

EXPECTATIONS OF THE PRESIDENTIAL ADDRESS - OPENING OF PARLIAMENT

Thursday 10th September, 2020

PRESS STATEMENT

FOR IMMEDIATE RELEASE

As His Excellency the President Mr. Edgar Lungu officially opens the 5th Session of the 12th National Assembly, the Policy Monitoring and Research Centre (PMRC) hereby provides the following as our expectations to inform the address to the National Assembly and the country at large.

Our expectation is that the President will prioritise to give an overview of the evolution of the Coronavirus (COVID-19) pandemic in the country. **It is expected that the Presidential address will update the nation on the health measures that the Government of the Republic of Zambia has put in place to upscale and enhance our preparedness, surveillance and response to this COVID-19 threat.**

In April 2020, Government, through the Bank of Zambia, approved a K10 billion medium-term refinancing facility, which provided funding to commercial banks and non-bank financial institutions for them to restructure, refinance or extend credit to businesses and households on more favourable terms. **We expect that the President will give an update on the uptake of this medium-term refinancing facility and encourage more financial institutions to access the funding.** On the 9th of April, during an address to the nation, the president urged the Minister of Finance that the medium-term refinancing facility needed to be directed towards Small and Medium Scale Enterprises (SMEs) that are adversely affected by the impact of the COVID-19. It is justified that this financing goes to businesses such as gymnasiums, restaurants, bars, and nightclubs whose businesses had been halted and some of which had sent

their workers home. **In the same vein, the President is urged to give an update on the performance of the COVID-19 bond and its overall impact in alleviating the negative effects of the pandemic on the economy so far.**

Further, it is expected that the President will give an update on the **progress made by the task force established and mandated to bring more Zambian products on the floor of major chain stores in shopping malls.** This is in a bid to capitalize on the current situation which has presented a new opportunity for domestic agriculture and locally manufactured products to be sold in increased numbers. The task force is comprised of representatives from South African owners of chain stores, the Zambia Association of Manufacturers (ZAM), Zambia Farmers Union (ZNFU) and the Zambia Chamber of Commerce and Industry (ZACCI). It is hoped that the local content strategy will also be emphasised.

It is also expected that the President will provide an update on the implementation of legislative reforms aimed at addressing emerging issues that hinge on democracy, rule of law and enhanced financial management. On 2nd September 2020, President Edgar Lungu said Cabinet would consider creating an office to oversee all Government procurement to restore people's faith in public transactions. **The revisions of the Public Procurement Act also need to provide for reference pricing to strengthen oversight for high-value procurements.**

The President is also expected to attend to fiscal measures that the Government has instituted aimed at easing liquidity in the economy. This may take the form of making additional payments of public service retiree benefits, road contractors and Government suppliers of goods and services.

We expect that the President will also update the nation on progress made in engaging multilateral organizations. Besides the usual engagements with multilateral organisations on economic cooperation, with the advent of COVID-19, we recognise the fact that various multinational institutions have announced avenues of support and facilities to mitigate the impact of the pandemic.

As a pro-poor Government, **we anticipate the President will give an update on progress made in supporting the marginalised in society.** This includes enhanced empowerment of the youth, women and other vulnerable members of society. The Social Cash Transfer program, which is aimed at helping to reduce poverty through the transfer of money to persons who meet the specified criteria of vulnerability, may

need to be upscaled given the fact that the number of vulnerable people in society may have increased with the advent of COVID-19. The President may also provide an update on the implementation of the e-Voucher and progress made in the distribution of inputs for the 2020/2021 farming season.

The President may also need to update the nation on the **strategies that the Government has put in place to ring-fence funds for the purchases of the strategic food reserve by Food Reserve Agency (FRA)**. Poor households that produce enough to sell to the FRA need to be incentivised to produce more by prompt payments as opposed to the frequently long and uncertain delays in payments when farmers deliver their maize to the FRA.

In conclusion, we also envisage that the President will update the nation on the progress made towards diversification away from mining and diversification within the mining sector. Diversification away from mining may support other sectors such as tourism, manufacturing and agriculture by focusing on high-value crops. Government has been promoting diversification within the mining sector and is focusing on value addition to development minerals, which are often referred to as low-value minerals. Key among efforts to diversify within the mining sector is the drive to formalise artisanal and small-scale miners to diversify away from copper mining.

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