



REPUBLIC OF ZAMBIA

EIGHTH NATIONAL DEVELOPMENT PLAN

2022-2026

SUMMARY



"SOCIO-ECONOMIC TRANSFORMATION FOR IMPROVED LIVELIHOODS"





Summary

EIGHTH NATIONAL DEVELOPMENT PLAN (8NDP)

2022-2026

*“Socio-economic Transformation for Improved
Livelihoods”*

FOREWORD



The past few years have tested the resolve of people around the world. The COVID-19 pandemic has adversely affected supply chains and economic activity, as well as the general wellbeing of millions of people. Zambia has not been spared and these challenges have been compounded by high debt levels, the result of which has been low growth and narrowing of resources for developmental programmes.

With the enormous challenges thereof, we must as a nation ensure that we attain and make national development the main priority in the widest sense of the term. National development must go beyond growing the economy by ensuring that the Zambian people are at the centre of everything in order to transform their livelihoods, hence the theme of the Eighth National Development Plan (8NDP), “**Socio-economic Transformation for Improved Livelihoods**”.

Even before we go into implementation of the Plan, we have already set off measures to stabilise the economy and restore growth, with full alignment to the 8NDP. The Plan has been designed to unlock the country’s immense

prospects in all sectors of the economy for sustainable, holistic and inclusive national development with the aim of returning the country to the trajectory of its 2030 Vision of becoming a prosperous middle-income nation.

I am confident that through the four strategic development areas identified in the Plan, namely, **Economic Transformation and Job Creation, Human and Social Development, Environmental Sustainability, and Good Governance Environment**, we will address the economic and social ills besetting our country. Additionally, through its robust monitoring and evaluation framework, as well as well-defined roles for all stakeholders, the Plan will respond adequately to the concerns of Zambians for a focus on results.

I call upon all Zambians to make this 8NDP their own, to seriously interrogate themselves on how best they can contribute to its realisation and equally important, to hold the Government to account when things are not done in the right manner, in a constructive and positive spirit of nation-building. This is in line with our national principles and values. Finally, I look forward to strengthened collaboration and partnership from all stakeholders as we move from Plan formulation to implementation.

Mr. Hakainde Hichilema
PRESIDENT OF THE REPUBLIC OF ZAMBIA

ACKNOWLEDGEMENTS



provinces and districts; spending agencies; private sector institutions and civil society organisations; as well as all media persons and institutions for the awareness-raising and information dissemination critical to this process. This made the task less difficult to accomplish. To the consultants, it gives me a sense of pleasure to acknowledge your invaluable contribution for your diligent work in shaping this document.

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

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

I would like to express my deepest appreciation and special thanks to all Zambians from all walks of life for their substantial conceptual contributions to the formulation process of the Plan. These include all ministries;

A handwritten signature in black ink, appearing to be 'S. Musokotwane', written over a horizontal line.

Hon. Dr. Situmbeko Musokotwane, MP
**MINISTER OF FINANCE AND NATIONAL
PLANNING**

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ABBREVIATIONS AND ACRONYMS

7NDP	Seventh National Development Plan
8NDP	Eighth National Development Plan
BoZ	Bank of Zambia
CAG	Cluster Advisory Group
COMESA	Common Market for Eastern and Southern Africa
COVID-19	Coronavirus Disease 2019
CSO	Civil Society Organisation
DDCC	District Development Coordinating Committee
ECE	Early Childhood Education
FDI	Foreign Direct Investment
FISP	Farmer Input Support Programme
FNDP	Fifth National Development Plan
GDP	Gross Domestic Product
Gg	Gigagram
GHG	Green House Gas
GIRs	Gross International Reserves
ICT	Information and Communication Technology
IMR	Infant Mortality Rate
INFF	Integrated National Financing Framework
INRIS	Integrated National Registration Information System
KPI	Key Performance Indicator
MMR	Maternal Mortality Ratio
MMS	Management Monitoring System
MoFNP	Ministry of Finance and National Planning
MPSAs	Ministries, Provinces and other Spending Agencies
MSMEs	Micro, Small and Medium Enterprises
MTR	Mid-Term Review

NCD	Non-Communicable Disease
NDCC	National Development Coordinating Committee
NDP	National Development Plan
PDCC	Provincial Development Coordinating Committee
PPP	Public-Private Partnerships
PWD	Persons with Disabilities
R&D	Research and Development
RISDP	Regional Indicative Strategic Development Plan
SCT	Social Cash Transfer
SDGs	Sustainable Development Goals
SDR	Special Drawing Rights
SOE	State-Owned Enterprise
TEVET	Technical Education, Vocational, and Entrepreneurship Training
TFR	Total Fertility Rate
U5MR	Under-Five Mortality Rate
US\$	United States Dollar
WDC	Ward Development Committee



1. INTRODUCTION



The Eighth National Development Plan (8NDP) sets out Zambia’s strategic direction, development priorities and implementation strategies for the period 2022 to 2026. The Plan is the fourth in the series of five-year national development plans (NDPs) towards actualisation of the National Vision 2030 in which Zambia aspires to become a prosperous middle-income nation.

The Plan is also a critical vehicle to support the attainment of Zambia’s international and regional commitments under various frameworks, including the Sustainable Development Goals; the Africa We Want as espoused in the African Union Agenda 2063; the Southern African Development Community (SADC) Regional Indicative Strategic Development Plan (RISDP); and the Common Market for Eastern and Southern Africa (COMESA).

The 8NDP takes cognisance of the country’s developmental context, including challenges and opportunities being faced towards actualising the Vision 2030. Notably, the Plan has been formulated against the backdrop of a challenging economic situation exacerbated by the COVID-19 pandemic. The current state of development indicates persisting socio-economic challenges which include low diversification of the economy, high youth unemployment, high incidences of poverty



and inequality, slow pace of decentralisation as well as low education outcomes, and inadequate access to other social services. To overcome these challenges, the Plan articulates four strategic development areas, namely, Economic Transformation and Job Creation, Human and Social Development, Environmental Sustainability and Good Governance Environment. These strategic development areas were arrived at through a review of past performance and consultations with various stakeholders concerning the persistent development issues across different sectors of the economy, including their causes and key actions required to address them.

Under each strategic development area are articulated specific development outcomes. The development outcomes are short to medium term results to be attained through the implementation of various strategies and programmes under each strategic development area.

Building on the success and lessons learnt from the implementation of the previous national development plans (NDPs), and informed by the developmental challenges facing the country, the theme for the 8NDP is **“Socio-Economic Transformation for Improved Livelihoods.”** The overall aim is to improve the efficiency and competitiveness of the economy to sustainably lift the living standards of the people.

A key intervention to accelerate the attainment of the development objectives in

the strategic development areas, will be the full implementation of decentralisation. This will result in the transfer of functions, fiscal and other resources, as well as ownership and responsibility for decision-making from the central government to the local government level.

1.1. The Development Approach

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

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

2. PAST PERFORMANCE



The scope of the past performance analysis covers the period 2006 to 2021, which incorporates the period covered by the Fifth to the Seventh NDPs.

2.1. Economic Performance

During the period 2006 to 2010, annual real Gross Domestic Product (GDP) growth rate was favourable, averaging 8.7 percent, with the highest annual growth rate registered at 10.3 percent in 2010. Growth was mainly driven by the construction, transport, and mining sectors, spurred by increased investment in the mining sector.

Between 2011 and 2016, however, the economic growth rate slowed down, and averaged 4.9 percent. The growth was driven by information and communication technology (ICT), wholesale and retail trade, as well as the construction sector.

During the period 2017-2021, real GDP growth rate declined to an average of 1.4 percent largely due to unfavourable weather conditions, which impacted the agricultural and energy sectors in the earlier years of the period. In 2020, economic growth contracted by 2.8 percent. This was mainly as a result of disruptions in supply chains and containment measures associated with the COVID-19 pandemic on sectors such as tourism, construction, wholesale and retail trade as well as manufacturing. The situation was compounded by the country's worsening fiscal position resulting from increased borrowing on the domestic market which crowded out



the private sector. In 2021, real GDP growth recovered to 3.6 percent, driven by the agriculture, manufacturing, energy, wholesale and retail trade as well as the ICT sectors. The average real GDP growth of 5.2 percent between 2006 and 2021 falls below the Vision target of 6-10 percent.

Between 2006 and 2021, fiscal performance was characterised by deterioration in the overall fiscal deficit. The fiscal deficit averaged 2.2 percent between 2006 and 2010 and rose to an average of 9.6 percent between 2017 and 2021. This was largely due to expenditure pressures on the Farmer Input Support Programme (FISP), fuel subsidies and capital financing.

In tandem with the increase in fiscal deficit, as a proportion of GDP, the public debt stock (domestic and external) significantly increased from 22 percent in 2006 to 119 percent in 2021. The stock of domestic debt (government securities and bonds) increased to K193.00 billion by the end of 2021 from K6.24 billion in 2006. In addition, there was a sharp rise in domestic arrears, excluding fuel and electricity, which more than doubled to K45.5 billion at the end of September 2021 from K20.92 billion at the close of 2017. The pending bills were owed to road contractors, suppliers of goods and services, value-added tax refunds and personnel-related emoluments for public service workers. The external debt stock also increased from US\$961 million in 2006 to US\$13.04 billion at end of 2021.

During the period 2006 to 2021, inflation averaged 11 percent which was above the single digit Vision target. This was mainly driven by increases in food prices and the pass-through effects from the depreciation of the Kwacha.

The Kwacha depreciated against the United States (US) dollar over the period 2006 to 2021. Between 2006 and 2010, the exchange rate averaged K4.24 per US dollar and depreciated to an average of K6.75 over the period 2011-2016. During the Seventh National Development Plan period, the Kwacha depreciated further to an average of K14.00 per US dollar. The sustained depreciation of the Kwacha was due to limited sources of foreign exchange earnings, imports for both production and consumption goods, as well as reduction in foreign exchange earnings due to lower copper prices, amidst elevated external debt service.

During the period 2006 to 2020, the average current account surplus was 1.4 percent of GDP per annum underpinned by an increase in copper earnings.

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

Gross international reserves (GIRs) steadily increased between 2006 and 2014. This was in part due to Zambia's attainment of the Highly Indebted Poor Country Initiative Completion Point in 2006 which resulted in significant debt relief that eased pressure on international reserves. Additionally, the issuance of three Eurobonds amounting to US\$3.0 billion increased GIR to an all-time high of US\$3.1 billion in 2014. International reserves, however, declined steadily to US\$1.2 billion (equivalent to 2.4 months of import cover) in 2020 from US\$2.1 billion (equivalent to 2.9 months of import cover) in 2017. The decline was mainly due to increased external debt service. In 2021, international reserves rose to US\$2.8 billion (equivalent of 4.4 months of import cover) on account of Special Drawing Rights (SDR) 937.6 million (equivalent of US\$1.3 billion received from the International Monetary Fund). At 4.4 months of import cover, international reserves remain far below the Vision 2030's aspiration of at least 12 months of import cover.

The unemployment rate reduced from 16.0 percent in 2005 to 7.8 percent in 2012. However, the rate rose to 12.5 percent in 2021. The unemployment rate among the youth was higher than the national rate and showed an increasing trend over the review period. In 2021, the youth unemployment rate was estimated at 17.4 percent compared to 14 percent in 2005. The unemployment rate was

also higher in urban areas than rural areas as well as among females.

2.2. Human and Social Development

Between 2005 and 2021, Zambia recorded improvements in human development measured by life expectancy, access to learning and knowledge as well as the standard of living. Zambia's Human Development Index improved to 0.584 in 2019 from 0.471 in 2005.

Population growth between 2006 and 2020 averaged 2.8 percent per annum. This high growth rate was attributed to high fertility and reducing mortality. In 2010, the population was 13.1 million and was estimated at 17.9 million in 2020. Further, the population was higher in rural than in urban areas. The rural population was 7.9 million in 2010 and was estimated at 10.1 million in 2020 whereas for urban areas it was 5.2 million in 2010 and estimated at 7.8 million in 2020.

The relatively high population growth rate has culminated into a young population with approximately 8 percent of the population aged below 35 years.

Poverty levels in the period 2006-2015 reduced by 8.4 percentage points to 54.4 percent in 2015 from 62.8 percent in 2006. This notwithstanding, extreme poverty or individuals whose consumption was less than the cost of the food basket only marginally improved to 41 percent of the total population in 2015 from 43 percent in 2006. Poverty in



rural areas remained higher at 76.6 percent compared to 23.4 percent in urban areas as of 2015. Extreme poverty was also higher in the rural areas at 60.8 percent. These persistently high poverty levels in rural areas were mostly attributed to inadequate nutrition, households' inability to afford agricultural inputs, low wages or salaries and lack of capital to start or expand own business.

Inequality in income distribution as measured by the Gini coefficient worsened to 0.69 in 2015 from 0.60 in 2006.

Access to social protection services such as food security packs, social cash transfers, and public welfare assistance for the vulnerable increased between 2006 and 2021. For instance, social cash transfer (SCT) beneficiaries increased from 2,905 in 2006 to 880,539 in 2021.

While the country experienced a slight reduction in the total fertility rate (TFR) from an average of 6.2 births per woman in 2007 to 4.7 births in 2018, mortality rates reduced during the same period. Pregnancy-related mortality reduced from 591 deaths per 100,000 live births in 2007 to 278 deaths per 100,000 live births in 2018. The infant mortality rate (IMR) reduced to 42 deaths in 2018 from 70 deaths per 1,000 live births in 2007, while the under-five mortality rate (U5MR) reduced to 61 deaths in 2018 from 119 deaths per 1,000 live births in 2007.

In 2013, the Government introduced ECE

centres in primary schools to create space for early learners and recruited 1,000 ECE teachers. As a result, enrolments increased from 47,317 pupils in 2011 to 258,616 pupils in 2020. Notwithstanding the increase the enrolment rate stood at only 11.2 percent of the total target population as of 2020.

At primary school level, the net enrolment rates reduced to 81.8 percent in 2020 from 95.8 percent recorded in 2006, thus threatening the achievement of universal access to education. Gender-wise, there were more female pupils accessing education at Grade 1 in 2020 such that for every 100 male pupils enrolled, there was a corresponding 103 female pupils.

Secondary school net enrolment rates, though registering improvements from 23 percent in 2006 to 37.6 percent in 2020, remained low due to, among other reasons, the low number of school places at Grade 10. This was reflected by the low transition rates from Grade 9 to Grade 10, that stood at 46.8 percent in 2020. The completion rates at Grade 12 stood at 32 percent in 2020 from 17.7 percent in 2006. This implied that less than one-third of the young people in this category obtained sufficient functional literacy to allow them to have a productive life. With regard to gender, for every 100 boys enrolled at secondary level in 2020, there was a corresponding 94 girls.

At the tertiary level, the number of training institutions increased to 9 from 3, for public universities and to 54 from 3, for private universities as of 2020. As regards to Technical

Education, Vocational and Entrepreneurship Training (TEVET), however, the quality of TEVET education remained a concern. This was reflected from the grading system for quality which indicated that only 7.8 percent of the registered TEVET institutions were in grade one category, while 29.9 percent were in grade two category and 62.3 percent in grade three category.

In terms of key national health indicators such as infant mortality, under-five mortality and maternal mortality, however, improved over the review period. The neonatal mortality prevalence reduced to 24 per 1,000 livebirths in 2013/14 from 34 per 1,000 live births in 2007, although it increased from 24 per 1,000 live births in 2013/14 to 27 per 1,000 live births in 2018.

However, challenges remained in the delivery of quality health services in respect of consistent supply of essential medical supplies, recruitment and placement of health personnel as well as in the effective management of NCDs.

The country made progress towards increasing access to water and sanitation. The percentage of the population that had access to an improved water source increased to 72.3 percent in 2018 from 41.1 percent in 2007. With regard to sanitation, the percentage of households with access to an improved sanitation facility at national level increased to 54.4 percent in 2018 from 35.5 percent in 2007.

In regard to governance, Zambia's performance according to the ranking on the Corruption Perception Index dropped from 38 in 2013 to 33 out of 100 in 2021. To curb corruption, integrity committees were established and electronic payment systems for government services developed. Interventions to strengthen public finance internal controls were also implemented.

3. MACROECONOMIC OBJECTIVES, POLICIES AND REFORMS



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

Pursuant to the above, the macroeconomic objectives for the 8NDP period are to:

- | | |
|---|--|
| a) Achieve an annual real GDP growth rate of at least 4.5 percent by 2026; | d) Contain domestic borrowing to less than 4.8 percent of GDP by 2026; |
| b) Reduce the fiscal deficit to 3.6 percent of GDP by 2026; | e) Dismantle domestic arrears and curtail accumulation of new arrears; |
| c) Maintain an annual domestic revenue to GDP ratio of at least 21 percent; | f) Reduce and maintain inflation within the target range of 6-8 percent; |
| | g) Maintain international reserves of at least 3 months of import cover; and |

- h) Reduce the external debt to 60 percent of GDP and ensure sustainability.

3.1. Macroeconomic Policies for the 8NDP

Over the Plan period, the Government will implement the following macroeconomic policies to achieve the set macroeconomic objectives:

- a) **Achieving Higher and Inclusive Growth:** The policy over the Plan period is to improve living standards as well as reduce poverty and inequality by creating conditions for strong and inclusive growth.
- b) **Fiscal Policy and Reforms:** To achieve fiscal sustainability, a combination of measures, including domestic resource mobilisation, debt restructuring and expenditure rationalisation, will be pursued, and to attain long-term debt sustainability, the focus will be on reducing the pace of debt accumulation.
- c) **Debt Management Strategy:** The Government will revise the Loans and Guarantees (Authorisation) Act of 1969 to provide for parliamentary oversight in the contraction of loans, to enhance transparency in debt management. A Medium-Term Debt Management Strategy covering the period 2023-2025 will also be developed for the country to return to sustainable debt levels.

- d) **Dismantling of Domestic Arrears:** The Government will develop an Arrears Dismantling Strategy to address the existing stock of arrears and halt accumulation of new ones.

- e) **Monetary and Financial Sector Policies:** Monetary and financial sector policies will aim at maintaining price and financial system stability which are critical to promoting sustainable growth. Monetary policy will continue to rely on the forward-looking framework anchored on the Policy Rate as a key signal of the policy stance.

- f) **External Sector Policies:** The Government will continue to promote both traditional and non-traditional exports as a strategy for long-term economic growth.

3.2. Key Reforms to Support the Macroeconomic Objectives

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

- a) **Strengthen Public Finance Management:** This will be central to restoring budget credibility, improving the efficiency of public expenditures, and supporting private sector-led growth.
- b) **Establish a Fiscal Risk Management Framework:** In light of slowing growth, tighter fiscal conditions, and growing debt burden, the Government will develop a



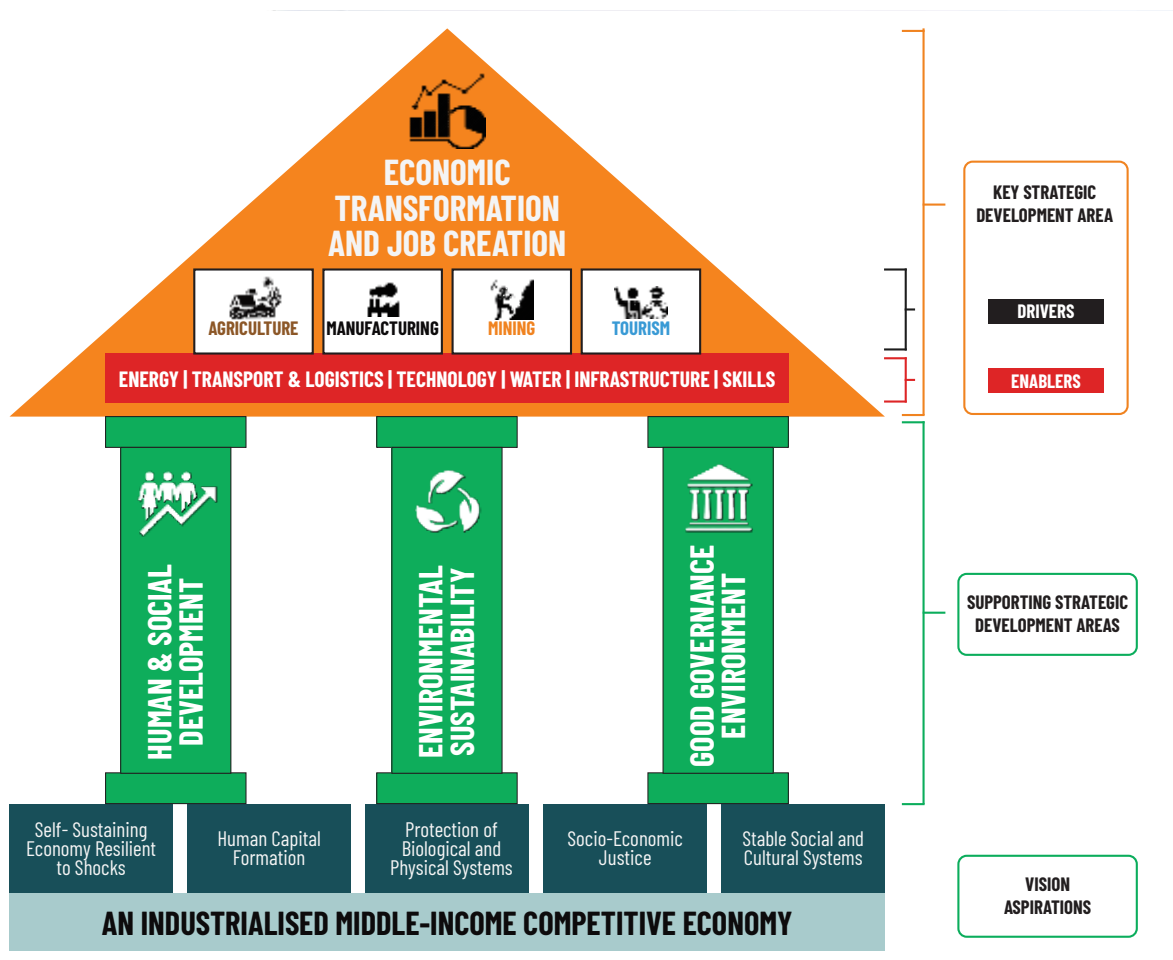
risk monitoring framework to anticipate expenditure pressures and revenue shocks.

- c) **Strengthen the Legal Framework for Public-Private Partnership:** To leverage on public-private partnership financing for developmental projects, the Public-Private Partnership Act No. 14 of 2009 will be revised to, among others, strengthen the framework for managing fiscal risks, such as fiscal commitments and potential contingent liabilities.
- d) **Undertake Farmer Input Support Programme Reforms:** The Government will implement a comprehensive agriculture support programme beginning in the 2022/2023 farming season aimed at improving agricultural production and productivity. The programme will include extension service support, access to finance, support to value-addition, storage and logistics as well as the provision of inputs through the electronic agro-input system.
- e) **Undertake Energy Sector Reforms:** To improve performance of the energy sector, the Government will implement reforms to remove inefficiencies in the fuel supply chain by, among others, supplying fuel through pipelines and undertaking procurement reforms to standardise supply contract prices. Reforms will also be undertaken to improve the operational efficiency of ZESCO Limited including its cost structure.

- f) **Strengthen Performance of State-Owned Enterprises (SOEs):** The SOE Policy will be revised and a law enacted to strengthen institutional arrangements and adherence to best practices in corporate governance.
- g) **Strengthen Fiscal Decentralisation:** The design of the fiscal decentralisation architecture will focus on strengthening prudent utilisation of resources, domestic revenue mobilisation, debt sustainability, sub-national borrowing and provision of inter-governmental transfers that are sufficiently large and flexible to influence aggregate demand and service provision at the local level.

These reforms will anchor the restructuring of external debt, improved investor confidence, availability of affordable international financing, and efforts to unlock financing from cooperating and development partners.

4. TOWARDS THE VISION 2030



4.1. Overview of the Vision 2030

Zambia aspires to become “A Prosperous Middle-Income Nation by 2030”. That is, to become a strong, dynamic, competitive, and self-sustaining middle-income industrial nation, which is resilient to external shocks and provides opportunities for improving the wellbeing of all. The Vision also coincides with the 2030 Agenda for Sustainable Development

which aims to end poverty, fight inequality and injustice, and tackle climate change through the pursuit of the Sustainable Development Goals (SDGs). The 8NDP, therefore, provides an avenue for catalysing the nation’s response to addressing the developmental challenges over the 2022-2026 period in the quest to attain the Vision 2030, SDGs and other regional and international commitments.



4.2. Moving Towards the Vision 2030: What it will take

Progress was made towards attainment of the socio-economic development objectives of the Vision 2030 through the implementation of previous national development plans. However, the progress has not been sufficient to enable the country realise the Vision. The 8NDP, therefore, sets out a wide range of reforms and interventions under the following strategic development areas to accelerate progress toward actualisation of the Vision 2030:

- a) **Economic Transformation and Job Creation:** Economic transformation will be anchored on industrialisation with a focus on value-addition in the agriculture, mining, manufacturing and tourism sectors which have strong local forward and backward linkages. Further, focus will be placed on the development of micro, small and medium enterprises (MSMEs) across all sectors as they have high income and job creation potential. The economic transformation agenda will be led by the private sector while the Government will provide an enabling and supportive environment through the delivery of requisite policies, regulations, and infrastructure.
- b) **Human and Social Development:** Focus will be on facilitating the development of a well-educated, highly skilled, and healthy labour force that will support actualisation of the Vision 2030. Thus, increasing access

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

- c) **Environmental Sustainability:** This focus area will ensure the promotion of green growth, safeguarding of the environment and natural resources, enhancing climate change mitigation and adaptation, as well as strengthening disaster risk reduction. This will ensure that the development pathways are sustainable.
- d) **Good Governance Environment:** To create a conducive environment for the envisaged socio-economic development, focus will be on improving the policy and governance environment as well as on promoting adherence to the rule of law and constitutionalism.

The strategic development areas of the 8NDP outlined above are set to drive the country towards the attainment of the Vision 2030 aspirations with the Economic Transformation and Job Creation being the key strategic development area. The other strategic development areas will ultimately support the country's economic transformation and job creation agenda.

5. STRATEGIC DEVELOPMENT AREA 1: ECONOMIC TRANSFORMATION AND JOB CREATION



The focus of the country is to attain economic transformation that will be marked by advancements in industrialisation and economic diversification for sustained growth driven by the agriculture, mining, manufacturing and tourism sectors. This will entail shifting labour and other resources from low to higher productive activities between and within sectors. Ultimately, this will increase employment opportunities for all Zambians especially for the youth, persons with disabilities (PWDs) and other vulnerable groups.

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

5.1. Constraints to Economic Transformation and Job Creation

The major constraints to economic transformation and job creation, among others, are:



- a) Low diversification and industrialisation;
- b) Low citizen participation;
- c) Low private sector competitiveness;
- d) Limited access to affordable finance and productive resources;
- e) Inadequate infrastructure in economic sectors such as transport, energy, agriculture and ICT, especially in rural areas;
- f) Limited research and development (R&D); and
- g) Weak market information systems.

To overcome these constraints and achieve the desired outcomes, the following strategies will be implemented during the 8NDP period:

5.2. Development Outcome 1: An Industrialised and Diversified Economy

To industrialise and diversify the economy, the Government will implement the following strategies:

- a) Improve agricultural production and productivity;
- b) Promote mining of traditional and non-traditional minerals;
- c) Promote value-addition and

manufacturing;

- d) Promote tourism growth;
- e) Improve transport and logistics;
- f) Enhance generation, transmission and distribution of electricity;
- g) Enhance management of petroleum products;
- h) Enhance management and productive use of water resources;
- i) Enhance digital capacity; and
- j) Promote applied research and development.

5.3. Development Outcome 2: Enhanced Citizenry Participation in the Economy

Citizens' participation in economic activity is important to achieve economic transformation and job creation. However, citizen participation has been low with few major locally-owned enterprises and businesses. To address low citizen participation, the following strategies will be implemented:

- a) Promote local and diaspora participation in the economy;
- b) Promote enterprise development;
- c) Promote technical, vocational and entrepreneurship skills; and



d) Promote financial inclusion.

5.4. Development Outcome 3: A Competitive Private Sector

A competitive private sector is needed to change the economic fortunes of the country to achieve socio-economic transformation for improved livelihoods. This will be achieved through the following strategies:

a) Promote quality and productivity;

b) Facilitate increased domestic and international trade; and

c) Improve access to finance for production and exports.



6. STRATEGIC DEVELOPMENT AREA 2: HUMAN AND SOCIAL DEVELOPMENT



In order to address the vicious cycles of poverty, inequality and vulnerability, human and social development will be fundamental to inclusive development and a catalytic ingredient to the transformation of the country. This entails providing equal opportunities for every citizen to develop to their full potential and effectively contribute to the development of the country through interventions in education and skills development; health and nutrition; and water and sanitation.

The Government will continue to support the development of human capacities, through investments and interventions in education and skills development, health and nutrition, water and sanitation and reducing poverty, inequalities and vulnerability. Communities and development partners will be involved in the planning, decision-making and delivery of public services.

6.1. Constraints to Human and Social Development

The major constraints to human and social development, among others, are:

- a) Inadequate infrastructure and human resources;
- b) Limited educational equipment and materials;

- c) Inadequate ICT equipment;
- d) Inadequate and obsolete medical equipment and supplies;
- e) Inadequate transport facilities;
- f) Poor health-seeking behaviour;
- g) Low coverage of national health insurance;
- h) Long distances to health centres;
- i) Inadequate and dilapidated water and sanitation infrastructure; and
- j) Low integration of social protection programmes;
- k) Poor targeting of beneficiaries
- l) Inadequate dietary diversity;
- m) Increase in unplanned settlements;
- n) Unregulated access to water resources;
- o) Weak management and monitoring of water resources.

To overcome these constraints, strategies aimed at improving human and social development will be implemented during the 8NDP period.

6.2. Development Outcome 1: Improved Education and Skills Development

The Plan will focus on expanding access and improving quality of early childhood, primary and secondary education as well as technical education, vocational and entrepreneurship training and higher education. The strategies below will be implemented to achieve this development outcome:

- a) Enhance access to quality, equitable and inclusive education;
- b) Improve technical, vocational and entrepreneurship skills;
- c) Increase access to higher education; and
- d) Enhance science, technology and innovation.

6.3. Development Outcome 2: Improved Health, Food and Nutrition

The Plan will focus on strengthening public health and integrated health information systems, and enhancing food security and nutrition, among others. The strategies below will be implemented to achieve this development outcome:

- a) Strengthen public health;
- b) Increase access to quality health care;
- c) Enhance food security and nutrition; and



- d) Strengthen integrated health information systems.

6.4. Development Outcome 3: Improved Water Supply and Sanitation

To improve water supply and sanitation, the Plan will promote investment in the water sector, and enhance access to clean and safe water supply and improved sanitation. The strategies below will be implemented to achieve this development outcome:

- a) Improve access to clean and safe water supply; and
- b) Improve sanitation services.

6.5. Development Outcome 4: Reduced Poverty, Vulnerability and Inequality

To reduce poverty, vulnerability and inequalities, the strategies below will be implemented to achieve this development outcome:

- a) Improve social protection programmes;
- b) Enhance welfare and livelihoods of poor and vulnerable people;
- c) Reduce developmental inequalities;
- d) Increase access to decent and affordable housing; and
- e) Reduce vulnerability associated with HIV and AIDS.



7. STRATEGIC DEVELOPMENT AREA 3: ENVIRONMENTAL SUSTAINABILITY



7.1. Overview

Zambia's vision of attaining a prosperous middle-income status by 2030 emphasises development that is anchored on sustainable environment, ecosystems and natural resource management principles. This means attainment of socio-economic development which meets the needs of the current generation without compromising the ability of future generations to meet their own needs.

Climate change and variability has led to adverse effects such as droughts, floods and extreme temperatures which have negatively impacted key sectors, including energy, agriculture and water. This has resulted in decreased hydroelectricity generation capacity, food insecurity and limited access to

clean drinking water for people and animals. Additionally, there has been unsustainable exploitation of natural resources evidenced by deforestation and forest degradation, land degradation, encroachment of protected areas, unsustainable fishing, and loss of biodiversity.



7.2. Constraints

The major constraints to environmental sustainability, among others, are:

- a) Unsustainable agricultural practices and use of environmental products;
- b) Undiversified sources of income for sustainable livelihoods;
- c) Inadequate education and community awareness on the environment and the value of natural resources; and
- d) Inadequate legal and institutional frameworks and capacities for implementation of actions on environmental protection.
- e) Insufficient hydrometeorological infrastructure and climate information services
- f) Insufficient early warning systems

To overcome these constraints, strategies aimed at improving environmental sustainability will be implemented during the 8NDP period.

7.3. Development Outcome 1: Enhanced Mitigation and Adaptation to Climate Change

The Plan prioritises implementation of adaptation actions in Zambia’s Nationally Determined Contributions to achieve improved adaptive capacity, reduced vulnerability and

enhanced resilience to climate change, for both human and biophysical systems. The strategies below will be implemented to achieve this development outcome:

- a) Strengthen climate change adaptation;
- b) Strengthen climate change mitigation; and
- c) Enhance disaster risk reduction and response.

7.4. Development Outcome 2: Sustainable Environment and Natural Resources Management

The Government will promote protection, conservation and restoration and rehabilitation of the environment, ecosystems and natural resources through integrated and community-based natural resources management systems. The strategies below will be implemented to achieve this development outcome:

- a) Promote integrated environmental management; and
- b) Enhance natural resources management.

8. STRATEGIC DEVELOPMENT AREA 4: GOOD GOVERNANCE ENVIRONMENT



8.1. Overview

Good governance entails respect for human rights and freedoms, entrenching transparency and accountability, participation, strengthening the democratic process, enhancing access to justice, observance of the rule of law and upholding national values and principles. It is an important precursor for transforming the economy, sustaining economic growth and promoting human dignity, thereby safeguarding lives and livelihoods.

The major constraints to realising a conducive governance environment include:

- Inadequate infrastructure;
- Limited utilisation of ICT solutions;
- Slow pace of implementation of key reforms; and
- Inadequate capacities of governance and investigative agencies.
- Inadequate information among citizens on platforms for engagement with elected representatives and other governance agencies.

To improve the governance environment, the following strategies will be implemented during the 8NDP period.

8.2. Development Outcome 1: Improved Policy and Governance Environment

During the Plan period, the Government will ensure that a conducive and stable policy



and governance environment is enhanced. The strategies below will be implemented to achieve this development outcome:

- a) Decentralise public service delivery systems;
- b) Strengthen national data and information systems;
- c) Strengthen transparency and accountability mechanisms;
- d) Strengthen democratic and political governance;
- e) Strengthen public service performance management systems; and
- f) Strengthen land management and administration.

8.3. Development Outcome 2: Improved Rule of Law, Human Rights and Constitutionalism

To achieve improved rule of law, human rights, and constitutionalism, the Government will strengthen the criminal justice system and the rule of law. This will be attained through the review of the Constitution, enhancement of access to justice, promotion of human rights, infrastructure development, enhancement of legal aid systems, human and technical capacity development and modernisation of judicial systems. The strategies below will be implemented to achieve this development outcome:

- a) Strengthen human rights and constitutionalism; and
- b) Strengthen the criminal and justice system and enhance the rule of law.

9. IMPLEMENTATION AND COORDINATION FRAMEWORK



The implementation of the Plan will be undertaken using an integrated multi-sectoral approach which entails the clustering of agencies from various sectors to coordinate in the planning, budgeting, and implementation and monitoring of interventions that will lead to the attainment of identified strategic national development results. This is in accordance with the National Planning and Budgeting Act No. 1 of 2020.

National and sub-national levels will implement the Plan based on the institutional arrangements approved for national development plan implementation. This will include reporting on the various programmes, projects and activities undertaken with specific deliverables on quarterly, annual, mid-term and at the end of the Plan period.

9.1. Institutional Arrangements

The institutional arrangements for coordinating the implementation of the 8NDP will include oversight bodies, implementing

institutions and advisory structures at national, provincial, district and ward levels. These advisory structures namely, the National Development Coordinating Committee (NDCC), Cluster Advisory Groups (CAGs), Provincial Development Coordinating Committees (PDCCs) and District Development Coordinating Committees (DDCCs) will coordinate and provide oversight in the implementation of the Plan. In addition, the Ward Development Committees (WDCs) will coordinate the implementation of development interventions at the ward level. Membership to these structures is drawn from both state and non-state actors.

10. MONITORING AND EVALUATION FRAMEWORK



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

11. FINANCING THE 8NDP



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



12. PRECONDITIONS AND RISK MANAGEMENT



12.1. Preconditions

The success of the 8NDP is underpinned by certain preconditions, potential risks and mitigation measures to ensure successful implementation of the Plan. Some preconditions include political will and stability, stabilisation of the macroeconomic fundamentals, effective management of pandemics, effective accountability frameworks and climate change management.

12.2. Risk Framework

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

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