture is also on the increase, including informal sector activities. Despite, the relatively high economic activity in the province, there is overwhelmingly high levels of unemployment, standing at 21 percent of which 17 percent are male and 27 percent are female.

Lusaka province's annual population growth rate over the 1990 to 2000 period was 3.5 percent, the highest in the country (CSO, 2003). The province also has the highest population density of 63.5 per square km. This state of affairs, coupled with rapid urbanisation, has exerted pressure on the existing social and economic infrastructure such as school and health facilities. In addition, Lusaka has poor water and sanitation facilities, poor shelter, overcrowding, high incidence of street kids and HIV and AIDS prevalence. These deteriorating socio-economic conditions have been worsened by limited capacity in city planning and development. An estimated 70 percent of the population in Lusaka lives in unplanned settlements. Among the districts in the province, Luangwa districts is faced with critical infrastructural limitations such as roads and electricity despite the district having immense potential for tourism and trade.

Lusaka province has one of the highest incidence of moderate poverty at 19 percent and the lowest incidence of overall poverty and extreme poverty, which stand at 48 percent and 29 percent, respectively, (CSO, 2004). The non-poor stand at 52 percent of the total provincial population. However, given the demographic factors affecting the province, compounded by the fact that Lusaka province has the highest rate of urbanisation, the poverty situation continues to be critical.

36.6.2 The Strategic Focus and Interventions for Lusaka Province for the FNDP

Arising from the above challenges and identified potentials, Lusaka province's strategic focus is *"to develop social and economic infrastructure to enhance accessibility to social and economic services."*

36.6.3 Programmes, Objectives and Strategies

The programmes, objectives and strategies for Lusaka province during the FNDP period are presented in the matrix below.

| Lusaka Province | | | |
|------------------------|---|--|--|
| | Programmes | Objectives | Strategies |
| 1 | Development of Economic Infrastructure | To facilitate enhanced growth in agriculture, agro forestry and agribusiness | <ul style="list-style-type: none"> a) Facilitate construction and rehabilitation of feeder roads, storage shades, dip tanks and dams b) Tarring Luangwa Road D145 c) Rehabilitation of feeder roads in all the districts d) Construction of Chiawa bridge e) Construction of dams f) Sinking boreholes g) Promotion of resettlement schemes |

| Lusaka Province | | | |
|------------------------|--|--|--|
| | Programmes | Objectives | Strategies |
| | | | h) Land acquisition for resettlement schemes i) Provision of infrastructure j) Rural electrification k) Connection of Luangwa to National Grid l) Provision of electricity in Schools and Clinics m) Revitalization of agricultural extension services n) Construction of Houses for Extension Staff o) Provision of transport (Motor Bikes & Bicycles) p) Provision of extension services q) Aforestation r) Bee-Keeping development |
| 2 | Provision of Social Infrastructure in Education | Construction and rehabilitation of learning institutions in order to promote literacy levels | a) Construction and rehabilitation of schools (especially basic) b) Construction of houses c) Facilitation of provision of skills training d) Establishing literacy clubs e) Provision of laboratory, teaching and learning materials |
| 3 | Provision of Social Infrastructure in Health | To increase availability and accessibility of health services | a) Facilitate construction and rehabilitation of Provincial Hospital, health centers and posts b) Construction of provincial hospital c) Construction of clinics (Mandevu and Chaisa) d) Construction of district hospital (Chongwe) |
| 4 | Development Planning and Housing | To facilitate orderly housing, service and infrastructure provision, and development of townships in all Districts | a) Preparation of structure plans (Development Plans) for all Districts b) Upgrading of squatters c) Provision of Urban Infrastructure and Services |
| 5 | Coordination, Monitoring and Evaluation of Development Projects | To ensure efficient and effective implement of projects and programmes | a) Construction and rehabilitation of office accommodation b) Provision of transport c) Provision of equipment d) Conducting monitoring and Evaluation |
| 6 | Promotion of Tourism | To increase job opportunities and income generation especially for the youth | e) Facilitating establishment of quality hospitality infrastructure f) Facilitating construction of access roads to tourist attractions (Chiawa and Luangwa) g) Facilitating identification, documentation and preservation of tourism |

36.7 Northern Province

36.7.1 Resource Endowments, Comparative Advantage, and Socio-Economic Conditions

Northern province shares boundaries with Luapula, Central, Eastern provinces and international boundaries with Malawi, Tanzania and the Democratic Republic of the Congo. Kasama is the provincial headquarters. It has twelve districts, namely, Chinsali, Chilubi, Isoka, Kasama, Kaputa, Luwingu, Mbala, Mpika, Mporokoso, Mungwi, Mpulungu and Nakonde. With the total area of 147,831 square km Northern province is the largest province in Zambia. The land mass consists of natural vegetation comprising of savannah woodlands, grassland, small amounts of forest and swamps. The province is in

the heavy rainfall zone although there are some regions that receive below average rainfall. Soils of the province are mainly acidic due to the leaching, thus, not fertile without the application of lime.

According to the 2000 census of population and housing, the provincial population was 1,258,696 out of which 629,976 were male and 628,720 were females. According to LCMS., 49.49 percent of the population were children below the age of 15. The total poverty level in the province as per 1998 Living Condition Monitoring Survey (LCMS) is 81 percent. This is the third highest in the country after Western and Luapula provinces. Statistics show that 66 percent of people in the province are extremely poor, 15 percent are moderately poor, and 19 percent are not poor.

The province economy is predominantly agricultural based. Farming, fishing and trading are the mainstay of the majority of the population. Major crops are grown both at subsistence and commercial scale and include coffee, sorghum, cassava, groundnuts, mixed beans, paddy rice, sugarcane and millet. Agro-processing industries have sprung up such as the Kalungwishi sugar, Kateshi coffee, maize milling and rice polishing. Other economic activities include fisheries and wood processing. The province has considerable potential for growth as a tourist destination because it is endowed with abundant, untapped and unique tourism resources. The diversity ranges from attractions such as water sceneries, fauna and flora sanctuaries, traditional ceremonies, unspoiled beaches and numerous cultural and heritage sites that spread throughout the province. The province also has many water resources whose hydro-electricity power potential is largely untapped.

36.7.2 The Strategic Focus and Interventions of the Northern Province for the FNDP Period

Arising from the above challenges and identified potentials, Northern province's strategic focus is "*sustainable socio-economic growth and provision of quality and equitable services*". This shall be attained by focusing on the improvement of the socio-economic infrastructure.

36.7.3 Programmes, Objectives and Strategies

The programmes, objectives and strategies for Northern province during the FNDP period are presented in the matrix below.

| Northern Province | | | |
|-------------------|--|---|--|
| | Programmes | Objectives | Strategies |
| 1 | Development of Economic Infrastructure | To facilitate enhanced growth and production in the districts | a) Facilitate construction and rehabilitation of irrigation systems <ul style="list-style-type: none"> • Construction of earth dams • Train farmers on irrigation • Rehabilitation of Priority feeder roads in all the districts • Re – grading of gravel roads • Construction of culverts on priority roads • Construction of drainage systems on major roads b) Promote resettlement schemes <ul style="list-style-type: none"> • Land acquisition for Resettlement Schemes • Construction of schools and Health posts • Provision of water and road infrastructure c) Rural Electrification <ul style="list-style-type: none"> • Provision of Solar Pannels to Palaces, Schools and Clinics • Promotion of mini and micro electric plants d) Revitalization of agricultural extension services <ul style="list-style-type: none"> • Construction of Houses for Extension Staff • Provision of Motor Bikes and Bicycles • Training Crop, fish, and Livestock Farmers |

| Northern Province | | | |
|-------------------|---|--|---|
| | Programmes | Objectives | Strategies |
| | | | <ul style="list-style-type: none"> • Establishment of nurseries • Promotion of conservation farming • Bee-Keeping Development • Formation of CRMB • Re-forestation • Promotion of farm power and mechanization e) Rehabilitation of the Kasama-Isoka road |
| 2 | Provision of Social Infrastructure in Education | To promote literacy levels | a) Construction and rehabilitation of schools (especially basic) b) Construction of staff houses c) Rehabilitation of all High Schools d) Facilitate provision of skills training e) Procurement of desks and requisites f) Provision of laboratory, teaching and learning materials |
| 3 | Provision of Social Infrastructure in Health | To increase availability and accessibility of health services To provide quality second level referral facilities | a) Rehabilitation of Kasama General Hospital b) Rehabilitation and construction of District Hospitals c) Procurement of new equipment d) Construction of health centres and posts e) Rehabilitation of new health centres and posts |
| 4 | Regional and Urban Development Planning | To facilitate orderly service and infrastructure provision, and development of townships | a) To procure equipment for collection and analysis data b) Preparation of Township structure plan c) Preparation (Layout plans and written analysis) d) Upgrading of squatters |
| 5 | Monitoring and Evaluation of Development Projects | To ensure efficient and effective implement of projects and programmes | a) Procurement of motor vehicles for motoring b) Procurement of equipment for data entry and processing c) Conducting quarterly monitoring trips d) Production of quarterly reports e) Conducting of coordination meetings(PDCC,DDCC) |
| 6 | Promotion of Tourism | To increase job opportunities and income generation especially for the youth | a) Facilitate establishment of quality hospitality infrastructure b) Facilitate construction of access roads to major tourist attractions c) Facilitate identification and documentation of tourist attractions |
| 7 | Mining Development | To promote mineral exploration | a) Resource mapping b) Promotion of small scale mining c) Conduct stake holders meeting |

36.8 North-Western Province

36.8.1 Resource Endowments, Comparative advantage, and Socio-Economic Conditions

North-Western province covers an area of 125,827 square km, representing 16.8 percent of Zambia's area coverage. The province is bordered by Angola to the west, Democratic Republic of Congo (DRC) in the north, Copperbelt province to the east, Central province to the south east and Western province to the south. The province has seven districts, namely, Solwezi (the provincial headquarters), Chavuma, Kabompo, Kasempa, Mufumbwe, Mwinulunga, and Zambezi. The province has vast forests covered by Miombo woodlands, grassland and dambos, accounting for over 10 percent of the total area. About 47 percent of the area in the province is gazetted as forest woodlands and game management areas. It is estimated that about 10 percent of the land in the province is suitable for farmland use. However, only about one percent of this total area of the province is under cultivation annually, mostly using traditional shifting cultivation methods. The province has the largest known copper deposit outside

Copperbelt province in Zambia found at Kansanshi and Lumwana mines. Other mineral occurrences in the province include gold, cobalt, nickel, feldspar, limestone, emerald, amethyst, granite, sodalite and syenite.

In recent years, North-Western province has been the focus of economic development especially with the opening of the mines at Kansanshi and Lumwana.. The province also has huge forest reserves for timber that also provide a vibrant beekeeping industry. Furthermore, the province has an excellent climate with favourable rainfall making it a huge agricultural potential for a broad variety of crops. The crops grown include beans, pineapples, sweet potatoes, rice, groundnuts, cassava and maize. The establishment of agro-processing industries in the province would help small-scale farmers and increase production tremendously. The pineapple factory, for instance, would make use of the natural fruits that are in abundance in the province. Most of the pineapples that are grown go to waste due to lack of processing facilities.

North-Western province has abundant tourism potential and investment facilities such as lodges and campsites. These facilities would make the place ideal for visits by both local and foreign tourists. The tourism industry offers opportunities for investments in the province. Some of the tourist attractions include Mutanda falls which is about 26 km from Solwezi; National parks which covers the northern part of the Kafue national park and the West Lunga National Park; source of the Zambezi, Kafue and Kabompo rivers; traditional ceremonies and the Chinyingi foot bridge.

The living condition of the population in North-Western province has remained poor with poverty levels standing at 76 percent and 72 percent in 2004 and 2003, respectively. The extreme poor stood at 61 percent while the non-poor were 24 percent of the population. In spite of the new mines, the economy of the province is predominantly subsistence farming with emphasis on growing the food crops. The free education policy from grades 1-7 and the re-entry policy for girls who get pregnant has increased access to education in the province. Access to basic education has been on an increase from 68.33 percent in 2001 to 82.67 percent in 2004. Provision of school requisites, rehabilitation of schools and staff houses are the major focus for the province. The under five mortality rate for the province stands at 68 percent against the targeted 80 percent by the year 2015. The maternal mortality rate was 2.52/1000 population in 2005 while the HIV and AIDS prevalence rate stood at 9 percent. Delivery of health services is, however, hampered by the shortage of trained personnel, long distances and bad roads to health facilities in some cases, traditional and cultural beliefs, myths and misconceptions on family planning.

In terms of infrastructure, the roads linking other towns in the province are all unpaved except for those that connect Mwinilunga and Kasempa from Solwezi. The unpaved roads make travel and repairs on vehicles more expensive and hamper the delivery of both inputs and outputs to the markets. In terms of electricity supply, only the two districts, Solwezi and Kasempa are connected to the national grid. Kabompo, Zambezi, Mwinilunga, Chavuma and Mufumbwe, are supplied by isolated thermal power stations.

Accessibility to safe drinking water has improved at a fast rate for the population in the urban areas through the commercialization of the water supply utilities. The access rates are as high as 90 percent in urban and peri-urban areas. In terms of sanitation, over 50 percent of households in urban areas are serviced with septic tank and soak away facilities. But the coverage in the rural areas remains low due to low investment and sensitization. In 2005, over 168,000 of the rural population representing 33 percent of the population in the province, had access to safe drinking water. Water supply is through the provision of boreholes and shallow wells equipped with hand pumps and windlasses. The sanitation level remained below 30 percent among the rural population.

36.8.2 The Strategic Focus and Interventions in North-Western Province in the FNDP Period

The programmes that will be implemented during the FNDP will aim at addressing the identified challenges. The strategic focus of the province therefore, will be *“the provision of infrastructure to support the economic growth in the area.”* The programmes that will be implemented to achieve these goals are infrastructure development in roads (tarring and feeder roads); and the construction of infrastructure to support mining activities, agriculture and tourism. In addition, infrastructure activities will be undertaken in health, education as well as water and sanitation.

36.8.3 Programmes, Objectives and Strategies

The programmes, objectives and strategies for North-western province during the FNDP period are presented in the matrix below.

| North-Western Province | | | |
|------------------------|---|--|---|
| | Programmes | Objectives | Strategies |
| | Infrastructure Development | To increase investment and improve access | <ul style="list-style-type: none"> a) Tar Kasempa-Chavuma road (M8) b) Tar Kasempa-Mumbwa road (D181) c) Tar Mwinilunga-Kabompo road (D286) d) Tar Kasempa-Kaoma road (D301) e) Rehabilitate Mwinilunga road (T5) f) Rehabilitate Chingola-Solwezi road (T5) g) Construct feeder roads h) Construct infrastructure to support mining activities i) Connect 6 district to national electricity grid j) Resettle scheme infrastructure k) Drilling of boreholes and wells l) Rehabilitate health facilities m) Rehabilitate Schools n) Rehabilitate common user blocks/VIP houses |
| | Provision of Social Infrastructure and Related Services in Education | To improve literacy levels among the poor households | <ul style="list-style-type: none"> a) Facilitate the expansion of school infrastructure |
| | Provision of Social Infrastructure and Related Services in Health | To improve the health and nutritional standards in the poor households | <ul style="list-style-type: none"> a) Improve and rehabilitate health infrastructure |
| | Agricultural development | To improve food security and incomes for small-scale farmers | <ul style="list-style-type: none"> a) Fish farming b) Training activities c) Extension services d) Use of irrigation e) Improve Land husbandry practices f) Support agro-processing industries g) Cattle Restocking and animal disease control |
| | Forestry Development | Sustainable management of forests ecosystems and biodiversity application, through indigenous and scientific technical knowledge | <ul style="list-style-type: none"> a) Beekeeping development b) Participatory Forest Management c) Develop small scale forest based enterprises d) Forestry awareness education |
| | Tourism Development | To improve tourism infrastructure | <ul style="list-style-type: none"> a) Construct a cultural village |
| | Coordination and Monitoring | To coordinate multi-sector policies and monitor implementation programme and project implementation | <ul style="list-style-type: none"> a) Facilitate resource mobilisation and capacity building b) Strengthen institutional arrangements and stakeholder participation for policy coordination and monitoring |

36.9 Southern Province

36.9.1 Resource Endowments, Comparative Advantage, and Socio-Economic Conditions

Southern province is composed of eleven districts with the provincial headquarters being Livingstone. The other districts are Sinazongwe, Siavonga, Gwembe, Mazabuka, Itezhi-Tezhi, Kazungula, Choma, Kalomo, Namwala and Monze. It has a total land area of 85,283 square km. The province consists of the valley along the Zambezi river and Lake Kariba that is 300,000 hectares, the escarpment which is 1,074,500 hectares, the plateau with 5,900,000 hectares, the Kafue flats with 1,000,000 hectares, and a stretch of the Barotse plains in Kazungula district. The province is endowed with abundant natural resources and houses one of the seven wonders of the world, the Victoria falls. The province, however, lies in the low to medium rainfall region and is highly susceptible to drought conditions.

The economy of Southern province is dependent on livestock and crop production. There is substantial dairy and game ranching and a number of agro-processors operating in Choma and Mazabuka districts. Medium-scale ginneries have been established to support the cotton industry in Kalomo and Sinazongwe districts. Large-scale sugar production is done in Mazabuka, with the sugar industry employing about 6,000 people. In addition, small-scale production, such as at Kaleya small-holders employs a further 1,400 people.

There are many small-scale livestock farmers in the province. However, livestock and crops production has been hampered by the frequent occurrence of droughts and livestock diseases. This has caused a decline in the socio-economic status of the people, especially those that depended on agriculture. Other economic activities include tourism, mining, quarrying, trade and industry. With regard to tourism, the major tourist attractions include Victoria Falls, wildlife and bird viewing in Musi-O-Tunya, Kafue and Lochinvar National Park as well as Kariba Dam in Siavonga. Poor tourism infrastructure such as poor access roads to and within national parks continues to be a major challenge in the tourism sector. The tourism sector in the province has recorded an increase in arrivals, bed capacity, employment and income. In 2006, Livingstone alone had a total of 1,938 rooms with a total bed capacity of 3,802 and a room occupancy rate of 59.1 percent. Itezhi-tezhi is the other district in which tourism has potential and needs to be promoted. Siavonga also needs new attractions and activities if it is to rejuvenate and compete favourably with Livingstone.

In the mining sector, coal production at Maamba Collieries is the main mining activity in the province. Sustained production of coal has been constrained by operational problems at the mine. There is also exploitation of amethyst at Mapatizya mine in Kalomo, and tin in Choma at small-scale. Small-scale mining of aquamarine, yellow and green tourmaline, white quartz, fluoride, malachite and red garnet is carried out in Kalomo, Gwembe, Sinazongwe and Siavonga districts. Nickel is found in Mazabuka district and emeralds in Itezhi-tezhi district.

In terms of poverty status, the headcount poverty for the province was estimated at 69 percent in 2004 with extreme poverty estimated at 35 percent. The non-poor and moderately poor stands at 31 percent and 14 percent, respectively.

36.9.2 The Strategic Focus and Interventions for Southern Province for the FNDP period

The main challenge that the province has is the lack of infrastructure to develop the economic sectors like agriculture and tourism. The issue of low ground water table due to droughts is yet another challenge. The strategic focus for Southern province during the FNDP period is *“provision of infrastructure for the promotion of agriculture, education, tourism and health services.”*

36.9.3 Programmes, Objectives and Strategies

The programmes, objectives and strategies for Southern province during the FNDP period are presented in the matrix below.

| Southern Province | | | |
|-------------------|---|--|---|
| | Programmes | Objectives | Strategies |
| 1 | Road Infrastructure Development | To improve accessibility to productive agricultural areas in the province. | <ul style="list-style-type: none"> a) Mobilise resources for construction of new roads (Bottom Road); b) Tar gravel roads (Monze/Choma/Namwala roads Gwembe-Chipepo roads); c) Rehabilitate degraded roads. |
| | Agriculture, Livestock and Fisheries Development | To enhance growth in crop production, fisheries and animal husbandry | <ul style="list-style-type: none"> a) Encourage community participation in disease and vector control programmes; b) Encourage private sector participation; c) Develop infrastructure; d) Revive cooperatives; e) Train Extension Officers in fisheries; f) Establish fish processing plant; g) Restock cattle. |

| Southern Province | | | |
|-------------------|--|--|--|
| | Programmes | Objectives | Strategies |
| | Water and Sanitation | To provide clean and safe drinking water | <ul style="list-style-type: none"> a) Construct boreholes, wells and dams; b) Maintain water infrastructure; c) Monitor the quality of water in boreholes, dams and wells periodically; d) Maintain and monitor hydrological stations periodically; e) check and maintain hydraulic structures periodically; f) Supervise water related activities done by NGOs; g) Establish and train of V-WASHE Committees; h) Coordinate district community based WASHE programmes; i) Construct dams; j) Rehabilitate periodically the dams at district and community level; k) Construct water harvesting processing plant. |
| | Resettlement | To establish resettlement schemes | <ul style="list-style-type: none"> a) Acquire land; b) Develop and provide infrastructure;. |
| | Provision of Health Infrastructure | To provide quality health services in the province | <ul style="list-style-type: none"> a) Construct and improve health infrastructure; b) Acquire new equipment for health institutions. |
| | Education infrastructure | To improve the accommodation for teachers | <ul style="list-style-type: none"> a) Construct houses. |
| | Tourism Development | To improve tourism infrastructure | <ul style="list-style-type: none"> a) Facilitate the establishment of quality hospitality infrastructure; b) Facilitate construction of access roads to tourist attractions; c) Construct an airstrip in Siavonga district. |
| | Forestry Management | To enhance sustainable management of forests, ecosystems and biodiversity application, through indigenous and scientific technical knowledge | <ul style="list-style-type: none"> a) participatory forest management; b) Develop small scale forest based enterprises; c) reforestation; d) Enhance forestry awareness education; e) Build capacity. |
| | Meteorological Infrastructure Development | To provide reliable, accurate, timely and safe Weather and Forecasting information. | <ul style="list-style-type: none"> a) Rehabilitate of station networks; b) Integrate monitoring of weather/climate data management; c) Build capacity building of staff and volunteer stations; d) Mitigate strategies to avert weather-climate related disasters; e) Install new meteorological equipment and instruments; f) Revitalize volunteer rainfall stations; g) Sensitize community to appreciate Meteorological products; h) Annual maintenance of infrastructure; i) Construct meteorological stations in new areas. |

36.10 Western Province

36.10.1 Resource Endowments, Comparative Advantage, and Socio-Economic Conditions

Western province, the second largest province in Zambia, has a total land area of 126,386 square km, with a population of 784,509 according to the 2000 Census of Population and Housing. The province is bordered to the west by Angola and to the south by the Namibian. Internally, the province is bordered to the east by Central province, to the north by North-Western province and to the southeast by Southern province. Administratively the province is divided into 7 districts, namely, Mongu, Kalabo, Sesheke, Senanga, Shangombo, Lukulu and Kaoma with the provincial headquarters being Mongu. The province consists of a vast sandy upland plain at an altitude of 1,188 metres in the northwest sloping gently to 814 metres in the southeast. This upland-plain is intersected by the floodplains of the Zambezi and its tributaries together covering an area of 12,950 square kilometres.

Western province has a huge abundance of both surface and ground water. The major river Zambezi that has many tributaries passes through the province. In addition, there are many wetlands. The Zambezi floodplain has immense potential for rice production, cattle rearing and citrus production. The Kalahari sands favour growth of significant timber trees of Zambia like *Mukusi*, *Mukwa* and *Muzauli* which are habitat for bees.

The province has abundant natural resources such as land, water, forests, and a promising potential for mineral production. The main economic activities are fishing, livestock rearing, rice growing and other agricultural activities. Fishing and rice growing are carried out mainly on the flood plains of the Zambezi river while maize production is concentrated in Kaoma district because of its fertile soils. About 65 percent of the people of Western province derive their livelihood from agriculture. In agriculture, cattle rearing is the most important activity in the province's internal economy as it is not only an input into crop production (manure, animal draught power), but also a source of security in a region where cropping is marginal. Cattle by-products such as hides, horns and hooves can be exploited in the province for employment creation.

The province also has abundant potential in cashew nuts and mango production, which products have been neglected for a long time. Western province is one of the richest in terms of forest resources in the country. About 75 percent of the province is covered with forests, most of which are open woodlands under traditional authorities. Timber production has been the mainstay of Mongu, Shangombo, Senanga and Sesheke districts though, in recent years, there has been a decline due to the closure of Mulobezi sawmills. More than 10,000 cubic metres of sawn timber is exported from the province every year. The province lacks information on stocking levels and standing timber volumes of various tree species due to lack of forest inventories. There is also lack of information on forest regeneration, rate of deforestation and the status of plant biodiversity.

The socio-economic situation in western province has been improving with 65 percent of the population being poor compared to 83 percent in 1998 according to the Living Conditions Monitoring Survey 2004. From a gender perspective, women are poorer than men. Factors that worsen women's vulnerability include the rise in HIV and AIDS, increasing workload, socio-cultural factors and limited involvement in decision-making processes. Major poverty indicators include low-income levels, food insecurity; rising deaths from preventable diseases and limited access to safe and clean drinking water.

The infrastructure in the province is very undeveloped. Road network in the province is under developed apart from the tarred national roads linking Mongu to Lusaka, Sesheke to Livingstone and Limulunga to Senanga. The rest of the (Kaoma/Lukulu, Luampa/Machile, Senanga/Sesheke, Sitoti/Shangombo, Kaoma/Kasempa Kalabo/Sikongo) are gravel roads in a very poor state. Road construction in Western province is more expensive than elsewhere in the country due to the area's sandy soils.

The social conditions of the people of Western province remains poor and a great impediment to the overall development of the province. Poor access to health services and water and sanitation facilities are among the major challenges in the province. The rate of illiteracy of 50.6 percent is due mainly to

the limited number of basic schools. Most of the classrooms are of temporary materials and lack basic requisites for provision of quality education such as desks and books.

Wood fuel is the predominant source of energy for the rural communities and the majority of the urban and peri urban communities. As is the case in other provinces, solar power has not been fully exploited except for a few units in schools and rural health centres. Charcoal burning and indiscriminate and uncontrolled harvesting of timber in the province for export to other parts of the country have put pressure on the Western province forests. Areas, which urgently need electricity, include Nkeyema, Lombelombe, Kalumwange and Mangango in Kaoma district and Nangweshi and Shangombo in Shangombo district.

36.10.2 The Strategic Focus and Interventions for Western Province for the FNDP period

Western province has an abundance of unexploited potential in crop production, livestock production, forest production, citrus production, fisheries and tourism. The greatest challenges include poor road infrastructure, poor health status of the people, illiteracy and poverty. In view of the above, the province will implement programmes aimed at addressing these challenges. The strategic focus for the province during the FNDP will, thus be *“increased investment in infrastructure development, targeting agriculture, health, education and water and sanitation services.”*

36.10.3 Programmes, Objectives and Strategies

The programmes, objectives and strategies for Western province during the FNDP period are presented in the matrix below.

| Western Province | | | |
|-------------------------|--|---|---|
| | Programmes | Objectives | Strategies |
| 1 | Agricultural Development | To increase agricultural production | a) Develop resettlement schemes; b) Develop irrigation schemes; c) Encourage the use of animal draught power; d) Fish farming on commercial scale. |
| 2 | Road and Communication Infrastructure Development | To expand and rehabilitate road net- work in the province | a) Rehabilitate roads; b) Construct new roads; c) Improve pontoon crossing facilities; d) Equip Roads Department (Revive road camps). |
| 3 | Water Transport | To improve water transport | Improve water communication systems. |
| 4 | Health Services | To increase access to better quality health services | a) Expand health facilities- accessibility and availability of services; b) Training of health personnel; c) Strengthen health neighbourhood groups; d) Provide adequate and decent housing to health personnel; e) Provide transport for health service delivery (including ambulances); f) Provide adequate medicines to all health facilities; g) Construct a new district hospital in Mongu; h) Extend VCT services to each rural health centre and ensure provision of sufficient ARVs. |
| 5 | Education and Skills Training | To increase access to education facilities and life skills training in the province | a) Expand the Basic, High school and tertiary education facilities; b) Increase the number of schools/literacy classes; c) In-service training to improve on the staff qualification and performance; d) Provide adequate and decent housing to teachers. |
| 6 | Water and Sanitation | To improve peoples access to clean and safe water | a) Rehabilitate old boreholes; b) Sink more boreholes; c) Construct sewer ponds; d) Rehabilitate and expand the water treatment plants in all districts. |
| 7 | Forest Protection and Management | To conserve forests through environmentally-friendly exploitation of forest resources | a) Improve the system of allocation of licenses for the exploitation of forest resources; b) Improve community involvement in conservation systems. |
| 8 | Industrial Development | To revitalize the industrial development | a) Revitalise cashew production and processing; b) Invest in mango processing; c) Invest in hides and skins processing. |

36.11 Implementation, Monitoring and Evaluation Framework

The institutional policies for provincial development shall be guided by the National Decentralization Policy that has been developed within the broader Public Service Reform Programme (PSRP) objectives. The aim is to improve the quality, efficiency, cost-effectiveness and delivery of public services to the people of Zambia. Government has put measures in place both within this FNDP (see Chapter 26) and the Decentralization Implementation Plan to guide the implementation process. The underlying strategy is that of decentralisation through devolution of functions so that central government and lower level organs, including local government authorities, are mutually accountable to each other in service delivery (see Chapter 38 on Institutional Framework for FNDP Implementation, Monitoring and Evaluation for details).



9

Part

Financing, Implementation, Monitoring and Evaluation Framework

FINANCING OF THE FNDP



Financing of the FNDP

37.1 Introduction

This chapter outlines the financing framework for the FNDP. The framework includes an outline of the current resource envelope (baseline) and the FNDP financial requirements. On this basis, a resource gap between the Baseline and the FNDP financial requirements has been estimated. In order to fill the gap, a consolidated programme of action on resource mobilisation will be prepared by the Ministry of Finance and National Planning with the aim of closing up the financing gap of the FNDP. A summary of the key priorities of the Plan and how resources have been allocated among the priority areas is presented.

37.2 Financing of the FNDP

37.2.1 Financing Sources

The FNDP will largely be financed through three sources, namely, domestic revenues; external grants; and, to a limited extent, borrowing (both internally and externally). Additionally, Public Private Partnerships (PPP) for infrastructure programmes shall be encouraged. Other likely sources of financing are regional and international financing initiatives such as the New Economic Partnership for African Development (NEPAD), investment climate facility and the proposed Africa Enterprise Challenge Fund. Internationally, such initiatives as the Infrastructure consortium under the G8 and the Millennium Challenge Corporation will also be considered, particularly for large investments, which cannot be easily accommodated within the resource envelope.

Domestic revenues: These are financial resources that the Government mobilises locally and include tax and non-tax revenues. Taxes are collected by the Zambia Revenue Authority (ZRA), while most non-tax revenues are collected at both the central and local government level.

External Grants: This refers to development assistance (aid) that shall be provided to Zambia by cooperating partners/donors through direct budget support; sector-wide approach (SWAp); project support; and debt relief. In line with Zambia's *Aid Policy and Strategy*, the Government prefers direct budget support. This is important for the enhancement of efficiency and the reduction of transaction costs for both the donors and the Government. For cooperating partners that are yet to channel their support directly to the budget, SWAp is the second preferred mode of external support. Nonetheless, Government will respect the diversification of modality of assistance considering needs of each sector and restrictions in donor assistance institutions. The Government assumes that more external resources will be forthcoming to support the FNDP following international commitments made by the G8 Nations at the Gleneagles Summit in 2005 as well as similar commitments by both bilateral and multilateral donors.

Borrowing: This refers to resources generated through domestic and external loans. In the case of external loans, the medium to long-term focus is to avoid a return to the high indebtedness of the past. Therefore, any new borrowings over the period 2006 to 2010 will be procured in a manner that does not affect the debt sustainability ratios negatively. The country shall also continue to rely on highly concessional loans. It is estimated that during the Plan period, new borrowing in the region of US \$50 to US \$60 million annually would be allowed and will mostly be from the World Bank and African Development Bank.

37.2.2 FNDP Resource Envelope

37.2.2.1 Overview

The resource envelope is the sum total of the domestic revenues, external grants and loans from both domestic and external sources. A baseline projection of the resource envelope is presented, which essentially assumes a continuation of the current policy conditions and the existing levels of commitment from donors. The resource envelope provides an indication of the level of expenditures that the Government plans to incur over the 2006 to 2010 Plan period. In the light of the need to

accelerate growth and to reduce poverty, the FNDP will require additional resources over and above the baseline to implement the various key programmes that have been identified. It is on this basis that the resource envelope needed to implement the scaled-up expenditures in the FNDP has been constructed.

37.2.2.2 Baseline Resource Envelope

In the baseline scenario, total domestic revenues over the Plan period from both tax and non-taxes sources are estimated to average 17.7 percent of GDP. Annually, domestic revenues are estimated to gradually rise from 16.8 percent of GDP in 2006 to 18.1 percent of GDP by 2010 (see Table 37.1). This marginal rise in domestic revenues will essentially stem from taxes planned to increase from 16.1 percent in 2006 to 17.6 percent by 2010 onwards. Non-tax revenues are, however, expected to remain flat at around 0.6 percent of GDP. Even with the taxes, the rise is still marginal reflecting the difficulties in broadening the tax base as well as the existing concessions in the key sectors of agriculture and mining.

Table 37.1: Baseline Broad Fiscal Targets: Percentage of GDP

| | 2006 | 2007 | 2008 | 2009 | 2010 | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| | Projections | Projections | Projections | Projections | Projections | Average |
| Total Revenues and Grants | 20.9 | 22.2 | 22.5 | 22.7 | 22.9 | 22.3 |
| Domestic Revenue | 16.9 | 17.6 | 17.8 | 18.1 | 18.2 | 17.7 |
| o/w Tax Revenue | 16.2 | 17 | 17.2 | 17.6 | 17.6 | 17.1 |
| Non-Tax Revenue | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 |
| External Grants | 4.1 | 4.7 | 4.7 | 4.6 | 4.7 | 4.6 |
| General Budget Support | 0.8 | 1.3 | 1.4 | 1.3 | 1.3 | 1.2 |
| Project Support | 3.3 | 3.3 | 3.3 | 3.3 | 3.4 | 3.3 |
| Sector Wide Approaches | 0.7 | 0.7 | 0.9 | 1.1 | 1.2 | 0.9 |
| Earmarked | 2.6 | 2.6 | 2.4 | 2.2 | 2.2 | 2.4 |
| Total Expenditures including net lending | 23.3 | 24.8 | 23.9 | 23.5 | 23.7 | 23.8 |
| Current Expenditures | 18.5 | 18 | 17.5 | 17.4 | 17.5 | 17.8 |
| Personnel Emoluments | 7.6 | 7.7 | 8 | 8.1 | 8.2 | 7.9 |
| Other Personnel related expenses | 0.3 | 0.5 | 0.3 | 0.3 | 0.3 | 0.3 |
| Recurrent departmental Charges (RDC's) | 4.2 | 4.1 | 3.7 | 3.8 | 3.8 | 3.9 |
| Grants and Other Payments | 3.5 | 3.5 | 3.5 | 3.7 | 3.7 | 3.6 |
| Constitutional and Statutory | 2.1 | 1.3 | 1.2 | 1.1 | 1.1 | 1.4 |
| Domestic Debt | 1.8 | 1.1 | 1 | 0.9 | 0.9 | 1.1 |
| External Debt Interest | 0.2 | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 |
| Constitutional posts | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Other current expenditures | 0.9 | 0.9 | 0.8 | 0.4 | 0.4 | 0.7 |
| Capital Expenditures | 4.8 | 6.8 | 6.4 | 6.1 | 6.2 | 6.1 |
| GRZ financed | 2 | 3.1 | 2.9 | 3.6 | 3.7 | 3.1 |
| Foreign Financed | 2.8 | 3.7 | 3.5 | 2.5 | 2.5 | 3 |
| Overall Balance (including Grants) | (2.40) | (2.50) | (1.40) | (0.80) | (0.80) | (1.60) |
| Overall Balance (Excluding grants) | (6.50) | (7.20) | (6.10) | (5.40) | (5.50) | (6.10) |
| Financing | 2.4 | 2.5 | 1.4 | 0.8 | 0.7 | 1.6 |
| Domestic | 1.5 | 1.4 | 0.7 | 0.6 | 0.5 | 1 |
| Domestic borrowing | 1.5 | 1 | 0.7 | 0.6 | 0.5 | 0.9 |
| MDRI Assistance | 0 | 0.4 | 0 | 0 | 0 | 0.1 |
| Net External | 0.9 | 1.1 | 0.7 | 0.2 | 0.1 | 0.6 |
| Budget Support Loans | 0.2 | 0.3 | 0.2 | 0.2 | 0.2 | 0.2 |
| Project loans | 1.2 | 1.1 | 1 | 0.5 | 0.4 | 0.8 |
| Amortisation | (0.50) | (0.30) | (0.50) | (0.50) | (0.50) | (0.50) |

Source: Ministry of Finance and National Planning

External aid flows, in turn, are projected to average 4.6 percent of GDP per annum over the Plan period. It is expected that from 2009, most donors would move towards direct budget support and sector wide frameworks.

Table 37.2: Key FNDP Fiscal Targets and Assumptions (in % of GDP), 2006-2010

| | 2006 | 2007 | 2008 | 2009 | 2010 | |
|--|-------------|-------------|-------------|-------------|-------------|---------|
| | Projections | Projections | Projections | Projections | Projections | Average |
| Total Revenues and Grants | 20.9 | 22.2 | 23.4 | 24.5 | 25.3 | 23.3 |
| Domestic Revenue | 16.9 | 17.6 | 17.8 | 18.4 | 18.8 | 17.9 |
| o/w Tax Revenue | 16.2 | 17 | 17.2 | 17.7 | 17.9 | 17.2 |
| Non-Tax Revenue | 0.6 | 0.6 | 0.6 | 0.7 | 0.9 | 0.7 |
| External Grants | 4.1 | 4.7 | 5.6 | 6.1 | 6.5 | 5.4 |
| General Budget Support | 0.8 | 1.3 | 2 | 2.2 | 2.5 | 1.8 |
| Project Support | 3.3 | 3.3 | 3.6 | 3.9 | 4 | 3.6 |
| Sector Wide Approaches | 0.7 | 0.7 | 1.2 | 1.4 | 1.5 | 1.1 |
| Earmarked | 2.6 | 2.6 | 2.4 | 2.5 | 2.5 | 2.5 |
| Total Expenditures including net lending | 23.3 | 24.8 | 24.9 | 25.6 | 26.4 | 25 |
| Current Expenditures | 18.5 | 18 | 18 | 18.5 | 18.9 | 18.4 |
| Personnel Emoluments | 7.6 | 7.7 | 8.1 | 8.2 | 8.3 | 8 |
| Other Personnel related expenses | 0.3 | 0.5 | 0.3 | 0.3 | 0.3 | 0.3 |
| Recurrent departmental Charges (RDC's) | 4.2 | 4.1 | 4.2 | 4.7 | 4.9 | 4.4 |
| Grants and Other Payments | 3.5 | 3.5 | 3.5 | 3.7 | 3.8 | 3.6 |
| Constitutional and Statutory | 2.1 | 1.3 | 1.1 | 1 | 1 | 1.3 |
| Domestic Debt | 1.8 | 1.1 | 1 | 0.9 | 0.9 | 1.1 |
| External Debt Interest | 0.2 | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 |
| Constitutional posts | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Other current expenditures | 0.9 | 0.9 | 0.8 | 0.6 | 0.6 | 0.8 |
| Capital Expenditures | 4.8 | 6.8 | 6.9 | 7.1 | 7.5 | 6.6 |
| GRZ financed | 2 | 3.1 | 3.1 | 3.7 | 4.1 | 3.2 |
| Foreign Financed | 2.8 | 3.7 | 3.8 | 3.4 | 3.4 | 3.4 |
| Overall Balance (including Grants) | (2.40) | (2.50) | (1.50) | (1.10) | (1.10) | (1.70) |
| Overall Balance (Excluding grants) | (6.50) | (7.20) | (7.10) | (7.20) | (7.60) | (7.10) |
| Financing | 2.4 | 2.5 | 1.5 | 1.1 | 1.1 | 1.7 |
| Domestic | 1.5 | 1.4 | 0.7 | 0.6 | 0.5 | 1 |
| Domestic borrowing | 1.5 | 1 | 0.7 | 0.6 | 0.5 | 0.9 |
| MDRI Assistance | 0 | 0.4 | 0 | 0 | 0 | 0.1 |
| Net External | 0.9 | 1.1 | 0.8 | 0.5 | 0.5 | 0.8 |
| Budget Support Loans | 0.2 | 0.3 | 0.3 | 0.3 | 0.3 | 0.9 |
| Project loans | 1.2 | 1.1 | 1 | 0.7 | 0.7 | (0.50) |
| Amortisation | (0.50) | (0.30) | (0.50) | (0.50) | (0.46) | (0.46) |

Source: Ministry of Finance and National Planning

After Zambia's accession to the Heavily Indebted Poor Countries (HIPC) Completion Point and following the Multilateral Debt Relief Initiative (MDRI), Zambia will receive debt relief, resulting in the reduction in the stock of external debt to less than US \$ 1billion from US \$7.2 billion at the end of 2004. The real effect of the reduced debt is through reductions in annual debt service (interest and principal) payments. Debt servicing (interest and amortisation) is expected to average less than US \$65 million per annum over the Plan period. In contrast, if Zambia had not received debt relief under the HIPC initiative and the MDRI, debt servicing would have averaged US \$261 million per annum which was unsustainable.

Domestic borrowing will be consistent with the attainment of the Government's macroeconomic objectives, which include further consolidation of recent gains to lower inflation and interest rates and reducing the domestic debt. In line with these targets, projected domestic borrowing is estimated to drop to less than 1.0 percent of GDP by 2008 from 1.8 percent of GDP in 2006 and **1.1 percent** of GDP in 2007. Consistent with the objective of keeping external debt within sustainable limits, total external borrowing in the baseline scenario is projected to average 1.3 percent of GDP, or US \$200 million per annum. This is taking into account already existing loans to be disbursed over the Plan period. The potential total resource envelope in the baseline scenario is, therefore, projected to average 23.6 percent of GDP. Implicitly, this is roughly the maximum level of public expenditures that can be allowed in the Baseline Scenario.

37.3 The Development Plan

37.3.1 Main Assumptions

The FNDP has been constructed on the basis of two major assumptions. These are: (a) accelerated growth and poverty reduction through the scaling-up of implementation of the FNDP programmes in the key sectors of this Plan; and (b) an increase in the resource envelope based on an anticipated scaling-up of donor aid over the baseline projections. The anticipated increase in aid assumes that the international community will honour the commitments they made at the Gleneagles G8 Summit in 2005. At this Summit, the G8 countries pledged that Official Development Assistance (ODA) will be \$50 billion higher by 2010 than is currently the case, with half of the increase being earmarked for Africa. However in the event that scaling up of aid does not occur, two things are likely to occur, (i) scaling down of expenditures especially in the non priority sectors and further reprioritisation within the priority sectors and (ii) domestic borrowing may increase but within sustainable levels.

With regard to domestic revenues, the expectation is that the tax review exercise and the reforms to be carried out during the Plan period will yield some positive benefits in terms of broadening the tax base. It is projected that domestic revenues would slightly increase from 17.8 percent in 2008 and reach **18.5** percent of GDP by 2010, compared to 18.1 percent in the baseline scenario. On average, domestic revenues are projected to average 17.7 percent of GDP in the FNDP scenario, remaining at the same level as in the baseline. (put a sentence on non-tax revenues).

37.3.2 Gross Public Expenditure

Based on the key broad spending objectives and priorities outlined in the preceding sections, total (or gross) public expenditure in the FNDP is planned to increase to an average of 25.0 percent from an average of 23.8 percent in the baseline scenario (Tables 37.1 and 37.2). In absolute terms, gross public expenditure is projected to total K62,623.22 billion in the FNDP, compared to K59,36.39 billion in the baseline scenario. In line with the Plan's strategic focus of accelerated growth, capital expenditures are projected to increase from 4.8 percent of GDP in 2006 to 6.2 percent of GDP by 2010. On average, the FNDP capital expenditures shall be scaled up to an annual average of about 7.0 percent of GDP over the Plan period as compared to 6.1 percent in the baseline scenario. Current expenditures are also projected to rise to an average of 18.4 percent of GDP in the FNDP period, compared to about 17.68 percent in the baseline. This reflects the commitments to scale up expenditures in health and education, which are mostly of a recurrent nature such as wages and salaries for teachers, nurses and doctors. Additionally, Zambia has a constitutional review process underway, which will also require substantial resources. A census of population and housing is also expected to be undertaken in 2010. This would result in higher average current expenditures over the period.

37.3.3 Cost Estimates for Core Programmes

In terms of the coverage of the core FNDP cost estimates, these essentially exclude the general administration, running expenses and personnel related expenditures in the implementing sectors. However, for health and education, personnel-related costs have been included as core FNDP programmes as they are critical in the delivery of services in the two sectors. The core FNDP cost estimates also exclude very large capital programmes, which are expected to be financed through private capital flows, although they appear in their respective sector chapters. These include projects in the energy sector such as the development of the Kafue Gorge Lower power station at an estimated cost of US \$600 million and the Kariba North Bank at a cost of US \$300 million. These are expected to be financed through Private Public Partnerships or wholly private capital. Others include the rail infrastructure projects that are planned in the Infrastructure Chapter.

Table 37.2: Key FNDP Fiscal Targets and Assumptions (in % of GDP), 2006-2010

In absolute terms, total core expenditure is estimated K 38,645.4 billion (or US \$9.4 billion) see Table 37.3 below.

Table 37.3: Core FNDP Costs

| Sector | GRZ | % of GRZ | Donor | % of Donor | Grand Total | | % of Total |
|--|------------------|-------------|------------------|-------------|------------------|----------------|-------------|
| | | | | | K Billions | US \$ Billions | |
| Macroeconomics and financial management | 1,158.30 | 4.6 | 362.4 | 2.7 | 1,520.70 | 0.4 | 3.9 |
| Agriculture | 2,750.90 | 10.9 | 1,685.10 | 12.5 | 4,436.00 | 1.1 | 11.5 |
| Tourism | 56.3 | 0.2 | 222.1 | 1.6 | 278.4 | 0.1 | 0.7 |
| Lands | 91.9 | 0.4 | - | - | 91.9 | 0 | 0.2 |
| Natural Resources | 64.2 | 0.3 | 313.4 | 2.3 | 377.6 | 0.1 | 1 |
| Energy | 239 | 0.9 | 262.4 | 1.9 | 501.3 | 0.1 | 1.3 |
| Infrastructure | 3,220.40 | 12.8 | 3,407.50 | 25.3 | 6,627.90 | 1.6 | 17.2 |
| O/w Roads | 2,440.00 | 9.7 | 1,943.60 | | 4,383.60 | 1.1 | 11.3 |
| Local Govt and Decentralisation | 463.7 | 1.8 | 268.4 | 2 | 732 | 0.2 | 1.9 |
| Communication | 60.8 | 0.2 | - | - | 60.8 | 0 | 0.2 |
| Mining | 59.6 | 0.2 | - | - | 59.6 | 0 | 0.2 |
| Manufacturing | 102.4 | 0.4 | 177 | 1.3 | 279.4 | 0.1 | 0.7 |
| Trade | 83.2 | 0.3 | - | - | 83.2 | 0 | 0.2 |
| Science and Technology | 34 | 0.1 | 5 | 0 | 39 | 0 | 0.1 |
| Water and Sanitation | 235.3 | 0.9 | 1,211.00 | 9 | 1,446.30 | 0.4 | 3.7 |
| O/w Water Resource Management and Dvpt | 156.2 | 0.6 | 81.6 | 0.6 | 237.9 | 0.1 | 0.6 |
| Water and Sanitation | 79.1 | 0.3 | 1,129.30 | 8.4 | 1,208.40 | 0.3 | 3.1 |
| Health | 4,759.70 | 18.9 | 3,011.60 | 22.4 | 7,771.30 | 1.9 | 20.1 |
| Education | 8,896.70 | 35.3 | 1,651.80 | 12.3 | 10,548.50 | 2.6 | 27.3 |
| Employment and Labour | 36.6 | 0.1 | 41.3 | 0.3 | 77.9 | 0 | 0.2 |
| Child and Youth | 113.7 | 0.5 | - | - | 113.7 | 0 | 0.3 |
| Social Protection | 325.6 | 1.3 | 2.5 | 0 | 328.1 | 0.1 | 0.8 |
| TEVET | 183.7 | 0.7 | 268.5 | 2 | 452.2 | 0.1 | 1.2 |
| Art and Culture | 10.2 | 0 | - | - | 10.2 | 0 | 0 |
| Food and Nutrition | 9.1 | 0 | 2 | 0 | 11.2 | 0 | 0 |
| Disability and Development | 21.8 | 0.1 | - | - | 21.8 | 0 | 0.1 |
| Central Administration | 84.8 | 0.3 | 118 | 0.9 | 202.8 | 0.1 | 0.5 |
| Governance | 659.1 | 2.6 | 39.8 | 0.3 | 698.9 | 0.2 | 1.8 |
| Monitoring and Evaluation (budgeted under macroeconomic) | 199.6 | 0.8 | 148.8 | | 348.4 | 0.1 | 0.9 |
| Foreign Relations | 134.5 | 0.5 | - | - | 134.5 | 0 | 0.3 |
| Information Services | 64.2 | 0.3 | - | - | 64.2 | 0 | 0.2 |
| Public Order and Safety | 1,147.10 | 4.6 | - | - | 1,147.10 | 0.3 | 3 |
| Defence | 80 | 0.3 | - | - | 80 | 0 | 0.2 |
| HIV/AIDS Coordination | 10.7 | 0 | 177.6 | 1.3 | 188.3 | 0 | 0.5 |
| Environment | 10.3 | 0 | 240.8 | 1.8 | 251.1 | 0.1 | 0.6 |
| Gender | 9.5 | 0 | - | - | 9.5 | 0 | 0 |
| TOTAL Core FNDP | 25,177.30 | 100 | 13,468.10 | 100 | 38,645.40 | 9.4 | 100 |

Source: Ministry of Finance and National Planning

37.3.4 Financing and Resource Gap

As stated above, the requirement to implement the FNDP programmes will result in an expansion in total public expenditure to an annual average of 25.0 percent from 23.8 percent in the baseline. In

absolute terms, total public expenditure will rise from K59,367.39 billion in the baseline to K62,623.82 billion in the FNDP. The extra K2,982 billion represents the additional resources over and above the baseline projections that are needed to undertake public expenditure during the Plan period (see Table 37.4).

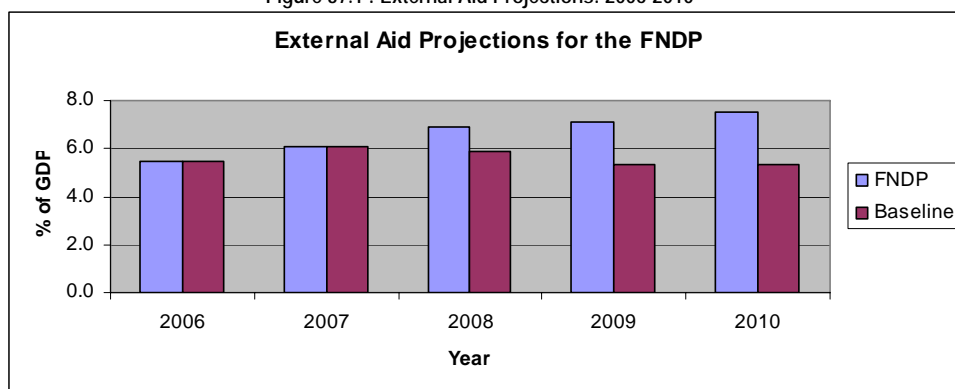
Table: 37.4: Summary Expenditure and Financing

| | FNDP | Commitments | | | |
|--|------------------|------------------|--------------------|------------------|------------------|
| Sector | Requirement | GRZ | Donor/ External | Total | GAP |
| Macroeconomics and financial management | 4,256.68 | 3,886.93 | 369.75 | 4,256.68 | - |
| Agriculture | 4,881.39 | 3,196.28 | 878 | 4,074.28 | (807.11) |
| Tourism | 450.43 | 198.31 | 252.12 | 450.43 | - |
| Lands | 124.23 | 124.23 | - | 124.23 | - |
| Natural Resources | 409.8 | 96.4 | - | 96.4 | (313.41) |
| Energy | 595.37 | 304.47 | - | 304.47 | (290.90) |
| Infrastructure | 6,901.29 | 3,493.80 | 3,407.49 | 6,901.29 | - |
| O/w Roads | 4,383.60 | 2,440.02 | 1,943.58 | 4,383.60 | - |
| Buildings | 972.68 | 853.9 | 118.78 | 972.68 | - |
| Housing | 175.9 | 135.77 | 40.13 | 175.9 | - |
| Air Transport | 38.1 | 38.1 | - | 38.1 | - |
| Rail Transport | 1,330.00 | 25 | - | 25 | - |
| Local Govt and Decentralisation | 996.75 | 728.37 | 268.39 | 996.75 | - |
| Communication | 68.4 | 68.4 | - | 68.4 | - |
| Mining | 94.21 | 94.21 | - | 94.21 | - |
| Manufacturing | 301.57 | 124.56 | 177.01 | 301.57 | - |
| Trade | 96.38 | 96.38 | - | 96.38 | - |
| Science and Technology | 88.66 | 83.61 | 5.05 | 88.66 | - |
| Water and Sanitation | 1,478.22 | 264.44 | 1,094.88 | 1,359.31 | (118.90) |
| O/w Water Resource Management and Dvpt | 250.42 | 165.98 | 84.45 | 250.42 | - |
| Water and Sanitation | 1,227.79 | 98.46 | 1,010.43 | 1,108.89 | (118.90) |
| Health | 7,843.95 | 4,781.50 | 2,760.55 | 7,542.05 | (301.90) |
| Education | 11,326.09 | 9,387.47 | 1,214.29 | 10,601.76 | (724.34) |
| Employment and Labour | 149.99 | 84.69 | - | 84.69 | (65.30) |
| Child and Youth | 164.2 | 164.2 | - | 164.2 | - |
| Social Protection | 358.26 | 355.76 | 2.5 | 358.26 | - |
| TEVET | 601.14 | 250.33 | - | 250.33 | (350.80) |
| Art and Culture | 26.21 | 22.71 | 3.5 | 26.21 | - |
| Food and Nutrition | 31.04 | 28.2 | 2.85 | 31.04 | - |
| Disability and Development | 167.89 | 167.89 | - | 167.89 | - |
| Central Administration | 2,426.06 | 2,308.10 | 117.96 | 2,426.06 | - |
| Governance | 2,907.52 | 2,687.93 | 219.58 | 2,907.52 | - |
| Monitoring and Evaluation (budgeted under macroeconomic) | - | - | - | - | - |
| Foreign Relations | 872.87 | 872.87 | - | 872.87 | - |
| Information Services | 157.74 | 157.74 | - | 157.74 | - |
| Public Order and Safety | 2,626.39 | 2,610.69 | 15.7 | 2,626.39 | - |
| Defence | 4,379.33 | 4,379.33 | - | 4,379.33 | - |
| HIV/AIDS Coordination | 188.32 | 10.71 | 177.61 | 188.32 | - |
| Environment | 277.8 | 37.24 | 231.14 | 268.37 | (9.43) |
| Gender | 39.27 | 39.27 | - | 39.27 | - |
| Sub total | 55,287.45 | 41,107.01 | 11,198.35 | 52,305.36 | (2982.09) |
| Constitutional and Statutory Expenditure | 5,193.44 | 5,193.44 | - | 5,193.44 | - |

| | | | | | |
|---|------------------|------------------|------------------|------------------|------------------|
| o/w Domestic Debt Interest | 2,577.60 | 2,577.60 | - | 2,577.60 | - |
| Foreign Debt Service (Including Amortization) | 1,285.30 | 1,285.30 | - | 1,285.30 | - |
| Constitutional Posts | 136.58 | 136.58 | - | 136.58 | - |
| Medium-Term Pay Reform | 1,093.78 | 1,093.78 | - | 1,093.78 | - |
| Contingency | 100.19 | 100.19 | - | 100.19 | - |
| Provincial Administration | 1,093.39 | 1,093.39 | - | 1,093.39 | - |
| Others n.e.d | 1,048.94 | 1,048.94 | - | 1,048.94 | - |
| Grand Total | 62,623.22 | 48,442.77 | 11,198.35 | 59,641.13 | (2982.09) |

Due to a marginal rise in domestic revenues, the resource gap will mainly be financed from external sources. Thus, a significant part of the resource gap of K2,982 billion will have to be met from external grants and loans. donor commitments (see figure 37.1). Table 37.5 presents the broad sectoral allocations for all the sectors during the 2006-2010 FNDP period. External loans are projected to average 1.0 percent of GDP, or US \$160 million per annum. This is inclusive of already existing loans to be disbursed over the Plan period. New borrowing is expected to be in the region of US \$50 to 60 million per annum, mostly from the World Bank and the ADB.

Figure 37.1 : External Aid Projections: 2006-2010



The FNDP provides the broad policy thrust and expenditure objectives. The FNDP has defined the parameters and the resource envelope. The MTEF which is a three-year planning instrument will annually specify the programmes and resources available to be applied in the identified priority projects depending on economic circumstances and donor inflows.

Table 37.5: Broad FNDP Sectoral Allocations (percentage)

| | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | |
|---|------|--------|-------|------|--------|-------|------|--------|-------|------|--------|-------|------|--------|-------|
| | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total |
| Macroeconomics and financial management | 9.0 | 3.3 | 7.6 | 8.5 | 3.9 | 7.4 | 8.3 | 1.3 | 6.7 | 7.9 | 1.0 | 6.4 | 6.9 | 3.5 | 6.1 |
| Agriculture | 5.0 | 8.8 | 6.0 | 5.6 | 11.5 | 6.9 | 7.0 | 13.8 | 8.5 | 7.1 | 10.3 | 7.8 | 7.7 | 14.5 | 9.2 |
| Tourism | 0.4 | 2.1 | 0.8 | 0.4 | 1.6 | 0.7 | 0.4 | 2.4 | 0.8 | 0.4 | 1.7 | 0.7 | 0.4 | 1.2 | 0.9 |
| Lands | 0.2 | 0.0 | 0.2 | 0.3 | 0.0 | 0.2 | 0.3 | 0.0 | 0.2 | 0.3 | 0.0 | 0.2 | 0.2 | 0.0 | 0.2 |
| Natural Resources | 0.2 | 0.7 | 0.3 | 0.2 | 1.9 | 0.6 | 0.3 | 3.1 | 0.9 | 0.2 | 2.7 | 0.7 | 0.2 | 2.5 | 0.7 |
| Energy | 0.3 | 0.9 | 0.4 | 0.9 | 1.9 | 1.1 | 0.5 | 2.2 | 0.9 | 0.7 | 3.2 | 1.3 | 0.7 | 2.0 | 1.0 |
| Infrastructure | 6.2 | 31.4 | 12.5 | 7.7 | 26.0 | 12.0 | 7.3 | 22.6 | 10.7 | 7.8 | 24.2 | 11.3 | 6.9 | 17.3 | 9.2 |
| Oil/Roads | 4.5 | 20.3 | 8.5 | 5.5 | 15.0 | 7.7 | 4.7 | 12.0 | 6.3 | 5.2 | 14.1 | 7.1 | 5.2 | 8.3 | 5.9 |
| Local Govt and Decentralisation | 0.6 | 2.1 | 1.0 | 1.7 | 1.9 | 1.7 | 1.8 | 2.4 | 1.9 | 1.6 | 1.6 | 1.6 | 1.6 | 1.5 | 1.6 |
| Communication | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 | 0.1 | 0.2 | 0.0 | 0.1 | 0.2 | 0.0 | 0.2 | 0.1 | 0.0 | 0.1 |
| Mining | 0.2 | 0.0 | 0.1 | 0.2 | 0.0 | 0.2 | 0.2 | 0.0 | 0.2 | 0.2 | 0.0 | 0.2 | 0.2 | 0.0 | 0.1 |
| Manufacturing | 0.5 | 1.7 | 0.8 | 0.4 | 1.7 | 0.7 | 0.2 | 1.1 | 0.4 | 0.2 | 1.3 | 0.4 | 0.2 | 0.6 | 0.3 |
| Trade | 0.5 | 0.0 | 0.3 | 0.2 | 0.0 | 0.1 | 0.2 | 0.0 | 0.1 | 0.1 | 0.0 | 0.1 | 0.1 | 0.0 | 0.1 |
| Science and Technology | 0.2 | 0.1 | 0.1 | 0.2 | 0.1 | 0.1 | 0.2 | 0.0 | 0.1 | 0.2 | 0.0 | 0.1 | 0.2 | 0.0 | 0.1 |
| Water and Sanitation | 0.2 | 10.2 | 2.7 | 0.6 | 9.8 | 2.8 | 0.5 | 8.9 | 2.4 | 0.7 | 7.5 | 2.1 | 0.6 | 6.8 | 2.0 |
| Oil/ Water Resource Management and Dvpt | 0.2 | 0.5 | 0.3 | 0.3 | 0.6 | 0.3 | 0.3 | 0.8 | 0.4 | 0.5 | 0.5 | 0.5 | 0.4 | 0.5 | 0.5 |
| Water and Sanitation | 0.1 | 9.6 | 2.4 | 0.3 | 9.2 | 2.4 | 0.2 | 8.0 | 2.0 | 0.2 | 7.0 | 1.7 | 0.2 | 6.3 | 1.5 |
| Health | 7.0 | 21.6 | 10.6 | 9.2 | 19.7 | 11.7 | 10.1 | 20.8 | 12.5 | 10.5 | 23.3 | 13.2 | 11.6 | 22.4 | 14.0 |
| Education | 16.0 | 10.5 | 14.7 | 18.5 | 12.7 | 17.1 | 18.9 | 14.1 | 17.8 | 20.6 | 15.4 | 19.5 | 21.8 | 15.1 | 20.3 |
| Employment and Labour | 0.2 | 0.0 | 0.1 | 0.2 | 0.4 | 0.2 | 0.2 | 0.7 | 0.3 | 0.2 | 0.5 | 0.2 | 0.2 | 0.7 | 0.3 |
| Child and Youth | 0.4 | 0.0 | 0.3 | 0.4 | 0.0 | 0.3 | 0.3 | 0.0 | 0.3 | 0.3 | 0.0 | 0.3 | 0.3 | 0.0 | 0.2 |
| Social Protection | 0.8 | 0.0 | 0.6 | 0.8 | 0.0 | 0.6 | 0.8 | 0.0 | 0.6 | 0.7 | 0.0 | 0.6 | 0.6 | 0.0 | 0.5 |
| TEVET | 0.3 | 2.2 | 0.8 | 0.7 | 1.5 | 0.9 | 0.5 | 2.5 | 0.9 | 0.5 | 2.8 | 1.0 | 0.6 | 3.3 | 1.2 |
| Art and Culture | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Food and Nutrition | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 | 0.1 | 0.1 | 0.0 | 0.1 | 0.1 | 0.0 | 0.1 | 0.1 | 0.0 | 0.1 |
| Disability and Development | 0.5 | 0.0 | 0.3 | 0.4 | 0.0 | 0.3 | 0.4 | 0.0 | 0.3 | 0.3 | 0.0 | 0.3 | 0.3 | 0.0 | 0.2 |
| Central Administration | 5.0 | 1.2 | 4.0 | 5.0 | 0.8 | 4.0 | 4.9 | 0.8 | 4.0 | 4.7 | 0.8 | 3.9 | 4.4 | 0.7 | 3.6 |
| Governance | 9.3 | 1.0 | 7.3 | 6.0 | 0.2 | 4.7 | 5.7 | 0.1 | 4.5 | 4.3 | 0.0 | 3.4 | 3.5 | 5.8 | 4.0 |

| | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | |
|--|-------|--------|-------|-------|--------|-------|-------|--------|-------|-------|--------|-------|-------|--------|-------|
| | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total |
| Monitoring and Evaluation (budgeted under macroeconomic) | 0.2 | 0.3 | 0.2 | 0.4 | 0.1 | 0.3 | 0.2 | 0.1 | 0.2 | 0.2 | 0.0 | 0.2 | 1.0 | 4.2 | 1.7 |
| Foreign Relations | 1.9 | 0.0 | 1.5 | 1.8 | 0.0 | 1.4 | 1.8 | 0.0 | 1.4 | 1.8 | 0.0 | 1.4 | 1.7 | 0.0 | 1.3 |
| Information Services | 0.3 | 0.0 | 0.2 | 0.3 | 0.0 | 0.2 | 0.3 | 0.0 | 0.3 | 0.3 | 0.0 | 0.3 | 0.3 | 0.0 | 0.3 |
| Public Order and Safety | 4.7 | 0.1 | 3.5 | 5.1 | 0.1 | 3.9 | 5.5 | 0.1 | 4.3 | 5.5 | 0.1 | 4.4 | 5.4 | 0.1 | 4.6 |
| Defence | 8.3 | 0.0 | 6.2 | 8.9 | 0.0 | 6.8 | 9.3 | 0.0 | 7.2 | 9.5 | 0.0 | 7.5 | 9.0 | 0.0 | 7.0 |
| HIV/AIDS Coordination | 0.0 | 1.2 | 0.3 | 0.0 | 1.2 | 0.3 | 0.3 | 0.0 | 1.3 | 0.3 | 0.0 | 1.3 | 0.3 | 0.0 | 1.2 |
| Environment | 0.1 | 0.9 | 0.3 | 0.1 | 2.9 | 0.7 | 0.1 | 1.9 | 0.5 | 0.1 | 2.3 | 0.5 | 0.1 | 0.8 | 0.3 |
| Gender | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 | 0.1 | 0.1 | 0.0 | 0.1 | 0.1 | 0.0 | 0.1 | 0.1 | 0.0 | 0.1 |
| Sub-total | 78.2 | 100.0 | 83.6 | 84.4 | 100.0 | 88.1 | 86.1 | 100.0 | 89.2 | 87.2 | 100.0 | 89.9 | 86.6 | 100.0 | 89.5 |
| Constitutional and Statutory Expenditure | 18.1 | 0.0 | 13.5 | 11.1 | 0.0 | 8.5 | 9.5 | 0.0 | 7.4 | 8.2 | 0.0 | 6.4 | 8.4 | 0.0 | 6.7 |
| o/w Domestic Debt Interest | 9.2 | 0.0 | 6.9 | 5.5 | 0.0 | 4.2 | 4.8 | 0.0 | 3.7 | 4.6 | 0.0 | 3.6 | 3.6 | 0.0 | 2.8 |
| Foreign Debt Service (Including Amortization) | 4.7 | 0.0 | 3.6 | 2.5 | 0.0 | 1.9 | 2.4 | 0.0 | 1.9 | 1.4 | 0.0 | 1.1 | 2.7 | 0.0 | 2.1 |
| Constitutional Posts | 0.3 | 0.0 | 0.2 | 0.3 | 0.0 | 0.2 | 0.3 | 0.0 | 0.2 | 0.3 | 0.0 | 0.2 | 0.3 | 0.0 | 0.2 |
| Medium-term Pay Reform | 3.7 | 0.0 | 2.8 | 2.8 | 0.0 | 2.1 | 1.8 | 0.0 | 1.4 | 1.7 | 0.0 | 1.3 | 1.7 | 0.0 | 1.4 |
| Contingency | 0.1 | 0.0 | 0.1 | 0.1 | 0.0 | 0.1 | 0.2 | 0.0 | 0.2 | 0.3 | 0.0 | 0.2 | 0.3 | 0.0 | 0.2 |
| Provincial Administration | 1.6 | 0.0 | 1.2 | 2.3 | 0.0 | 1.8 | 2.3 | 0.0 | 1.8 | 2.4 | 0.0 | 1.9 | 2.8 | 0.0 | 2.0 |
| Others n.e.d | 2.2 | 0.0 | 1.6 | 2.1 | 0.0 | 1.6 | 2.1 | 0.0 | 1.6 | 2.2 | 0.0 | 1.7 | 2.2 | 0.0 | 1.7 |
| Grand Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Table 37.6: Broad FNDP Sectoral Allocations (Kwacha Billions)

| | Sector | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grant Total | | |
|--------------------|---|---------------------|--------|----------|---------------------|--------|----------|---------------------|--------|----------|---------------------|--------|----------|---------------------|--------|----------|-------------|----------|-----------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | GRZ | Donor | Total |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| 1 | Macroeconomics and financial management | 274.36 | 85.46 | 359.83 | 272.52 | 106.25 | 378.77 | 284.05 | 32.96 | 317.01 | 207.58 | 25.56 | 233.14 | 179.79 | 112.13 | 291.92 | 1,158.30 | 362.36 | 1,520.66 |
| 2 | | 336.41 | 233.41 | 569.82 | 476.37 | 314.70 | 791.07 | 574.05 | 378.80 | 952.85 | 611.38 | 294.50 | 905.88 | 752.69 | 463.70 | 1,216.39 | 2,750.89 | 1,685.11 | 4,436.00 |
| 3 | Agriculture | 8.33 | 39.80 | 48.13 | 10.00 | 30.00 | 40.00 | 10.59 | 64.62 | 75.21 | 16.94 | 48.70 | 65.64 | 10.41 | 39.00 | 49.41 | 56.26 | 222.12 | 278.38 |
| 4 | Tourism | 12.90 | - | 12.90 | 18.60 | - | 18.60 | 18.90 | - | 18.90 | 21.25 | - | 21.25 | 20.20 | - | 20.20 | 91.85 | - | 91.85 |
| 5 | Lands | 9.69 | 18.37 | 28.06 | 11.63 | 51.41 | 63.04 | 17.96 | 84.49 | 102.45 | 10.57 | 78.09 | 88.66 | 14.38 | 81.05 | 95.43 | 64.23 | 313.41 | 377.64 |
| 6 | Natural Resources | 13.16 | 22.36 | 35.52 | 71.00 | 46.40 | 117.40 | 35.60 | 54.70 | 90.30 | 59.80 | 83.20 | 143.00 | 59.40 | 55.70 | 115.10 | 238.96 | 262.36 | 501.32 |
| 7 | Energy | 426.01 | 833.04 | 1,259.05 | 633.20 | 711.82 | 1,345.03 | 659.19 | 620.53 | 1,279.72 | 762.20 | 690.15 | 1,452.35 | 739.81 | 551.93 | 1,346.44 | 3,220.40 | 3,407.49 | 6,627.89 |
| | Infrastructure | 361.54 | 538.90 | 900.43 | 488.00 | 410.70 | 898.70 | 454.41 | 328.68 | 783.09 | 542.10 | 402.10 | 944.20 | 593.97 | 263.21 | 857.18 | 2,440.02 | 1,943.58 | 4,383.60 |
| 8 | Oil Roads | 10.15 | 56.20 | 66.36 | 111.93 | 51.67 | 163.60 | 113.34 | 66.84 | 180.18 | 113.41 | 46.61 | 160.02 | 114.83 | 47.07 | 161.89 | 463.66 | 268.39 | 732.05 |
| 9 | Local Govt and Decentralisation | 3.80 | - | 3.80 | 8.80 | - | 8.80 | 16.30 | - | 16.30 | 18.90 | - | 18.90 | 13.00 | - | 13.00 | 60.80 | - | 60.80 |
| 10 | Communication | 7.50 | - | 7.50 | 14.35 | - | 14.35 | 13.07 | - | 13.07 | 13.31 | - | 13.31 | 11.37 | - | 11.37 | 59.60 | - | 59.60 |
| 11 | Mining | 31.49 | 45.98 | 77.47 | 29.23 | 46.25 | 75.49 | 12.64 | 30.13 | 42.77 | 14.14 | 36.97 | 51.11 | 14.89 | 17.67 | 32.56 | 102.38 | 177.01 | 279.39 |
| 12 | Manufacturing | 32.42 | - | 32.42 | 11.87 | - | 11.87 | 12.95 | - | 12.95 | 12.59 | - | 12.59 | 13.40 | - | 13.40 | 83.23 | - | 83.23 |
| 13 | Trade | 4.45 | 1.88 | 6.33 | 10.15 | 1.97 | 12.12 | 6.21 | 0.40 | 6.61 | 6.09 | 0.40 | 6.49 | 7.06 | 0.40 | 7.46 | 33.96 | 5.05 | 39.01 |
| 14 | Science and Technology | 14.19 | 268.57 | 282.75 | 43.48 | 268.69 | 312.17 | 45.34 | 242.99 | 288.33 | 64.85 | 214.73 | 279.58 | 67.44 | 215.98 | 283.43 | 235.30 | 1,210.96 | 1,446.25 |
| | Water and Sanitation | 11.54 | 13.49 | 25.03 | 18.57 | 15.90 | 34.47 | 28.45 | 21.81 | 50.25 | 47.76 | 15.34 | 63.10 | 49.92 | 15.09 | 65.02 | 156.24 | 81.62 | 237.86 |
| | Oil Water Resource Management and Dvpt. | 2.65 | 255.08 | 257.72 | 24.91 | 252.79 | 277.70 | 16.89 | 221.18 | 238.07 | 17.09 | 199.39 | 216.48 | 17.52 | 200.89 | 218.41 | 79.06 | 1,129.33 | 1,208.39 |
| 15 | Sanitation | 554.05 | 566.62 | 1,120.66 | 815.70 | 533.61 | 1,349.31 | 968.81 | 559.09 | 1,527.91 | 1,094.27 | 652.49 | 1,746.77 | 1,326.88 | 699.81 | 2,026.69 | 4,759.71 | 3,011.62 | 7,771.33 |
| 16 | Health | 1,206.35 | 239.74 | 1,446.09 | 1,563.25 | 296.66 | 1,858.91 | 1,720.08 | 331.61 | 2,051.69 | 2,037.91 | 374.47 | 2,412.39 | 2,369.10 | 410.30 | 2,779.40 | 8,896.69 | 1,651.78 | 10,548.47 |
| 17 | Education | 5.36 | - | 5.36 | 7.30 | 6.00 | 13.30 | 7.79 | 9.00 | 16.79 | 7.95 | 9.30 | 17.25 | 8.20 | 17.00 | 25.20 | 36.61 | 41.30 | 77.91 |
| 18 | Employment and Labour | 19.20 | - | 19.20 | 21.50 | - | 21.50 | 23.00 | - | 23.00 | 24.20 | - | 24.20 | 25.80 | - | 25.80 | 113.70 | - | 113.70 |
| 19 | Child and Youth | | | | | | | | | | | | | | | | | | |
| Core FNDP Programs | | | | | | | | | | | | | | | | | | | |
| Social Protection | | | | | | | | | | | | | | | | | | | |

| | Sector | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grant Total | | |
|----|--|---------------------|-----------------|-----------------|---------------------|-----------------|-----------------|---------------------|-----------------|-----------------|---------------------|-----------------|-----------------|---------------------|-----------------|-----------------|------------------|------------------|------------------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | GRZ | Donor | Total |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| | | 56.88 | 0.50 | 57.08 | 65.86 | 0.50 | 66.36 | 67.73 | 0.50 | 68.23 | 67.73 | 0.50 | 68.23 | 67.73 | 0.50 | 68.23 | 325.64 | 2.50 | 328.14 |
| 20 | TEVET | 13.44 | 38.48 | 51.92 | 50.90 | 39.21 | 90.11 | 33.14 | 46.10 | 79.25 | 38.30 | 59.38 | 97.68 | 47.89 | 85.31 | 133.20 | 183.67 | 268.48 | 452.16 |
| 21 | Art and Culture | 1.65 | - | 1.65 | 1.85 | - | 1.85 | 2.03 | - | 2.03 | 2.24 | - | 2.24 | 2.46 | - | 2.46 | 10.24 | - | 10.24 |
| 22 | Food and Nutrition | 0.05 | 0.70 | 0.75 | 3.32 | 0.26 | 3.58 | 2.34 | 0.25 | 2.59 | 1.55 | 0.38 | 1.92 | 1.85 | 0.46 | 2.31 | 9.11 | 2.05 | 11.16 |
| 23 | Disability and Development | 4.56 | - | 4.56 | 4.66 | - | 4.66 | 4.31 | - | 4.31 | 4.14 | - | 4.14 | 4.14 | - | 4.14 | 21.80 | - | 21.80 |
| 24 | Central Administration | 14.71 | 30.69 | 45.40 | 17.46 | 22.90 | 40.36 | 17.86 | 21.45 | 39.31 | 18.26 | 21.72 | 39.98 | 16.51 | 21.20 | 37.71 | 84.80 | 117.96 | 202.76 |
| 25 | Governance | 36.27 | 21.77 | 58.04 | 248.63 | 2.90 | 251.53 | 245.90 | 2.90 | 248.80 | 72.45 | - | 72.45 | 55.82 | 12.25 | 68.07 | 659.08 | 39.82 | 698.90 |
| 26 | Monitoring and Evaluation (budgeted under macroeconomic) | | | | | | | | | | | | | | | | | | |
| 27 | Foreign Relations | 12.10 | 9.00 | 21.10 | 32.90 | 3.30 | 36.20 | 23.40 | 3.30 | 26.70 | 21.60 | 1.00 | 22.60 | 109.60 | 132.20 | 241.80 | 199.60 | 148.80 | 348.40 |
| 28 | Information Services | 13.50 | - | 13.50 | 23.50 | - | 23.50 | 28.00 | - | 28.00 | 32.50 | - | 32.50 | 37.02 | - | 37.02 | 134.52 | - | 134.52 |
| 29 | Public Order and Safety | 6.33 | - | 6.33 | 11.20 | - | 11.20 | 14.99 | - | 14.99 | 16.50 | - | 16.50 | 15.20 | - | 15.20 | 64.22 | - | 64.22 |
| 30 | Defence | 136.86 | - | 136.86 | 198.85 | - | 198.85 | 241.10 | - | 241.10 | 259.80 | - | 259.80 | 310.52 | - | 310.52 | 1,147.12 | - | 1,147.12 |
| 31 | HIV/AIDS Coordination | - | - | - | 20.00 | - | 20.00 | 20.00 | - | 20.00 | 20.00 | - | 20.00 | 20.00 | - | 20.00 | 80.00 | - | 80.00 |
| 32 | Environment | 1.28 | 32.04 | 33.33 | 1.61 | 33.65 | 35.26 | 2.03 | 35.33 | 37.36 | 2.56 | 37.10 | 39.65 | 3.22 | 39.50 | 42.72 | 10.71 | 177.61 | 188.32 |
| 33 | Gender | 0.42 | 23.43 | 23.86 | 2.78 | 76.92 | 79.71 | 1.56 | 50.96 | 52.52 | 2.82 | 64.51 | 64.74 | 2.75 | 24.94 | 27.69 | 10.35 | 240.77 | 251.11 |
| | | - | - | - | 2.00 | - | 2.00 | 2.50 | - | 2.50 | 2.50 | - | 2.50 | 2.50 | - | 2.50 | 9.50 | - | 9.50 |
| | TOTAL Core FNDP | 3,255.49 | 2,559.05 | 5,814.53 | 4,723.50 | 2,640.77 | 7,364.28 | 5,223.36 | 2,633.67 | 7,857.03 | 5,638.68 | 2,738.76 | 8,374.85 | 6,336.26 | 2,895.89 | 9,286.84 | 25,177.29 | 13,468.14 | 38,645.43 |
| | Macroeconomic and structural reforms | 443.02 | 2.28 | 445.30 | 542.69 | 1.10 | 543.79 | 515.65 | 2.00 | 517.65 | 620.42 | 2.00 | 622.42 | 606.86 | - | 606.86 | 2,728.63 | 7.38 | 2,736.02 |
| 1 | Agriculture | 63.74 | - | 63.74 | 20.20 | - | 20.20 | 98.30 | - | 98.30 | 128.30 | - | 128.30 | 134.85 | - | 134.85 | 445.39 | - | 445.39 |
| 2 | Tourism | 25.41 | 15.00 | 40.41 | 29.07 | 15.00 | 44.07 | 28.74 | - | 28.74 | 29.14 | - | 29.14 | 29.69 | - | 29.69 | 142.06 | 30.00 | 172.06 |
| 3 | Land | 5.35 | - | 5.35 | 5.69 | - | 5.69 | 6.63 | - | 6.63 | 6.91 | - | 6.91 | 7.80 | - | 7.80 | 32.38 | - | 32.38 |
| 4 | Natural Resources | 4.98 | - | 4.98 | 6.72 | - | 6.72 | 6.30 | - | 6.30 | 6.50 | - | 6.50 | 7.67 | - | 7.67 | 32.17 | - | 32.17 |
| 5 | Energy | 7.38 | 0.64 | 8.02 | 9.96 | 5.70 | 15.66 | 12.16 | 6.80 | 18.96 | 16.00 | 7.70 | 23.70 | 20.01 | 7.70 | 27.71 | 65.51 | 28.54 | 94.05 |
| 6 | Infrastructure Summary | 67.40 | - | 67.40 | 56.40 | - | 56.40 | 43.90 | - | 43.90 | 51.00 | - | 51.00 | 54.70 | - | 54.70 | 273.40 | - | 273.40 |
| | Other Roads | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | Sector | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grant Total | | |
|----|--|---------------------|--------|--------|---------------------|--------|--------|---------------------|--------|--------|---------------------|--------|--------|---------------------|--------|--------|-------------|--------|----------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | GRZ | Donor | Total |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| 8 | Local Govt and Decentralisation | 37.54 | - | 37.54 | 38.23 | - | 38.23 | 55.90 | - | 55.90 | 59.14 | - | 59.14 | 73.91 | - | 73.91 | 264.71 | - | 264.71 |
| 9 | Communication summary | - | - | - | 1.20 | - | 1.20 | 1.60 | - | 1.60 | 2.40 | - | 2.40 | 2.40 | - | 2.40 | 7.60 | - | 7.60 |
| 10 | Mining | 5.53 | - | 5.53 | 6.16 | - | 6.16 | 6.99 | - | 6.99 | 7.89 | - | 7.89 | 8.05 | - | 8.05 | 34.61 | - | 34.61 |
| 11 | Manufacturing | 6.47 | - | 6.47 | 3.70 | - | 3.70 | 4.17 | - | 4.17 | 3.79 | - | 3.79 | 4.06 | - | 4.06 | 22.18 | - | 22.18 |
| 12 | Trade | 3.80 | - | 3.80 | 1.61 | - | 1.61 | 2.49 | - | 2.49 | 2.71 | - | 2.71 | 2.54 | - | 2.54 | 13.15 | - | 13.15 |
| 13 | Science and Technology | 8.24 | - | 8.24 | 5.30 | - | 5.30 | 10.82 | - | 10.82 | 12.08 | - | 12.08 | 13.22 | - | 13.22 | 49.66 | - | 49.66 |
| 14 | Water and Sanitation | 3.06 | 1.05 | 4.10 | 9.37 | 0.11 | 9.48 | 5.00 | 0.75 | 5.75 | 4.91 | 0.35 | 5.26 | 6.80 | 0.58 | 7.38 | 29.14 | 2.83 | 31.96 |
| | Water Resource Management and Development and Water and Sanitation | 0.90 | 1.05 | 1.95 | 5.97 | 0.11 | 6.08 | 1.09 | 0.75 | 1.84 | 0.90 | 0.35 | 1.25 | 0.87 | 0.58 | 1.45 | 9.73 | 2.83 | 12.56 |
| | | 2.15 | - | 2.15 | 3.40 | - | 3.40 | 3.91 | - | 3.91 | 4.01 | - | 4.01 | 5.93 | - | 5.93 | 19.40 | - | 19.40 |
| 15 | Health | 2.95 | 5.20 | 8.15 | 4.45 | 7.11 | 11.56 | 4.87 | 11.93 | 16.80 | 4.53 | 13.64 | 18.18 | 4.98 | 12.94 | 17.93 | 21.79 | 50.83 | 72.61 |
| 16 | Education | 70.73 | 39.03 | 109.75 | 86.94 | 52.32 | 139.27 | 96.14 | 57.05 | 153.18 | 112.89 | 66.15 | 179.04 | 124.07 | 72.30 | 196.38 | 490.78 | 286.85 | 777.62 |
| 17 | Employment and Labour | 7.71 | - | 7.71 | 9.04 | 6.00 | 15.04 | 9.86 | 9.00 | 18.86 | 10.40 | 5.00 | 15.40 | 11.07 | 4.00 | 15.07 | 48.08 | 24.00 | 72.08 |
| 18 | Child and Youth | 9.50 | - | 9.50 | 10.10 | - | 10.10 | 10.20 | - | 10.20 | 10.30 | - | 10.30 | 10.40 | - | 10.40 | 50.50 | - | 50.50 |
| 19 | Social Protection | 4.59 | - | 4.59 | 6.15 | - | 6.15 | 6.46 | - | 6.46 | 6.46 | - | 6.46 | 6.46 | - | 6.46 | 30.12 | - | 30.12 |
| 20 | TEVET | 11.00 | 19.10 | 30.10 | 9.16 | 1.20 | 10.36 | 14.50 | 23.40 | 37.90 | 15.00 | 19.44 | 34.44 | 17.00 | 19.18 | 36.18 | 66.66 | 82.32 | 148.98 |
| 21 | Art and Culture | 2.06 | 0.70 | 2.76 | 2.27 | 0.70 | 2.97 | 2.49 | 0.70 | 3.19 | 2.71 | 0.70 | 3.41 | 2.94 | 0.70 | 3.64 | 12.48 | 3.50 | 15.98 |
| 22 | Food and Nutrition | 1.60 | - | 1.60 | 3.40 | 0.14 | 3.54 | 3.89 | 0.23 | 4.12 | 4.68 | 0.20 | 4.88 | 5.52 | 0.23 | 5.75 | 19.08 | 0.80 | 19.88 |
| 23 | Disability and Development | 32.09 | - | 32.09 | 28.03 | - | 28.03 | 30.72 | - | 30.72 | 30.24 | - | 30.24 | 25.01 | - | 25.01 | 146.09 | - | 146.09 |
| 24 | Central Administration Summary | 381.99 | - | 32.09 | 426.07 | - | 426.07 | 451.26 | - | 451.26 | 475.80 | - | 475.80 | 488.18 | - | 488.18 | 2,223.30 | - | 2,223.30 |
| 25 | Governance Summary | 708.71 | 4.64 | 381.99 | 290.08 | 3.50 | 293.58 | 302.42 | - | 451.26 | 381.93 | - | 381.93 | 345.72 | 171.62 | 517.34 | 2,028.86 | 179.76 | 2,208.62 |
| 26 | M & E | 0.20 | - | 0.20 | 0.90 | - | 0.90 | 0.20 | - | 0.20 | 0.20 | - | 0.20 | 0.20 | 0.40 | 0.60 | 1.70 | 0.40 | 2.10 |
| 27 | Foreign Relations | 141.39 | - | 141.39 | 140.82 | - | 140.82 | 145.47 | - | 145.47 | 151.83 | - | 151.83 | 158.84 | - | 158.84 | 738.35 | - | 738.35 |
| 28 | Information Services | 18.04 | - | 18.04 | 16.83 | - | 16.83 | 18.64 | - | 145.47 | 18.48 | - | 18.48 | 21.53 | - | 21.53 | 93.52 | - | 93.52 |
| 29 | Public Order and Safety | 234.89 | 3.00 | 237.89 | 258.36 | 3.18 | 261.53 | 289.34 | 3.18 | 292.52 | 318.06 | 3.18 | 321.23 | 362.93 | 3.18 | 366.10 | 1,463.57 | 15.70 | 1,479.27 |

| | Sector | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grant Total | | |
|----|---|---------------------|----------|----------|---------------------|----------|-----------|---------------------|----------|-----------|---------------------|----------|-----------|---------------------|----------|-----------|-------------|-----------|-----------|
| | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | Cost in K' Billions | | | GRZ | Donor | Total |
| | | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donors | Total | | | |
| 30 | Defence | 659.24 | - | 659.24 | 779.58 | - | 779.58 | 870.29 | - | 870.29 | 979.15 | - | 979.15 | 1,011.06 | - | 1,011.06 | 4,299.33 | - | 4,299.33 |
| 31 | HIV/AIDS | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 32 | Environment | 3.75 | - | 3.75 | 5.36 | 2.40 | 7.76 | 4.35 | - | 4.35 | 4.48 | - | 4.48 | 8.96 | - | 8.96 | 26.89 | 2.40 | 29.29 |
| 33 | Gender | 1.20 | - | 1.20 | 6.80 | - | 6.80 | 6.75 | - | 6.75 | 7.26 | - | 7.26 | 7.76 | - | 7.76 | 29.77 | - | 29.77 |
| | Total Non Core FNDP | 2,973.36 | 90.64 | 2,382.74 | 2,819.73 | 98.45 | 2,918.18 | 3,066.28 | 115.03 | 3,456.98 | 3,485.38 | 118.35 | 3,603.73 | 3,584.97 | 292.43 | 4,014.71 | 15,929.72 | 714.91 | 16,644.62 |
| 34 | Constitutional and Statutory Expenditure | 1,438.52 | - | 1,438.52 | 995.60 | - | 995.60 | 914.55 | - | 914.55 | 858.61 | - | 858.61 | 986.16 | - | 986.16 | 5,193.44 | - | 5,193.44 |
| | Domestic Debt Interest | 731.40 | - | 731.40 | 491.20 | - | 491.20 | 463.00 | - | 463.00 | 480.50 | - | 480.50 | 411.50 | - | 411.50 | 2,577.60 | - | 2,577.60 |
| | Foreign Debt Service (Including Amortization) | 378.00 | - | 378.00 | 220.00 | - | 220.00 | 232.00 | - | 232.00 | 142.71 | - | 142.71 | 312.59 | - | 312.59 | 1,285.30 | - | 1,285.30 |
| | Constitutional Posts | 23.74 | - | 23.74 | 25.78 | - | 25.78 | 27.04 | - | 27.04 | 28.40 | - | 28.40 | 31.61 | - | 31.61 | 136.58 | - | 136.58 |
| | Medium-Term Pay Reform | 298.48 | - | 298.48 | 246.62 | - | 246.62 | 172.51 | - | 172.51 | 178.00 | - | 178.00 | 198.17 | - | 198.17 | 1,093.78 | - | 1,093.78 |
| | Contingency | 6.90 | - | 6.90 | 12.00 | - | 12.00 | 20.00 | - | 20.00 | 29.00 | - | 29.00 | 32.29 | - | 32.29 | 100.19 | - | 100.19 |
| 35 | Provincial Administration | 125.90 | - | 125.90 | 206.93 | - | 206.93 | 218.35 | - | 218.35 | 251.81 | - | 251.81 | 290.40 | - | 290.40 | 1,093.39 | - | 1,093.39 |
| 36 | Others n.e.d | 174.75 | - | 174.75 | 188.62 | - | 188.62 | 201.20 | - | 201.20 | 229.20 | - | 229.20 | 255.17 | - | 255.17 | 1,048.94 | - | 1,048.94 |
| | Grand Total | 7,968.02 | 2,649.69 | 9,936.44 | 8,934.37 | 2,739.23 | 11,673.60 | 12,648.11 | 2,748.69 | 15,463.75 | 10,463.68 | 2,857.12 | 13,318.19 | 11,452.96 | 3,188.32 | 14,833.28 | 48,442.77 | 14,180.44 | 62,623.22 |

* Costed and Macroeconomic and Structural reforms

MONITORING AND EVALUATION



Institutional Framework for FNDP Implementation, Monitoring and Evaluation

38.1 Introduction

The institutional framework within which a plan is implemented ultimately determines the prospects of its success. Given the institutional and human resource capacity limitations that are documented in the different chapters of this Plan, the Government has decided to include institutional reforms and capacity strengthening among its strategic goals during the 2006 to 2010 period. Human resource capacity building and capacity retention will be part of the institutional capacity strengthening. The Government is equally cognisant of the fact that without the required competent, experienced, and motivated human resource that would drive institutions and systems forward, no amount of planning effort would be rewarded with positive change. Thus, the value of this Plan will be judged by the extent to which the Government system, in partnership with its stakeholders, is in good stead to implement it. To the extent that institutional reorganisation and capacity building depend on human resources, addressing the existing human resource capacity gaps through training and retention of professionals in the right positions (within the context of the Public Service Reform Programme) shall receive the highest priority during the implementation of the FNDP.

This chapter is divided into two parts, the first part discusses the implementation and institutional mechanisms while the second part deals with the framework and systems for monitoring and evaluation. The key elements of the proposed framework are the institutional arrangements and the indicator system which is built around data collection, analysis and use.

38.2 Implementation Framework

The Government has decided to return to national development planning as a means of effectively and efficiently allocating and managing scarce national resources. In this regard, National Development Plans shall be developed covering five-year time segments. In order to institutionalise this process, the following actions shall be undertaken:

- a) The Government shall review the existing regulatory and legislative systems for planning and budgeting with a view to secure congruency between the two processes and ensure that the state systems, procedures and structures are in tune with the decision to use planning as an overarching tool to address the challenges of wealth creation and poverty reduction. In this respect, the Government shall review such pieces of legislation as the Constitution (Part 10 on Finance); and the Public Finance Act 2004 (including the supporting 'Financial Regulations') that give powers to the Executive to provide management, supervision, control and direction of all matters relating to the financial affairs of the Government. To the extent that the existing laws and regulations (that were designed to backstop the 'market-led' approach to development) focus more on *budgeting* and *financial management*, the issues that relate more explicitly and directly to *planning* (e.g. institutions, processes, reporting, etc.) have remained ambiguous. The Government shall, therefore, attend to this during the first few years of the FNDP in order to give the legal and regulatory framework to the institutions and processes for planning;
- b) The role of Parliament in both the planning and budgeting processes shall also be reviewed and clearly spelt out. The Constitution gives Parliament the legal authority necessary to provide oversight of public financial management. To the extent that national development plans shall form the basis of financial resource allocations, and that Parliament is empowered by the Constitution to monitor budget execution by the Executive, the role of this legislative arm of the State at both the planning and budgeting levels shall be explicitly defined and streamlined. Indeed, it is the Government's plan to strengthen the role of Parliament so that its responsibilities go beyond the budget approval process to include closer monitoring of national development plans. In this regard, the capacity of the Ministry of Finance and National Planning shall be strengthened to enable it provide reliable and timely reports on both budget and Plan execution; and

- c) Cabinet Office through the Policy Analysis and Coordination (PAC) unit will work closely with the Ministry of Finance and National Planning in monitoring policy and programme implementation of the FNDP.

In the light of the above, the FNDP shall be Zambia's development planning and resource programming tool over the 2006 to 2010 period. A process of developing a national development plan every five years will continue to enlist the input of stakeholders at all levels from planning and implementation to monitoring and evaluation. It is important to recognise that the FNDP is not independent of other public planning instruments and processes such as the National Vision 2030, Medium Term Expenditure Framework (MTEF), and the annual national budget. In this respect, the annual budget will be the primary instrument for implementing the plan. While the FNDP provides the overall framework and specific programmes within the context of the projected resource envelope, it is important that the annual work plans for respective sectors actually guide specific interventions. The work plans will be developed at levels of implementation and will be based on the provisions of the FNDP. They will guide actual implementation while the FNDP only presents strategic goals and objectives as well as indicative activities. All the activities that shall be implemented annually shall focus on the realisation of one or more of the FNDP's objectives during the 2006-2010 period. As a general guide, annual work plans will provide the following details:

- a) Sector objectives/targets;
- b) Programme and its strategic objective(s);
- c) activities covering the FNDP period (2006 to 2010);
- d) Sub-activities, giving yearly activities to be identified by each level of implementation;
- e) Budget, including sources of financing;
- f) Timeline for the specific year;
- g) Annual targets; and
- h) Implementation modality.

In the context of the above, the FNDP has identified only broad programmes for each sector/component while the preparation of details regarding activities under those programmes is left to the competence of each sector/ministry as guided by the annual work plans and national budget prepared by MFNP and approved by Parliament.

In terms of institutional linkages, the flow of the FNDP information between community and national level structures will be multi-directional, from community to national level and vice-versa. The overall coordination of the implementation of the FNDP will rest with MFNP with the full participation of line ministries, other government institutions, civil society, and cooperating partners. The Planning and Economic Management Department (PEMD) in MFNP will be the focal point for the FNDP coordination, monitoring, and evaluation. The coordination aspect will also include harmonisation of external financing for the FNDP programmes and other technical assistance. At this level, the input of the Economic and Technical Cooperation Department in MFNP shall be required. PEMD shall assume a strategic position in the cultivation of the Government's declared policy of partnerships with other stakeholders in both the implementation and monitoring of the FNDP performance.

In the context of the described mechanism above, the implementation of the FNDP will be operationalised through the Medium Expenditure Term Framework and the annual work plans, which are supported by the annual Activity Based Budgets (ABB). In ensuring that central government and lower-level structures are accountable to each other, the process of refocusing priorities shall follow a complementary and consultative top-down and bottom-up process. At the level of *top-down process*, the Plan will be reviewed annually taking into account Vision 2030. The annual reviews will provide an informed basis for a more focused fiscal allocation of resources for annual and medium-term implementation. In this respect, the top-down process will involve the following specific activities:

- a) review of macroeconomic, fiscal frameworks and sector performance as an input into the macroeconomic projections for the medium-term development objectives;
- b) preparation of macroeconomic framework, including projections of GDP and total resources both domestic and donor;
- c) Budget guidelines are prepared to provide specific steps and budgeting information to ministries, provinces, districts and spending agencies (MPSAs) to guide preparation of MTEF and annual Budget;

- d) indicative macroeconomic framework and budget ceilings are presented to Cabinet for discussion and approval;
- e) Macro Framework and Budget priorities are then presented in form of a Green Paper to the Parliamentary Committee and civil society for comments;
- f) finalisation of Budget Framework Paper and annual Estimates are done by MFNP;
- g) approval by Cabinet and presentation to Parliament by November of each year;
- h) the MFNP updates macroeconomic framework and consolidates ministry budget framework papers into national budget framework paper, based on outcome of budget hearings and comments from the Parliamentary Estimates Committee; and
- i) Budget framework papers approved by Cabinet along with final ceilings for each year of the MTEF.

The bottom-up process, in turn, will start with the preparation of the budget framework papers, which review objectives, outputs and activities, including critical assessment of priorities of MPSAs in line with the FNDP sector chapters and in consultation with DDCCs and the PDCCs. Specific activities of the bottom-up process during the FNDP shall include the following:

- a) Ministry, Provinces and Spending Agencies (MPSAs) will prepare budget framework papers (BFPs), including sector goals and outcomes, ministry policy frameworks, objectives, programmes, outputs and activities;
- b) MPSAs will cost activities for the three-year period and prioritise to fit within ceilings;
- c) MPSAs will identify issues that need to be resolved by Cabinet before approval of the budget;
- d) Budget hearings will be held to discuss BFPs with the DDCC and PDCCs; and
- e) MPSAs finalise annual Budget and forward estimates based on final ceilings.

Table 38.1 shows the roles of different institutions (at the national, provincial and district levels) in the implementation of the FNDP.

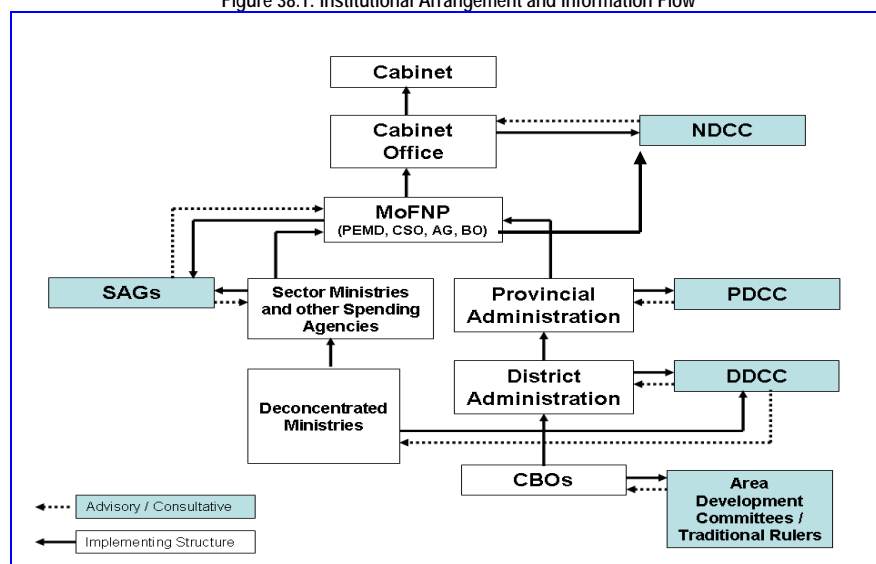
Table 38.1: Institutional Roles and Responsibilities for the FNDP Implementation and Monitoring

| Implementing Institutions | Advisory Institutions | Roles/Responsibilities |
|--|---|--|
| National Level | | |
| <ul style="list-style-type: none"> National Assembly Cabinet Cabinet Office Ministry of Finance and National Planning Private sector Sector Ministries and other spending Agencies Committees | <ul style="list-style-type: none"> National Development Co-ordinating Committee (NDCC) – To be established Umbrella Organizations and Research Institutions SAGs Special interest groups Thematic Committees | <ul style="list-style-type: none"> Parliament will discuss policy decisions for legislature that will support implementation. Cabinet will provide leadership and decide on new policy directions and priorities for national development interventions. Cabinet Office will provide supervisory functions in policy development and implementation. MFNP will develop the overall implementation targets and indicators and monitor the implementation process. The sector ministries will formulate sectoral policies, programmes and projects The National Development Coordinating Committee (NDCC) will be chaired by the Secretary to the Cabinet and will be responsible for making policy recommendations to Cabinet. The NDCC will also oversee overall monitoring and evaluation of programmes in the FNDP SAGs will provide professional and technical advice Special interest groups will participate in the relevant SAGs. The research institutions will add value to the process through the research findings and recommendations for policy development. The private sector will be a key partner in the implementation of the FNDP. They will be represented in SAGs, PDCCs, and DDCCs. Thematic Committees will be created to deal with specific issues. |
| Provincial Level | | |

| | | |
|--|---|---|
| Provincial Administration Provincial Sector Departments | <ul style="list-style-type: none"> Special interest groups PDCC | <ul style="list-style-type: none"> Special interest groups will provide advice to Government and private sector. They will be represented on PDCCs. The Provincial Administration will co-ordinate implementation and monitoring and evaluating of programmes through the Provincial Development Co-ordinating Committee (PDCC) chaired by the Provincial Permanent Secretary. PDCC will scrutinise and harmonise development plans from districts and monitor their implementation through sub-committees such as the Provincial M&E sub-committee. PDCC will advise on the consistency of plan implementation with National Priorities. <p>Note: These roles and responsibilities will be further refined as implementation of the decentralisation policy progresses.</p> |
| District Level | | |
| <ul style="list-style-type: none"> District Commissioner's office District Councils | <ul style="list-style-type: none"> Special interest groups DDCC | <ul style="list-style-type: none"> Implementation, monitoring and evaluation of programmes will be co-ordinated by the District Development Co-ordinating Committee (DDCC) chaired by the District Commissioner. DDCC will scrutinise development plans from departmental submissions and monitor their implementation through sub-committees representing each sector. DDCC will advise on the consistency of plan implementation with Provincial and National Priorities and present the plans to the Council. The District Council will approve all the district plans and guide their implementation. <p>Note: These roles and responsibilities will be further refined as implementation of the decentralisation policy progresses.</p> |
| Community Level | | |
| Ward Development Committees: Resident development Committees Traditional Authorities or Establishments | | <ul style="list-style-type: none"> Local participation should be co-ordinated at ward level by the ward development committee (WDC), Resident Development Committees (RDCs) and Area Development Committees (ADCs). These committees will participate in the implementation and monitoring of district plans by ensuring that the implementation is consistent with their local needs and priorities. Their participation will be through the District Development Co-ordinating Committees (DDCC) and District Councils. |

The flow of information between community level and national level will be two-way, i.e. from community to national and vice-versa and horizontally through consultative forums. Figure 38.1 shows the different levels through which both implementation and monitoring information shall flow during the FNDP.

Figure 38.1: Institutional Arrangement and Information Flow



Source: Ministry of Finance and National Planning

Notwithstanding the above, the Government recognises that system-wide capacity building is by itself insufficient. The Government notes that unless the wider environment (in this case the rules, norms,

values, and pay structures of the public sector as a whole) is changed, ‘capacity’ is unlikely to be built – and retained. Thus, improvement of the wider institutional environment shall constitute one of the central themes of the FNDP. This will entail institutional change at the macro/national level in the Government’s effort to do away with the long-standing culture of centralised decision-making. The decentralisation policy is particularly relevant at this level and the Government shall make every effort to adhere to the decentralisation implementation plan.

In the light of the above, the Government intends to pursue the following strategies in its effort to put in place effective institutional and implementation mechanisms:

- a) To prevent the proliferation of conditions imposed by individual donors on the Government, cooperating partners shall limit their support within the commonly agreed FNDP framework;
- b) The Government shall strengthen its policy-relevant management information systems so as to secure data integrity in planning, budgeting, and financial reporting. Through the Public Expenditure Management and Financial Accountability (PEMFA), the Government shall take advantage of existing advances in information communication and technology solutions, focusing on hardware and software acquisition; skills enhancement through training; and communications infrastructure improvement;
- c) The Government expects its cooperating partners to programme grants over a multi-year timeframe and concurrently make multi-year funding commitments to enable the MFNP to better plan its medium-term macroeconomic and fiscal projections in the context of MTEF. The Government will ensure that the timing of cooperating partners’ financial commitments and disbursements as well as their review processes are, as much as possible, aligned with Zambia’s budget cycles. This will reduce transaction costs; allow allocative efficiency in macro sector-level spending; increase predictability of aid flows; enhance the effectiveness of sector management; improve monitoring and evaluation; and strengthen financial accountability;
- d) The Government will ensure that the procedures and timetables for all approved programmes under each sector are synchronized with the monitoring and annual reviews of the FNDP so that progress reports at these levels feed into the Plan’s overall performance assessment. The need to dovetail the sectoral activities into the FNDP calendar and indicators is essential given the fact that the input from ministries, districts and provinces brings together government, donors, and other stakeholders under consultative frameworks that seek agreement on indicators to be monitored for the entire FNDP; and,
- e) To the extent that the speed of the FNDP implementation shall be dependent on resource availability (both human and financial), the actual phasing of interventions shall be defined yearly in annual work Plans.

The decentralisation of functions to the provincial and district levels shall receive top priority during the implementation of the FNDP. Ministerial, provincial and district planning units will be linked to the MFNP and it is expected that monitoring of programmes and activities will commence at these units. The process of planning will eventually be decentralised to the provincial and district level in the context of the decentralisation policy. Provincial budgets will be prepared on the basis of the annual work plans. The preparation of district and provincial work plans will draw on the participation of key stakeholders, including the private sector, NGOs, and civil society.

Implementation of the FNDP 2006 to 2010 will be viewed in the context of the current decentralisation policy, which is important in strengthening institutions at the central level through to the lower level. This is particularly vital now when the current decentralisation approach involves devolution of government functions so that national developmental objectives are achieved through an improved, expanded and sustainable governance system where central government, local authorities and communities would become mutually accountable during implementation.

In the spirit of real partnership and information sharing, the Government, through the MFNP, shall firstly, orient all government officials and other stakeholders (including NGOs, CBOs, FBOs, the private sector, etc.) to the contents and process of the FNDP. Secondly, the Plan shall be disseminated

to local and external stakeholders, defining its main components/targets, and enlisting support for those targets. The functional relationships of different stakeholders shall be further redefined and the modalities of cooperation agreed upon through consultative processes. The magnitude of the challenges identified in this Plan mean that its implementation has to be a product of collective action and collaboration between the Government and all stakeholders. The FNDP implementation, supervisory, and monitoring structure will be developed in a manner that would provide guidance in a) strategy direction; b) activities coordination; c) implementation sequencing; d) monitoring of implementation; and e) periodic impact assessments.

The existing departments in sectoral ministries shall constitute the FNDP's main implementation organs and the current committees under the various sectors, supplemented by SAGs, shall be realigned to the targeted goals, programmes and objectives of the Plan. In this respect, by integrating the FNDP implementation into the existing government structures, only very few committees/forums may be established, e.g. those that aspire to bring cooperating partners and other stakeholders closer to the Government at the level of implementation and monitoring the FNDP activities. Coordination/consultative mechanisms between the Government and donors are to be re-defined in the context of the aid policy and strategy for Zambia.

In the context of the above, concerted efforts shall be made during the implementation of the FNDP to build the requisite capacities, guided by the following principles:

- a) Efficient planning and application of resources during the FNDP period;
- b) Integration of government budget resources and donor resources within a mutually-agreed programme of activities as defined in this Plan and guided by the National Vision and MDGs;
- c) Financing and managing the FNDP through a sector-wide approach (SWAp) and, where admissible, direct budget support, focusing, in the initial stage, on the adoption of common accounting, monitoring, and reporting systems that are designed to meet the requirements of all stakeholders;
- d) Emphasising good governance in the implementation of the Plan, focusing on efficiency, transparency, and realism in the design and implementation of annual work plans,
- e) Strengthening of links between sector expenditure programmes/activities and the MTEF;
- f) Fostering a sense of cooperation and partnership with all stakeholders through regular consultation and reporting while firmly maintaining control and leadership within MFNP,
- g) Developing and/or strengthening mechanisms for measuring the FNDP performance through strong monitoring mechanisms with clear performance indicators. This will entail the establishment of monitoring and evaluation systems that ensure timely interventions during FNDP implementation as well as providing information on programme performance;
- h) Recognition of the importance of consensus on national development policy, reform activities, and objectives between the Government, cooperating partners/donors and other stakeholders through, *inter alia*, formal and informal consultation to ensure that there is common understanding on both the processes and instruments of the FNDP implementation;
- i) Strengthening the FNDP coordination function of MFNP through the enhancement of the capacity of the PEMD and other related departments in the Ministry;
- j) Enhancing the planning and monitoring capacity of line ministries and government-aided statutory bodies in order to secure the requisite competencies for effectively managing their respective components of the FNDP; and
- k) Recognition of decentralisation as an important way of enlisting the interest and participation of other local stakeholders.

38.3 Monitoring, Evaluation and Reporting Framework

38.3.1 Principles

This section presents guidelines on the development of monitoring and evaluation instruments as well as the agreed indicators which will be applied in the monitoring of the FNDP.

Effective monitoring and evaluation of the activities of the FNDP are critical functions of delivery. Firstly, these processes will provide essential data and insights for drawing lessons, priority setting and informed review of the FNDP implementation processes. Secondly, they will offer the assurance that resources, including donor funds, are used for agreed purposes. Financial monitoring, in particular, will track the financial information/data that relate to the Plan's resources with a view to maintaining an

account of how and where these are applied. Good quality financial monitoring is critical to the effective implementation of the FNDP and to accountability in the use of resources. Equally noteworthy, the integrity of the Government's financial monitoring and reporting has a bearing on the degree to which stakeholders may have faith in the system before they can consider providing increased support for the FNDP, in general, and the mode of that support (e.g. project, SWAp, direct budget support), in particular. The role of the Office of the Auditor General, therefore, becomes an important one in the FNDP financial monitoring system and its strengthening shall be among the priority goals during the Plan period.

The FNDP will be a results-based Plan that focuses on agreed targets and results. The Plan incorporates a system to monitor inputs, outputs, outcomes, and impacts so that resources can be strategically managed and progress tracked. This process helps to distinguish the FNDP monitoring from traditional project monitoring. In this regard, the indicators here refer to the whole country, as opposed to a specifically targeted project area. The monitoring system will feed information back into the processes of governing and decision-making, making it a vital public management tool. Thus, the monitoring systems will give information on the implementation status of the FNDP policies and programmes at any given time relative to the agreed targets. The evaluation system, on the other hand, will determine the degree to which the set targets and expected outcomes/impact are being realised. Thus, evaluation will complement monitoring in that, when signals from the monitoring processes suggest that the Plan is going off-track, the evaluation function will help to point out the causes and suggest corrective measures.

Against the above background, the Government shall work towards strengthening the reporting and monitoring systems in a way that would allow it to fully capture the total public expenditure behaviour under the FNDP. To expedite this process, MFNP shall work towards ensuring that sector ministries submit their progress reports on time by demanding timely submissions and by progressively moving away from manual to computer-based automated recording. The streamlining of budget classifications (particularly between recurrent and capital expenditure) will also improve the integrity of consolidated data. In order to improve upon the reporting and monitoring functions during the FNDP period, the following shall constitute the Government's approach:

- a) In monitoring the FNDP performance, the Government and other stakeholders will use the key performance indicators for the various programmes. This will entail the tracking of changes in the overall sectoral performance, focusing more on the impact of interventions. Where there is genuine need for the introduction of additional monitoring and/or accountability indicators, these will be added only with the approval of MFNP;
- b) Monitoring systems will be applied using key performance indicators during the FNDP implementation period;
- c) Reporting requirements at sector levels will feed into the overall FNDP reporting system where their timing will be synchronized with key planning cycles;
- d) When supporting the Plan, cooperating partners shall rely on the Government's financial reporting and monitoring system; and
- e) The impact monitoring system will be strengthened, focusing on (a) the improvement of relevant data collection; (b) the timeliness and quality of processing, analysis and publication/dissemination; and (c) the utilisation of impact monitoring results in policy-making and resource allocation.

Once monitoring and evaluation systems are defined within the national framework, the fundamental building blocks of the sector monitoring and evaluation systems will include the generation of baseline data; identification of indicators; setting of targets; data collection on identified indicators; data analysis; and, finally, reporting and data use.

38.3.2 Indicators for the FNDP Monitoring

38.3.2.1 Key Performance Indicators

To enable regular and quality reporting, key performance indicators have been identified for each sector. These are limited to between 4 to 6 indicators per sector. These indicators will help to focus efforts and resources for evaluating sector performance. The report on the indicators will form a major input into the annual, mid-term, and end-of-Plan progress reports. The underlining factor in selecting

the indicators was the logical linkages to the overall sector goal and objectives. The following assumptions were used in selecting the key performance indicators:

- There exists readily available quality data on the indicator and that the data source for the indicator can be clearly identified in the sector;
- The data is collected regularly;
- The indicator is related to realistic performance criteria;
- The data is relevant to users in terms of its timeliness, adequacy, relevance, and accessibility;
- Data collection processes are affordable and cost-effective;
- It must be possible to disaggregate data on the indicator in desirable classifications; and
- Output indicators can be selected with a view to predicting longer-term outcomes and impact with reasonable reliability.

38.3.2.2 Poverty Indicators

The performance of the FNDP as a whole in terms of its impact on poverty and the welfare of the population shall be measured using specific poverty indicators. This will be done at mid-term (after two and half years) and at the end of the life of the FNDP (in 2010). To do this, data on certain poverty indicators shall be collected. These will be based on the survey programme of CSO. The major indicators for assessing these are identified as follows:

| | |
|--|---|
| <ul style="list-style-type: none"> Population living below the poverty line (Poverty Headcount); Share of poorest quintile in national consumption; Population with access to clean and safe water; Households with access to sanitary means of excreta disposals; Maternal Mortality Rate; Child (Under Five) Mortality Rate; Infant Mortality Rate; HIV Prevalence Rate; | <ul style="list-style-type: none"> Life Expectancy at Birth; Adult Literacy Rate; Stunting Prevalence; Wasting Prevalence; Annual real GDP Growth; Real per capita GDP (in US Dollars); Consumer Price Index; Average Commercial Bank Lending Rates; Employment; Population growth. |
|--|---|

The key performance indicators for the main sectors/components of the FNDP are shown in Table 38.2.

Table 38.2: Key performance indicators for the FNDP

| | Sector | Key Performance Indicators | Baseline Value 2005 | Target Value 2010 |
|---|-----------------|--|---------------------|-------------------|
| 1 | Macro-economics | Domestic borrowing as % of GDP | 1.95 | <0.5% |
| | | Stock of domestic suppliers debt as % of GDP | 19.0% | |
| | | Annual broad money supply | 0.4 | |
| | | Budgetary releases for key sectors as a ratio of their allocation | | |
| | | (a) Health | (a) 1.11 | (a) ≥1 |
| | | (b) Education | (b) 1.16 | (b) ≥1 |
| | | (c) Energy | (c) .95 | (c) ≥1 |
| | | (d) Agriculture | (d) .98 | (d) ≥1 |
| | | (e) Infrastructure | (e) -- | (e) ≥1 |
| | | (f) Water and Sanitation | (f) .41 | (f) ≥1 |
| | | Domestic tax revenue as a % of GDP | 17.3% | >18% |
| | | VAT reimbursements taking less than 30 days in | | |
| | | (a) Proportion of claims submitted (number of claimants) | (a) 29% | (a) >95% |
| | | (b) Volume of claims submitted (ZK) | (b) 91.5% | (b) >98% |
| | | Debt Service to Export Ratio | 6.8% | |
| | | Number of Ministries and Provinces operating the IFMIS system | 0 | 48 |
| | | Per cent of heads whose total actual expenditures is between 95 percent and 105 percent of the total funding | 73% | >95% |

| | Sector | Key Performance Indicators | Baseline Value 2005 | Target Value 2010 |
|---|-----------------------------------|---|----------------------------|---------------------------------|
| | | Variance between original budget and primary budgeted expenditure across budget heads | 18.5% | <5 % |
| 2 | Agriculture | Growth rate in the agriculture sector | 2.8% | 49% increase over 5 years |
| | | Contribution of Agriculture to GDP | 18 - 20% | 25% |
| | | Contribution of Agriculture to foreign exchange earnings | 8.9% | 20% |
| | | Proportion of the population assessed as food secure | 84% | < 95% |
| | | Reduction in number of districts that are food insecure | 45 districts | > 5 districts |
| 3 | Mining | Number of large scale mining companies contributing to the improvement of social welfare of the communities | 8 | 13 |
| | | Number of small scale mines in production | 67 | 120 |
| | | Value of receipts generated by small-scale mining in dollar equivalent | 30 | 65 |
| | | Annual growth rate of the mining sector | 2.8% | 14.5% |
| | | Number of local manufacturing companies processing minerals into finished products | 1 | 10 |
| | | Proportion of mining companies (both large and small scale) complying with environmental regulations | 35% | 85% |
| | | Telephone lines per 1,000 people | 0.1 1,080,526 (total) | 2 |
| | | Number of districts connected to fibre optic cables | 7 | |
| | | Number of subscribers accessing daily, weekly and seasonal weather forecasts | 1 | |
| | | Increase access to ICT services | | |
| 5 | Environment and Natural Resources | Total annual Green houses Emissions in CO ₂ equivalent | 107,737.3 | 150,832 |
| | | Rate of domestic waste generation per capita (in tons per annum) | 0.2 | 0.54 |
| | | % increase of amount of domestic waste ending up in dumps | 15% | 85% |
| | | % reduction in the rate of infestation of invasive alien species (Mimosa Pigra) | 30% | 5% |
| | | Rate of deforestations (Number of HAs per annum cut down) | 850,000 | 700,000 |
| | | Extent of protected forest areas (ha) | 44.6 million | |
| | | Envroachment in wildlife protection area | 7 | 0 |
| | | Total elephant population (number) | 24,000 | 30,000 |
| 6 | Infrastructure and Transport | Number of kilometres of roads rehabilitated (a) Paved Roads (b) Unpaved Roads | | Annual targets provided to 2008 |
| | | Number of kilometres of roads maintained (a) paved (b) unpaved | (a) + (b) 3398 | Annual targets provided to 2008 |
| | | Number of vehicles on the road | | |
| | | Number of road accidents per year | | |
| | | Number of pontoons operational | | |
| | | Number of (a) People (b) Vehicles Using pontoons | | |
| | | Number of passengers transported on Railways | 1,173,399 | 2,000,000 |
| | | Volume of Cargo Transported on Railways | 1,755,899 | 2,000,000 |
| | | Number of Passengers moved on flights (a) domestic / internal and (b) International and Regional | (a) 124,684 (b) 550,241 | 1,500,000 (total) |

| | Sector | Key Performance Indicators | Baseline Value 2005 | Target Value 2010 |
|----|----------------------------------|---|--|--|
| | | Volume of cargo transported on flights | 14,301 | 15,000 |
| | | Number of passengers transported on inland waterways | 9,631 | 15,000 |
| | | Volume of cargo transported on inland waterways | 57,255 | 100,000 |
| 7 | Tourism | Number of Tourist Arrivals | 515,000 (2004) | 736,450 |
| | | Direct Tourism earnings (US \$ millions) | 174 | 304 |
| | | Employment levels in Tourism (Number people) | 19,650 | 30,404 |
| 8 | Manufacturing and Industry | Direct Foreign Investment in manufacturing | \$20 million | 15% increase |
| | | Growth rate of manufacturing GDP | 5.1% | 7.5% |
| | | Employment Levels in manufacturing sector | 54,000 | 15% increase |
| | | New products entering the market that are certified | | |
| 9 | Commerce & Trade | Volume of trade (a) merchandise exports (b) merchandise imports | (a) \$2,095m (b) \$2,068m | |
| | | Value of export earnings coming from non traditional exports in (a) regional markets (b) European Market (c) North American Market (d) Other (e) Total | (a) (b) (c) (d) (e) \$538m | |
| 10 | Energy | Alternative Energy Source consumption (Tonne of Oil Equivalent) | 897,594 | 992,344 |
| | | % of Population (HH) with access to electricity (%) | 20% (estimate) | |
| | | Consumption of Petroleum products (Tonnes) | <500,000 mt pa | |
| 11 | Science and Technology | Number of R and D professionals Receiving further training | 161 | 308 |
| | | Number of R and D units Rehabilitated | 40 | 173 |
| | | Number of R and D units Developed | 0 | 287 |
| | | Number of technologies developed by R and D institutions for commercialisation | 74 | 215 |
| | | Number of entrepreneurs using developed technologies | 8 | 53 |
| 12 | Land | % of land mass of country covered by updated administrative maps. | 40% of total land mass already updated | 60% of total land mass |
| | | Per cent of cadastral diagrams produced within the agreed time frame | | |
| | | % of eligible Zambians with access to land | | |
| | | Per cent of land applications processed within the agreed time frame | | |
| | | Per cent of title deeds processed within the agreed time | | |
| | | % of eligible people in Zambia with Titled Land | | |
| 13 | Education and Skills Development | Net Enrolment ratio (a) Grades 1 – 7 (b) Grades 8 – 9 (c) Grades 10 – 12 | (a) 94.77% (b) 23.5% (c) 21.32% | (a) 97.3% (b) 48.5% (c) 32.6% |
| | | Completion Rate (a) Completion Rate at Grade 7 (b) Completion Rate at Grade 9 (c) Completion Rate at Grade 12 | (a) 80.93% (b) 42.73% (c) 17.55% | (a) 90.0% (b) 65.4% (c) 29.6% |
| | | Pupil Teacher Ratio (a) Grades 1 – 4 (b) Grades 5 – 7 (c) Grades 8 – 9 | (a) 80.3 (b) 37.5 (c) 32.5 (d) 21.7 | (a) 60.1 (b) 41.1 (c) 36.8 (d) 27.6 |

| | Sector | Key Performance Indicators | Baseline Value 2005 | Target Value 2010 |
|----|-----------------------------|--|---|-------------------------------------|
| | | (d) Grades 10 – 12 | | |
| | | Teacher Qualification (a) Grades 1 – 7 (b) Grades 8 – 9 (c) Grades 10 – 12 | (a) 98% (b) 98% (c) 31.4% | (a) 100% (b) 100% (c) 50% |
| | | Gender Parity Index (a) Grades 1 – 7 (b) Grades 1 – 9 (c) Grades 1 – 12 | (a) 0.96 (b) 0.95 (c) 0.81 | (a) 0.98 (b) 0.97 (c) 0.82 |
| | | District Performance Index | | |
| 14 | Health | Percentage of deliveries assisted by midwives, nurses, doctors or Clinical Officers | 43% | 60% |
| | | Percentage of fully immunized children under one year of age in 20 worst performing districts | 50% | 70% |
| | | Malaria case fatality rate among children below five years | 24 / 1,000 | 15 / 1,000 |
| | | Utilisation rate of PHC facilities | 0.48 | 0.8 |
| | | % MoH releases to district level | 55% | 65% |
| 15 | Water Supply and Sanitation | Volume of treated water produced (m ³) by commercial utilities | | |
| | | Newly installed water points in (a) Peri-urban areas (b) Rural areas (c) Total | (a) (b) (c) | (a) (b) (c) |
| | | Number of new appropriate sanitary facilities provided in (a) Peri-urban areas (b) Rural areas | (a) (b) | (a) (b) |
| | | Population with adequate sanitary facilities (as % of total population) in (a) Peri-urban areas (b) Rural areas (c) Total | (a) 10% (2000) (b) 4% (2000) (c) | (a) 35% (b) (c) |
| | | Population with access to safe water (as % of total population) in (a) Peri-urban areas (b) Rural areas (c) Total | (a) (b) 44% (2005) (c) 37% (2000) | (a) (b) 60% (c) |
| 16 | Housing | Number of low cost housing units constructed | | 100 in each of 72 districts (7,200) |
| | | Number of Medium Cost Housing units constructed | | |
| | | Value of rents accruing to the local authorities from leasing (a) Low Cost (b) Medium Cost (c) High Cost Housing | | |
| | | Proportion of population in unplanned urban settlements who have access to clean and safe water | | |
| | | Proportion of population in unplanned urban settlements who have access to safe means of sanitation | | |
| 17 | Social Protection | Number of HHs receiving (a) fertiliser and (b) fertiliser and seed | 700,000 | 72,000 per annum |
| | | Number of informal sector workers on social security scheme | 50,000 | 50,000 |
| | | Number of HH on cash transfer schemes | 200,000 | 168,000 |
| | | Number of street children reintegrated with families <i>and communities</i> | 25,000 | 5,000 |
| | | Proportion of cases of | -- | -- |

| | Sector | Key Performance Indicators | Baseline Value 2005 | Target Value 2010 |
|----|---|---|--|--|
| | | (a) Sexual and Gender Based Violence (b) Property grabbing Reported that are prosecuted | | |
| | | Total expenditure on social protection as a % of the total budgetary allocations to sector in a calendar year | -- | -- |
| 18 | Youth and Child Development | No. of children and youth equipped with relevant skills | | 7,500 (cumulative) |
| | | No. of youths receiving training in small scale business | 1,000 | 4,000 (cumulative) |
| | | No. of young inventors supported | 0 | 3,600 (cumulative) |
| | | No. of children and youth trained in leadership skills | 1,000 | 4,000 (cumulative) |
| | | Number of birth certificates issued (disaggregated by gender and district) | 0 | |
| | | Number of sports administrators, coaches and community facilitators trained | 1,000 | 9,000 (cumulative) |
| | | Number of child and youth development workers trained | 300 | 3,000 (cumulative) |
| 19 | Employment and Labour | Formal Sector Employment Rate | 19% | |
| | | Number of days lost through industrial disputes | 18,351 | 12,085 |
| | | Number of individuals covered by social security schemes | 618,455 | 934,388 |
| | | Number of labour inspections taken in a year (a) Labour Inspections (b) Factory Inspections | (a) 550 (b) 1,068 | (a) 8,640 (b) 1,950 |
| | | Number of industrial accidents in a year | 787 | 350 |
| | | Productivity Improvement Indices (a) Labour Productivity (b) Labour Cost Competitiveness (c) Capital Productivity (d) Profitability | (a) 170 (b) 101 (c) 90 (d) 85 | (a) 195 (b) 116 (c) 140 (d) 160 |
| 20 | Central Administration (Public Sector Management) | Percentage of (a) government ministries (b) Provincial Administration (c) District Administration (d) Local Authorities with staffing complements appropriate to their agreed mandates | (a) (b) (c) (d) | (a) 100% (b) 100% (c) 100% (d) 100% |
| | | Proportion of government employees whose salaries is described as being "Performance Based" | | 100% |
| | | Number of (a) ministries (b) local authorities with a Service Delivery Charter | (a) (b) | (a) 12 (b) 18 (Target 2008) |
| | | Proportion of (a) central agencies and (b) Provinces where Payroll Management and Establishment Control (PMEC) is operational | (a) (b) | (a) (b) |
| | | Number of employees in the Public Service receiving ARVs | | |
| | | Proportion of key decision making positions in the civil service that are occupied by women | 12% | 30% |
| 21 | Local Government and Decentralisation | No of devolved functions undertaken by the Local Authority | 0 | 22 |
| | | % annual increase in direct transfers to local authorities | | |
| | | Number of valuation roles updated on an annual basis | 22 | 19 pa |
| | | Value of revenues accruing to local authorities | | |

| | Sector | Key Performance Indicators | Baseline Value 2005 | Target Value 2010 |
|----|------------------------|---|---|--|
| | | from rate collection | | |
| | | No of Housing Units constructed by Local Authorities | 63 | 1,440 pa |
| 22 | Information Services** | Number of provincial centres able to publish newspapers locally | | 9 (all) |
| | | Number of districts able to receive ZNBC TV and Radio signal | 24 | 73 (all) |
| | | Number of district centres linked to the sector wide network | 10 | 73 (all) |
| | | Number of community media organisations in operation | 19 | 30 |
| | | Number of media friendly laws implemented | 2 | 16 |
| 23 | Foreign Relations | Number of visas issued by Foreign Missions | | |
| | | Number of foreign investors in Zambia who's initial point of contact was a foreign mission | | |
| | | Number of General agreements of cooperation signed and implemented | | |
| | | Number of Missions in strategic regions | 29 | 35 |
| | | Level of technical assistance (financial and in kind) accrued to Zambia as a direct initiative of Missions | | |
| 24 | Defence** | Number of Housing Units / Quarters rehabilitated | | 3,230 (Cumulative) |
| | | Number of Housing Units / Quarters developed | | 2,719 (Cumulative) |
| | | Agricultural Production of Specified Products | | |
| | | Proportion of those identified as needing training who receive the identified training | | 100% (Cumulative) |
| | | Kilometres of Road Constructed | | 100 (Cumulative) |
| 25 | Law and Order | Annual percentage increase in reported offences to (a) Zambia Police (b) Drug Enforcement Commission (c) Registrar of Societies (d) Immigration (e) National Registration | (a) 98,709 (b) 3,106 (c) 10,000 Societies (d) – (e) 33 | Annual increase of 2 per cent |
| | | Annual percentage increase in the number of arrests made as a result of reported offences to (a) Zambia Police (b) Immigration (c) DEC (d) National Registration | (a) 57,384 (b) 2,768 (c) 2,679 (d) 30 | Annual increase of 2 per cent |
| | | Annual percentage increase in the number of arrests that result in prosecution (a) Zambia Police (b) Immigration (c) DEC (d) National Registration | (a) 38,858 (b) 1,323 (c) 2,665 (d) 18 | Annual increase of 2 per cent |
| | | Annual percentage increase of the number of prosecuted cases resulting in a successful verdict (a) Zambia Police (b) Immigration (c) DEC (d) National Registration | (a) 28,580 (b) 1,058 (c) 1,389 (d) 3 | Annual increase of 2 per cent |
| | | Staff Ratio to appropriate population (a) Zambia Police to total population (b) Immigration Officers to PI (c) DEC officers to population (d) Registrar of societies to Societies | (a) 1:700 (b) 1:10 (c) 1:27,186 (d) 1:2,500 | (a) 1:500 (b) 1:1 (c) (d) 1:1,500 |

| | Sector | Key Performance Indicators | Baseline Value 2005 | Target Value 2010 |
|----|--------------------|--|---|--|
| | | (e) National Registration to total population (f) Civil Servants to National Archives (g) Prison Staff to prison in-mates (h) Commission for Refugees to refugees | (e) 1:20,000 (f) 1 :10,000 (g) 1:9 (h) 1:2,000 | (e) 1:18,000 (f) 1 :5,000 (g) 1:4 (h) |
| | | Prevalence of HIV and AIDS amongst Prison Inmates | Current total number = 2,755 | |
| | | Proportion of Staff in key MPSAs who are women (a) Zambia Police (b) Immigration (c) DEC (d) Prisons | (a) (b) (c) (d) 20.4% | (a) (b) (c) (d) 30.4% |
| 26 | Governance | Average time taken to dispose of cases (criminal and civil) at each stage of the administration of justice process. | 100% | 55% |
| | | Backlog of cases. | -- | 10% |
| | | Remand/convict ratio. | -- | 25% |
| | | Number of verifiable interactions between MP's and their constituencies/citizens or civil society organisations | 100 | 125 |
| | | Proportion between human rights cases reported and investigated | -- | 100% |
| | | Proportion of recommendations from the Public accounts committee based on OAG reports that have timely and adequate action taken by responsible government institution | -- | 100% |
| | | Proportion of Registered Voters compared to eligible | TBD | 80% |
| 27 | HIV and AIDS | Number tested for HIV at VCT and receiving the test results | 150,000 | 500,000 (cumulative) |
| | | Number of HIV+ pregnant women receiving a complete course of ARV prophylaxis | | 50,000 (cumulative) |
| | | Number of persons with advanced HIV infection on ART (a) men (b) women (c) total | (a) 12,656 (b) 17,456 (c) 30,112 | 250,000 |
| | | Number of workplaces, including line ministries, with developed workplace policies and programmes for HIV and AIDS | 628 | |
| | | Amount of funds spent on HIV and AIDS in the past 12 months | | |
| 28 | Gender | % Declarations and conventions domesticated | 2 | 5 |
| | | % of women with titled land | 5% | 30% |
| | | % Women in decision making positions (in civil service) | 12% | 30% |
| | | Ratio of boys to girls at (a) Primary (b) Secondary (c) Tertiary levels of education | (a) (b) (c) | (a) (b) (c) |
| | | Percentage reduction in number of cases of gender violence | 100% = 2520 cases | 5% reduction |
| | | Number of sectors with gender disaggregated data bases | 1 | 8 |
| 29 | Food and Nutrition | % Stunting (0 – 59 months) | 47% | 37% |
| | | % Underweight (0 – 59 months) | 23% | 13% |
| | | Prevalence Vitamin A Deficiency (6– 59 months) | 54% (2003) | 44% |
| | | Prevalence iron Deficiency (6– 59 months) | 52% (2003) | 42% |
| | | Proportion of women attending ante-natal classes who are malnourished. Disaggregated by (a) rural and (b) urban | (a) (b) | (a) (b) |

38.3.2.3 Process Indicators

The FNDP monitoring system shall also take into consideration a number of key process indicators. These relate specifically to the monitoring of the processes that are related to the implementation of the Plan at both the macro and sectoral levels. These indicators are closely linked to the performance assessment framework (PAF) that is developed in the context of direct budget support.

38.3.3 Sources of Data

Collection of data on indicators will involve establishing baseline data sources, location and accessibility of the data. Data collection will be a systematic, regular, and ongoing process. Four principal sources of data have been identified for use in monitoring and evaluating the FNDP. These are censuses; surveys; the regular information systems of the various line ministries; participatory (or qualitative) exercises; and regular information on inputs and expenditures will be provided through the IFMIS system. These are briefly described below.

- a) *Censuses*: the Census is conducted once every 10 years as a major source of baseline information for most socio-economic indicators. The latest census of population and housing was conducted in 2000 and the next census will be in 2010. During the FNDP period, the country will also embark on Economic Census in order to update and establish baseline indicators;
- b) During the FNDP period CSO will carry out a number of surveys which will provide data and information for monitoring and evaluation such as:
 - Priority surveys;
 - Living conditions monitoring surveys;
 - Indicator surveys;
 - Surveys on demography, labour, sexual behaviour etc.; and
 - Regular information gathering for CPI, industrial production and price indices.
- c) *Routine Information Systems of Sector Ministries*: The administrative information systems of the various line ministries will be a rich source of data that will be used in monitoring and evaluation. These systems shall produce regular information at all levels (input, output, outcome and impact) that will regularly be used for monitoring and evaluation purposes;
- d) *Participatory Monitoring*: The monitoring system will be open to the participation of different actors at various levels. In particular, it will look for synergies with the independent monitoring of the FNDP, utilising qualitative data and participatory approaches that will be developed by organisations. While acknowledging the desire for civil society to remain independent, the Government will continue to invite their participation in appropriate forums; and
- e) *Input and Expenditure Data*: The monitoring and evaluation system will be linked to other public reform programmes and initiatives, such as MTEF and the IFMIS component of PEMFA. IFMIS, in particular, will be key in supporting input and output monitoring at all levels. This component will also contribute to the generation of baseline data for performance-based monitoring and evaluation.

38.3.4 Data Analysis

Data collected will be processed and interpreted into information for action by decision-makers, planners, and researchers. The overall objective of this component will be to strengthen the capacity of data producers to provide timely information on poverty and social conditions and the capacity of the MFNP to facilitate the use of this information for policy making. The analysis function will be operationalised through the study fund and the annual poverty conferences. The study fund will be dedicated to funding applied policy researches commissioned by respective sector ministries either as priority studies or those focused on answering specific policy questions. The poverty conferences, based, as far as practical, on CSO's existing data sets, will give an overview of the poverty situation in the country from the Government. There are four levels of reporting identified for the FNDP, each producing a different type of report, targeted at a specific institution. Table 38.3 provides an overview of this. *(use arrows to convey the information on the table)??*

Table 38.3: Levels of Reporting for the FNDP Monitoring and Evaluation System

| Reporting Level | Report Type | Basis/Criteria for Reporting | Responsible Institutions | Recipient Institutions | Frequency of Reporting |
|------------------------------------|-----------------------------------|--|--|--|---------------------------|
| National Level | Input Tracking and Implementation | Compliance/efficiency on quarterly cash flow projections and output targets | <ul style="list-style-type: none"> Accountant-General's Office Budget Office MPSAs, Cooperating partners | <ul style="list-style-type: none"> Implementing Agencies Central Govt. (Secretary to the Treasury, Cabinet Office) Parliament | Monthly/Quarterly |
| National, Provincial, and District | Progress Report | Compliance and effectiveness on outputs and outcomes | <ul style="list-style-type: none"> Districts Provinces Sectors MoFNP | <ul style="list-style-type: none"> Districts Provinces Sectors MoFNP (PEMD – M&E Unit) Cabinet | Quarterly and Bi-Annually |
| National, Provincial, and District | Annual Evaluation | Effectiveness of interventions at outcome and impact level | <ul style="list-style-type: none"> CSO MPSAs PEMD – M and E Unit, Office of the Auditor-General | <ul style="list-style-type: none"> MFNP Cabinet | Annually |
| National | Mid-Term Evaluation | Effectiveness, relevance, and sustainability of interventions at outcomes and impact level | <ul style="list-style-type: none"> CSO MPSAs PEMD – M and E Unit | <ul style="list-style-type: none"> MFNP Cabinet | Once (after three years) |

Input Tracking and Implementation Reports: the Monitoring and Evaluation unit of MFNP will facilitate the collection of the reports from Budget Office, Accountant-General's Office and cooperating partners. This information will be sent to the districts, provinces, and sectors. This will ensure a systematic, timely, and continuous flow of data and other information for monitoring. Input tracking of resources will be done at this level. For the second of these, *Progress Reports*, communities with capacity to generate progress reports will submit these to the district for consolidation into district progress reports. District officials will collect information from communities with insufficient capacity to do this. In addition, districts will produce quarterly/semi-annual reports based on the key performance indicators. The provinces will consolidate the district reports for discussion in the PDCC, while the sectors will generate sector progress reports for discussion in SAGs. The contents of these reports will highlight the planned outputs and outcomes/impact for each activity as they relate to inputs. The report will also cover the extent to which the planned targets have been achieved and provide reasons for the achievement or failure.

Annual Evaluation Reports will be a consolidation of all the quarterly and semi-annual progress reports. This report will analyse in detail the reasons for achieving or not achieving specific annual targets based on the key performance indicators. This report will explain, where possible, the impact of the interventions, and identify areas for further investigation. It will incorporate lessons learnt from implementation of the intervention as defined in the FNDP, providing an input into the decision-making process at policy level.

Mid-Term Evaluation Reports will be produced after two and half years of the FNDP implementation. It will assess the progress made towards achieving the five-year targets, and will analyse the impact of the Plan on economic growth and poverty reduction, based on the identified sectoral key performance indicators. It will consider questions of efficiency, relevance, effectiveness, and sustainability of the various interventions at sector level as defined in the FNDP.

Lastly, there will be the *End-of-Plan Evaluation* that shall assess the overall performance of the Plan and identify lessons learnt that shall be expected to inform future planning and implementation processes.

38.3.5 Data Use

Once data has been analysed and reports produced, the next essential stage of the monitoring system is the use of the reports. Table 38.4 identifies the major users and potential uses of each of the type of reports identified.

Table 38.4: Users and Uses of Data at Various levels of the FNDP Monitoring System

| Institutional Level | Type of Report | Responsibilities | Users | Main Use of Data |
|---|--|--|--|--|
| National Level <ul style="list-style-type: none"> Central Ministries (Cabinet Office, MoFNP) CSO Accountant-General Budget Office Sector Ministries | <ul style="list-style-type: none"> Input tracking and Implementation Report Biannual Progress Report Annual Evaluation Mid-Term Evaluation | <ul style="list-style-type: none"> Compilation and analysis of administrative and socio-economic data Generation of baseline socio-economic data Compilation and analysis of financial data Compilation and analysis of budget information Generation and analysis of administrative and socio-economic data, including indicators for outcomes | <ul style="list-style-type: none"> Parliament, Cabinet, Central Ministries Sector Ministries, Provinces and Spending Agencies Sector Advisory Groups NGOs FBOs Academia Cooperating partners Civil society | <ul style="list-style-type: none"> Policy and decision-making Resource allocation Fiscal Management; National Planning and Economic Management; Accountability and Transparency; Research Monitoring and Evaluation |
| Provincial Level (Regional) | <ul style="list-style-type: none"> Input tracking and Implementation Report Biannual Progress Report Annual Evaluation | <ul style="list-style-type: none"> Generation and analysis of administrative and socio-economic data, including indicators for outcomes | <ul style="list-style-type: none"> Line Departments Provincial Development Coordinating Committees Spending Agencies NGOs FBOs Academia Cooperating partners Civil society | <ul style="list-style-type: none"> Policy dissemination Budgeting Planning Programme/project management Research Monitoring and evaluation |
| District Level (District Administration and Local Authorities) | <ul style="list-style-type: none"> Input tracking and Implementation Report Biannual Progress Report Annual Evaluation | <ul style="list-style-type: none"> Generation and analysis of administrative and socio-economic data, including indicators for outcomes | <ul style="list-style-type: none"> Line Departments District Development Coordinating Committees Spending Agencies NGOs FBOs Academia Cooperating partners Civil society | <ul style="list-style-type: none"> Budgeting Planning (project identification, investment planning, situation analysis) Programme./project management Research Monitoring and evaluation |
| Community Level (CBOs and Traditional Rulers) | <ul style="list-style-type: none"> Input tracking and Implementation Report Biannual Progress Report Annual Evaluation | <ul style="list-style-type: none"> Generation of qualitative data | <ul style="list-style-type: none"> CBOs | <ul style="list-style-type: none"> Informed decision-making on development activities within community Service demand Needs identification; Advice on local resource requirements |

38.3.6 Monitoring and Evaluation Institutional Framework

The institutional framework for the FNDP monitoring can be broken up into two broad groupings. At one level is the technical arm, and the other the consultative arm. The MFNP will be responsible for the

coordination, supervision, and management of all elements of the monitoring system, including the consultative bodies, the consolidation and production of reports, and the coordination of analytical work undertaken. The CSO will be the key institution in the provision of statistical data. It will also have an important role in ensuring that data provided by various sectors conforms to agreed standards.

At the centre of the technical arm of the monitoring and evaluation institutional framework for the FNDP monitoring is MFNP. At sectoral level, the line ministries will be the major providers of information on monitoring and evaluation. In terms of coordination, the institutional framework will include the existing horizontal coordination and advisory bodies such as the NDCC, PDCC, and DDCC, as well as the SAGs. In addition to this is the Inter-Ministerial Technical Committee (IMTC) whose purpose will be to spearhead the monitoring and evaluation activities of their respective sector ministries.

38.3.7 The FNDP Monitoring at Lower Levels

The monitoring and evaluation system will work in a decentralised environment where the objective is to develop and institutionalise an appropriate system that will facilitate effective implementation of national development programmes at local level. Therefore, the monitoring and evaluation system at this level will play an important role in ensuring that communities are capable by building their capacity to be able to collect, analyse, and report on the performance of agreed key indicators. At district and sub-district levels, the monitoring system will be open to the participation of relevant stakeholders. In particular, it is expected that these actors will provide synergies in monitoring and evaluating the FNDP utilising qualitative data and participatory approaches. Civil society organisations, through their participation, will share their findings which will feed into the Government information systems. Civil society participation will be enlisted through their membership in such coordination and advisory fora as SAGs, PDCCs, DDCCs and the annual poverty conferences.

38.3.8 Monitoring and Evaluation Work Plan

The process of monitoring the FNDP will be continuous and involve many complementary activities from stakeholders in addition to what sector ministries will have to put in place to facilitate the process of monitoring and evaluation. Given the weak monitoring and evaluation background, one of the major activities shall be to build capacity in these institutions. Having put in place the institutional framework and identified indicators for monitoring and evaluation, the rest of the process will primarily rely on a strong and reliable data generation and processing system, with regular support from the coordinating institution (MFNP). The work plan and timeframe are presented in Tables 38.5 and 38.6 respectively.

Table 38.5: Work Plan and Activities for Monitoring the FNDP

| Activity | Strategies | Responsible Institutions |
|--|---|--|
| 1. Capacity Building in M & E (particular emphasis on data generation, processing, identification of indicators and reporting) | Facilitating: a) Technical backstopping b) Training workshops c) Short courses d) Consultancy | <ul style="list-style-type: none"> MFNP – (PEMD, A-G, CSO, CCSD) Training institutions |
| 2. Development of detailed sector M & E frameworks | Consultations with stakeholders on the M&E framework for sector ministries | <ul style="list-style-type: none"> MoFNP (PEMD) Line Ministries |
| 3. Spot Monitoring | Field visits to selected projects in provinces for verification | <ul style="list-style-type: none"> MoFNP (PEMD) Line Ministries (members of the IMTC) |
| 4. Annual Evaluation | Analytical consolidated report of sector progress reports | |
| 5. SAG Conference | SAG Stakeholder Meeting to discuss sector performance on PRPs | All stakeholders |
| 6. Annual Poverty Conference | Review and update country poverty situation through assessment of reports from various stakeholders | |
| 7. Poverty Monitoring and Analysis Priority Studies | | CSO, M&E, Sectors and consultants |
| 8. Small-scale focused studies | | |
| 9. Mid-Term Evaluation of the FNDP | Conduct mid-term evaluation of the FNDP | |
| 10. Final Evaluation of the FNDP | Conduct final evaluation of the | |

| Activity | Strategies | Responsible Institutions |
|---|---------------------|--------------------------|
| | FNDP | |
| 11. Undertaking Surveys and Censuses: | Quinquennial survey | MoFNP (CSO) |
| a) Living Conditions and Monitoring Survey (LCMS) | | |
| b) Zambia Demographic and Health Survey (ZDHS) | Quinquennial survey | |
| c) Zambia Sexual Behaviour Survey | Quinquennial survey | |
| d) Labour Force Survey | Bi-annually | |
| e) Formal Sector employment and Earnings Survey | Quarterly | |
| f) Consumer Price Index | Monthly | MoFNP (CSO) |
| g) Local Government Survey | Annually | |
| h) Index of Industrial Production | Quarterly | |
| i) Indicator Monitoring Survey | Bi-Annually | |
| j) FHANIS | Quarterly | |
| k) Price Indices (WPI,PPI, BMP) | Quarterly | |
| l) Tourism Satellite Account | Annually | |
| m) Census of Industrial Production/Construction | Annually | |
| n) National Income Inquiry | Annually | |
| o) Estimation and Re-basing of GDP | Annually | |
| p) Re-basing of various indices | Quinquennial | |
| q) New Index of Industrial Production | Quarterly | |
| r) Informal Sector Survey | Quinquennial | |
| s) Pilot Human Resource Survey | Quinquennial | |
| t) Population and Housing Census | Decennial | |
| u) Crop Forecast Survey | Annually | |
| v) Area and Yield Measurement Survey | Annually | |
| w) Post-Harvest Survey | Annually | |
| x) Census of Agriculture | Quinquennial | |
| y) Census of Livestock | Quinquennial | |
| z) Labour Market Information System | Semi-Annually | |
| 12. Mapping | | MFNP(CSO) |
| a) Census Maps and Infrastructure Mapping | Annually | |
| b) Development of GIS Database | Regularly | |
| c) Poverty Mapping | Annually | |
| d) Updating of Central Registry of Establishments | One off | |
| e) Complete Listing of Business Establishment | Annually | |

Table 38.6: Timeframe and Activities for the Monitoring and Evaluation of FNDP

| | Year | 2006 | 2007 | 2008 | 2009 | 2010 |
|---|---------|------|------|------|------|------|
| | Quarter | | | | | |
| 1. Training of sector Ministries on the FNDP monitoring | | | | | | |
| 2. Training of trainers at provincial level | | | | | | |
| 3. Training at provincial and district level | | | | | | |
| 4. In-house training and support to Desk Officers | | | | | | |
| 5. Technical backstopping to sectors | | | | | | |
| 6. Progress Report | | | | | | |
| 7. Annual Evaluation | | | | | | |
| 8. Medium-Term Evaluation of the FNDP | | | | | | |
| 9. Final Evaluation of the FNDP | | | | | | |
| 10. National SAG Conference | | | | | | |
| 11. Annual Poverty Conference | | | | | | |
| 12. Spot Monitoring | | | | | | |

Sector: Monitoring and Evaluation
(K Billion)

| | Program | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | Grand Total | |
|--------------------------|--|-------|-------|-------|-------|--------|-------|-------|--------|-------|-------|-------|-------|--------|--------|--------|-------------|--------|
| | | GRZ | Donor | Total | GRZ | Donors | Total | GRZ | Donors | Total | GRZ | Donor | Total | GRZ | Donors | Total | GRZ | DONOR |
| Core FNDP Programmes | | | | | | | | | | | | | | | | | | |
| 1 | Integrated Living Conditions Monitoring Survey | | | - | | | - | 7.20 | | | | | - | | - | 7.20 | 72w.20 | - |
| 2 | Zambia Demographic & Health Survey | 2.00 | 8.00 | 10.00 | 0.60 | | 0.60 | | | | | | - | | - | 10.60 | 2.60 | 8.00 |
| 3 | Labour Force Survey | | | - | 1.80 | | 1.80 | | | | 2.00 | | 2.00 | | 2.00 | 5.80 | 3.80 | 2.00 |
| 4 | Formal Sector Employment & Earnings Survey | 0.40 | | 0.40 | 0.40 | | 0.40 | 0.40 | | 0.40 | 0.40 | | 0.40 | 0.40 | 0.80 | 1.20 | 2.80 | 2.00 |
| 5 | Consumer Price Index | 1.20 | | 1.20 | 1.30 | | 1.30 | 1.40 | | 1.40 | 1.50 | | 1.50 | 1.60 | 3.10 | 4.70 | 10.10 | 7.00 |
| 6 | Index of Industrial Production | | | | | | | 0.40 | | 0.40 | 0.40 | | 0.40 | 0.40 | 0.80 | 1.20 | 2.80 | 2.00 |
| 7 | Indicator Monitoring Survey (Cross sectional) | | | - | 6.20 | | 6.20 | | | | 6.40 | | 6.40 | | 6.40 | 6.40 | 19.00 | 12.60 |
| 8 | Core Welfare Indicator Questionnaire (CWIQ) | 2.00 | | 2.00 | 2.10 | | 2.10 | 2.20 | | 2.20 | 2.30 | | 2.30 | 2.40 | 4.70 | 7.10 | 15.70 | 11.00 |
| 9 | Economic Census | | | - | 4.60 | | 4.60 | | | | | | - | | - | 4.60 | 4.60 | - |
| 10 | Informal Sector Survey | | | - | | | | 1.60 | 0.60 | 1.60 | | | - | | - | 1.60 | 1.00 | 0.60 |
| 11 | Census Maps and Infrastructure Mapping | 2.50 | 1.00 | 3.50 | 11.5 | 1.00 | 12.50 | 2.50 | 1.00 | 3.50 | 2.50 | 1.00 | 3.50 | 0.5 | 3.50 | 27.00 | 19.50 | 7.50 |
| 12 | Population and Housing Census | | | - | 2.1 | 0.9 | 3.0 | 5.6 | 2.4 | 8.0 | 14.0 | 6.0 | 20.0 | 90.0 | 70.0 | 160.0 | 191.0 | 79.0 |
| 13 | Crop Forecast Survey | 1.30 | | 1.30 | 1.30 | | 1.30 | 1.40 | | 1.40 | 1.40 | | 1.40 | 1.40 | 2.80 | 4.20 | 9.60 | 6.80 |
| 14 | Post Harvest Survey | 1.30 | | 1.30 | 1.30 | | 1.30 | 1.40 | | 1.40 | 1.40 | | 1.40 | 1.40 | 2.80 | 4.20 | 9.60 | 6.80 |
| 15 | Census of Agriculture | | | - | 3.40 | 2.30 | 5.70 | | | | | | - | | - | 5.70 | 3.40 | 2.30 |
| 16 | Environment Statistics | | | - | 1.20 | | 1.20 | 1.20 | | 1.20 | 1.20 | | 1.20 | 1.20 | 2.40 | 3.60 | 7.20 | 4.80 |
| 17 | Census of Livestock | | | - | | | | 2.10 | 1.70 | 3.80 | | | - | | - | 3.80 | 2.10 | 1.70 |
| 18 | Labour Market Information System | | | - | 1.60 | | 1.60 | | | | | | - | | - | 1.60 | 1.60 | - |
| 19 | Development of GIS Data Base | | | - | 0.20 | | 0.20 | | | | 0.30 | | 0.30 | 0.30 | 0.30 | 0.80 | 0.50 | 0.30 |
| 20 | Poverty Mapping | | | - | 0.20 | | 0.20 | 0.20 | | 0.20 | | | - | | - | 0.40 | 0.40 | - |
| 21 | Updating of Central Register of Establishments | | | - | 0.30 | | 0.30 | 0.30 | | 0.30 | 0.30 | | 0.30 | 0.30 | 0.60 | 0.90 | 1.80 | 1.20 |
| 22 | Complete Listing of Business Establishments | | | - | 1.50 | | 1.50 | | | | | | - | | - | 1.50 | 1.50 | - |
| 23 | Tourism Satellite Account | 1.00 | | 1.00 | 1.00 | | 1.00 | 1.00 | | 1.00 | 1.00 | | 1.00 | | 1.00 | 1.00 | 5.00 | 4.00 |
| 24 | National Statistical Development System | | | - | 1.00 | 1.00 | 1.00 | 0.70 | | 0.70 | 0.50 | | 0.50 | 0.50 | 1.00 | 1.50 | 3.70 | 2.70 |
| | Sub-total | 12.10 | 9.00 | 21.10 | 32.90 | 3.30 | 36.20 | 23.40 | 3.30 | 26.70 | 21.60 | 1.00 | 22.60 | 109.60 | 132.20 | 241.80 | 348.40 | 148.80 |
| Non-Core FNDP Programmes | | | | | | | | | | | | | | | | | | |
| 1 | Local Government Survey | 0.20 | | 0.20 | 0.20 | | 0.20 | 0.20 | | 0.20 | 0.20 | | 0.20 | 0.20 | 0.40 | 0.60 | 0.80 | 1.00 |
| 2 | Area and yield Measurement Survey | | | - | 0.70 | | 0.70 | | | | | | - | | - | | 0.70 | - |
| | Sub-Total | 0.20 | | 0.20 | 0.90 | - | 0.90 | 0.20 | - | 0.20 | 0.20 | - | 0.20 | 0.20 | 0.40 | 0.60 | 1.20 | 0.40 |

