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Executive Director's Remarks

ZAMBIA'S INFRASTRUCTURE DEVELOPMENT: LEVERS TO SOCIO-ECONOMIC GROWTH

Infrastructure is key in fostering economic growth and alleviating poverty in any country. Adequate infrastructure in the form of road and railway transport system, aviation and power and their efficient working is also needed for the integration of the Zambian economy with other economies globally. Over the last nine years Zambia has pursued an intensive infrastructure development programme. Zambia's infrastructure development has been focused on important sectors such as transport, agriculture, health and education.

The social economic benefits of infrastructure developments scored in various sectors are outlined as follows:

Transport Sector

A well-functioning transport sector has the potential to both reduce the overall cost of doing business in the country and as well as increase efficiency in the movement of goods and people within Zambia. Furthermore, the Country's central location places it in a key position to becoming a regional transportation hub. In addition, a good road infrastructure has ability to spur investments in various sectors of the economy to ease logistics for goods and services. Notable infrastructure developments in the sector includes the following:

The upgrading of the Kenneth Kaunda International Airport into an ultra-modern facility and the construction of the Simon Mwansa Kapwepwe International Airport in Ndola. As of 2020, these airports were above 90% and 76% completion respectively. The development of these airports will enable the country to handle higher volumes of traffic, both in terms of passengers and cargo. Additionally, attractive airports can play a role in attracting tourists to the country and therefore, the development of the above-mentioned airports could serve to boost Zambia's tourism industry.

The US\$259 million Kazungula Bridge linking

Zambia and Botswana was commissioned on 10th May 2021. This state-of-the-art bridge will serve to ease transportation between the two countries and pave the way for further integration and development in the Southern African Development Community.

The Link Zambia 8000 has more than 5,209km of the road network currently being worked on and 830km of this has been commissioned. Road development as well as rehabilitation is especially key to ensuring safe connectivity for travellers across the country, reduced travel times and costs and fostering trade and development by facilitating the movement of goods and services.

The Agricultural sector

The agricultural sector is one of the largest contributors to Zambia's GDP and it plays a key role in employment generation as well as poverty reduction. Therefore, investments in agricultural infrastructure have been made with a view of the creation of a conducive business environment and ultimately a more vibrant sector. Key among such infrastructure will be the development of warehousing, storage, breeding centres and irrigation, among others. Two highlights worth noting:

The construction of 87 modern livestock breeding centres as well as the rehabilitation of 15 livestock breeding centres countrywide in order to increase livestock production

The completion of the US\$28.3 million Mwomboshi dam in Chisamba, which will foster irrigation.

The Health Sector

The health sector of any country is critical to the wellbeing of its citizens. As Zambia responds to the COVID-19 pandemic as well as it prepares for future pandemics and epidemics,

health infrastructure development is cardinal. Infrastructure development in this sector, focused on construction and modernization, that includes the following:

A total of 439 health posts (276 which are rural) and 24 mini hospitals countrywide, including Chinsali and Kalindawalo General Hospitals has been completed and operational.

A 240 in-patient bed capacity at the Cancer Diseases Hospital has been completed and is operational.

Selected health facilities have been upgraded to first level hospitals; these are Matero, Chipata and Chilenje clinics. The upgrading of these health facilities has served to decongest UTH and other district hospitals.

Completion of the expansion and refurbishment of Maina Soko Military Hospital as well as an upgrade in the bed capacity at Levy Mwanawasa Hospital from a 120 to 850 beds. The modernised Maina Soko Military hospital and the expanded Levy Mwanawasa Hospital in Lusaka have been beneficial in the fight against the COVID-19 Pandemic.

The Education Sector

Improved education and skills development are instrumental in creating societies that are better able to respond to the social and economic development challenges that they may face. Moreover, the availability of a skilled workforce is critical to ensuring productivity in any economic sector. Government has demonstrated its commitment to the sector through the development of various types of infrastructure. These include:

The establishment of 2386 early childhood centres countrywide enrolling 80,000 children. As a result of these centres, the Country is seeing an improvement in the cognitive development of children.

The construction of 118 schools as well as the upgrading of 220 Basic Schools to secondary schools.

The construction of the Levy Mwanawasa Medical University.

Conclusion

One of the fundamental principles required to achieve sustainable development is infrastructure. The Government is committed to the development of modern and robust infrastructure as clearly demonstrated by the various developments that have come up in the transport, agriculture, health and education sectors. PMRC urges the Zambian Government to continue on this infrastructure development path as it is cardinal for both economic development and the uplifting of livelihoods.

Mrs. Bernadette Deka-Zulu
PMRC Executive Director



Launch of the National Lands Policy

The Government of the Republic of Zambia launched a National Lands Policy in a bid to streamline land administration and management services in the development of the country. The National Lands Policy has been put forward to improve land administration and management in order to place the country's land development on a sustainable path. Since independence, land administration in Zambia has lacked an adequate policy framework as the country only operated on fragmented policy pronouncements by Government. A comprehensive land policy framework was only developed in the year 2000 when Government started initiatives to consult various stakeholders in order to come up with a Land Policy.

The Policy Monitoring and Research Centre (PMRC) would like to commend Government for the launch of the 2021 National Lands Policy which has come at an opportune time following the challenges highlighted within the National Lands Policy that retarded social progress, such as indiscriminate use of land and poor land development practices. The rationale of the National Lands Policy is to address such challenges and provide a roadmap for the sustainable management of natural resources, environmental protection and climate change mitigation and adaptation. It is envisaged that the policy will provide an opportunity for every Zambian to access and secure their interests in land regardless of their status and will also strengthen security of tenure and enhance management of land resources.

PMRC would also like to applaud the Government for revising the legal age for citizens to own land from 21 to 18 years. Within PMRC's publication on Land Tenure and Resource Rights for Women and Youths, the contractual age of 21 years in which one would obtain land in Zambia was high, taking into account the increase in child headed households and the number of unemployed youths. The reduction in the contractual age is in line with making land

accessible to the youths which would empower them further to venture into agricultural activities, vital in propelling the economy to greater heights.

Additionally, by driving the inclusivity agenda, women and persons with disabilities have been given special recognition in the National Lands Policy as key target groups in the ownership of land. This has significant implications in ensuring that women and persons with disabilities have access and ownership to land. Land rights have been a major concern among women who are faced with various challenges in land ownership as traditionally men were considered the land owners resulting in women forfeiting their properties in an event of death or divorce of a spouse. However, this has changed and the policy will ensure that more women exercise their land rights.

Last year, Government launched the National Land Titling program, which going forward will see the issuance of four million land titles across the country, as compared to the three hundred thousand as of 2020. The Land Titling program will ensure that private individuals are given formal property rights for land which they have previously occupied informally or used on the basis of customary land tenure. The launch of the program will increase the issuance of land titles which will protect property rights, facilitate land transactions (land conveyance in sale, donation or assignment), and will enable land to be used as loan collateral which will facilitate equity and development. The rolling out of the Land Titling program and simplification of the land titling procedure will also ensure that more women obtain documentation for their land that they can use as collateral. This consequently will result in further empowering women, the youth and persons with disabilities to access credit and capital to finance their business ideas through formal institutions such as banks and other credit facilities.

Furthermore, the policy seeks to secure land for citizens by limiting the land tenure for foreign investors. This is a commendable effort by the Government, as land is not only a critical resource of production but is also a geopolitical space that equally speaks to our heritage as Zambians. The policy has been long overdue as the land management and administration in the country has faced challenges due to the lack of a comprehensive legal framework to govern its management holistically. We would like to thank Government for its wide consultative process in delivering a sound policy that has been accepted by traditional leaders who equally play a critical role in preserving this important resource, taking into consideration their concerns, as 94% of the land is vested in the traditional authorities. Lastly, we urge Government to implement the National Lands Policy expeditiously as it will provide a roadmap for land administration in Zambia.





The Commemoration of the 2021 International Women's Day under the theme: Women in Leadership: Achieving an Equal Future in a COVID-19 World

Zambia joins the rest of Africa in commemorating this year's African Freedom Day under the theme "Arts, Culture and Heritage: Levers for Building the Africa we Want".

As we celebrate this important day it is imperative that we reflect on our African journey to freedom that reminds Africans of their struggle to freedom and the steps made towards achieving our goal of becoming a great continent.

With over 72 ethnic groups, Zambia is endowed with cultural norms and traditional ceremonies that are characterised by festivals such as music, dances and theatre. To safeguard Zambia's arts, culture and heritages, the National Cultural Policy of 2003 was developed aimed at facilitating the participation of all stakeholders in the development and promotion of our culture.

The African Union (AU) aspiration number 5 of Agenda 2063 envisages "An Africa with a strong cultural identity, common heritage and shared values and ethics". This aspiration is critical to the preservation of African Arts, Culture and Heritage as it endeavours to fulfil an African cultural renaissance which is pre-eminent and also inculcates the spirit of Pan Africanism; as well as taps into Africa's rich heritage and culture to ensure that the creative arts are a major contributor to Africa's growth and transformation; as well as restores and preserves Africa's cultural heritage including its languages.

Indeed this has led to the emergence of the Cultural and Creative Industries (CCI) Sector. The cultural and creative industries has the main objective of producing or reproducing, promotion, distribution or commercialization of goods, services and content activities derived from cultural, artistic or heritage origins. To this end, CCI's worldwide play a critical role in economic growth through the contribution to Gross Domestic Product (GDP). It is in this respect that the recognition of CCI's in achieving the Agenda 2063 objectives "regional integration, inclusive

and sustainable economic development", that the African Union has declared the year 2021 as "The AU Year of the Arts, Culture and Heritage: Levers for Building the Africa We Want"

Zambia as a nation believes in the cultural incorporation of social behaviour and societal norms, as well as language, knowledge, beliefs, arts, customs, capacities and habits of various communities. It is in light of this that the 2021 theme is a clear continental declaration for member states to invest more financial resources into the promotion of national and regional unity by investing in African culture and heritages as an engine for promoting and achieving the national economic and social development goals as outlined in Africa's Agenda 2063.

This year's commemoration of the Arts, Culture and Heritage comes at a time when the African continent is still grappling with the effects of the COVID-19 pandemic, which has imposed heavy human, financial and economic costs on Africa. African countries should however, view the pandemic as an opportunity for the increased use of technology to enhance the CCI's sector through the use of digital platforms in the promotion of African goods and services to the World. Finding solutions for Africa starts with us and true solutions to our problems lie within Africa, through unity of purpose. Our unity can make us one great Africa that will live to triumph above its problems. The pandemic has presented itself as an opportunity to retool Africa's socio-economic priorities and direction by focusing on the role that cultural industry plays towards creating and harnessing stronger CCI's as well as more resilient, healthy and social sectors promoting equality, inclusion, social cohesion and resurgence as inspired by a true unity of purpose - the Ubuntu Philosophy.

Wishing all our partners across Africa a happy Africa Freedom Day.



Analysis of the 2021/2022 Food Reserve Agency Crop Marketing Prices

The Food Reserve Agency (FRA) officially announced the buying prices for designated agricultural commodities for the 2021 crop-marketing season on 31st May 2021. This is in line with its mandate of managing the national strategic food reserves, provision of market access to smallholder farmers and managing the public agricultural storage facilities. Through Statutory Instrument (SI) No.73 of 2012, **the FRA is mandated to buy eight designated crop commodities which include white maize, orange maize, rice, sorghum, sunflower, groundnuts, soya bean and beans as strategic food reserves.**

In the 2020/2021-marketing season the Agency intends to buy three commodities from the eight designated commodities for their reserves, which include **white maize (500,000 Metric tonnes), soya bean (50,000 Metric Tonnes) and paddy rice (10,000 Metric Tonnes).**

The Agency has set the price for purchasing the mentioned designated agricultural commodities during the 2021 crop-marketing season as follows:

S/No	Commodity type	Price ZMW/KG	Price ZMW/Bag	Unit Measure	Price ZMW/MT
1	Maize	3.00	150	50Kg	3,000
2	Soya bean	10.00	500	50Kg	10,000
3	Paddy rice	5.00	200	40Kg	5,000

The prices reflect an increase from the 2020 marketing season for white maize, soya bean and paddy rice. The price for white maize has increased from K110 in 2020 to K150 in 2021, soya bean from K150 in 2020 to K500 in 2021 and paddy rice from K70 in 2020 to K200 in 2021. It must be mentioned that the prices announced by FRA do not reflect the floor prices for the 2021 marketing season but FRA prices for buying commodities under the principle of willing seller and willing buyer. Under the principle, the Agency has provided an opportunity for small scale farmers who have contributed 93% of the 2020/2021 crop production to actively get a fair share of the market by enabling them to determine the prices of their commodities.

Policy Monitoring and Research Centre (PMRC) commends FRA for the measures put in place to manage the national strategic food reserves such as the provision of market access to smallholder farmers and managing the public agricultural storage facilities. PMRC has noted that, as a way of ensuring a smooth marketing season **the agency will operate 1200 depots in 105 districts and reposition marketing prerequisites such as empty grain bags and sieves as well as repairing of platform scales.**

Secondly, PMRC is elated by the decision of the Agency to carry out a scenario analysis in arriving at the 2021 commodity prices which considers farm gate and open market prices, **factoring in the cost of inputs to reflective pricing as well as consultations with market shareholders and players in the crop marketing value chain.**

In order to secure the strategic food reserves, **PMRC urges the Agency to enter the market at the earliest**

possible time in order to meet their targets and to avoid unscrupulous buyers taking advantage of the small-scale farmers. In addition, plans to buy the stated amounts of commodities will allow for a more private sector participation in the sector such as millers and private grain traders thereby moving towards achieving the country's aspirations of promoting private sector participation in the agricultural sector.

Lastly, PMRC urges the FRA in the near future to **increase the amount of quantities to purchase for other commodities such as rice, soya bean and other legumes as a way of driving towards the country's crop diversification agenda.**





Zambia's Third Wave of COVID-19: A Call to Discipline and Collective Responsibility

On the 2nd of June 2021, Ministry of Health Permanent Secretary - Technical Services Dr. Kennedy Malama announced that Zambia had entered the Third Wave of the COVID-19 pandemic owing to the sharp rise in new COVID-19 cases and an increase in admissions to hospital facilities with the fear that more patients could portray severe symptoms of the disease if citizens do not actively implement the prescribed COVID-19 prevention measures.

A sudden increase in COVID-19 cases has been recorded country wide in the past week. This comes shortly after the country saw a reduction in the number of infections and hospitalizations marking the end of the Second Wave. On 2nd June 2021, statistics indicated a sharp increase in cases and the country recorded 742 new cases out of 9,857 tests conducted representing a steep rise in the positivity rate of 8% and marking the beginning of the Third wave. The current cumulative number of confirmed cases now stands at 100,278 with the total number of deaths standing at 1,308 people and a positivity rate of 11% as at 6th June 2021.

This is an earnest reminder that the COVID-19 virus is still a big threat to Zambia and the world at large. Medical professionals have continued to raise awareness on the negative impacts that complacency and reluctance to conform to the public health guidelines and the five golden rules; wearing of face masks, regular sanitizing of hands, social distancing in public, avoiding crowded places and seeking medical attention immediately if symptomatic.

Furthermore, with the coming onboard of the AstraZeneca vaccine, it is imperative that every eligible citizen seeks vaccination as soon as possible. The turnout while the vaccine was being administered was below expectation. This could be partly attributed to misinformation about the COVID-19 vaccines especially on social media platforms like Facebook. Therefore, it is important that the myths surrounding the vaccines and COVID-19 in general be countered with facts through awareness campaigns to encourage as many people as possible to take the vaccine. Every individual citizen has a role to play in overcoming the pandemic.

As the world is under threat of this Third Wave of COVID-19, individual discipline and collective responsibility in adhering to the public health guidelines will be crucial in averting further spread of the virus. This indeed is a concern for Zambia as we transition into the colder months of winter and a general election campaign period. Critical concerns are that election campaigns will increase the risk of exposure as they are characterised by mass gatherings, hence a call by the Electoral Commission of Zambia to avoid campaign rallies which are super-spreader events. Similarly, the Government has called for heightened levels of preparedness at sub-national level in order to effectively respond to the looming threat.

Lessons can be drawn from other countries that have conducted elections amid the pandemic such as the United States, Malaysia and Poland. It should be noted that various prevention measures that these countries put in place to protect rally attendees from contracting the virus such as masking up and social distancing were poorly enforced and were characterized by a lack of adherence. However, on the other hand, countries like Singapore and Kuwait have provided an alternative blueprint for how campaigns can be conducted amid the pandemic through their extensive use of social media platforms like Zoom, Facebook, Twitter and WhatsApp to get their messages across to the electorate. Zambia should opt to adopt alternative campaign platforms in view of the Third Wave as we head towards the August 12 polls.

At the onset of the Second Wave in January 2021, PMRC made a call to action for all citizens to actively participate in complementing Government interventions to mitigate the spread of the virus. Therefore, PMRC commends Government for its continued efforts in strengthening the multi-sectoral approach in order to improve the response measures and case management, especially at community level where the risks are much higher due to the laxity in adherence to public health guidelines.

Further, PMRC reiterate its call to action for greater responsibility at individual level to protect families, institutions and communities.



Successful Implementation of the Economic Recovery Plan Anchoring on the Successes and Lessons Learnt from the Implementation of the Seventh National Development Plan

Zambia has developed an ambitious Economic Recovery Plan (ERP) to provide a clear roadmap of strategic policy actions and enablers to revive the economy and put it back on a sustainable development path. The ERP has set out a broad strategic intent, and areas of focus to be implemented for the period 2020-2023 that includes restoration of micro-economic stability, attainment of fiscal and debt sustainability, restoring growth and dismantling arrears while ensuring sustainable spending in the social sector amidst the impacts of COVID-19 and climate change.

Before the pandemic, Zambia's economy was grappling with the effects of climate change and weather variability, low economic growth, pressure on public finances due to debt repayment and currency fluctuations. The COVID-19 pandemic has exacerbated these challenges thereby calling for more pragmatic solutions to rebuild and stabilize the economy. In its implementation, the ERP must take into account the profound challenges in the country's public health and socio-economic sectors by setting out policy options and programs that respond to the current and future needs of the country.

The success of the ERP therefore anchors on some of the successes of the Seventh National Development Plan (7NDP) by ensuring it leverages the integrated multisectoral development approach and soliciting support from the business community, cooperating partners, civil society and other stakeholders for their expertise and financial resources. The private sector is an important partner in the

implementation of the ERP as it is a driver of economic growth. Government therefore is urged to continue implementing a clear business case for the private sector to flourish, thereby fostering job creation and economic growth.

Through the successful implementation of the set out strategic focus areas coupled with fiscal discipline and incorporating lessons learnt from the implementation of the 7NDP and the Zambia Economic Plus, the economy is poised for revival. This will in turn provide a favorable development environment for setting strategic priorities for the successful implementation of the Eighth National Development Plan (8NDP). Therefore Zambia will require adhering to the set out strategic policy areas and options enshrined in the ERP to realize macroeconomic stability, attain fiscal and debt sustainability, restore growth, dismantle domestic arrears and safeguard social sector spending.

Lastly PMRC commends the Patriotic Front (PF) for launching the new manifesto which is aligned to the ERP's strategic focus areas of development.

Lastly PMRC commends the Patriotic Front (PF) for aligning the new party manifesto to the ERP's strategic focus areas of development. The manifesto outlines the PF Government commitment towards rebuilding the economic potential of our country which has largely been affected by the COVID-19 pandemic.



Mainstreaming Climate Change Adaptation And Mitigation Issues Across All Policy and Programme Interventions to Build the Resilience of the Zambian Economy

Climate change continues to pose a significant challenge to Zambia's economic recovery, having cost the country an estimated 0.4% (US\$13.8 billion) in GDP growth between 2007 and 2016.

It is projected that over the next 10-20 years, losses in key sectors such as agriculture, will reach approximately US\$2.2-3.1 billion, largely due to waterlogged fields, water shortages, destruction of crops, and a high incidence of crop and livestock diseases. In the energy sector, poor rainfall during the 2015/2016 season led to a 600MW decline in the country's hydropower generation. Other sectors that have been affected by climate change include; manufacturing, health and water.

In order to manage these effects, the Zambian Government through its National Policy on Climate Change, has started to mainstream adaptation and mitigation measures across all policy and programme interventions to re-build the resilience of the economy. However, there are various challenges to the effective implementation of the climate change policy due to the following;

Firstly, there is an inadequate capacity in the development of bankable climate change adaptation/mitigation proposals. Additionally, Zambia has very little proper and concise domestic financing to implement climate change related projects. Another challenge that is faced is the lack of strong partnerships between the Government and the private sector on climate change related projects. Moreover, there is a need for more extensive data collection on climate change impacts in Zambia, such as on biodiversity and ecological systems. Lastly, there needs to be greater emphasis placed on the publicising of climate change related issues to allow the general citizenry to prepare for climate change shocks. Practices such as the cutting of trees for charcoal making and mass land clearing for agriculture must be avoided or done with the utmost caution. However, this can only be achieved by increasing the common citizens awareness levels on the deleterious effects of these practices to the environment.

In order to address the challenges being faced in the implementation of the Climate Change Policy, Government through the Economic Recovery Programme (ERP) intends to enhance climate change mainstreaming across all policy and programme interventions to foster resilience in the Zambian economy. Particular attention will be directed to climate sensitive sectors such as agriculture, water and energy.

The ERP recommends the following if some of these challenges are to be addressed:

There is a need for a stronger commitment by Zambia to both short- and long-term projects that will enable adaptation/mitigation. It is recognized that this can be a very expensive exercise and thus, what tends to happen is that Government funding for climate related issues is usually restricted to merely being reactive (emergency response when floods or droughts occur for example). Additionally, it is imperative that stakeholder's capacity is enhanced to allow for bankable project proposal development to enable a pipeline of project proposals for submission to multilateral climate funds. Furthermore, there is also a need to enhance domestic resource mobilization for the implementation of climate action: instruments that could be utilized as green bonds. Another recommendation is that Government is urged to establish and strengthen partnerships with the private sector in climate change programmes/projects; as well as promote private sector participation to enhance financing for climate action. Zambia also needs to further build capacity to produce climate change related data, as well as improve existing information systems to better collect data on climate change impacts on biodiversity, ecological systems, and green house gases emissions (GHG). Lastly, systems need to be put in place that effectively raise awareness on climate change, and its potential impacts on social and economic development, livelihoods and ecosystems.



A Sustainable and Resilient Tourism Sector in the Face of the Pandemic

Tourism sector with its feature activities continue to play a key role in the economic growth of Zambia with its key contribution to employment creation, source of foreign exchange and its contribution to the country's Gross Domestic Product (GDP). In 2019, the industry contributed nearly 7% of the GDP and 7.2% of the country's total employment. During the same period, international visitors spent about \$849 million, representing 10% of the country's total exports. The COVID-19 pandemic has had negative impact on the tourism sector as measures introduced to contain the virus led to near complete cessation of tourism activities around the world. The tourism sector in Zambia has experienced significant growth in recent years but the pandemic has negatively affected its growth. Without closing its borders, the number of international visitors declined sharply for Zambia. During the first half of 2020, the country received only 290,244 international tourists compared to 634,757 during the same period in 2019, representing a 56.3 percent reduction.

Zambia's safari tourism and allied sectors such as Airlines and charters are projected to have suffered a loss in income of about USD100 million in 2020. The Government is cognizant of the challenges faced by the sector and has therefore included tourism as one of the sectors for restoring growth and

economic diversification in the Economic Recovery Plan (ERP) for the period 2020-2023. During the ERP, Government intends to provide tax incentives and other relief in the 2021 national budget in order to sustain the sector; actualize the implementation of the Tourism Master Plan; Reinvigorate the Livingstone/Northern Circuit; Youth Empowerment Scheme for Artists and support local tourism.

In addition to the priorities in the ERP Government is urged to ensure to restore traveller confidence through adaptation to evolving COVID-19 response measures and utilizing the expanded use of ICTs to publish health and travel related information that can easily be accessed by travellers.

Lastly, the global lockdowns have brought some variable lessons back home on the importance of promoting local tourism, this therefore calls for Government through the Zambia Tourism Agency (ZTA) and the tourism businesses in Zambia to continue the promoting of local tourism through suitable packages that will encourage and motivate local citizens to harness the tourism sector.



Zambia's Manufacturing Sector and the African Continental Free Trade Area

The manufacturing sector has been pivotal in the realization of Zambia's economic growth and development and it continues to play a significant role in the country's industrialization agenda. The manufacturing sector's value added as a percentage of Gross Domestic Product (GDP) has steadily grown from about 7.6% in 2010 to 8.1% of the GDP in 2018 and has remained stable over the period 2015-2019 with an average growth of about 7.9%. However, the sector's performance continues to be hampered by the high cost of doing business and an unstable macroeconomic environment. These challenges have been exacerbated by the COVID-19 pandemic, which resulted in the shrinking of the manufacturing sector by 4.6% in the second quarter of 2020. Recognising the important role that the sector plays in the Zambian economy, Government has therefore included specific measures in the Economic Recovery Plan (ERP) to revive growth in the sector and promote stability. One such measure in the ERP is export promotion.

Under export promotion in the ERP, one key action will be to "aggressively pursue export market opportunities through investment promotion missions" in the African Continental Free Trade Area (AfCFTA), which Zambia ratified on 5th February 2020. The AfCFTA is a flagship project of the African Union's Agenda 2063, which is a blueprint for attaining inclusive and sustainable development across the continent over the next 50 years. The Agreement has been signed by member states of the African Union, bringing together 1.2 billion people with a combined GDP of more than US\$3 trillion. This large market offers an opportunity for the country to develop and expand its manufacturing sector, which will result in increased job creation, foreign exchange, industrialization and economic growth.

While Zambia's manufacturing sector is still in its developmental stage, it is important that necessary pre-conditions are put in place that will ensure the country reaps benefits from the AfCFTA market. Firstly, the Government is urged to focus its efforts on raising awareness about how the Agreement can benefit Zambian manufacturers as well as what risks come with it. The manufacturing sector needs to be prepared for the increase in competition that will arise once tariffs are removed and trade under the AfCFTA begins. This kind of support would ensure that Zambian manufacturers are not crowded out by firms from countries with larger economies such as South Africa and Nigeria. Support must especially be provided for small scale producers in order to avoid crowding out in a market run by the private sector. This support can take the form of enhanced technical, managerial and financial skills to meet industry standards. The Government may assist in investment of these attributes.

Secondly, Zambia should focus on building its manufacturing sector. Presently, the primary industry remains the most important one, with agriculture and mining making the most significant contributions to GDP. The implication of a small manufacturing sector for the AfCFTA is that there will be low trade in finished goods which will limit the scope for intra-regional trade. Given the size of Zambia's agricultural sector, a focus on value addition such as agro-processing could kick start the emergence of a vibrant manufacturing sector. The planned establishment of various fruit processing plants (such as Kalene Hills Fruit Company Limited in North-Western Province and the Eastern Tropical Fruits Company in Eastern Province) will be vital in this regard as they will assist in promoting linkages between agriculture and manufacturing, and consequently promote agricultural exports.

ANALYSIS



PMRC Analysis of the Zambia Economic Recovery Programme: Restoring Growth and Safeguarding Livelihoods through Stability, Economic Diversification and Debt Sustainability

Zambia remains steadfast and committed to the social economic development planning as envisaged by return to development planning in 2005. The concept of development planning is not new to the Zambian Government. The Seventh National Development Plan (7NDP) for the period 2017- 2021 is the successor to the Revised Sixth National Development Plan, which ran from 2013-2016 (R- SNDP) following its expiry in December 2016. Economic Stabilization and Growth Programme (ESGP) that was implemented over the period 2017-2019 was formulated to address various dimensions of our economic challenges. The Economic Recovery Programme (ERP) builds on the ESGP and sets out the choices to be made as a nation for over three years (2020-2023) and provides a clear road map of strategic policy actions and enablers required to revive the economy and reroute it to a path of sustainable growth and development.

The ERP is anchored on five strategic areas, namely: restoring macroeconomic stability; attaining fiscal and debt sustainability; dismantling the backlog of domestic arrears; restoring growth and diversifying the economy; and safeguarding social protection programmes. As stated in these pillars, the theme for the ERP is “Restoring Growth and Safeguarding Livelihoods through Macroeconomic Stability, Economic

Diversification and debt Sustainability”. By so doing, it refocuses our efforts on building the private sector as the key driver of economic growth. The focus on the private sector is also central to the essential task of developing an indigenous capital base.

The ERP is driven by a number of principles guiding its implementation; Firstly, it focuses on the restoring of the macroeconomic stability as a pre-requisite to reinvigorating growth by underscoring growth as key sustainable development and human progress especially in the context of the COVID-19 pandemic.

Secondly strengthen the implementation of Integrated Multi-sectoral Approach by encouraging collaboration between the public and private sector, cooperating partners, faith-based organizations and other stakeholders. Horizontal and vertical coherence will be adhered to attain the objectives of the Programme in an efficient and effective manner that involves both state and non-state actors at national and international levels.

Lastly, the Programme will be guided by the principles of good governance and integrity, promotion of human dignity and sustainable development, embodied in our national values and principles as enshrined in line with Article 8 of the Constitution of Zambia (Amendment) Act No. of 2016.

LINK FOR THE PUBLICATION

<https://pmrczambia.com/wp-content/uploads-2021-07-pmrc-analysis-of-the-zambia-economic-recovery-plan-pdf/>

REMEMBERING HE. DR. KENNETH DAVID KAUNDA
(28TH APRIL 1924 - 17TH JUNE 2021)
FOUNDING FATHER OF THE REPUBLIC OF ZAMBIA



PUBLIC ENGAGEMENTS

1. Mr. Lai Bo, Minister-Counselor of the Chinese Embassy to Zambia called on PMRC Executive Director, Mrs Bernadette Deka-Zulu to discuss collaboration themes for the year 2021.



2. Pre-UN Food Systems Summit: Zambia National Dialogue

PMRC Executive Director, Mrs. Bernadette Deka-Zulu, during a Pre-UN Food Systems Summit: Zambia National Dialogue. **Topic:** Perspectives on Policy Issues Needed to Strengthen Food Systems Interventions in Zambia.



LINK FOR THE PRESENTATION

<https://pmrczambia.com/perspectives-on-policy-issues-needed-to-strengthen-food-systems-interventions-in-zambia-presentation/>

3. PMRC Executive Director, Mrs. Bernadette Deka-Zulu, met with The Zambia I Want team to discuss possible collaborations between the two organisations. The Zambia I Want was represented by the Founder and C.E.O., Mr. Chiti Jacob Nkunde, Ms. Mwazipeza Sakala, the Communications Director, and Ms. Vanessa Chinyemba, the Mobilization Director.



PUBLIC ENGAGEMENTS

4. PMRC Executive Director, Mrs. Bernadette Deka-Zulu, met with the ZANACO Chief Executive Officer – Ms. Mukwandi Chibesakunda ahead of the upcoming PMRC International Public Lecture.



5. PMRC Executive Director, Mrs. Bernadette Deka-Zulu, visited the house of mourning for the late Dr. Kenneth Kaunda (First Republican President of Zambia).



6. PMRC Head of Monitoring and Evaluation- Mrs Leya Tembo made a presentation on How to analyze a political party manifesto using youth friendly tools and practices at a youth workshop hosted by Action Aid.



PUBLIC ENGAGEMENTS

7. PMRC mid-year review & planning meeting: Action planning session.



8. PMRC Senior Researcher Mrs. Esther Besa handed over publications to Mr. Lai Bo, Minister-Counselor of the Chinese Embassy to Zambia.



9. Part of the PMRC team during a 2 day tour to various Chinese Enterprises currently operating in Zambia. The visit is part of the PMRC collaborative project with the Chinese Embassy to carry out studies on the impact/contribution of Chinese enterprises on the Zambian economy in various fronts. The following companies were visited: Wonderful Industry, Marcopolo Tiles, Good Time Steel, China National Building Material Zambia Industrial Park and China Jiangsu, who are currently constructing the new Mulungushi International Conference Center. The PMRC team included the Head of Monitoring & Evaluation - Mrs Leya Tembo, Head Communication and Grants - Ms. Melody Simukali and Researcher Mr. Chisengele Chibuta. Other people in the delegation included; media, academia and the Zambia China Friendship Association.

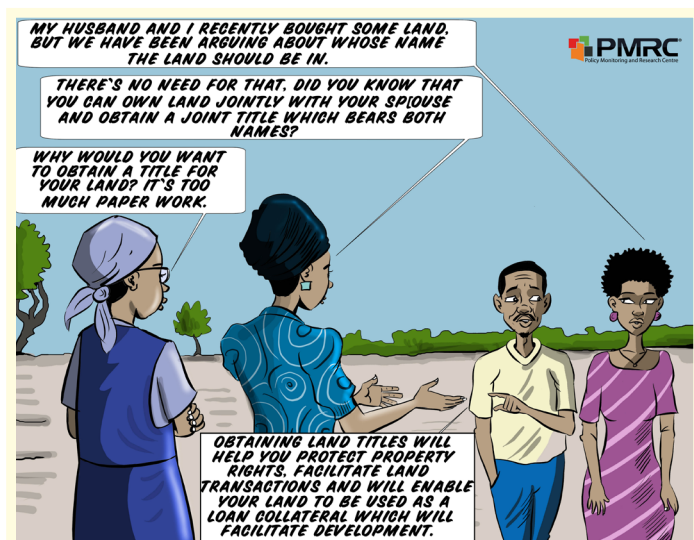
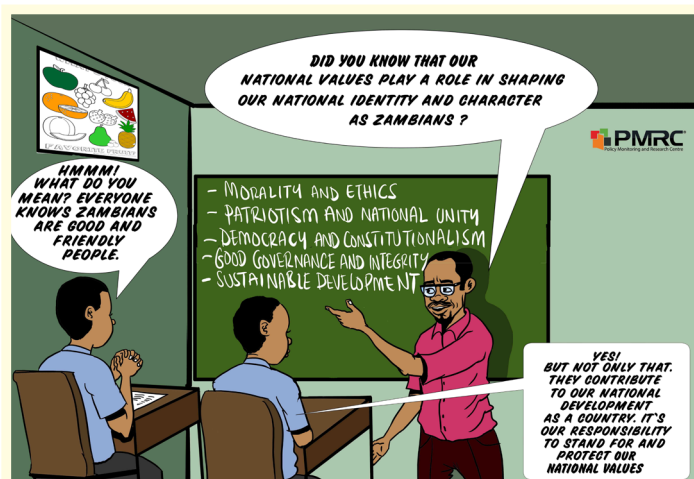


PUBLIC ENGAGEMENTS

10. PMRC Head of Research and Analysis - Mr. Sydney Mwamba and Head Communication and Grants - Ms. Melody Simukali, met with the Eden University Chief Executive Officer – Mr. Kelvin Kaunda ahead of the upcoming PMRC International Public Lecture



PMRC CARTOONS



1. 2020 ZAMBIA SUSTAINABLE DEVELOPMENT GOALS: REVIEW OF SDG 15 - LIFE ON LAND



DOWNLOAD LINK

<https://pmrczambia.com/wp-content/uploads-2021-07-2020-zambia-sustainable-development-goals-national-review-sustainable-development-goal-15-life-on-land-inforgraphic-pdf/>

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