

## Post Budget Analysis

### HEALTH



Availability of health services in critical is any society. Health services are a matter of life and death. In the 2017 budget, allocation towards health has increased by about 29%. However, the health budget only accounts for 8.9% of total budget, failing to meet the Abuja Declaration commitment of 11%. Of the total allocation to health, K726.8 million was allocated to procure-

Now according to the Auditor General's Report (2015), K13.8 million of drugs had expired at medical stores, K5.31 million were unaccounted for, K23.1 million worth of medical equipment not delivered and a total of K383,557 of laboratory reagents had short self-life or were expired. The total coming to about k42.6 million, which is approximately 6% of 2017 budget. Besides, the 2017 health budget is 2.4% less than the 2015 budget. We cannot afford to lose 6% of the medical supplies next year .

### Our question

- What measure have been put in place to ensure that money allocated for medical supplies is not wasted?

DID YOU  
KNOW ?

Did You Know that according to the Public Procurement Act

-A controlling Officer or Chief Executive officer, is responsible and **accountable** for ensuring that a procurement of the procuring entity is conducted in accordance the act (see article 13)

-A procurement entity shall plan its procurement in a rational manner. In particular aggregate its requirements , **obtain value for money** and **reduce cost.**( see article 42)

## Citizen Empowerment fund reduces in 2017 Budget

The 2017 budget shows that allocation towards citizen empowerment has drastically reduced from about K187.5 million in 2016 to only K35.2 million in 2017. This represents a decline of about 81.2% in allocation.

A functional citizen empowerment scheme is important especially in a time where lending rates are high. Empowerment of citizens is a pre-requisite for developing a home grown economy. If citizens are empowered, they will be able to bring a meaningful contribution towards development of the country. It is for this reason that His Excellency started the Presidential initiative. This was to ensure that marketeers all over Zambia access funds vital for improving their business.

Therefore, when the initiative started, His Excellency gave 10% of his salary towards the fund. The Statutory Instrument (SI) 19 of 2016 puts the Presidential salary at ZMW 36,000.00. This meant that about K3600 per month was going toward Marketeers. However, in 2017 the his Excellency has cut his salary by 50% , bringing his salary to K1800. this means his contribution will only be 1800.

### Our Question

- Why is government reducing the allocation towards Citizen Empowerment which can help create their own wealth and as such help develop a home grown economy?





### FAMER INPUT SUPPORT LINE OVER FUNDED

Literature suggests that growth of the Agriculture sector is mainly driven by small-scale farmer in Africa. Therefore access to farmer input is cardinal if Zambia's agriculture sector is to grow. The Farmer input support programme is the program that enables farmer access the farming inputs that are greatly needed for better yields. The FISP is 53% of the total 2017 agriculture budget. Under this program, government in the targets 1million small scale farmers (2017 budget speech). Each beneficiary under this program has to contribute K400. Therefore, it expected that the Ministry will receive a total of K400 million in 2017.

Now each beneficiaries Visa card will have to be credited will K2100 which means one million farmer will need a total of K2.1 billion. However, from the budget k 2.82 billion is allocated for input support, thus we see that the program is over funded by k724.34 million (why?)

Does the Budget and Plan set strict and credible boundaries for collection and spending of public money to progressively realize people's choices.

Did You Know that failure to collect money that is due to government attracts a penalty of a surcharge or disciplinary action in form of demotion or other disciplinary action as may be determined by the disciplinary authority. See article 30 of the Public Finance Act 2008

**Ministry of Fisheries and Livestock**

The 2017 allocation towards the Ministry of Fisheries and Livestock has decreased by 9.2% from the 2016 allocation. However, under head 86/03 programme 1300 there is an allocation of K5 million towards the review of agricultural policies and legislation. This amount was only K510,430 in 2016.

Is this the best use of resources especially that the Minister of Finance pointed out the need for

Zambians to tighten their belts. On other hand, the allocation towards Fisheries developments fund has gone down by 50% that is from K5 million to K2.5 million

**REVENUE COLLECTION**

The 2017 Budget gives an estimate of 64.5 billion kwacha in revenue collection. 72% will be finance from Domestic revenue while 27% from foreign grants and loans However, estimates are not good if what is estimated to be collected is not close or above the figure that is actually collected. Using finding of in the 2015 Auditor General Report, a comparison is made between the under collection of 2015

Revenue	2015 est	2015 UC	2017 est	2015 UC as % of 2017 est
Company Tax	3billion	36million	4.9billion	0.74%
Withholding taz	1.45billion	1.45billion	3.08billion	47.04%
Fines	14.7million	12.5million	2.23billion	0.56%
Licenses	4.5million	0.8million	1.6billion	0.05%
Judiciary	10.2million	8.99million	28.9million	31.08%
Ministry of Lands	105.5million	4.8million	897.6million	0.53%

UC=under collection and est=estimate

Our question

- Government failed to collect 1.4billion in 2015 in withholding tax, which represent 47.04% of 2015 estimate. What measure have been put in place now to ensure that money is collected in 2017?

# President promises to develop entire nation

By CHILA NAMAICO in  
Lupososhi

PRESIDENT Edgar Lungu has promised the people of Zambia that he will not leave any part of the country underdeveloped as long as the Patriotic Front (PF) remains in power.

Meanwhile, the President has called on Zambians to turn up in huge numbers to attend the national day of prayers slated for July 24 this year to ask for God's intervention ahead of the elections.

Mr Lungu's campaign trail has heightened in many parts of Northern Province, where thousands are turning up to listen to his messages woven around peace, unity and

national development.

In Lupososhi Constituency, the President yesterday held a huge rally at Mumba Primary School grounds where he assured the local people that he would continue to take development countrywide regardless of people's religious, political and ethnic inclinations.

"We shall make sure that we continue to take tangible development in every part of this country like in Lupososhi here where we have plans to declare it a district to bring development closer to you the local people," he said.

This, he said, would be done in consultation with traditional leaders since they represented

many communities and were aware of the many challenges facing their subjects.

Mr Lungu assured that he would remain focused on providing quality social services that the people of Zambia wanted and appealed for more support ahead of the August 11 general elections.

At the presidential park in Luwingu District, Mr Lungu, who was accompanied by First Lady Esther, reaffirmed the Government's commitment to implementing more beneficial development projects if the local people could give him support.

He urged the residents to be wary of some politicians who wanted to bring about

anarchy as a way of amassing support and garner the over 50 per cent threshold to win the elections.

President Lungu said he had a heart for every Zambian and had proved to be hard working and, therefore, deserved a fresh tenure of office to bring about more economic development.

He assured the locals that he would ensure a fuel service station was set up in the central business district and upgrade more roads to ease movement of agricultural produce.

On the national day of prayers, Mr Lungu said Zambia, being a Christian Nation, should continue

seeking intervention from God, hence the need for all the citizens to respect the day.

On Chilubi Island, President Lungu unveiled the PF parliamentary candidate Rosaria Fundanga when he addressed another rally where the First Lady assured women that she would continue to lobby for more empowerment projects to help uplift their living standards.

Mr Lungu later commissioned a dredging machine on Lake Bangweulu before he proceeded to commission the newly-built Chilubi Mainland District Hospital.

## Public Spending of Feeder Roads

Zambian farmer are mainly in rural areas, however, the roads in these areas are in a deplorable states and some are impassible during the rainy season. Feeder roads are important as they enable farmer get their products to the market. The Agriculture Budget is silent about spending on feeder roads. It only mentions rehabilitation of feeder roads in Loans and Investment expenditure. However, these feeder roads are all on the copperbelt which is unfortunate. A total K14.5 Million is budgeted for the rehabilitations of these feeder roads.

**Alliance for  
community  
action** ▶▶

For the right to social accountability

*Together We can*

**ACCOUNTABILITY**  
is the glue that ties  
**COMMITMENT**  
to **RESULTS**



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## **Alliance for Community Action**

Established in 2013, Alliance for Community Action (ACA) is a Non-profit organization (NGO) that advocates for change in the way public resource are spent. ACA is a Zambian NGO working out of the Munali constituency in Lusaka city. It has adopted the Munali constituency as a microcosm of the national. The organisation targets all our efforts in the constituency with the aim of drawing lessons that will be used to advocate for change in the way public resources are managed in the nation

*Government Money is  
your Money!!!*

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