



Republic of Zambia

MINISTRY OF NATIONAL DEVELOPMENT PLANNING

# 2017 Annual Progress Report Seventh National Development Plan (7NDP: 2017-2021)

## Summary Report



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ANNUAL PROGRESS REPORT

# Seventh National Development Plan

2017-2021

Accelerating Development Efforts  
towards Vision 2030  
without Leaving Anyone Behind

Ministry of National Development Planning  
Lusaka, 2018

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## Abbreviations and acronyms

7NDP	Seventh National Development Plan
AfDB	African Development Bank
APR	Annual Progress Report
BoP	Balance of Payment
CBP	Contagious Bovine Pleuropneumonia
COMESA	Common Market for East and Southern Africa
DMMU	Disaster Management and Mitigation Unit
ECF	East Coast Fever
EMTCT	Elimination of Mother to Child Transmission of HIV
EU	European Union
FDM	Foot and Mouth Disease
FISP	Farmer Input Support Programme
FRA	Food Reserve Agency
FSP	Food Security Pack
GDP	Gross Domestic Product
GEWEL	Girls Education and Women Empowerment Livelihood
GRZ	Government of the Republic of Zambia
HDI	Human Development Index
HGSFP	Home Grown School Feeding Programme
ICT	Information and Communication Technology
IFMIS	Integrated Financial Management Information System
IMCI	Integrated Management of Childhood Illnesses
KGS	Keeping Girls in School
KPI	Key Performance Indicator
KRA	Key Result Area
MPSAs	Ministries, Provinces and other Spending Agencies
NACP	National Anti-Corruption Policy
NDP	National Development Plan

<b>NTE</b>	Non Traditional Export
<b>PWAS</b>	Public Welfare Assistance Scheme
<b>REFIT</b>	Renewable Energy Feed-in Tarrif
<b>RTSA</b>	Road Transport and Safety Agency
<b>SADC</b>	Southern Africa Development Community
<b>SAM</b>	Severe Acute Malnutrition
<b>SCT</b>	Social Cash Transfer
<b>SDF</b>	Skills Development Fund
<b>SOEs</b>	State Owned Enterprises
<b>SSTP</b>	Support to Science and Technology Project
<b>TSA</b>	Treasury Single Account
<b>WEP</b>	Women Empowerment Programme
<b>ZAMRA</b>	Zambia Medicines Regulatory Authority
<b>ZICTA</b>	Zambia Information and Communication Technology Authority
<b>ZRA</b>	Zambia Revenue Authority
<b>ZTMP</b>	Zambia Tourism Master Plan





# **Foreword and Acknowledgement**

## Foreword



On 21st June 2017, **His Excellency, Mr. Edgar Chagwa Lungu**, President of the Republic of Zambia launched the Seventh National Development Plan (7NDP) at Mulungushi International Conference Centre in Lusaka. When launching the Plan, the President urged all Zambians and Development Partners to participate fully in the implementation of the plan to achieve its intended objectives of “accelerating development efforts towards Vision 2030 without leaving anyone behind”.

This report marks the first annual review of the progress made in implementing the 7NDP. It provides an outline of the effort made by all Ministries, Provinces and other Spending Agencies of Government, and Cooperating Partners, from the 7NDP’s Strategic Development Areas, in responding to His Excellency, the President’s call to action on the national Plan.

Despite ongoing economic, political and environmental challenges in the global and regional spheres, some successes were registered during the first year of implementation of the 7NDP. During the period under review, agricultural production recorded favourable output with maize production increasing by 26 percent to 3.6 million metric tonnes in the 2016/2017 agricultural season compared to 2.9 Million metric tonnes produced in the 2015/2016 season. Maize exports alone accounted for 20.6 percent of total value of agro-exports.

In line with Government’s commitment to entrenching the pro-poor development agenda in the implementation of the 7NDP, budgetary allocation for social protection was increased to K17.4 Billion in 2017 compared to K14.2 Billion in 2016 to set a basis for the achievement of outcomes for Pillar II of the Plan, aimed at poverty and vulnerability reduction.

As with any implementation of a new plan, challenges are inevitable. Among the challenges faced was the delayed implementation of the nation-wide electronic voucher (e-voucher) system under the farmer input support programme (FISP). This was as a result of technical challenges associated with electronic processing of business transactions on the e-voucher System, including delayed activation of cards by farmers, banks or input suppliers. Notwithstanding the challenges encountered, the programme was rolled out to a total of 790,623 beneficiaries out of the targeted One Million farmers.

Performance of the Plan was further impacted by the subdued levels of Government expenditure on account of lower than projected revenues. This affected project implementation in all sectors, including infrastructure development (such as roads and energy) critical for sustained economic growth.

It is my sincere hope that the lessons learnt from the first year of 7NDP implementation will give us impetus to push further towards delivery of Plan objectives, as we strengthen our resolve to implement the Plan fully and achieve results for the people of Zambia.

The achievements and challenges highlighted in the report should be used to re-energise the implementation of the Plan and provide impetus for achieving even greater results in 2018 and beyond.

A handwritten signature in black ink, appearing to read 'Alexander Chiteme'.

Hon. Alexander Chiteme, MP  
**Minister for National Development Planning**  
August 2018

## Acknowledgement



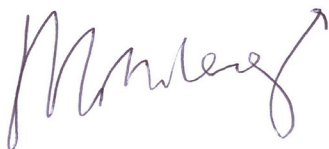
The Ministry of National Development Planning wishes to acknowledge and appreciate the continued support and collaboration of Ministries, Provinces and Other Spending Agencies of Government in the collection, analysis and compilation of information used in the preparation of the Annual Progress Reports on the implementation of National Development Plans.

Special thanks and appreciation is extended to the Cluster Advisory Groups (CAGs) and the Technical Working Groups (TWGs) for their review and input into the 2017 Annual Progress Report during the various stages of its development.

The Ministry further extends appreciation to various Development Cooperating Partners supporting Government in the implementation of various programmes in the Seventh National Development Plan. Special mention is made of the role played by the United Kingdom's Department for International Development (UKAID) and German Government's International Development Agency, (GIZ) in providing resources that facilitated the data analysis, compilation and publication of this report.

We recognise the effort of the team from the Monitoring and Evaluation Department tasked with spearheading the compilation of the Annual Progress Report, as well as the collaboration and contribution of the Development Planning Department in the preparation of this report. Thanks also go to Mr. Giorgio D'Amore, who provided technical and advisory services to the Ministry in the areas of statistical data analysis and capacity building during the process of developing the report. We would also like to acknowledge the important role played by Mr Carlos Corao, Communication Expert who advised on the new APR format layout.

It is our sincere hope that this report shall be used to sharpen the implementation of the 7NDP in 2018 and beyond, in order to accelerate the achievement of the Plan's objectives for the benefit of the people of Zambia.



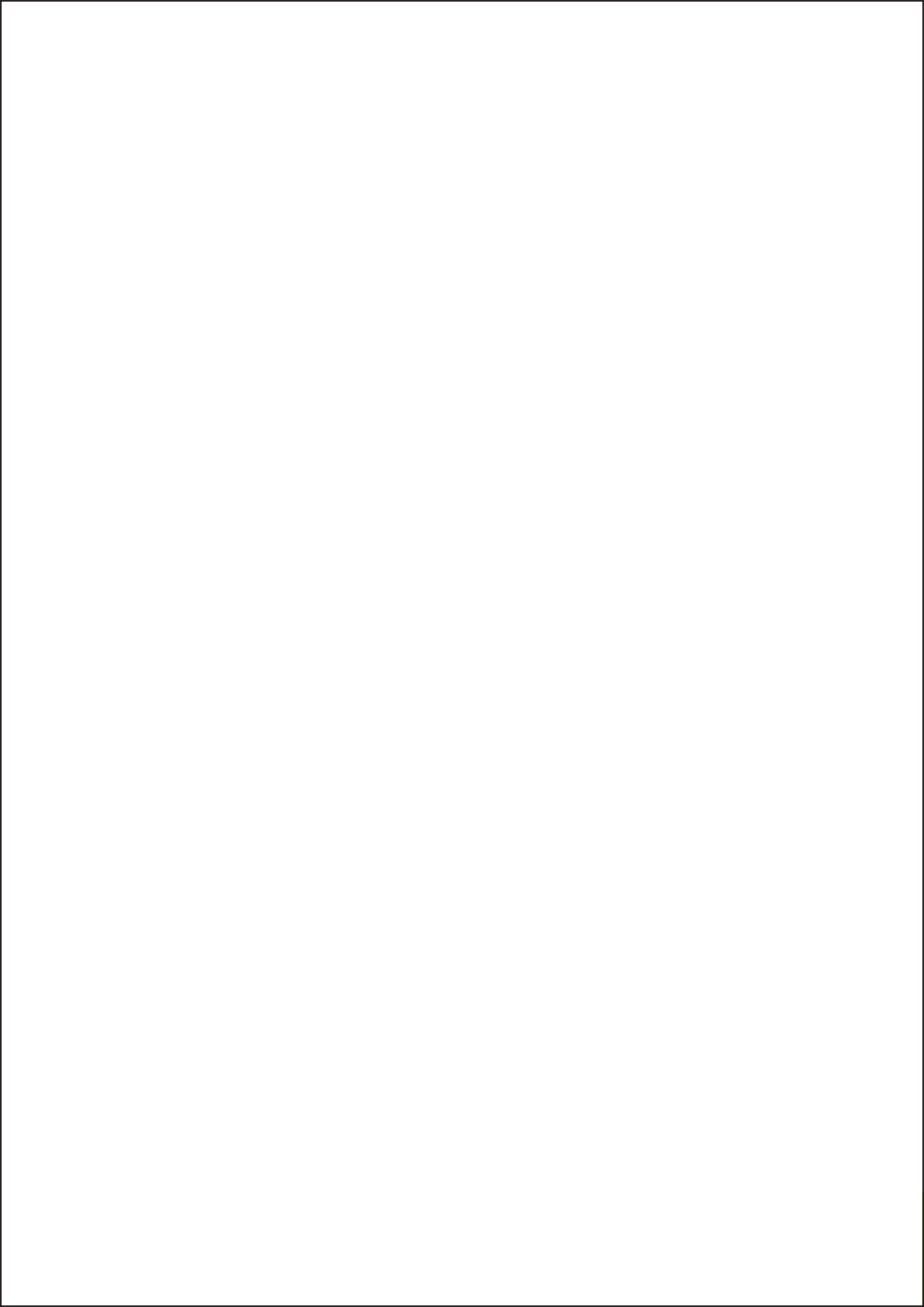
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August 2018





CHAPTER I

**Methodology  
used in the  
Assessment  
of Progress**



## Methodology used in the Assessment of Progress


The 2017 Annual Progress Report (APR) is the first report to assess progress in the implementation of the strategies, programmes and policies in the Seventh National Development Plan (7NDP) that covers the period 2017 to 2021. The 2017 APR therefore, has a different analytical framework and approach in data analysis and information presentation compared to previous annual progress reports (APRs). These include Annual Progress Reports produced under the Fifth, Sixth and Revised Sixth National Development Plans (2006 to 2016). In this regard, the 2017 APR is the 12<sup>th</sup> report in the series of APRs prepared since the reintroduction of national development planning in 2006.

It should be noted that unlike the previous NDPs and APRs (from 2006 to 2016) that have been prepared using a sectoral perspective, the 7NDP and its APRs are and shall be based on an integrated multi-sectoral approach. Thus, in that departure, an attempt has been made to move away from merely assessing correlations between planned sector development projections and actual outturn to performance contribution to the broader key results area. The 7NDP has put emphasis on overarching national development objectives assessed through annual targets as well as focusing on outcome level indicators identified in a given Strategic Development Area of the Plan. This has moved development orientation towards integration of efforts within and across sectors to achieve common national outcomes whose progress will be assessed using an integrated approach.

Given the above, the summary of the 2017 Analytical Progress Report provides analysis based on the five (5) Pillars of the 7NDP, namely: 1) Economic Diversification and Job Creation; 2) Poverty and Vulnerability Reduction; 3) Reducing Developmental Inequalities; 4) Enhancing Human Development; and 5) Conducive Governance Environment for a Diversified and Inclusive Economy. This report provides a snapshot macro perspective of 2017 national performance towards achieving the objectives in the 7NDP. The analytics also include a status of implementation for the Economic Stabilisation and Growth Programme – Zambia Plus, a structural reform programme to achieve macroeconomic stability and growth to support the 7NDP development outcomes.

The analytics were done following specific assessment of indicators at various levels as contained in both Volumes of the 7NDP (i.e. Volume I – the Main NDP Policy document and Volume II – the Implementation Plan). Therefore, the levels of analysis were conducted at the following levels: 1) Key Performance Indicators (KPIs); 2) Outcome Indicators; 3) Output Indicators; and 4) Structural and Policy Reforms. The essence of utilising multiple assessment levels of measurement was to achieve complementarity and completeness of performance review of the 7NDP objectives in 2017.

It must be noted however that comprehensive assessment of indicators to support analysis was hampered by non-availability of data and information for some indicators at all levels; KPIs, outcome and output indicators. This limitation, therefore, led to a situation where the analysis was restricted to those levels of data/information availability. Hence some variances in the way information is presented across and within pillars.



BANK OF ZAMBIA

**CHAPTER II**

**Macroeconomic  
Performance**

## OVERVIEW

*"...maintenance of a favourable monetary policy environment will be key for price and financial market stability..."*

The overall macroeconomic objective for the 7NDP is aimed at achieving economic transformation through the creation of decent and productive employment supported by a stable and predictable policy environment for increasing investor confidence and building a resilient and diversified economy. This will be underpinned by positive and sustained growth, and fiscal consolidation that supports macroeconomic stability, while improving the country's competitiveness. Furthermore, maintenance of a favourable monetary policy environment will be key for price and financial market stability, thereby aiding sustenance of single digit inflation, a stable market and a competitive exchange rate. The macroeconomic environment during 2017 improved, with the country recording a stable exchange rate, low inflation levels, fiscal deficit maintained within budget level and improved balance of payment position. This was supported by the easing of monetary conditions and improved investor confidence. Lending rates, however, remained elevated.

### Specific Macroeconomic Objectives of the 7NDP were:

- Achieve an annual real GDP growth rate of 5.0 percent;
- Sustain single-digit inflation;
- Increase international reserves to at least 4 months of import cover;
- Increase domestic revenue mobilisation to at least 18 percent of GDP;
- Reduce the budget deficit to 3 percent of GDP;
- Create productive and gainful job opportunities while increasing the country's competitiveness;
- Increase the share of earnings from non-mining exports to about 50 percent; and
- Improve infrastructure development in the transport and energy sectors, with emphasis on increased private sector participation.

## ECONOMIC GROWTH

Preliminary growth estimates indicate that the economy grew by 4.1 percent in 2017, which was higher than the growth of 3.8 percent recorded in 2016. The outturn for 2017 was higher than the 7NDP annual average target growth of 3.9 percent. The Construction sector recorded slow growth in the period under review while Agriculture, Mining, Electricity & Gas, and Manufacturing recorded a lower growth rate in 2017 compared to 2016.

Table 2.1: Percentage Change in GDP by Kind of Economic Activity at Constant 2010 Prices, 2011-2017

Economic Activity	2011	2012	2013	2014	2015	2016	2017*
Agriculture, forestry and fishing	7.8	3.4	-3.8	1.1	-7.7	3.7	16.6
Mining and quarrying	0.1	0.8	3.6	-2.3	0.2	7.3	3.0
Manufacturing	10.6	4.8	6.2	6.5	5.4	1.9	4.4
Electricity, gas, steam and air conditioning supply	12.4	4.0	8.0	1.9	-1.5	-13.6	18.5
Water supply; sewerage, waste management and remediation activities	80.5	9.9	29.1	-7.9	-6.7	-4.1	-3.1
Construction	2.1	0.6	-3.5	10.6	18.0	10.2	6.4
Wholesale and retail trade; repair of motor vehicles and motorcycles	19.5	8.3	19.8	3.4	1.5	-0.1	0.7
Transportation and storage	-15.4	5.5	-19.8	6.6	0.6	-2.2	7.8
Accommodation and food service activities	2.6	33.6	3.8	4.0	-0.1	1.2	6.1
Information and communication	109.4	22.4	-3.5	7.5	2.5	17.4	-13.2
Financial and insurance activities	-6.1	7.9	-6.6	15.1	12.1	-2.4	0.7
Real estate activities	2.5	1.1	-2.3	2.6	3.1	3.2	2.9
Professional, scientific and technical activities	-7.5	53.0	-3.5	5.6	1.1	6.4	7.3
Administrative and support service activities	-26.6	-19.2	27.5	-9.0	4.0	5.3	6.0
Public administration and defence; compulsory social security	-16.2	38.6	27.8	4.5	2.0	9.7	2.8
Education	4.4	10.4	6.0	10.9	0.5	4.7	6.7
Human health and social work activities	-10.9	12.6	-23.4	10.9	2.9	1.6	17.4
Arts, entertainment and recreation	-12.4	-15.9	60.1	14.6	3.8	0.5	-4.0
Other service activities	-0.6	5.2	10.9	3.0	3.1	3.2	2.8
Total for the Economy	5.6	7.6	5.1	4.7	2.8	3.8	4.3
Taxes less subsidies on products	5.6	7.6	5.1	5.1	5.4	3.5	1.3
Gross Domestic Product (GDP) at Constant prices	5.6	7.6	5.1	4.7	2.9	3.8	4.1

Source: CSO 2018

\*Preliminary figures

*"...the economy grew by 4.1 percent in 2017, which was higher than the growth of 3.8 percent recorded in 2016."*

## INFLATION

Inflation during the review period continued to trend downwards and was within the target range of 6-8 percent. At the end of 2017, inflation declined to 6.1 percent from 7.5 percent in December 2016. The decline in inflation was largely a reflection of a sharp deceleration in food inflation to 4.8 percent in December 2017 from 7.8 percent in December 2016. However, non-food inflation marginally rose to 7.5 percent in December 2017 from 7.1 percent in December 2016.

*"Inflation during the review period continued to trend downwards and was within the target range of 6-8 percent. At the end of 2017, inflation declined to 6.1 percent from 7.5 percent in December 2016."*

## FOREIGN EXCHANGE

The Kwacha in 2017 marginally depreciated against the major tradable currencies. The Kwacha depreciated by 0.97 percent on a year-to-year basis against the United States Dollar closing the year at K9.99/USD from K9.90/USD in 2016. Marginal depreciation of the Kwacha against other major tradables like the Pound Sterling, the Euro and the South African Rand were observed during the period. The performance was mainly on account of high demand for foreign exchange relative to supply, coupled with increased liquidity following loosening of the monetary policy.

## INTEREST RATES

Lending rates remained elevated during the year despite easing of the monetary conditions by the Bank of Zambia as well as low inflation rate recorded in the year. Lending rates averaged 24.6 percent from 29.4 percent recorded in December 2016 reflecting in part easing liquidity conditions following the sustained loosening of the monetary policy by the Bank of Zambia as evidenced by the reduction of the Policy rate and reserve ratio to 10.3 percent and 8.0 percent, respectively from 15.5 percent and 18.0 percent at the end of 2016.

## EXTERNAL SECTOR

The external sector position improved explained by a positive trade balance as export earnings improved. This was partly aided by relatively high copper prices in 2017 which averaged USD 6,169.94/Mt compared to USD 4,867.9/MT in 2016. The balance of payment also recorded a surplus of USD 380.8 million from a deficit of USD 187.6 million recorded in 2016. Gross international reserves, however, deteriorated to 2.9 months of import cover (USD 2 billion) as at end of 2017 from 3.7 months of import cover recorded at end of 2016.

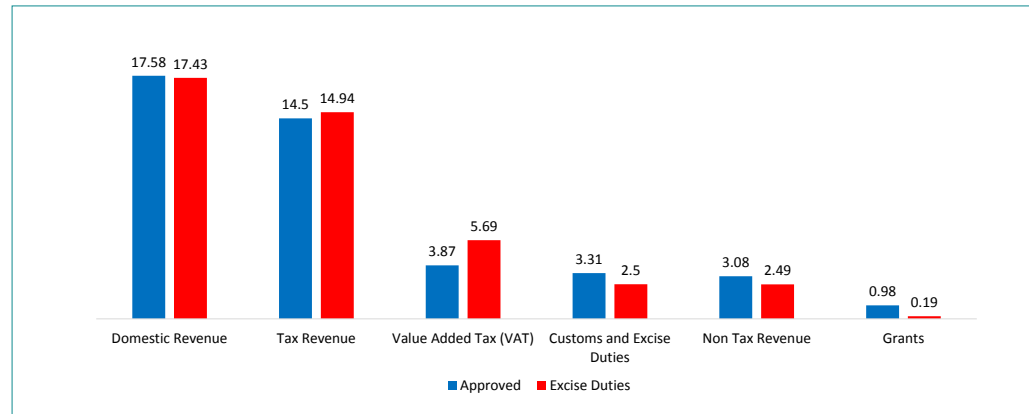
## BUDGET PERFORMANCE

The overall budget performance in 2017 remained challenging with revenues and grants recorded at 5 percent below target. Preliminary revenue estimates for the year 2017 stood at K43.0 billion against the projected amount of K45.3 billion. This underperformance was mainly attributed to delayed implementation of some revenue enhancement measures and lower than expected grant inflows. Domestic revenues were broadly within target levels of K42.6 billion against the annual target of K42.9 billion representing 17.4 percent of GDP (Figure 1). Tax revenues were broadly within budget target supported by a significant increase of 46 percent in VAT collections and implementation of the tax amnesty that aided at enhancing compliance levels.

*Domestic revenues were broadly within target levels of K42.6 billion against the annual target of K42.9 billion representing 17.4 percent of GDP*



Figure 1: 2017 Revenue Performance as Ratio of GDP



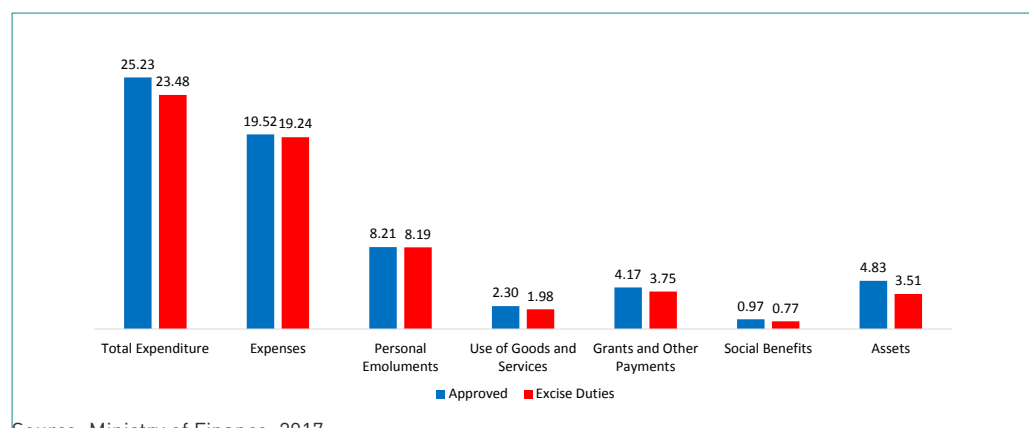
Source: Ministry of Finance, 2017

*“Releases towards expenses amounted to K47.09 billion and were marginally below target by 1.2 percent.”*

Preliminary expenditure estimates, excluding amortization, during the year amounted to K57.73 billion representing 23.48 percent of GDP was below the target by 6.3 percent (see Figure 2). This was mainly in line with lower than projected revenue collection as well as external programme and project financing. This resulted in a fiscal deficit of 6.1 percent, that was within the programmed levels consistent with the fiscal consolidation stance.

Releases towards expenses amounted to K47.09 billion and were marginally below target by 1.2 percent. The lower than target expenses were mainly on account of reduced grants and other payments, use of other goods and services, and personal emoluments. Interest payments were however higher than programmed.

Figure 2: 2017 Expenditure Performance as Ratio of GDP



Source: Ministry of Finance, 2017

## PUBLIC DEBT

Public debt excluding arrears, during the review period reached K127.4 billion representing 50.69 percent of GDP. Total domestic debt stock excluding arrears increased by 46.6 percent to K48.36 billion from K32.98 billion in 2016. This was mainly

*"The impact of increasing domestic public debt on the Economy is an undeniable "Crowding Out" effect."*

attributed to an increase in the issuance of government securities arising from the policy to have more recourse to domestic borrowing as well as increased demand particularly by non-resident investors and local institutional investors in government paper. The stock of bonds rose by 42.2 percent to K28.17 billion from K19.81 billion in 2016. As at December 2017, domestic arrears were K12.7 billion, down from K19 billion recorded in 2016. During the period the under review, Awards and Compensation increased to K3.03 billion from K2.14 billion in 2016.

The impact of increasing domestic public debt on the Economy is an undeniable "Crowding Out" effect. High lending rates of commercial banks are sustained by government appetite to borrow. The introduction of alternative financing options for households and SMEs is one avenue that can be explored. However, high interest rates make it too expensive for private sector and households to borrow money. This leads to drop in private investment and consumption, necessary for sustaining economic growth and job creation. Data from the Central Bank<sup>1</sup> and the Central Statistical Office indicate drastic decline in commercial bank lending to the private sector and households. This is likely to affect economic diversification efforts. Private sector access to finance remained a challenge for doing business in Zambia<sup>2</sup>.

External debt stock as at end-December 2017 increased by 25.8 percent to USD 8.7 billion from USD 6.9 billion in 2016. This was on account of increased disbursements during the review period. Similarly, external debt service increased by 4.1 percent to USD 504.19 million from USD 484 million in 2016. The rise in debt service was mainly on account of the interest payments which increased by 8.55 percent to USD 341.91 million from USD 314.9 million in 2016. Principal payments, however, decreased by 4.0 percent to USD 162.3 million from USD 169.0 million in 2016.

## BALANCE OF PAYMENTS

Preliminary data indicate that Zambia's overall balance of payments (BoP) recorded a surplus of USD 380.8 million in 2017 from a deficit of USD 187.6 million in 2016. The improved balance of payment position was on account of an increase in the financial account surplus. Similarly the current account deficit narrowed to USD 760.3 million from USD 1,036.6 million in 2016 aided by improvement on the balance on goods. The balance of goods recorded a surplus of USD 504.8 million from a deficit of USD 25.0 million in 2016, and narrowing the deficit on the primary income account. The narrowing deficit was supported by a rise in export earnings relative to the import bill. Merchandise export earnings rose by 23.4 percent to USD 8,036.4 million from USD 6,513.5 million in 2016 aided by improved commodity prices. Copper exports earnings increased by 34.4 percent to USD 5,910.8 million from USD 4,399.1 million in 2016. This outturn was on account of higher export volumes and average realized prices. The realized average copper price increased by 27.0 percent to USD 5,958.0 per ton from USD 4,690.0 per ton recorded in 2016. The recovery in global growth and demand especially from China supported the increase in export earnings. Non-traditional export earnings (NTEs) rose to USD 1,780.1 million from USD 1,748.9 million in 2016.

## BUSINESS COMPETITIVENESS

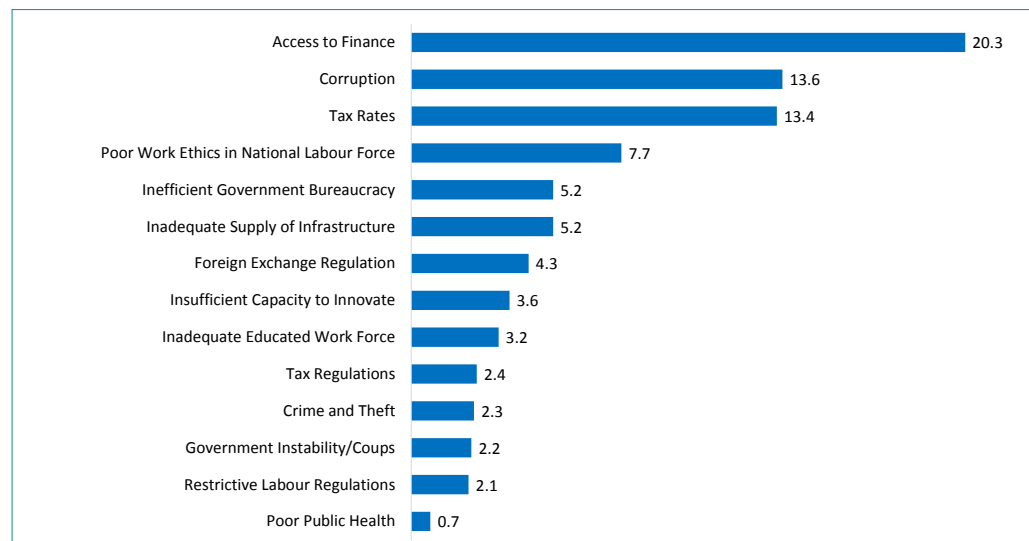
The Global Business Competitiveness Index measures national competitiveness defined as the set of institutions, policies and factors that determine the level of productivity.

<sup>1</sup>Money Supply increased, but private sector credit remained subdued, Bank of Zambia Monetary Policy Committee Statement, February 2018

<sup>2</sup>The Global Competitiveness Report 2017-2018, <https://www.weforum.org/reports/the-global-competitiveness-report-2017-2018>

Compared to sub-Saharan Africa average, Zambia was considered best performing by the World Economic Forum competitiveness pillar in terms of Market Size, possibly due to an expected demographic boom. However, Zambia was considered below sub-Saharan Africa average particularly in Infrastructure (not only road and railroads, but also electricity supply quality) and Labour market efficiency. A survey by the World Economic Forum also found that access to finance was the most problematic factor for doing business in Zambia cited by 20.3 percent of Executives surveyed (Figure 3).

Figure 3: Most Problematic Factors for Doing Business in Zambia, 2017



**Source:** World Economic Forum, Executive Opinion Survey, 2017; NB. From the list of factors, respondents to the World Economic Forum's Executive Opinion Survey were asked to select the five most problematic factors for doing business in their country and to rank them between 1 (most problematic) and 5 (least problematic). The score corresponds to the response, weighted according to their rankings.

## STRUCTURAL REFORMS

Government, in 2017, embarked on an ambitious reform agenda to support its efforts to restore fiscal fitness and foster inclusive economic growth and development as outlined in the Economic Stabilization and Growth Programme (ESGP). The focus of reform agenda has been policy, structural and legislative in nature and is envisaged to be implemented over the period 2017 – 2019.

During the period under review, a number of reforms were implemented in various sectors of the economy and they include:

### AGRICULTURE

- i. Full migration to the E-voucher: This was aimed at promoting crop diversification and improving targeting of FISP beneficiaries and increasing private sector participation in the provision of agriculture inputs. During the period under review, the E-voucher system was rolled out to all districts in the country targeting 1 million beneficiaries; the migration to the e-voucher resulted in government saving of K1 billion.

*"During the period under review, the E-voucher system was rolled out to all districts in the country targeting 1 million beneficiaries..."*

- ii. Restriction of FRA purchases to 500,000 Mt for the maintenance of strategic food reserves in order to reduce strain on the treasury. Consequently, FRA only purchased 517,959 Mt during the 2016/2017 marketing season.

### ENERGY

*"...in 2017, government adjusted electricity tariffs by 75 percent for non-mining customers..."*

- i. Procurement of fuel: In 2017, Government embarked on developing modalities to increase private sector participation in fuel procurement and limit the role of Government to regulation and management of strategic reserves.
- ii. Moving toward cost reflective electricity tariffs: The electricity sub-sector reforms were anchored on reducing the financial burden on the treasury and the need to attract private sector investment. In this regard in 2017, government adjusted electricity tariffs by 75 percent for non-mining customers, at the same time adjusted tariff for mining customers. This was an interim measure as the results of the cost of service study were being awaited. The future tariff adjustment will be informed by the Cost of Service Study which was commissioned in 2017 and expected to be completed in 2018.

### PUBLIC FINANCIAL MANAGEMENT

- i. Payroll clean up: Government commenced a rigorous clean up exercise to enhance payroll management and address several anomalies associated with expenditure on personal emoluments. In addition, government continued to migrate administrative units to the Treasury Single Account (TSA). Thirty-one MPSA's were put on the TSA in 2017 bringing the total number to 44 out of 56. Further, Government continued to roll out IFMIS so as to enhance public expenditure management and reduce the risk of accumulating arrears. IFMIS has been implemented at 51 out of 56 MPSAs. The full roll out is expected to be done by September 2018.

### REVENUE REFORMS

Government in 2017 initiated a number of revenue reforms to enhance domestic revenue mobilisation which included:

- i. Government embarked on an exercise to appoint VAT agents. Consequently, compliance was enhanced resulting in 46 percent increase in VAT collections.
- ii. Government piloted a land titling programme in Lusaka which seeks to increase the number of land parcels on title. Currently, it is estimated that only 200,000 parcels of land are on title.
- iii. Government Operationalised the mineral value chain monitoring system. The major milestone in the area of taxation in the mining sector included the development of the mineral monitoring framework. The framework contained the Mineral Production Reporting and the Mineral Export Permit Modules, in line with the user specifications.
- iv. Government continued the roll-out of the road tolling programme in 2017 with a total of K1 billion raised.
- v. In an effort to determine the viability of State Owned Enterprises (SOEs), Government through the IDC undertook an in-depth analysis of some SOEs namely; Zamtel, Indeni and ZSIC. Studies for ZESCO are expected to be finalised in 2018.

## LEGAL REFORMS

In 2017, Government initiated legislative reforms through the amendment of various pieces of legislation.

- i. During the period under review, the process to amend the Zambia Public Procurement Authority Act commenced with a view to enhance efficiency and effectiveness in public procurement.
- ii. Government amended the Public Finance Act to strengthen the sanction regime for financial mismanagement among others. The Public Finance Management Bill was presented to Parliament during its last sitting in 2017, for enactment. Other legislative reforms which commenced in 2017 include the amendment to the Loans and Guarantee (Authorisation) Act to provide for among other things; strengthening of Parliament is oversight on debt contraction, others included the development of the Planning and Budgeting bill that will enhance linkages between the budget, program planning, implementation, and project appraisal. Revision to the Bank of Zambia Act also commenced during the period under review.

*"Government amended the Public Finance Act to strengthen the sanction regime for financial mismanagement among others."*

## ALIGNING THE BUDGET TO THE PLAN

The 2017 budget was not comprehensively aligned to the 7NDP as it was prepared and presented to Parliament (in 2016) before the Plan was officially launched (in 2017). This influenced the extent to which programmes in the Plan could be fully implemented. It is

envisaged that this alignment will be achieved from 2018 onwards. This will entail re-orientation of the budget preparation process to focus resources on NDP programmes that will generate particular outputs and outcomes. More efficient public spending and implementation of the 7NDP can be achieved by employing Output or Programme Based Budgeting (see box).

### Linking the Budget and the Plan

- Will improve both performance, and ease both monitoring and evaluation
- Will develop a more transparent budget that allows a measurement of progress towards the achievement of national priorities.
- Output/Programme based budgeting is the most basic form of performance budgeting where expenditures are classified in the budget by objectives (outcomes and outputs) instead of by economic categories (such as salaries, allowances, supplies and equipment) and organizational categories (such as ministries or departments within ministries).

### Output/Programme Based Budgeting Reform aims:

- To reform the framework governing public management in order to make it more results-oriented and geared to achieving development outcomes;
- To promote high quality, client-responsive public services and to maximize value for money in service delivery;
- To use performance and evaluation data for policy planning and management purposes, in particular for enhancing operational and technical efficiency, expenditure prioritization and improving allocation of resources;
- To provide information to help reallocate resources within and between programmes and sub-programmes, to help better allocation of scarce resources (efficiency savings);
- To institutionalise the process of aligning budgets to policy priorities and increasing the transparency and accountability of the system;
- To improve effectiveness of government Ministries /Departments when developing and implementing their programmes and sub-programmes of activities; and
- To provide more concrete information to the Cabinet on performance for decision-making purposes and for setting future targets and priorities.
- Output/Programme budgeting has the potential to contribute significantly to aggregate expenditure discipline, and ultimately to fiscal discipline. By giving the government an improved capacity to identify low priority or ineffective programmes, this makes it easier to create the fiscal space necessary to respond to new policy priorities without undue growth in aggregate spending. Finally, the reforms can lead to improvements in all aspects of public financial management and contribute to the provision of better services while releasing the “crowding out effect.”

*“...output or programme budgeting can lead to improvements in all aspects of public financial management and contribute to the provision of better services ...”*

Table 2.2: Key Performance Indicators - Macroeconomic

Programmes	Key Performance Indicators	Baseline 2011-2016	2017 Target	2017 Actual	Assessment of Progress at a Glance/score
Economic Value Addition	GDP growth rate	5	3.9	4.1 <sup>4</sup>	●
	Share of non-mining sectors as % of GDP	79.8	>80	84.7	●
	Share of Agriculture as % of GDP	7.8	>8	6.8	●
	Foreign Direct Investment (FDI) as % of GDP	5.4	>5	3.58	●
	Manufacturing (% share to GDP)	7.5	>8	7.7	●
	Share of NTEs earnings as % of total export earnings	24.9	>25	22.2	●
	Domestic revenue as % of GDP	17.5	>18	17.4	●
	Overall deficit as % of GDP	-5.9	<7	-6.1	●
	Domestic Borrowing as % of GDP	2.3	<2	4.9	●
	Trade Balance (US\$ billion)	-1.52	Positive Trade Balance	-0.5	●
Job Creation	% of jobs generated by investments	-	-	-	●
	Agriculture				
	a. formal	11.3	No Target	16.4	●
	b. informal	56	No Target	31.4	●
	Non-Agriculture				
	a. formal	88.7	-	83.6	●
	b. informal	43.9	-	68.6	●
Gini coefficient- measuring income inequality	57.5	<50	57.1	●	
Sustainable Development	Headcount poverty	54.4	-	-	●
	Extreme poverty	40.8	-	-	●
	Rural poverty	76.6			●
	Access rate to electricity	33.1	>35	31.2	●
	Financially included adults (2015)	59.3	>60	-	●
	Financially included adults- rural (2015)	50.2	>60	-	●
	Financially included adults- urban (2015)	70.3	>80	-	●
	Ratio of access to financial services using mobile services (2015)	14	>20	-	●
	ICT penetration rate- ratio of households with access to mobile services	64.5	>70	79.1 <sup>5</sup>	●
	Share of renewable energy in total energy mix	1.2	5	1.1	●
	Energy gap	-	-	-	●
	Rate of deforestation (Ha per year)	300,000	-	-	●

**KEY Color****Interpretation**

No Data



Performance same as or worse than baseline



Performance better than baseline



2021 Plan Target Achieved



Programmes	Key Performance Indicators	Baseline 2011-2016	2017 Target	2017 Actual	Assessment of Progress at a Glance/score
Other Indicators	Annual average inflation (%)	18.2	<9	6.6	●
	Gross International Reserves (GIR) - in months of import cover	>3	>3	2.9	●
	Trade Dependence Index	73.5		60.7	●
	Import Penetration Index	34.8	<30	29.9	●
	Export Propensity Index	33.1	>35	31.31	●
	Marginal Propensity to Import	0.9	<0.6	-	●

Source: Ministry of Finance  
\*Preliminary

### 7NDP MACROECONOMIC KEY PERFORMANCE INDICATORS

The 7NDP identified the following key performance indicators at macroeconomic level which included GDP growth, inflation, domestic revenue as percentage of GDP and lending rates.

Table 2.3: Key Performance Indicators

Indicator	Baseline 2011-2016	2017 Target	2017 Outturn	Assessment of Progress at a Glance/score
Real GDP Growth	5	3.9	4.1	●
GDP at constant 2010 prices (ZMW, millions)	122,662	134,095	134,998	●
Nominal GDP (ZMW, millions)	181,276	240,123	245,701	●
CPI inflation (end of period)	21.1	7	6.1	●
CPI inflation (annual average)	11	7	6.6	●
Domestic borrowing (% of GDP)	2.3	<2	4.9	●
Domestic revenue (% of GDP)	17.5	>18	17.4	●
Overall Fiscal deficit, including grants (% of GDP)	-5.3	<-3	-6.1	●
Gross International Reserves (GIR)-Months of Imports	>3	1.9	2.9	●
Share of non-mining to GDP	79.8	>80	84.7	●
Current account balance, including grants (% of GDP)	2	-3.8	-3	●
Formal employment (% of total employment)	16.1	18.3	24.1	●
Working poverty rate (%)	37.8	35.9		●
Youth unemployment rate (%)	14.9	13.9	48.6	●

\*NB: Performance on formal sector employment needs to be interpreted with caution due to the change in definition used to compute the 2017 estimates

KEY Color	Interpretation
●	No Data
●	Performance same as or worse than baseline
●	Performance better than baseline
●	2021 Plan Target Achieved

The economy in 2017 grew at 4.1 percent against a target growth rate of 3.9 percent. This means the economy performed marginally better than projected. However, the share of Agriculture as percentage of GDP was lower at 6.8 percent against a target of 7.8 percent set for 2017.



CHAPTER III

# The Five Pillars

## 1. Pillar 01:

### Economic Diversification and Job Creation

Under the Economic Diversification and Job Creation Strategic Development Area, there are ten (10) Key Result Areas. For the period under review, performance for each Result Area was assessed against baselines set in the Plan using Key Performance Indicators, contained in volume 1, the main policy document of the 7NDP and also the Outcome and Output Indicators in Volume II of the 7NDP (Implementation Plan). However, it should be noted that limitations in data availability for some indicators affected the extent of performance review. In some cases, analysis is restricted to areas where data was available.

#### Pillar 1: Key Result Areas

- A diversified and export oriented Agriculture Sector
- A diversified and export oriented Mining Sector
- A diversified Tourism Sector
- Improved Energy production and distribution for Sustainable development
- Improved access to Domestic, Regional and International Markets
- Improved Transport System and Infrastructure
- Improved Water Resources Development and Management
- Enhanced Information and Communication Technology
- Enhanced Decent Job Opportunities in the Economy
- Enhanced Research and Development


## 1.1 KEY RESULT AREA 1: A DIVERSIFIED AND EXPORT ORIENTED AGRICULTURE SECTOR

This Result Area has six (06) strategies and twenty-six (26) Programmes.

### 1.1.1 Key Performance Indicator Assessment





Table 3.1 shows the performance of the KPI under this Result Area.

Table 3.1: Key Performance Indicators: A Diversified and Export Oriented Agriculture Sector

Key Performance Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance/score
7f. Gross value-added percent growth rates in Agriculture, Forestry and Fishing (constant 2010 prices)	-7.7	2015	7.8	16.6*	

\*Preliminary - CSO, 2017.

#### KEY

Color	Interpretation
	No Data
	Performance same as or worse than baseline
	Performance better than baseline
	2021 Plan Target Achieved

*“The high estimate of Gross Value added in Agriculture, Forestry and Fisheries was likely due to among other factors, favourable rainfall during the 2016/2017 agricultural seasons.”*

The assessment of performance at a glance shows that the plan target for the KPI Gross value-added percent growth rates in Agriculture, Forestry and Fishing was achieved in 2017. The 2017 estimate was 16.6 percent compared to a baseline of -7.7 percent in 2015 and a 2021 plan target of 7.8 percent. The high estimate of Gross Value added in Agriculture, Forestry and Fisheries was likely due to among other factors, favourable rainfall during the 2016/2017 Agricultural Seasons.

### 1.1.2 Outcome Indicator Assessment

Table 3.2 shows the performance of Outcome Indicators during the year under review for the Key Result Area (KRA) 1: A Diversified and export oriented agriculture.

Table 3.2: Outcome Indicator(s): A Diversified and Export Oriented Agriculture Sector

Outcome Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance/ score
<b>Gross value-added percent growth rates in agriculture related activities (constant 2010 prices)</b>					
<b>Agriculture Forestry and Fishing</b>	<b>4.2</b>	<b>2016</b>	<b>7.8</b>	<b>16.6*</b>	<b>●</b>
<b>Agricultural products as a percent of total Non-Traditional Exports (NTEs)</b>					
a. Maize (excluding seed)	16.6	2016	34.2	3	●
b. Maize seed	2.5	2016	5	2.1	●
c. Cotton, not carded or combed	2.9	2016	3.6	1.9	●
<b>d. Other raw cane sugar</b>	<b>1.8</b>	<b>2016</b>	<b>4.6</b>	<b>1.9</b>	<b>●</b>
e. Raw cane sugar	1.2	2016	2.1	2.9	●
f. Tobacco, partly or wholly stemmed/striped	1.2	2016	3.4	3.8	●
g. Oil cake and other solid residues of cotton seeds	0.7	2016	1.4	0.2	●
<b>Share of Targeted Export Agriculture Commodities in Total Exports</b>					
a. Maize	3.7	2015	5	1.2	●
b. Cotton	0.9	2015	1	0.5	●
c. Soya Beans	0.2	2015	1	0.6	●
d. Sugar	1.9	2015	2	1.2	●
e. Palm Oil	0.1	2015	1	0	●
f. Cashew Nuts	0	2015	1	0	●
g. Cattle	0.0025	2015	0.05	-	●
h. Pigs	0	2015	0.2	-	●
i. Goats	0	2015	1	-	●
j. Fisheries	0.0069	2015	0.2	-	●
<b>Proportion of Farmers utilising Climate Smart Agricultural Technologies and Practices</b>					
a. Crop-conservation Agriculture	30	2016	80	-	●
b. Crop-Drought Tolerant Varieties	60	2016	90	-	●
c. Crops-irrigation	5	2016	20	-	●
d. Livestock	5	2016	15	-	●
e. Aquaculture	0.5	2016	10	-	●
f. Agroforestry	50	2016	80	-	●

Pillar 01: Economic Diversification and Job Creation

Outcome Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance/score
<b>Total production of crops (MT)</b>					
a. Maize	2,873,052	2016	4,000,000	3,606,549	●
b. Cotton (Seed)	111,902	2016	200,000	89,293	●
c. Soya Beans	267,490	2016	360,000	351,416	●
d. Rice (Paddy)	26,675	2016	64,950	38,423	●
e. Sorghum	14,107	2016	20,000	17,337	●
f. Millet	29,972	2016	40,000	32,566	●
g. Cassava	3,417,572	2016	5,000,000	3,695,182	●
h. Sugar	474,853	2016	641,052	-	●
i. Cashew nuts	3,400	2016	5,100	-	●
j. Mixed Beans	45,351	2016	60,000	45,938	●
k. Burley Tobacco	6,476	2016	10,000	8,416	●
l. Virginia Tobacco	12,540	2016	16,000	12,079	●
m. Groundnuts	131,562	2016	245,000	168,699	●
Total Production of Aquaculture (MT)	30,258	2016	45,000	32,896	●
Total Production of Capture Fisheries (MT)	85,000	2016	120,000	88,075	●
<b>Total Production of Livestock (Population) by Type</b>					
a. Cattle	4,984,909	2016	10,773,690	5,388,686	●
b. Goat	4,095,653	2016	12,249,326	5,692,213	●
c. Pig	2,146,762	2016	20,269,578	4,481,152	●
d. Sheep	131,300	2016	302,872	170,637	●
e. Poultry	212,853,400	2016	819,025,145	266,066,750	●
<b>Incidence of Major Livestock Diseases</b>					
CBPP	3	2016	0	1.3	●
ECF	3	2016	1	3	●
Trypanosomiasis	25	2016	1	Aerial Spray not Done	●
Crop diversification index	1.2	2016	1.1	1.3	●

**KEY**

Color	Interpretation
●	No Data
●	Performance same as or worse than baseline
●	Performance better than baseline
●	2021 Plan Target Achieved

Outcome Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance/ score
<b>Average Yield per Crop (per hectare)</b>					
Maize	2.1	2016	4	2.19	●
Cotton (Seed)	0.8	2016	1	0.79	●
Soya beans	1.84	2016	2.5	1.52	●
Rice (Paddy)	1.04	2016	1.5	1.15	●
Sorghum	0.4	2016	1	0.51	●
Millet	0.56	2016	1	0.62	●
Sugar	2.25	2016	3	2.52	●
Cashew nuts	0.2	2016	0.3		●
Mixed Beans	0.5	2016	1	0.55	●
Burley Tobacco	1.34	2016	2	1.55	●
Virginia Tobacco	2.01	2016	3	2.32	●
Groundnuts	0.59	2016	1	0.63	●
Proportion of farmers accessing finance (gender, region, socio economic level)	15	2016	20	-	●
Processed agricultural exports in total exports	5.2	2016	10.4	-	●

\*Preliminary estimate based on Q1, Q2, & Q3 GDP data (CSO, 2017).

**KEY**

Color	Interpretation
●	No Data
●	Performance same as or worse than baseline
●	Performance better than baseline
●	2021 Plan Target Achieved

Most Outcome indicators under the KRA generally performed better compared to the 2016 baseline and are, therefore, on track to achieving the 2021 7NDP targets. The growth rate in the Gross value added in the Agriculture sector significantly increased by over 300 percent from 4.2 percent in 2016 to 16.6 percent in 2017. The 2017 estimate is even higher than the 7NDP target of 7.8 percent by 2021. This growth needs to be sustained and improved upon during the rest of the plan years. With the performance during the period under review, it may be appropriate to adjust the 2021 target upwards.

Agriculture products as a percentage of total non-traditional exports (NTEs), and as a share of total exports, however reduced between 2016 and 2017. The 2016/17 output for Maize stood at 3.6 million metric tonnes, which accounted for 90 percent of 7NDP target of 4 million metric tonnes per annum. Given the share of Maize in NTE, increased production beyond the 7NDP annual target would raise the share of agricultural exports in total NTEs and contribute towards an increased share of NTEs in total exports.



*“The country needs to take advantage of opportunities for goat meat export to the Saudi Arabian market...”*

During the period under review, the livestock and fisheries outcomes also recorded improvements from the 2016 baseline. Production of Pigs and Poultry were 22 percent and 33 percent of the 7NDP targets respectively. The country needs to take advantage of opportunities for goat meat export to the Saudi Arabian market by putting in place strategic policy and programme intervention at national level to increase production. To tap into the international markets, urgent attention should be given to achievement of a livestock disease-free Zambia. This calls for instituting strict controls to prevent outbreaks of livestock diseases. During the period under review, outbreaks of East Coast Fever (ECF), Foot and Mouth Disease (FMD) and Contagious Bovine Pleuropneumonia (CBP) were recorded in parts of the country. Sustainable measures need to be adopted to avoid further livestock disease outbreaks.

Zambia has great potential to be a net exporter of fish and fisheries products, however during the period under review, there was no data to measure performance in this area. The strategies around expansion of the productive capacity of fisheries and livestock farmers should be given paramount attention to make the subsectors drivers of agriculture sector diversification. Fisheries production, especially aquaculture must be fully exploited to complement capture fisheries in order to turn Zambia into a net exporter of fish and fisheries product.

To attain the 7NDP development outcome of a diversified and export-oriented agriculture sector, greater investment must be made in increasing agricultural production and productivity, especially for maize and other crops; improving extension service delivery; increasing the levels of agricultural mechanisation and irrigation; improving access to affordable agricultural finance and credit and continued investment in research and innovation and infrastructure such as roads connecting production centres to markets.

*“Potential for agriculture diversification exists and depends on transformative actions from various stakeholders...”*

The growth potential of the Agricultural Sector is still high considering that only around one third of arable land is actually used for agriculture; and that the country has favourable climate conditions and abundant water resources. There have been efforts by Government to empower farmer cooperatives with various equipment and other implements, including provision of information on improving seed varieties, poultry and animal species. Potential for agriculture diversification exists and depends on transformative actions from various stakeholders including; policy makers, farmers (small, medium and large scale), researchers, financial institutions and traditional leaders.

### 1.1.3 Budget Performance

In 2017, the total GRZ and Donor budget for the Ministry of Agriculture was K 5,435 million of which 82 percent was from the GRZ budget and 18 percent from donors.

A total amount of K 4,590.1 million or 84.5 percent of the 2017 budget was released for the Ministry's operations. Of the amount released, K 2,805.1 million was for the E-Voucher Farmer Input Support Program (FISP), K 965.7 million was for the purchase of strategic food reserves, while K 391.8 million was released for Personal Emoluments. An amount of K 90.8 million was released as support to Grant Aided Institutions under the Ministry, while K 336.7 million was released for other programs implemented by the Ministry.



During the period under review, implementation of programmes was affected by untimely and inadequate funding; insufficient investment in agriculture infrastructure, research and extension services. There is need to increase investments; funding and budget releases to agriculture programmes in order to maximise program implementation and achievement of a diversified and export-oriented agriculture sector.

For the Ministry of Fisheries and Livestock, the approved budget for 2017 was K 642.2 Million comprising both donor and GRZ funds. Of this budget, K30 million and K339.2 million was allocated for fisheries and the Livestock development programs, respectively. At the end of 2017, however, only 34 percent (K220.2 Million) of the overall budget was released.

Generally, the year 2017 was characterized by erratic, inconsistent and inadequate funding especially to key Programmes which negatively affected implementation, as most of the planned activities were not conducted. The Ministry collected K 9,760,483 in 2017 against the target of K 4,048,811 from fishing licenses; disease diagnostics; import and export permits; proceeds from the sale of fish and livestock products; inspection fees; veterinary and registration fees.

#### 1.1.4 Policy and Legal Reforms

*"The Second National Agricultural Policy (SNAP) was launched in March 2017. The policy is expected to improve the performance of the sector across all aspects of agriculture."*

During the period under review, the following policy and structural reforms were undertaken to support a diversified and export-oriented agriculture sector.

The Second National Agricultural Policy (SNAP) was launched in March 2017. The policy is expected to improve the performance of the sector across all aspects of agriculture.

Government rolled out the E-Voucher to all Districts and introduced the Weather Index Insurance to all FISP beneficiaries.

The Ministry of Agriculture facilitated the enactment of the Agricultural Institute of Zambia Act No. 2 of 2017, which established the Agricultural Institute of Zambia.

Eleven Fish and Fish product standards meant to improve fish trade and safety were adopted by SADC.

A Statutory Instrument for Lower Zambezi was developed in order to introduce a closed fishing season.

The formulation process of the Statutory Instrument for licensing Kapenta fishing in Itezhi-tezhi fisheries commenced.

Through these initiatives, it is envisaged that agricultural growth and transformation be achieved and will contribute to a diversified economy and job creation to meet the 7NDP overarching objectives.


## 1.2 KEY RESULT AREA 2: A DIVERSIFIED AND EXPORT-ORIENTED MINING SECTOR

This KRA has four (4) strategies and fourteen (14) programmes.

### 1.2.1 Key Performance Indicator Assessment





Table 3.3 shows the performance of the KPIs under this KRA. The 2017 outturn in the mining sector was very positive compared to the 2016 baseline year. This was on account of improved commodity prices and electricity production in 2017 compared to 2016. Gross value added by Mining and Quarrying grew at 3 percent compared to 0.2 percent in 2016, against a target of 1 percent.

Table 3.3: Key Performance Indicator(s): A diversified and Export Oriented Mining Sector

Key Performance Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance/score
7f. Gross value added percentage growth in the mining and quarrying sector (constant 2010 prices)	0.2	2015	1	3.0	

\*Preliminary - CSO, 2017

#### KEY

Color	Interpretation
	No Data
	Performance same as or worse than baseline
	Performance better than baseline
	2021 Plan Target Achieved

### 1.2.2 Outcome Indicator Assessment

In terms of production, the economy was dominated by the production of base metals, mostly copper, whose production increased by about 12 percent between 2015 and 2017 from 710,860 tonnes to 797,266 tonnes. The production of gemstones also increased to 66,598.83kgs in 2017 from 50,473.02kgs in 2015. Production of precious minerals (such as Gold), declined by 5 percent to 4,564.43 Kgs in 2017 from 4,807.3 Kgs in 2016. The decline was partly due to inadequate recapitalisation in the sub-sector especially of small scale miners. This is not a good result in terms of the diversification agenda away from copper dependency. There is need to embrace new small scale mining approaches to encourage pooling of resources, equipment and risks by small-scale miners who are currently operating at sub-optimal levels.

“...the total value of mineral exports increased from US\$4.76 billion in 2016 to US\$6.30 billion in 2017.....”

During the period under review, the total value of mineral exports increased from US\$4.76 billion in 2016 to US\$6.30 billion in 2017 due to improved production volumes and prices for minerals particularly copper. As a percentage of total exports, mineral exports had a larger share which increased from 73 percent in 2016 to 78 percent in 2017. This increase was mainly driven by base metals specifically copper which constituted 75 percent of total export earnings. Precious minerals and gemstones, on the other hand, only accounted for two (2) and one (1) percent of the total export earnings respectively, although this was above the baseline figures. Thus, in terms of diversification of export earnings within the mining sector, this may not be attained at this rate because base metals especially copper still have a large share of export earnings.

To attain the 7NDP development outcome of a diversified and export-oriented mining sector, emphasis must be placed on exploration for other minerals, value addition to the minerals produced and promotion of small scale mining using innovative value chain development. The Government must endeavour to build capacity in small scale miners and facilitate for them to acquire finance for procurement of equipment and machinery. Gemstones production must be fully exploited, and new markets sought through auctions to increase the share of Gemstones in export earnings in order to attain the objective of a diversified mining sector.

Table 3.4: Key Performance Indicator(s): Economic Diversification and Job Creation

Outcome Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance/score
<b>Volume of production of minerals</b>					
Gemstones (Emeralds/beryl)	50,437.02	2015	65,000	66,598.83	●
Amethyst, quartz, garnet, aqua-marine) Kgs	1,110,729	2015	1,800,000	1,446,488.22	●
Industrial minerals (Tonnes)	5,774,233	2015	6,500,000	-	●
Base Metals (Tonnes)	710,860.18	2015	1,000,000	797,266	●
Precious Minerals (Kgs)	4,807.30	2015	5,600	4,564.43	●
<b>Value of mineral exports as a percent of total value exports</b>					
a) Gemstones	0.2	2015	4.5	1	●
b) Base Metals	72.55	2015	60	74.87	●
c) Precious Minerals	1.29	2015	3.5	2	●
<b>Value of mineral exports in total exports by level of processing</b>					
a) Gemstones	0.2	2017	5	-	●
b) Base Metals	65	2017	60	-	●
c) Precious Minerals	90	2017	96	-	●
<b>Percentage change in volume of production of minerals</b>					
a) Gemstones	12	2015	22	30	●
b) industrial minerals	24	2015	11	-	●
c) Base Metals	0.37	2015	29	12	●
d) Precious Minerals	13	2015	14	-5	●
<b>Percent of active Artisanal and Small-Scale Mines (ASM) of the total licensed</b>					

## Pillar 01: Economic Diversification and Job Creation

Outcome Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance/score
a) Emeralds	45.2	2016	47	-	●
b) Lime, aggregates, sand, gravel	12.3	2016	14	-	●
c) Copper	28.1	2016	29	-	●
d) Gold	14.4	2016	15.5	-	●
<b>Percent of Artisanal and small-scale miners trading through the established mechanism</b>					
a) Gemstones	46	2017	80	-	●
b) industrial minerals	76	2017	90	-	●
c) Precious Minerals	58	2017	85	-	●

\*Preliminary estimate based on Q1, Q2, & Q3 GDP data (CSO, 2017)

### KEY

Color	Interpretation
●	No Data
●	Performance same as or worse than baseline
●	Performance better than baseline
●	2021 Plan Target Achieved

### 1.2.3 Budget Performance

In 2017, the approved budget for the Ministry of Mines and Minerals Development was K43,809,378.00. Of this allocation, 89.5 percent was released.

### 1.2.4 Policy and Legal Reforms

*".....focus in 2017 was on promoting a broad range of minerals mined to cover non-traditional minerals....."*

To enhance the contribution of mining to economic diversification and job creation, focus in 2017 was on promoting a broad range of minerals mined to cover non-traditional minerals such as Gemstones, Gold and Industrial minerals that include Limestone, Phosphates, Gypsum, Granite, Clays, Silica and Construction Materials. Further, emphasis was also placed on Geological Mapping and monitoring of performance of the mining industry. The areas of focus for geological mapping in 2017 continued to be Northern, Luapula and Muchinga Provinces. The aim was to generate basic geological information that can be used to attract investment in the areas. Efforts were also made to promote Petroleum Exploration.

### 1.3 KEY RESULT AREA 3: A DIVERSIFIED TOURISM SECTOR

This KRA has five (05) strategies and sixteen (16) Programmes.

#### 1.3.1. Key Performance Indicator Assessment

The KPIs being used to assess performance of the Tourism sector are: the Gross value added percentage growth in the Accommodation and Food Service Activities Sector, and the Gross value added percentage growth in the Arts, entertainment and recreation Sector. According to the preliminary GDP figures, the accommodation and Food Service sector performed well in 2017 while the Arts, entertainment and recreation sector did not, with the former sector growing at 6.1 percent from the baseline of -0.1 percent, while the latter grew at -4.0 percent from a baseline of 3.8 percent.

Table 3.5: Key Performance Indicator(s): A Diversified Tourism Sector

Key Performance Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance/Score
Gross value added percentage growth in the Accommodation and Food Service Activities Sector (constant 2010 prices)	-0.1	2015	12.5	6.1	●
Gross value added percentage growth in Arts, entertainment and recreation Sector (constant 2010 prices)	3.8	2015	12.5	-4.0	●

KEY Color	Interpretation
●	No Data
●	Performance same as or worse than baseline
●	Performance better than baseline
●	2021 Plan Target Achieved

The improvement in performance of the Accommodation and Food Service Activities sector was attributed to among other factors; the enhanced use of e-marketing platforms; implementation of e-Visa; hosting of UNWTO International Conference on promoting sustainable tourism; and hosting of the under 20 Africa Cup of Nations. International arrivals increased by 13.3 percent in the year under review to 1,083,317 from 956,332 in 2016.

#### 1.3.2 Outcome Indicator Assessment

Performance at outcome level is presented in Table 3.6. There was no data to assess progress on the number of new private investment into the Northern and Southern circuits. Performance on tourism arrivals for leisure or holiday, and conference was lower than the baseline recorded in 2016.

Table 3.6: Outcome Indicator(s): A Diversified Tourism Sector

Outcome Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment Of Progress at a Glance/Score
Number of new private investment into the Northern Circuit	0	2016	7	-	●
Number of new private investment into the Southern Circuit	0	2016	10	-	●
Number of self-sustaining National parks	3	2016	5	3	●
Number of heritage sites developed across the country	8	2016	10	8	●
<b>Annual percentage increase of international tourist arrivals</b>					
a) Overall (%)	2.6	2016	36	13.3	●
b) Leisure/Holiday (%)	6.8	2016	27	3.5	●
c) Conference (%)	2.2	2016	28	0.3	●
d) Business (%)	2.3	2016	17	7.1	●
<b>Average spending for leisure tourism per tourist visit</b>					
a) International-Leisure/Holiday (Thousand (US\$))	2,400	2016	4,200	-	●
b) Domestic-Leisure/Holiday (Thousand (US\$))	300	2016	500	-	●
Average length of stay purpose and by type of tourist					
a) International-Leisure/Holiday (Days)	4	2016	7	-	●
b) Domestic-Leisure/Holiday (Days)	3	2016	5	-	●
Annual Tourism earnings from leisure tourism by type of tourist					
a) International-Leisure/Holiday (Million US\$)	258.3	2016	772.2	-	●
b) Domestic-Leisure/Holiday (Million US\$)	12.5	2016	32.7	-	●

**KEY****Color**

No Data



Performance same as or worse than baseline



Performance better than baseline



2021 Plan Target Achieved

**1.3.3 Budget Performance**

Out of the K119.7 million non-personal emoluments Budget for the Ministry of Tourism and Arts in 2017, about 98 percent was released to the Ministry and almost 100 percent was used. The ministry received an additional K3.3 million from Cooperating partners for the Development of the Zambia Tourism Master Plan (ZTMP).

### 1.3.4 Policy and Legal Reforms

The government introduced the Tourism Levy in April 2017 as one mechanism for raising financial resources under the Tourism Development Fund. Funds raised from the tourism levy are meant to enhance tourism product development, marketing and infrastructure development as well as training and research. The Levy is collected from both local and international tourists for tourism services. Thus, a total of K12,097,416.30 was collected by December 2017.

*"...Government introduced the Tourism Levy in April 2017 as one mechanism for raising financial resources under the Tourism Development Fund."*

During the period under review, the sector also finalized the ZTMP aimed at promoting a systematic and integrated approach to tourism development in the country.

The final draft of the National Wildlife Policy was submitted to Cabinet for consideration and approval.

## 1.4 KEY RESULT AREA 4: IMPROVED ENERGY PRODUCTION AND DISTRIBUTION FOR SUSTAINABLE DEVELOPMENT

To achieve the results of Improved Energy Production and Distribution for Sustainable Development, four (04) strategies and thirteen (13) programmes are being implemented. The strategies include: enhancing strategic reserves and supply of petroleum products, and promotion of renewable and alternative energy.

### 1.4.1 Key Performance Indicator Assessment

According to the preliminary GDP figures, the Gross value-added percentage growth in the Electricity, Gas, Steam, and Air Conditioning Supply Sector (constant 2010 prices) grew from -1.5 percent in 2015 to 18.5 percent in the year under review. The improvement in power generation was mainly on account of better rainfall during the 2016/2017 rainfall season. This greatly improved water levels in the Zambezi and Kafue rivers critical for Zambia's hydro power generation.

Table 3.7: Key Performance Indicator(s): Improved Energy Production and Distribution for Sustainable Development

Key Performance Indicators	Baseline	Year Of Baseline Estimate	Plan Target	2017 Outturn	Assessment of Progress at a Glance/Score
Gross value-added percentage growth in the Electricity, Gas, Steam, and Air Conditioning Supply Sector (constant 2010 prices)	-1.5	2015	12.4	18.5	●

#### KEY Color



#### Interpretation

- No Data
- Performance same as or worse than baseline
- Performance better than baseline
- 2021 Plan Target Achieved

### 1.4.2 Outcome Indicator Assessment

The assessment of the country's proportion of renewable energy (other than Hydro) in total energy mix at a glance shows that the target was not achieved during the period under review. The proportion of renewable energy (other than Hydro) in total energy mix dropped from the 1.2 percent in 2016 to 1.1 percent in 2017. This may be attributed to the fact that there was no renewable energy infrastructure development. Further, the 100MW from the Scaling Solar Programme did not come on-online as envisaged. However, the preparatory activities for operationalization of the Scaling Solar Programme reached an advanced stage while the Renewable Energy Feed-in-Tariff (REFiT) Strategy was successfully launched on 19th October, 2017.

**Table 3.8: Outcome Indicator(s): Improved Energy Production and Distribution for Sustainable Development**

Key Performance Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at A Glance/Score
Proportion of renewable energy (other than Hydro) in total energy mix (%)	1.2	2016	5	1.1	●
<b>System Losses %</b>					
Transmission loses	6.23	2016	5	5	●
Distribution loses	10	2016	12	12.1	●
<b>Proportion of electricity production by source (%)</b>					
Hydro	84.5	2016	86	83.5	●
Solar	0.06	2016	2	0	●
Coal	10.6	2016	8	10.4	●
Heavy fuel oil	1.8	2016	1.3	7.8	●
Diesel	3.1	2016	2.1	2.9	●
<b>Percentage Distribution of Households by Electricity connection</b>					
Total	31.4	2015	44	-	●
Rural	4.4	2015	8	-	●
Urban	67.3	2015	80	-	●
<b>Percentage of Final Energy consumption (cooking) by source</b>					
Electricity	16	2015	25	-	●
Coal	0	2015	0.01	-	●
Gas	0.1	2015	10	-	●
Firewood	50.7	2015	40	-	●
Charcoal	32.9	2015	25	-	●
Number of days for businesses to get connected to the power Grid	117	2017	30	-	●

#### KEY Color



#### Interpretation

- No Data
- Performance same as or worse than baseline
- Performance better than baseline
- 2021 Plan Target Achieved



### 1.4.3 Budget Performance

The budget for the Ministry of Energy for the year under review was K211,772,488.00. Of this amount, 0.2 percent (K358,000.00) was allocated to the Electricity Generation, Transmission and Distribution programme; while 0.1 percent (K146,000.00) was allocated to the renewable energy and alternative energy development programme. The Rural Electrification Programme was allocated 54.1 percent (114,516,305) of the Ministry's 2017 budget. This demonstrates the focus on reducing development inequalities by allocating resources towards enhancing rural electrification.

### 1.4.4 Policy and Legal Reforms

The Renewable Energy Feed-in Tariff (REFiT) Strategy was launched in the period under review. The REFiT is a government power sector initiative aimed at accelerating private investments in small- and medium sized renewable energy projects in order to increase the number of players in the electricity sub- sector and ultimately increase access to clean energy services.

During the period under review, migration commenced to Cost Reflective Tariffs. The Energy Regulation Board approved new cost reflective tariffs for domestic and industrial customers which was implemented in two phases with 50 percent effective 15th May, 2017 and 25 percent effected on 1st September, 2017. Cost reflective tariffs are meant to attract more players to the energy sector.

*"The REFiT is a government power sector initiative aimed at accelerating private investments in small- and medium sized renewable energy projects...."*

## 1.5 KEY RESULT AREA 5: IMPROVED ACCESS TO DOMESTIC, REGIONAL AND INTERNATIONAL MARKETS

Under KRA 5, the focus during the 7NDP period is to provide an opportunity for the Zambian economy to diversify its export base from which the country earns a substantial proportion of its revenue. This is being done through six (6) strategies which include trade facilitation, access to export markets and enhancement of the competitiveness of Zambian products. The KRA has 28 programmes.

### 1.5.1 Key Performance Indicator Assessment

The Table 3.9 shows the performance of KPIs under KRA5. The table shows that generally, performance was subdued. Five out of the ten KPIs performed below the baseline. On the other hand, the country recorded an increase in the percent of intermediary goods from 78.1 to 84.5 percent, this also shows that the 2021 plan target was achieved for this indicator. There is need therefore to review the trend and set new targets for the year 2012. Data further shows that the rest of the indicators were on track to achieving the 2021 target.

Table 3.9: Key Performance Indicator(s): Improved Access to Domestic, Regional and International Markets

Key Performance Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance/ Score
Total Value of Export earnings (Traditional and Non Traditional Exports) in US\$ billions	5.968	2015	11.936	8.14	●
Percentage share of Non Traditional exports in total Export Earnings	27.3	2015	40	23.7	●
Value of Non Traditional Exports in US\$ billions	1.63	2015	4.77	1.84	●
Trade balance in US\$ billions	-1.61	2015	1.58	-0.58	●
<b>Total Value of Exports by major product categories</b>					
Consumer Goods	11.7	2015	23.4	8.6	●
Raw Materials	4.2	2015	4.2	4.3	●
Intermediate Goods	78.5	2015	61.2	84.8	●
Capital Goods	5.6	2015	11.2	2.1	●
Gross Value added percentage growth rate in Manufacturing	5.6	2015	10.6	4.4	●
Percentage share of small-scale industries in total value added	29.9	2015	40	-	●

**KEY****Color****Interpretation**

No Data



Performance same as or worse than baseline



Performance better than baseline



2021 Plan Target Achieved

**1.5.2 Outcome Indicator Assessment**

Domestic, regional and international markets enable the country to diversify its production and export base. Regionally, Zambia has access to over 390 million people through COMESA and over 600 million people under the tripartite community (COMESA-Eastern African Community- SADC) with a combined GDP of US \$ 1.3 trillion and constituting about 60 per cent of total intra-African trade. In 2017 Zambia's share of exports to COMESA, SADC and ASIA regional groupings increased in 2017 compared to the 2016 plan baselines. The country's share of exports to the European Union, however dropped from 7.0 percent in 2016 to 5.4 percent in 2017.

The overall percentage share of total exports in total trade increased from 41.5 percent to 48.3 percent in the period under review. The percent share of Non-Traditional Exports (NTEs) in total export earnings reduced from the baseline of 27.3 percent to 23.2 percent in 2017.

Table 3.10: Outcome Indicator(s): Improved Access to Domestic, Regional and International Markets

Outcome Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance/Score Glance
International trade as a percentage of GDP	73.5	2015	80	164	●
Percent share of total exports in total trade	41.5	2015	60	48.3	●
<b>Percent Share of exports by Regional Grouping to Total Exports</b>					
COMESA exclusive	1.3	2017	2.6	1.5	●
SADC exclusive	4	2017	8	9.9	●
Dual SADC and COMESA	8.3	2017	10.3	11.2	●
EU	7	2017	9	5.4	●
Switzerland	43.9	2017	42.6	44.7	
ASIA	26.1	2017	22.1	30.5	
The rest of the World	9.3	2017	5.4	-	●
Export (Propensity Index)	33.1	2015	40	79	●
Import (penetration Index)	37.7	2015	30	8	●
Trade dependence index	73.5	2015	80	164	●
Marginal propensity to import	0.94	2015	0.3	-	●
Percent of MSMEs receiving product assistance who are exporting their products	10	2017	20	-	●
Percent Share of NTEs in total export earnings	27.3	2016	40	23.2	●

KEY Color	Interpretation
●	No Data
●	Performance same as or worse than baseline
●	Performance better than baseline
●	2021 Plan Target Achieved

### 3.5.3 Budget Performance

The Ministry of Commerce Trade and Industry had a total budget of K597.3 million in 2017. However, the Ministry received less than 50 percent (K261.1 million) as budget releases by the end of the year. Of the amount released, almost 83 percent went to the Ministry’s statutory bodies.

#### 1.5.4 Policy and Legal Reforms

During the period under review, the Ministry of Commerce, Trade and Industry undertook the following reforms:

1. The development of the technical regulations to operationalise the intellectual property legislation;
2. The review of the Intellectual Property Policy with support from World Intellectual Property Organisation (WIPO Commenced) was started;
3. The review of the Investment, Trade and Enterprise Development Bill and the Zambia Development Agency Bills;
4. Finalisation of the Trade Policy;
5. Commenced the review of the Zambia Institute of Marketing Act;
6. Commenced review of the Competition and Consumer Protection Act;
7. Development of the Local Content Strategy;
8. Finalised the Border Management and Trade Facilitation Bill;
9. Finalised the National Industrial Policy; and
10. Instituted a technical committee to oversee the implementation of the Reservation Scheme Statutory Instrument on poultry and domestic haulage.

#### 1.6 RESULT AREA 6: IMPROVED TRANSPORT SYSTEM AND INFRASTRUCTURE

*"...An improved transport system and infrastructure has the potential to reduce the cost of doing business in the country."*

An improved transport system and infrastructure has the potential to reduce the cost of doing business in the country. This Key Result Area has four (04) strategies by which performance will be measured during the 7NDP period. These are; construction and rehabilitation of railways; development of aviation infrastructure and operations; construction and rehabilitation of road network; and the construction and rehabilitation of maritime and inland waterways. All these strategies are expected to result into increased passenger and cargo movements in the country.

##### 1.6.1 Key Performance Indicator Assessment

The preliminary 2017 GDP shows that the gross value-added percentage growth in transportation and storage recorded a positive growth of 7.8 percent from 0.6 percent recorded in 2015. This shows that the plan target was achieved for this indicator in 2017.

Table 3.11: Key Performance Indicator(s): Improved Transport System and Infranstructure

Key Performance Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance/Score
Gross Value Added percentage growth rate in Transportation and Storage	0.6	2015	6.5	7.8	●

KEY Color	Interpretation
●	No Data
●	Performance same as or worse than baseline
●	Performance better than baseline
●	2021 Plan Target Achieved

### 1.6.2 Outcome Indicator Assessment

Although the 2017 target was not achieved, the number of Passenger and Freight volumes increased in the period under review in all the modes of transportation except for the volume of cargo transported by air which remained almost the same between 2016 and 2017. The increase in volumes could be attributed to improved service by TAZARA due to rehabilitated coaches. Zambia Railways Limited on the hand recorded increases in passenger volumes arising from among other factors group concessions that the company offered to students going to and from school, and enhanced marketing efforts. The Table below indicates the statistics and indicator performance pertaining to the improved transport system and infrastructure.

Table 3.12: Outcome Indicator(s): Improved Transport System and Infranstructure

Outcome Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance/Score
<b>Passenger (Number) and freight volumes (MT) by mode of transport</b>					
Air-Passenger	1,622,263	2016	2,608,758	1,748,200	●
Air-Cargo	19,086	2016	87,846	19,087	●
Road – Passenger	82,835,952	2016	111,380,879	90,476,640	●
Road - Cargo	18,498,197	2016	44,515,399	24,206,223	●
Rail – Passenger	658,182	2016	1,150,402	739,583	●
Rail – Cargo	762,410	2016	2,177,519	874,695	●

KEY Color	Interpretation
●	No Data
●	Performance same as or worse than baseline
●	Performance better than baseline
●	2021 Plan Target Achieved

### 1.6.3 Budget Performance

In terms of budget performance, K382,651,210.00 was approved for the Ministry of Transport and Communications in the year under review of which K369,359,455.00 was released representing 96.5 percent of the approved budget. Most (52 percent) of the released funds were allocated to ICT activities, while 27.1 percent went to the Road transport and safety agency (RTSA). Grant aided institutions under the maritime subsector received 0.5 percent of the released budget.

The railway sub-sector was not allocated any funds for infrastructure development, truck rehabilitation, rolling stock or recapitalisation. The development of rail infrastructure can be sustainably financed through PPP model.

### 1.6.4 Policy and Legal Reforms

The following reforms were undertaken under the transport and communications sector:

*"Revision was made to the Licensing Framework for mobile network operators to remove entry barriers and allow for increased competition".*

The revision of the Licensing Framework for mobile network operators that removes entry barriers and allows for competition. This necessitated the entry into the market of a new mobile network operator.

The unbundling of the Electronic Communications and Transactions Act No. 21 of 2009 into three (3) Laws was started. The three laws are the Cyber Security and Cyber Crime Bill; the Data Protection Bill; and the e-Transactions and e-Commerce Bill. The enactment of these Laws will facilitate structural reforms and re-alignment of institutions

The Ministry of Transport and Communications, working with ZICTA and ZRA, implemented the Telecommunications Traffic Monitoring to assure Government Revenues.

The ICT Society of Zambia Bill was finalised. The bill, once enacted, is meant to regulate ICT professionals in the country.

## 1.7 RESULT AREA 7: IMPROVED WATER RESOURCES DEVELOPMENT AND MANAGEMENT

To achieve the results of Improved Water Resources Development and Management, four (04) strategies and eleven (11) programmes will be implemented during the Plan period. The strategies are enhanced rain water harvesting and catchment protection; promotion of local and trans-boundary aquifer management; promotion of inter-basin/catchment water transfer schemes; and promotion of alternative financing for water resources development.

### 1.7.1 Key Performance Indicator Assessment

There are no KPIs in the 7NDP for this Key Result Area. Efforts are encouraged to ensure the establishment of mechanism to track process under this result area, considering that water is a critical input into economic and social activities that drive economic growth and social wellbeing.

### 1.7.2 Outcome Indicator Assessment

A performance assessment of the outcome indicators in this result area could not be made as there was no data available for the year 2017 for most of the indicators. This must be urgently addressed to avoid depletion of the water resource which is critical to economic diversification.

However, there were 5 water related disasters recorded during the period under review. An assessment of water quality was carried out where five water pollution hot spots were identified from mines and agriculture areas.

Table 3.13: Outcome Indicator(s): Improved Water Resources Development and Management

Outcome Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance/ Score
<b>Total volume of water available for use per catchment (km3 per year)</b>					
a. Zambezi	21.9	1995	12.5	-	●
b. Kafue	10.8	1995	6.2	-	●
c. Luangwa	20.9	1995	11.9	-	●
d. Luapula	19.8	1995	11.3	-	●
e. Chambeshi	8.7	1995	5	-	●
f. Tanganyika	3.6	1995	2.1	-	●
Total Volume of Water Storage available for use (km3)	189.1	1995	209.1	-	●
<b>Proportion of Water related disasters recorded (%)</b>					
1. Drought	20	2016	80	-	●
2. Floods	20	2016	80	-	●
3. Water Pollution	20	2016	80	5	●
Proportion of Transboundary aquifers under sharing agreement (in number or volume)	Not available	2017	74	-	●

KEY Color	Interpretation
●	No Data
●	Performance same as or worse than baseline
●	Performance better than baseline
●	2021 Plan Target Achieved

*“...An integrated Water Resources Management Information System (IWRMIS) for improved data sharing amongst key stakeholders was established in 2017...”*

Under Early warning systems development, one flood and drought prone area map was produced. There was further investment in water resources information management through the establishment of an Integrated Water Resources Management Information System (IWRMIS) for improved data sharing amongst key stakeholders involved in the management of water resources.

### 1.7.3 Budget Performance

A total of K487,100,847.00 was approved for the Ministry of Water Development, Sanitation and Environmental Protection in 2017. Of this amount, 43 percent (K207,038,846.23) was released to the Ministry by December 2017. Most (57 percent) of the released funds were allocated to Infrastructure Development.

### 1.7.4 Policy and Legal Reforms

During the period under review, the Ministry commenced the process of finalising and reviewing the following pieces of legislation; Policies and frameworks.

The draft National Water Supply, Sanitation and Solid Waste Policy to deal with the implementation mechanisms was sent to Cabinet for approval.

Review of the National Environmental Policy (2007); with a view for the policy to take into account emerging global, regional and national environmental trends.

The Water Sector Financing Mechanism for effective and efficient implementation of programmes was on-going; process of its establishment commenced.

Technical Working Group constituted to review the 1997 Water Supply and Sanitation Act, which is aimed at improving service delivery by commercial utilities.

The final draft regulations to guide the development of water resources that include the regulations of borehole drilling were submitted to Ministry of Justice for clearance.

### 1.7.5 Environment Sustainability: Supporting the Planet, preserving Zambia

Ecological assets are at the core of every nation’s long-term wealth. Yet today, population growth and consumption patterns are putting more pressure on ecosystems, as seen in water shortages, deforestation, biodiversity loss, garbage booming, fisheries collapse and climate change.

*“Ecological Footprint accounting exposes the unique risks and opportunities that natural resources constraints pose to each nation”*

Ecological Footprint accounting, by “Global Footprint Network” , compares how much demand human consumption places on the biosphere (Ecological Footprint) to the area, or supply, of productive land available to meet this demand (Biocapacity). Both Ecological Footprint and Biocapacity are measured in Global Hectares (GHA). The Ecological Footprint accounting exposes the unique risks and opportunities that natural resource constraints pose to each nation.



### How the Footprint Works

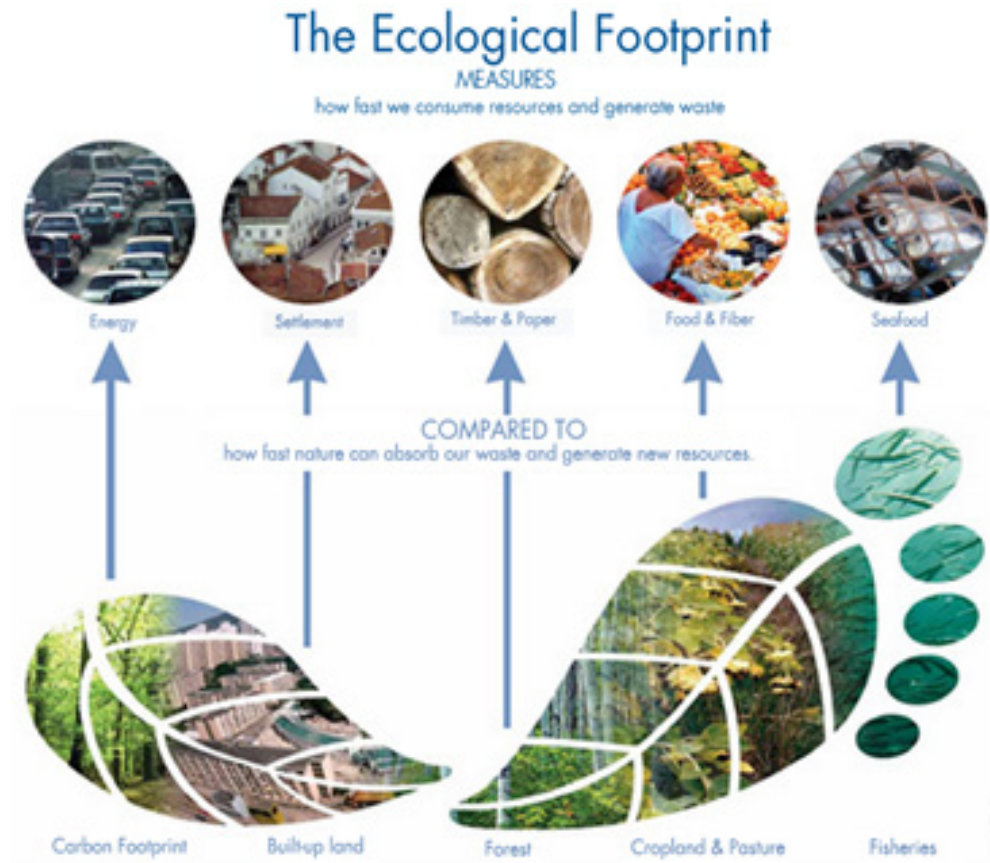
Ecological Footprint accounting measures the demand on and supply of nature. On the demand side, the Ecological Footprint measures the ecological assets that a given population (i.e. a country and or the planet), requires to produce the natural renewable resources it consumes (including plant-based food and fibre products, livestock and fish products, timber and other forest products, space for urban infrastructure) and to absorb its waste, especially carbon emissions. The Ecological Footprint tracks the use of different categories of productive surface areas: cropland, grazing land, fishing grounds, built-up land, forest area, and carbon demand on land.

On the supply side, a country Biocapacity represents the productivity of its ecological assets (including cropland, grazing land, forest land, fishing grounds, and built-up land). These areas, especially if left unharvested, can also absorb much of the waste we generate, especially our carbon emissions.

Both the Ecological Footprint and Biocapacity are expressed in global hectares - globally comparable, standardized hectares with world average productivity. Each city, state or nation's Ecological Footprint can be compared to its biocapacity.

If a population's Ecological Footprint exceeds the region's Biocapacity, that region runs an ecological deficit. Its demand for the goods and services that its land and seas can provide - fruits and vegetables, meat, fish, wood, cotton for clothing, and carbon dioxide absorption - exceeds what the region's ecosystems can renew.

A region in ecological deficit meets demand by importing, liquidating its own ecological assets (such as overfishing), and/or emitting carbon dioxide into the atmosphere. If a region's biocapacity exce



### 1.7.6 Preserving Zambia’s Biocapacity surplus

Today, more than 80 percent of the world’s population lives in countries that are running ecological deficits, i.e. using more resources than what their ecosystems can renew. Zambia is in the virtuous 20 percent countries having a surplus Biocapacity deriving from an Ecological Footprint per capita of 1.0 GHA and a Biocapacity Per Capita of 2.0 GHA. Therefore, Zambia’s Biocapacity is double that of Ecological Footprint<sup>8</sup>. It should be noted however that Zambia is rapidly depleting its biocapacity. Studies show that 50 years ago, Zambia’s Biocapacity surplus was 5 times higher than what it is today. There is urgent need for the country to finance specific programmes aimed at supporting environmental sustainability. This may include the development of “green energy” initiatives on renewable energies (wind and solar), controlling carbon dioxide and other dangerous gas emissions, halting deforestation and loss of biodiversity and efficient water and waste management measures.

*“There is urgent need for the country to finance specific programmes aimed at supporting environmental sustainability”.*

### 1.8 RESULT AREA 8: ENHANCED INFORMATION AND COMMUNICATION TECHNOLOGY

Information and Communication technology (ICT) has been identified as a catalyst for socio-economic development as eliminating the “Digital Divide” supports social inclusion, develops competitiveness and facilitates good governance. To achieve the

result area of Enhanced Information and Communication Technology, three strategies were adopted in the 7NDP, namely; strengthen legal framework of information and communication Technology; Improve ICT Infrastructure for Service Delivery; and Provide Electronic Services will be implemented. This will be done under 7 programmes.

### 1.8.1 Key Performance Indicator Assessment

KPIs that will be used to track progress in this result area are shown in table 1.8.1 below. The preliminary 2017 GDP shows that the gross value added percentage growth rate in Information and Communication industry registered a negative growth of -13.2 percent. The table further shows that by the third quarter of 2017 mobile subscriptions per 100 population was 79.1 while the mobile internet users stood at 47.1 per 100 inhabitants.

Table 3.14: Key Performance Indicator(s): Enhanced Information and Communication Technology

Key Performance Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Outturn	Assessment of Progress at a Glance/Score
Gross Value Added percentage growth rate in Information and Communication	2.5	2015	25.4	-13.2	●
<b>ICT Penetration rate</b>					
Mobile Subscription	79.4	2016	90	79.13	●
Mobile Internet	32.2	2016	50	47.13	●

KEY Color	Interpretation
●	No Data
●	Performance same as or worse than baseline
●	Performance better than baseline
●	2021 Plan Target Achieved







*“ICT is a driver of growth and transformation in many countries.”*

ICT is a driver of growth and transformation in many countries. It can lead to transformation in economic and social spheres of Zambia if concerted effort is made by government and the private sector to provide adequate investment.

### 1.8.2 Outcome Indicator Assessment

Only 3 out of 6 outcome indicators under this result area had data for the year 2017. Data for the rest of the indicators was not available because surveys were not undertaken from which these indicators are derived. Performance for the available indicators was good as there was an increase or the status remained the same from the 2016 baseline data. Government constructed 100 communication towers which may have led to the increase in the percentage of mobile geographic coverage from 84 percent in 2016 to 87 percent in 2017.

Table 3.15: Outcome Indicator(s): Enhanced Information and Communication Technology

Outcome Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance/Score
Number of Mobile internet users per 100 Inhabitants	32.2	2016	80	47.13	
Proportion of Schools with computers for pedagogical use	39	2016	75	Requires a survey to Determine. Survey nit undertaken	
Percent of mobile geographical coverage	84	2016	96	87	
Percentage of Households that own at least one mobile phone	64.5	2016	100	Requires a detailed Survey to be undertaken by MTC/ZICTA/CSO	
Percentage of Individuals that use mobile money services	14	2016	50	Requires a survey to Determine. Survey nit undertaken	
Number of Fixed internet users per 100 Inhabitants	0.22	2016	5	0.22	

**KEY**  
**Color****Interpretation**

No Data

Performance same as or worse than baseline

Performance better than baseline

2021 Plan Target Achieved

**1.8.3 Budget Performance**

The Zambia Information Communication Technology Authority was allocated K104,000,000.00 for regulatory services activities. The sector was also allocated K9,205,649 under the Ministry of Transport and Communication budget.

**1.8.4 Policy and Legal Reforms**

The following reforms were undertaken under the transport and communication sector;

The revision of the Licensing Framework that removes entry barriers and allows for competition. This allowed for the introduction of a new mobile network operator.

*"In 2017, the unbundling of the Electronic Communications and Transaction was started..."*

The unbundling of the Electronic Communications and Transactions Act No. 21 of 2009 into three (3) Laws was started. The three laws are the Cyber Security and Cyber Crime Bill; the Data Protection Bill; and the e-Transactions and e-Commerce Bill. The enactment of these Laws will facilitate structure reforms and re-alignment of institutions;

The Ministry of Transport and Communications, working with ZICTA and ZRA, implemented the Telecommunications Traffic Monitoring to assure Government Revenues.

The ICT Society of Zambia Bill was finalised. The bill, once enacted, is meant to regulate ICT professionals in the country.

### 1.9 RESULT AREA 9: ENHANCED DECENT JOB OPPORTUNITIES IN THE ECONOMY

The aim of the 7NDP under this Result area is to enhance the creation of decent and inclusive job opportunities in the economy through enabling businesses in both rural and urban areas to increase productivity; and expand and formalise their businesses. To achieve this, the KRA has six strategies and 30 programmes that will be implemented in the 7NDP.

#### 1.9.1 Key Performance Indicator Assessment

Generally, the performance of employment remained subdued due to the impact of slowed economic activity arising from low levels of productive capacity expansion during the time the country faced serious electricity supply challenges. This and many other global and regional, and local economic phenomena contributed a rise in unemployment.

An assessment of the KPI's is shown in Table 3.15. The total unemployment rate for the period under review was 41.2 percent, with the rate for women at 48.8 percent and 34.8 percent for men.

Table 3.16: Key Performance Indicator(s): Enhanced Job Opportunities in the Economy

Key Performance Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance/Score Glance
<b>Unemployment Rate among persons 12 years and older</b>					
Total	15.8	2015	7.9	41.2	●
Male	14.9	2015	7.5	34.8	●
Female	16.8	2015	8.4	48.8	●
Rural	8.6	2015	7.2	50.8	●
Urban	25.6	2015	12.8	32.2	●

Note: The 2017 Labour Force Survey data were analysed on the basis of a new international labour standard (19th ICLS resolution of 2013). The new standard, which GRZ has adopted, redefined the concepts of work, employment and unemployment rate (i.e. one of the measurements of labour underutilization). Given that a different methodology is used in calculating such statistics as unemployment rate, previous statistic of unemployment rate should not be compared to the current one.

*"The 2017 Labour Force Survey data were analysed on the basis of a new international labour standard (19th ICLS resolution of 2013)".*

KEY Color	Interpretation
●	No Data
●	Performance same as or worse than baseline
●	Performance better than baseline
●	2021 Plan Target Achieved

### 1.9.2. Outcome Indicator Assessment

The outcome indicators used to track progress towards enhancing decent job opportunities in the economy are listed in the Table 3.17.

**Table 3.17: Outcome Indicator(s): Enhanced Job Opportunities in the Economy**

Percent of employed persons aged 15 years or older in selected occupations						
a.	Managers	1.8	2015	2.8	2.0	●
b.	Professionals	5.2	2015	10.4	7.7	●
c.	Technicians and associate professionals	1.7	2015	3.4	3.6	●
d.	Clerical support workers	0.9	2015	1.2	1.4	●
e.	Service and sales workers	16.9	2015	13.4	32.0	●
f.	Skilled agricultural, forestry and fisheries workers	51.8	2015	36.2	19.9	●
g.	Crafts and related trades workers	6.4	2015	12.8	11.0	●
h.	Plant and machine operators, and assemblers	3.4	2015	7.8	5.9	●
i.	Elementary occupations	11.6	2015	12	16.3	●
Proportion of cooperatives (by sector, by region) (%)						
a.	Crops	29.14	2017	25	-	●
b.	Marketing	0.19	2017	5	-	●
c.	Multi-purpose	68.68	2017	30	-	●
d.	Livestock	0.97	2017	15	-	●
e.	Fishing:	0.19	2017	14	-	●
f.	Producer	0.66	2017	10	-	●

Note: The 2017 Labour Force Survey data were analysed on the basis of a new international labour standard (19th ICLS resolution of 2013). The new standard, which GRZ has adopted, redefined the concepts of work, employment and unemployment rate (i.e. one of the measurements of labour underutilization). Given that a different methodology is used in calculating such statistics as unemployment rate, previous statistic of unemployment rate should not be compared to the current one.

KEY	
Color	Interpretation
●	No Data
●	Performance same as or worse than baseline
●	Performance better than baseline
●	2021 Plan Target Achieved

### 1.9.3. Budget Performance

The Ministry of Labour and Social Security received 87 percent (K36,882,316) of the K42,547,905.00 that was budgeted for in the year under review. The Social Security, and Occupational Safety and Health Services Department each received 6 percent of the released funds.

### 1.9.4. Policy and Legal Reforms

*“Statutory Instrument on minimum wages and conditions of employment for agriculture sector was drafted and submitted to Ministry of Justice for review”.*

1. Statutory Instrument on minimum wages and conditions of employment for agriculture sector was drafted and submitted to Ministry of Justice for review.
2. A baseline study on prevailing wages was undertaken to inform the revision of The Domestic Worker’s Order, Shopkeeper’s Order and the General Order.
3. Draft Statutory Instruments were developed to revise penalties and sanctions with respect to Occupational Safety & Health laws, regulations & standards.

## 1.10 RESULT AREA 10: ENHANCED RESEARCH AND DEVELOPMENT

Research and Development (R&D) plays a critical role in the innovation and development processes as it results in improvement in the quality and quantity of production. To achieve this during the plan period, two strategies were identified in the Plan. These are; enhance research and development, and innovation capacity; and enhance policy formulation and analysis.

Progress toward achievement of the outcome on Enhanced Research and Development in the Economy could not be assessed due to lack of data.

### 1.10.1 Key Performance Indicator Assessment

There was no data to assess KPIs for this KRA during the period under review.

### 1.10.2. Outcome Indicator Assessment

There was no data to assess Outcome Indicators for this KRA during the period under review.

### 1.10.3. Budget Performance

No data on budget performance was provided by the sector.

### 1.10.4. Policy and Legal Reform

None were submitted for review

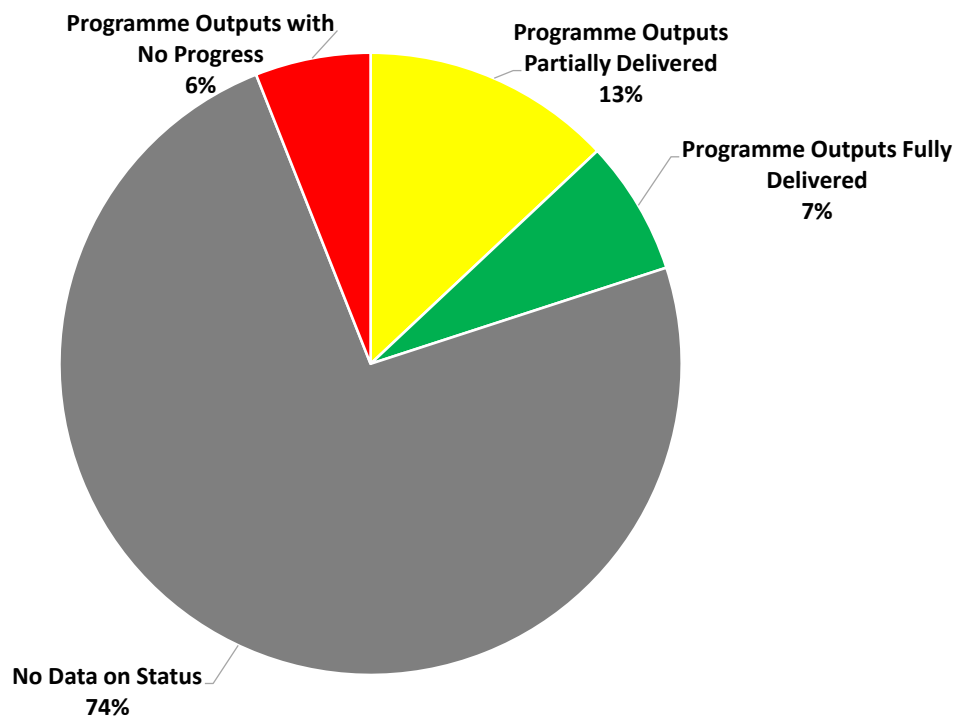
1.10.5. Overall Programme Performance on Economic Diversification and Job Creation

The overall programme performance on the delivery of targeted programme outputs for 2017 under this pillar is shown in the pie chart below.

The pie chart shows that only 26 percent of the programme outputs due for reporting in 2017 in the 7NDP were assessed in terms of performance while 74 percent either had no information due to non-availability of survey data or the implementing institutions did not report progress.

Further, the chart shows that only 7 percent of the total number of expected outputs in 2017 were fully delivered while 13 percent were either partially delivered or performed poorly in relation to the target for the year. Delivery of 6 percent of the programme outputs was reported not to have commenced during the year under review.

Figure 4: Pillar 1 Programme Output Performance







## 2. Pillar 02:

### Poverty and Vulnerability Reduction

Under the 7NDP Pillar for Poverty and Vulnerability Reduction, there are three (3) Key Result Areas. For the period under review, performance for each Result Area was assessed against some baselines set in the Plan using Key Performance Indicators, in volume 1 of the 7NDP and Outcome and Output Indicators in Volume II of the 7NDP (Implementation Plan). However, it should be noted that data availability affected the extent of performance review and analysis.

#### 2.1. KEY RESULT AREA 1: ENHANCED WELFARE AND LIVELIHOODS OF THE POOR AND VULNERABLE

This Result Area has three (03) strategies and seven (07) Programmes.

##### 2.1.1 Key Performance Indicator Assessment

Table 4.1 shows the performance of the KPIs under this Result Area.

Table 4.1: Key Performance Indicator(s): Enhanced Welfare and Livelihoods of the Poor and Vulnerable

Key Performance Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance
<b>Incidence of poverty by region</b>					
a) Total	54.4	2015	43.5	-	●
b)Rural	76.6	2015	61.3	-	●
c)Urban	23.4	2015	18.7	-	●
<b>Incidence of Extreme Poverty (%)</b>					
a) Total	40.8	2015	43.5	-	●
b)Rural	60.8	2015	61.3	-	●
c)Urban	12.8	2015	18.7	-	●
Percent of social cash transfer beneficiary household who are judged as severely insecure	9	2016	0	-	●

\*Data is expected to come from the 2018 LCMS.

#### KEY

#### Color



#### Interpretation

No Data

Performance same as or worse than baseline

Performance better than baseline

2021 Plan Target Achieved



### 2.1.2 Outcome Indicator Assessment

To reduce the incidence of poverty, incidence of extreme poverty as well as the poverty gap ratio, various programmes across Pillars were undertaken during the year under review. Key among these were the following;

*"The Social Cash Transfer programme which, as at December 2017, was being implemented in all the 109 districts in the Country was scaled up to 536,188 beneficiary households..."*

**Social Cash Transfer (SCT) Scheme** – The Social Cash Transfer programme which, as at December 2017, was being implemented in all the 109 districts in the Country scaled up to 536,188 beneficiary households, indicating an increase of 122 percent from 242,000 household beneficiaries recorded in 2016.

**Food Security Pack (FSP)** – This programme targeted vulnerable but viable farmers and empowered them with knowledge, skills and farming inputs to improve their productivity and household food security. Under this Programme, 27, 670 beneficiaries were supported with farming inputs.

**Public Welfare Assistance Scheme (PWAS)** - During the year under review this Programme provided social assistance through education support, healthcare, and repatriation of destitute individuals and provision of baby formula for children in need of care. Arrears were successfully cleared under education support amounting to K10, 665, 427 for 6,544 children, of which 3,857 were male and 2,687 were female, representing 59 and 41 percent respectively.

**Self-Help Projects-** In 2017, Government completed 5 houses for Persons with Disabilities (PWDs).

**Women Empowerment Programmes (WEP)** - Under this Programme, two projects were implemented. The two projects were, Village Banking which was implemented in 52 districts in the country covering a total number of 4,464 women who were assisted with collateral free loans. The other project was Supporting Women's Livelihood (SWL) where 12,748 women were trained in life saving skills.

To ensure that the proportion of extreme poor households received at least one social assistance and one livelihoods and empowerment benefit increased, a **Single Registry of Beneficiaries (SRB)** was officially launched in 2017. With the database in place, identification and targeting of beneficiaries was enhanced, thereby improving on transparency and accountability in the administration of Social Protection Programmes. This also ensured that no beneficiary accessed more benefits at the expense of extreme poor households.

### 2.1.3 Budget Performance

The budgetary allocation for social protection was increased to K17.4 Billion in 2017 compared to K14.2 Billion in 2016. This was a positive action towards enhancing support to the poverty and vulnerability reduction initiatives.

## 2.2 KEY RESULT AREA 2: CLIMATE CHANGE AND DISASTER RISK REDUCTION

This Result Area has one (01) strategy, three (03) Programmes and one (1) key performance indicators.

### 2.2.1 Key Performance Indicators Assessment

The performance of the Key Performance Indicators was not adequately assessed due to lack of data on all KPIs for the year under review. This data is derived from the Living Conditions Monitoring Survey (LCMS) which will be undertaken in 2018.

Table 4.2: Key Performance Indicator(s): Climate Change and Disaster Reduction

Key Performance Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance
<b>Incidence of poverty by region</b>					
Rural	76.6	2015	61.3	-	●
Urban	23.4	2015	18.7	-	●
Incidence of extreme poverty (%)	40.8	2015	30.4	-	●

**KEY  
Color**



**Interpretation**

- No Data
- Performance same as or worse than baseline
- Performance better than baseline
- 2021 Plan Target Achieved

Table 4.3: KPIs for assessing the Contribution of Key Result Area 3 to Poverty and Vulnerability Reduction

Key Performance Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance
<b>HIV prevalence among adults by sex 15-49 (%)</b>					
Total	11.6	2016	7.8	11.4	●
Female	14.5	2016	9.7	14.6	●
Male	8.6	2016	5.8	9.4	●
<b>Percentage of adults aged 15-49 living with HIV that know their status by sex</b>					
Total	67.3	2016	75	66	●
Female	70	2016	77.6	-	●
Male	62.8	2016	70.4	-	●
<b>Percentage of adults aged 15-49 living with HIV that know their status and are on treatment by sex</b>					
Total	85.4	2016	90.0	85	●
Female	84.9	2016	90.0	-	●
Male	86.2	2016	90.0	-	●
<b>Percent of adults aged 15-49 living with HIV that know their status, are on treatment and have achieved viral load suppression</b>					
Total	89.2	2016	100	60	●
Female	89.7	2016	100	-	●
Male	88.2	2016	100	-	●
Percentage of household with health cover	3.9	2014	30.0	-	●

<b>KEY</b>	
<b>Color</b>	<b>Interpretation</b>
●	No Data
●	Performance same as or worse than baseline
●	Performance better than baseline
●	2021 Plan Target Achieved

*“The percentage of adults aged 15-49 with HIV that knew their status slightly reduced from the baseline of 67.3 percent in 2016 to 66 percent in 2017.....”*

The assessment of the HIV/AIDS prevalence at a glance using the KPIs indicates that the sector did not perform well against the 2021 set targets. The percentage of adults aged 15-49 with HIV that knew their status slightly reduced from the baseline of 67.3 percent in 2016 to 66 percent in 2017 against the set target of 75.0 percent in 2017. The percentage of adults in the same age group that knew their status and were on treatment marginally reduced from the baseline of 85.4 percent in 2016 to 85 percent in 2017 against the set target of 90 percent in 2017. Further, the percent of those that received treatment and achieved viral load suppression reduced from a baseline of 89.2 percent to 60 percent in 2017. However, the data provided was not disaggregated by sex which made it difficult to assess the indicators.

### 2.2.2 Outcome Indicator Assessment

The Government in 2017 continued with the major focus on elimination of new HIV infections (to less than 5, 000) and AIDS by the end of 2030. The programmes implemented in 2017 include the following:

Universal Routine HIV Testing, Counselling and Treatment services using innovative testing strategies such as HIV self-testing.

Scaling up Voluntary Medical Male Circumcision (VMMC) services in all facilities, testing pregnant women early and linking positive women to treatment care and support services.

Targeted behaviour change communication including comprehensive condom programming and comprehensive sexual reproductive health for adolescents.

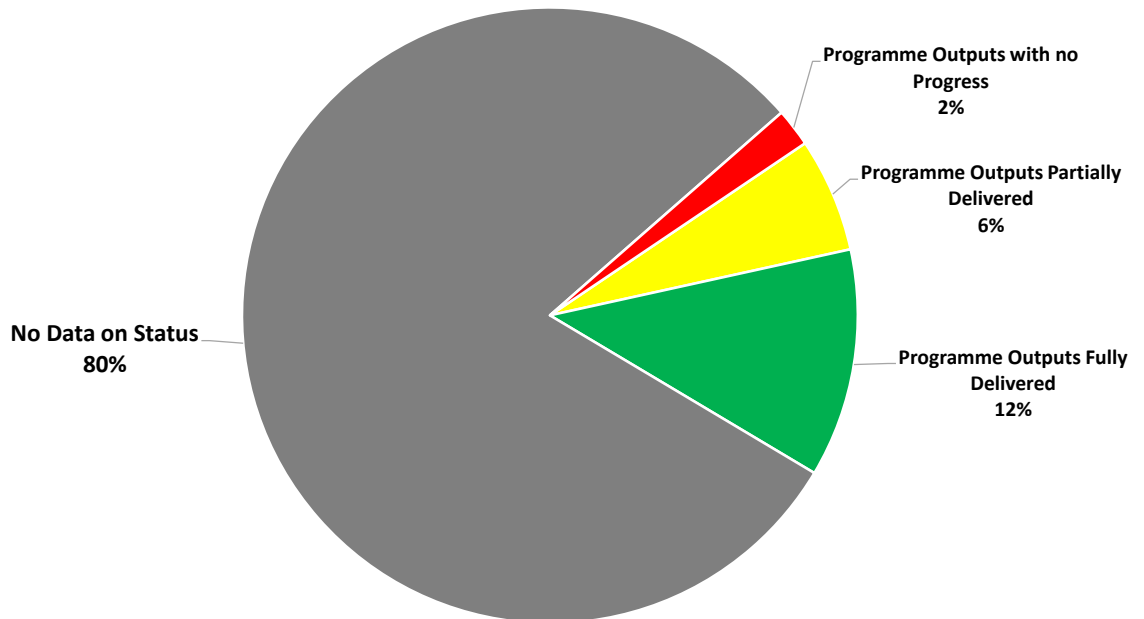
### 2.2.3 Overall Programme Performance on Poverty and Vulnerability Reduction

The overall programme performance on the delivery of targeted programme outputs for 2017 under this pillar was as shown in the pie chart below.

The pie chart shows that only 20 percent of the programme outputs due for reporting in 2017 in the 7NDP were assessed in terms of performance while 80 percent had no information either due to non-availability of survey data or the implementing institutions did not report progress.

Further, the chart shows that only 12 percent of the total number of expected outputs in 2017 were fully delivered while 6 percent were partially delivered in relation to the target for the year. Delivery of 2 percent of the programme outputs was reported not to have commenced during the year under review.

Figure 5: Pillar 2 Programme Output Performance







### 3. Pillar 03:

## Reducing Developmental Inequalities

In order to achieve the Pillar on Reducing Developmental Inequalities, there is one (01) Key Result Area and four (04) Strategies that will be implemented. The Strategies under this Key Result Area include; Promote Integrated Rural Development; Promote Urban and Peri-Urban Economies; Reduce Gender Inequality and Enhance Income Opportunities for Poor and Marginalised Groups. For the period under review, performance for the Result Area was assessed against some baselines set in the Plan using Key Performance Indicators, in volume 1 of the 7NDP and Outcome and Output Indicators in Volume II of the 7NDP (Implementation Plan). However, it should be noted that data availability affected the extent of performance review.

### 3.1. KEY RESULT AREA 1: REDUCED INEQUALITIES

This Result Area has four (04) strategies and eighteen (18) Programmes.

#### 3.1.1. Key Performance Indicator Assessment

The table below shows the performance of the KPIs under this pillar.

Table 5.1: Key Performance Indicator(s): Reducing Developmental Inequalities.

Key Performance Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual*	Assessment of Progress at a Glance
<b>Gini-Coefficient by Region</b>					
• Total	0.57	2015	0.47	0.571	●
• Rural	0.45	2015	0.42	-	●
• Urban	0.49	2015	0.48	-	●
<b>Poverty Gap Ratio by Region</b>					
Total	26.4	2015	20	-	●
Rural	39.2	2015	30	-	●
Urban	8.5	2015	5	-	●
<b>Gender Parity Index in Schools</b>					
Grade 1 -7	0.99	2015	1.00	1.00	●
Grade 8 - 12	0.85	2015	1.00	0.90	●

\*Data is expected to come from the 2018 LCMS.

KEY Color	Interpretation
●	No Data
●	Performance same as or worse than baseline
●	Performance better than baseline
●	2021 Plan Target Achieved



The performance on the Key Performance Indicators was not assessed due to lack of data for the year under review, except for the total Gini Coefficient which remained almost the same as the baseline. The KPI on Gender Parity in school on the other hand, showed improvement over the baseline figures.

### 3.1.2 Outcome Indicator Assessment

During the period under review, Government implemented a number of programmes aimed at redistributing income among the poor and vulnerable people through programmes such as social protection programmes (i.e. social cash transfers, FSP, PWAS among others).

Social Cash Transfer (SCT) Scheme was implemented in all the 109 districts in the country and scaled - up to 536,188 beneficiary households, indicating an increase of 122 percent from 242,000 household beneficiaries recorded in 2016. A total of 27,670 beneficiaries were supported with farming inputs under the Food Security Pack (FSP) programme. During the same period, Public Welfare Assistance Scheme (PWAS) successfully cleared arrears under education support amounting to K10,665,427 for 6,544 children, of which 3,857 were male and 2,687 were female, representing 59 and 41 percent respectively. This scheme further provided social assistance through education support, healthcare, and repatriation of destitute individuals and provision of baby formula for children in need of care.

In addition, Government enhanced income opportunities for the poor and marginalized groups. This was done by placing emphasis on reducing income differences through restructuring the tax regime and reallocating the benefits to the disadvantaged.

*".....remarkable progress was also made under Infrastructure development in the Newly Created Districts."*

During the period under review, remarkable progress was also made under Infrastructure development in the Newly Created Districts. This included construction of 33 Administration Blocks, 28 Post Offices, 32 Civic Centres and 64 High Cost Housing Units. The other infrastructure included 680 Low Cost Housing Units, 520 Medium Cost Housing Units, and 25 Police Stations with 250 Staff Houses. An average progress of 76 percent was recorded. With regards to Rural Electrification Promotion, access to electricity in rural areas increased. The set target for 2017 was 4.4 percent and the outturn was 4.4 percent meaning the target was fully met.

*"Under the road sector, key successes include continued implementation of the Link Zambia 8,000 whose progress was above 30 percent."*

Under the road sector, key successes include continued implementation of the Link Zambia 8,000 whose progress was above 30 percent. The good road network will enhance the linkages between urban and rural areas especially for marketing of the produce from rural areas. During the same period, Government planned to rehabilitate feeder roads countrywide under the Zambia National Service (ZNS).

*"...the Sector in collaboration with the World Bank launched the Keeping Girls in School (KGS) initiative which is part of the Girls Education and Women's Empowerment and Livelihood (GEWEL)."*

In 2017, the population with access to improved sanitation in urban areas increased from 35 percent in 2014 to 49 percent in 2017, while in rural areas it marginally increased from 18.8 percent in 2014 to 19 percent in 2017. With regards to access to clean drinking water, 86 percent of urban population and 55 percent of the rural population had access. This calls for more effort to reduce the disparities in water supply and sanitation services provision between rural and urban areas.

During the period under review, the Sector in collaboration with the World Bank launched the Keeping Girls in School (KGS) initiative which is part of the Girls Education and Women's Empowerment and Livelihood (GEWEL). The KGS initiative aims at providing bursary support to 14,000 secondary school girls from vulnerable households in 16 selected districts. The overall goal is to increase access and participation of girls in secondary education.

A total of 13,917 bursary letters were issued to the eligible beneficiaries out of the 14,353 girls identified from MCDSS Social Cash Transfer Households. 8,818 were recorded to have reported to school and fees paid. This is against the first-year implementation target of 7,000, representing a 26 percent increase. There is a balance of over 5,000 girls who have not reported due to various reasons which include untraceable (30 percent), nursing a sibling (30 percent), pregnant (20 percent), economic factors (15 percent), married off (3 percent) and death (2 percent).

*“To enhance pupil attendance and nutrition among pre and primary school learners, the sector continued funding the Home-Grown School Feeding Programme (HGSFP) in selected provinces.”*

To enhance pupil attendance and nutrition among pre and primary school learners, the sector continued funding the Home-Grown School Feeding Programme (HGSFP) in selected provinces. During the period under review, a total of 1,052,760 learners were being fed every day in 2,590 schools in 38 selected districts. The sector further implemented the 13 transit schools project which was aimed at mobilizing primary school drop outs from grades 2 to 6, teaching them through multi grade methodology and then integrate them back into the main stream education system.

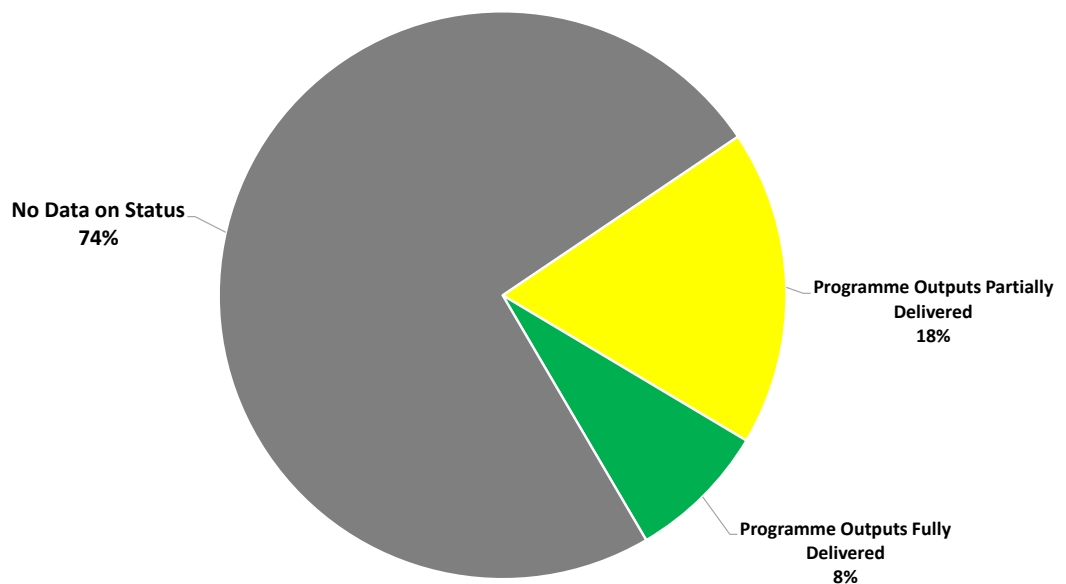
### 3.1.3 Overall Programme Performance on Reducing Developmental Inequalities

The overall programme performance on the delivery of targeted programme outputs for 2017 under this pillar was as shown in the pie chart below.

The pie chart shows that only 26 percent of the programme outputs due for reporting in 2017 were assessed in terms of performance while 74 percent either had no information due to non-availability of survey data or the implementing institutions did not report progress.

Further, the chart shows that only 8 percent of the total number of expected outputs in 2017 were fully delivered while 18 percent were partially delivered in relation to the target for the year under review.

Figure 6: Pillar 3 Programme Output Performance





## 4. Pillar 04: Enhancing Human Development

Under the 7NDP Pillar on Enhancing Human Development, there are three (03) Key Result Areas namely; Improved Health and related Services; Improved Education and Skills Development, and Improved Access to Water Supply and Sanitation. For the period under review, performance for each Result Area was assessed against some baselines set in the Plan using Key Performance Indicators, in volume 1 of the 7NDP and Outcome and Output Indicators in Volume II of the 7NDP (Implementation Plan). However, it should be noted that data availability affected the extent of performance review.

### 4.1. KEY RESULT AREA 1: IMPROVED HEALTH AND RELATED SERVICES

This Result Area has (05) strategies and seventeen (17) Programmes.

#### 4.1.1. Key Performance Indicator Assessment

Table 6.1 shows the performance of the KPIs under this Result Area.

Table 6.1: Key Performance Indicator(s): Improved Health and Related Services

Key Performance Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance
Human Development Index (Rank)	0.586 (139)	2014	0.75 (<100)	0.579(2015)	●
Life expectancy at birth	53.3	2015	>60	54.2	●
HIV incidence among adults 15-49 (per 100 persons)	0.7	2016	0.5	-	●
<b>Percent prevalence of</b>					
- Wasting	6	2013/14	2	-	●
- Underweight	14.8	2013/14	5	-	●
- Stunting	40.1	2013/14	35	-	●
Maternal Mortality Rate	0.74	2013/14	0.37	-	●
Under five mortality Rate	75	2013/14	37.5	-	●

\*Data expected from the 2018 Zambia Demographic and Health Survey

KEY Color	Interpretation
●	No Data
●	Performance same as or worse than baseline
●	Performance better than baseline
●	2021 Plan Target Achieved

The assessment of the country's Human Development Index (HDI) at a glance using the KPI indicated that over the period 2014 -2015, the index reduced from the Plan target of 0.75. The Index dropped marginally from 0.586 in 2014 to 0.579 in 2015 which put the country in the medium human development category—positioning it at 139 out of 188 countries and territories.

Life Expectancy assessment at a glance over the period under review was 54.2 years indicating an increase from the baseline (2015) of 53.3 years.

Data on prevalence of wasting, underweight, stunting, maternal mortality and under five mortality is expected after the 2018 Zambia Demographic and Health Survey. Therefore, the respective KPIs were not assessed for the period under review.

#### 4.1.2 Outcome Indicator Assessment

The focus for the health sector in 2017 was towards reducing Under 5 mortality from 75 deaths per 1000 live births to 35 deaths per 1000 live births by 2021 (including reduction of Infant and Neonatal mortality rates). Therefore, the sector in 2017 continued to implement Expanded Programme on Immunisation; Integrated Management of Childhood Illnesses; and Elimination of Mother to Child Transmission (eMTCT) of HIV and scaling up interventions to put Paediatric HIV patients on treatment. The following achievements were made;

*“Fully immunized children (aged below 18 months) increased from 89 percent in 2016 to 92 percent by the third quarter of 2017”*

- Fully immunized children (aged below 18 months) increased from 89 percent in 2016 to 92 percent by the third quarter of 2017.
- Introduction of new vaccines – Rubella vaccine is now part of the routine immunization schedule.
- Focus had been on reduction of major childhood killers such as pneumonia, malaria, diarrhoea and malnutrition (Severe Acute Malnutrition – SAM).
- To increase the proportion of people living within 5 km of a health post, the Ministry continued with the programme of constructing 650 Health posts which had been started in 2014. By the end of 2017, 275 health posts out of the 650 had been completed and are fully operational.
- From January to December 2017, a total of 803,957 (73 percent) adults knew their status and were on treatment while 46,060 (72.5 percent) children were also on treatment.

Interventions that contributed to the provision of quality health care in 2017 relative to 2016 were:

- Increased capacity building in Integrated Management of Childhood Illnesses (IMCI) in both facility and community health workers.
- Child Health Week which increased the coverage of children reached with high impact childhood interventions such as mop up of children who missed routine immunization, vitamin A and deworming, etc.

- Heightened activities promoting test and treat contributed to the increase in the number of HIV positive children put on Anti-Retroviral treatment.

During the period under review, various high impact interventions were implemented with a view of reducing wasting, underweight and stunting prevalence and incidences among the general population. In this regard, capacity was built to improve management of nutrition programmes, development of Growth Monitoring guidelines and revision of the training package for both health workers and community volunteers. In 2017, above 80 percent coverage in Vitamin A supplementation and deworming bi-annual exercises was attained. In addition, Structures for service delivery of high impact nutrition interventions as well as coordination of these structures were established and strengthened. These also included formation of multi-sectoral collaboration platforms such as nutrition coordinating committees at district and ward levels. These however need to be rolled out to all the districts in order to achieve positive impact on the whole child population.

#### 4.1.3 Budget Performance

During the year under review, the Ministry of Health had a budget of K5,642.57 million, out of which K4,975.86 million was released representing 88 percent of the budget amount released. The sector expended all the released funds representing 100 percent expenditure.

#### 4.1.4 Policy and Legal Reforms

*"The National Alcohol Policy and the Social Health Insurance were finalised and submitted to Cabinet for consideration."*

The sector finalised the draft Mental Health Bill, Traditional Complementary and Alternative Medicines Bill, Food Safety and Quality Bill, National Food and Nutrition Bill, and the Nurses and Midwives (Amendment) Bill. The National Alcohol Policy and the Social Health Insurance Bill were also finalised and submitted to Cabinet for consideration

In addition, various statutory instruments under the Zambia Medicines Regulatory Authority (ZAMRA) and the Health Professions Council of Zambia (HPCZ) were issued. Work on the National Health Services Bill, also commenced.

### 4.2 KEY RESULT AREA 2: IMPROVED EDUCATION AND SKILLS DEVELOPMENT

This Result Area has five (05) strategies and twenty-three (23) Programmes. The strategies encompass: enhancing access to quality, equitable and inclusive education; enhancing access to skills training; enhancing private sector participation; continuous review and roll-out of curriculum; and enhancing role of science, technology and innovation.

#### 4.2.1. Key Performance Indicator Assessment

Table 6.2 shows the performance of the KPIs under this Result Area.

Table 6.2: Key Performance Indicator(s): Improved Education and Skills Development

Key Performance Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance
<b>Percent adult (15-49) literacy</b>					
Women	67.5	2013/14	85	76	●
Men	82.7	2013/14	90	84	●
Labour force productivity	3.6	2012	No target	-	●

KEY Color	Interpretation
●	No Data
●	Performance same as or worse than baseline
●	Performance better than baseline
●	2021 Plan Target Achieved

The assessment of the Education and Skills Development at a glance using the KPI indicated that over the period 2014 -2017, adult literacy for both men and women between the ages 15-49 had significantly improved. The literacy rate among adult women rose from 67.5 percent in 2014 to 76.0 percent in 2017, while for men it rose from the initial 82.7 percent in 2014 to 90.0 percent in 2017.

#### 4.2.2. Outcome Indicator Assessment

During the period under review, the sector carried out a number of activities that included two trainings for a total of 46 teachers of Kafue and Chongwe districts in Adult Literacy Teaching Techniques and Methodologies as well as ICT. Those trained included Head teachers and teachers from the respective schools who were oriented on the management of adult literacy classes in their schools.

Other programmes that contributed to the positive performance of the sector included the Re-entry for those that had dropped out of school especially the girls and also the increased number of vulnerable school going children who accessed bursaries. The Ministry of Higher Education during the period under review commenced the revision of the student financing mechanism to ensure that the vulnerable students in terms of finances, gender and disability benefited from the student loans and scholarship fund. In 2017, the sector awarded scholarships and loans to a total of 4,818 first year and 13,295 returning students.

*“Revision of the student financing mechanism to ensure that the vulnerable students in terms of finances, gender and disability benefited from the student loans and scholarship fund commenced in 2017.”*

To enhance access to quality, equitable and inclusive education and skills development, the sector continued with the ongoing construction of Kapasa Makasa University which was targeted to be completed by December 2017, however, only 95 percent completion had been achieved by that date. The construction of Paul Mushindo University had gone up to 20 percent, while Lewanika University was at 10 percent completion. The sector also facilitated the process of site handover to the contractors for the construction of the FTJ Chiluba and Kasama Universities. Three University Colleges in Nalolo, Katete and Kabompo were scheduled to commence by end of second quarter, 2018. All tender procedures including appointment of Consultant for the design and supervision of the projects were completed. Other related works that the sector advanced included: Mukuba University construction up to 90 percent complete; Kwame Nkrumah up to 90 percent complete; Chalimbana University up to 60 percent complete; as well as construction of student hostels at University of Zambia, Mulungushi University, Copperbelt University at varying levels of completion and targeted for completion in 2019.

In terms of construction of skills training facilities, the sector had advanced in the construction of the the following:

- Mwense Trades – 95 percent completed and to be operationalized in April 2018;
- Isoka, Kalabo and Sesheke Trades Training Institutions - all have reached 85 percent completion;
- Mporokoso, Lundazi & Mumbwa- varying levels of completion and earmarked to open in 2019; and
- Student hostels at Chipata, Ukwimi & Evelyn Hone College – due for completion in 2019 and at various levels of completion.

The higher education loans and scholarships were provided to students at local public universities including the University of Zambia (UNZA) and the Copperbelt University (CBU). A total of 18,082 students of which 7,040 were female received educational support in 2017. The sector also awarded scholarships to 1,409 students who were undertaking studies in institutions abroad. The targeted number of learners for educational loans and scholarships in 2018 is 20,000.

Additionally, the sector provided TEVET bursary support to 1,718 students through the TEVET Bursary. Under the Skills Development Fund (SDF), 250 students from 13 TEVET Institutions were awarded bursary support. Further, the African Development Bank (AfDB) Support to Science and Technology Project (SSTEP) trained 1,479 students at craft certificate and trade test levels, while 2,190 were trained in work based and entrepreneurship short programmes in order to equip the youths with lifelong skills for wealth creation.



### 4.3 KEY RESULT AREA 3: IMPROVED ACCESS TO WATER SUPPLY AND SANITATION

This Result Area has (04) strategies and nine (09) Programmes which were planned to be implemented. The performance for this Key Result Area during the year under review was as follows;

#### 4.3.1. Key Performance Indicator Assessment

There are no KPIs for this KRA in the 7NDP.

#### 4.3.2. Outcome Indicator Assessment

*"The sector saw a decline in the access to clean water in rural areas from 46.6 percent in 2016 to 44.4 percent in 2017."*

To improve access to water supply and sanitation, the sector focused on improving water supply which saw an improvement in the water supply indicator at national level to 65 percent in 2017, from 64.5 percent in the year 2014. Urban water supply also increased from 83.5 percent in 2016, to 85.1 percent in 2017. The sector saw a decline in the access to clean water in rural areas from 46.6 percent in 2016 to 44.4 percent in 2017. A total of 1,340 boreholes were drilled out of 1,800 targeted. This represented 74.4 percent achievement. Out of the 1,000 boreholes planned for rehabilitation, a total of 600 were rehabilitated, representing an achievement rate of 60 percent. In addition to that, the sector also developed 10 water schemes in the rural areas.

*"On the urban landscape, sanitation improved from 62.6 percent in 2016, to 63.3 percent during the year under review. Rural sanitation recorded a marginal increase of 0.5 percent from 18.5 percent in 2014 to 19 percent in 2017."*

The sector also recorded notable improvements in access to sanitation services which stood at 41.2 percent in 2017 from 40.6 percent in 2016. On the urban landscape, sanitation improved from 62.6 percent in 2016, to 63.3 percent during the year under review. Rural sanitation recorded a marginal increase of 0.5 percent from 18.5 percent in 2014 to 19 percent in 2017.

To improve hygiene practices in households and communities, focus has been placed on tracking the indicator on the percentage of the population having a handwashing facility with soap and water which increased to 40 percent from a baseline of 13 percent.

#### 4.3.3. Policy and Legal Reforms

During the year under review, the sector undertook the following policy reform related measures:

- Commenced the development of the Ministerial Strategic Plan (2017-2021);
- Finalised the Water Supply Sanitation & Solid Waste Management Policy;
- Reviewed the Water Supply and Sanitation Act of 1997;
- Commenced the establishment of the water sector financing mechanism;
- Operationalization of the Open Defecation Free (ODF) strategy ongoing.

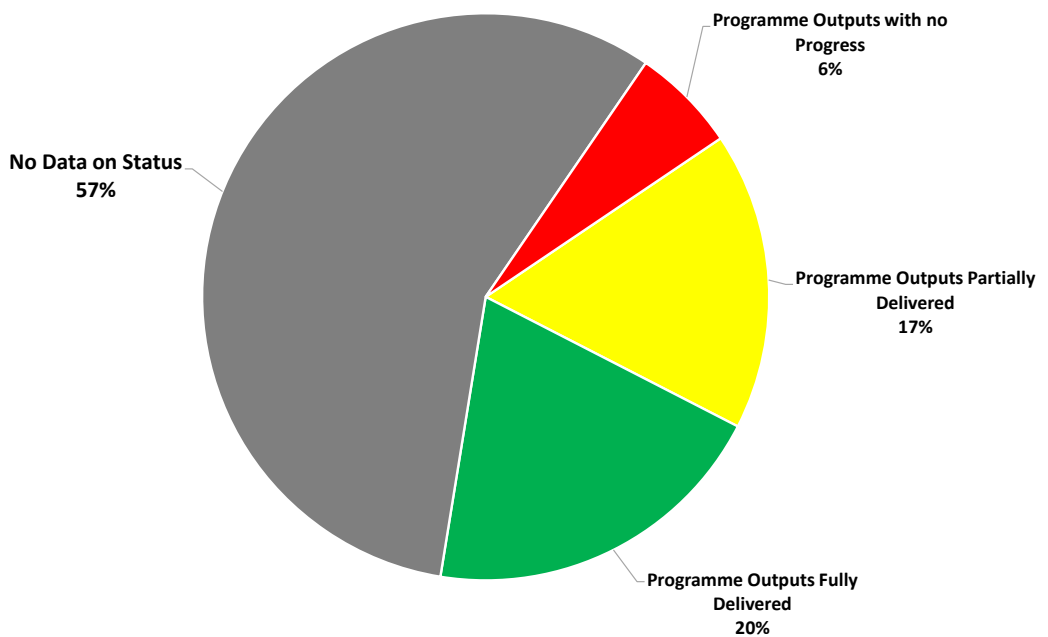
#### 4.3.4. Overall Programme Performance on Enhancing Human Development

The overall programme performance on the delivery of targeted programme outputs for 2017 under this pillar was as shown in the pie chart below.

The pie chart shows that only 43 percent of the programme outputs due for reporting in 2017 in the 7NDP were assessed in terms of performance while 57 percent either had no information due to non-availability of survey data or the implementing institutions did not report progress.

Further, the chart shows that 20 percent of the total number of expected outputs in 2017 were fully delivered while 17 percent were partially delivered in relation to the target for the year. Delivery of 6 percent of the programme outputs was reported not to have commenced during the year under review.

Figure 7: Programme Output Performance





NATIONAL ASSEMBLY OF ZAMBIA

## **5. Pillar 05: Creating a Conducive Governance Environment for a Diversified and Inclusive Economy**

Under the 7NDP Pillar on Creating a Conducive Governance Environment for a Diversified and Inclusive Economy, there are six (06) Key Result Areas namely; Improved Policy Environment; Improved Transparency and Accountability, An Inclusive Democratic System of Governance; Improved Service Delivery; Improved Rule of Law, Human Rights and Constitutionalism; and Enhanced National Values, Principles and Ethics. For the period under review, performance for each Result Area was assessed against some baselines set in the Plan using Key Performance Indicators, in volume 1 of the 7NDP and Outcome and Output Indicators in Volume II of the 7NDP (Implementation Plan). However, it should be noted that data availability affected the extent of performance review.

### **5.1. KEY RESULT AREA 1: IMPROVED POLICY ENVIRONMENT**

This Result Area has four strategies and thirteen programmes. The strategies are;

- i. Reform and re-establish inclusive consultative structures,
- ii. Reform labour policy and legislative framework,
- iii. Accelerate implementation of the Decentralisation Policy, and
- iv. Enhance national data and information systems.

#### **5.1.1. Key Performance Indicator Assessment**

There are no KPIs for this KRA in the 7NDP.

#### **5.1.2. Outcome Indicator Assessment**

Of the three outcome indicators under this KRA, progress was registered in the proportion of formal jobs which increased from 24.8 to 25.6 percent. There was no data for a performance assessment to be made for the other two indicators.

Table 7.1: Key Performance Indicator(s): Improved Policy Environment

Outcome Indicators	Baseline	Baseline Year	Plan Target	2017 Actual	Assessment of Progress at a Glance/score
Statistical Capacity Index	52	2017	60	-	●
Proportion of formal jobs	24.8	2017	40	25.6	●
Government Effectiveness Index	-0.55	2015	0.55	-	●

- KEY**
- Color Interpretation**
- No Data
  - Performance same as or worse than baseline
  - Performance better than baseline
  - 2021 Plan Target Achieved

## 5.2 KEY RESULT AREA 2: IMPROVED TRANSPARENCY AND ACCOUNTABILITY

This Result Area has two (2) strategies which are centred on strengthening transparency and accountability mechanisms and strengthening public finance management. The 7NDP adopted nine (9) programmes that will have to be implemented to achieve results of KRA 2. The performance of this Key Result Area during the year under review was as follows:

### 5.2.1. Key Performance Indicator Assessment

There are no KPIs for assessing performance of this KRA in the 7NDP

### 5.2.2. Outcome Indicator Assessment

The corruption perception index score reduced marginally from 38 per 100 in 2016 to 37 per 100 in 2017. The target of 50 was not attained.

Table 7.2: Outcome Indicator(s): Improved Transparency and Accountability

Outcome Indicator	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance
Corruption perception Index (rank/score)	Rank 87/176; score: 38/100	2016	50	Score 37/100	●

- KEY**
- Color Interpretation**
- No Data
  - Performance same as or worse than baseline
  - Performance better than baseline
  - 2021 Plan Target Achieved

### 5.2.3. Policy and Legal Reforms

The 2009 National Anti-Corruption Policy (NACP) and the 2011-2016 Implementation Plan were being reviewed in 2017 in order to develop a policy and implementation plan that will run until the year 2021.

## 5.3 KEY RESULT AREA 3: AN INCLUSIVE DEMOCRATIC SYSTEM OF GOVERNANCE

This KRA has two (2) strategies and six (06) programmes.

### 5.3.1. Key Performance Indicator Assessment

There are no KPIs to assess performance of this KRA in the 7NDP.

### 5.3.2. Key Performance Indicator Assessment

Table 7.3: Key Performance Indicator(s): An Inclusive Democratic System of Governance

Outcome Indicator	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance
Percent of women in Parliament	18.1	2016	50	18.7	●
Percent of women in decision making positions in the public sector (Cabinet Ministers; Permanent Secretaries; Directors and Equivalent)	27	2016	50	-	●

#### KEY

#### Color



#### Interpretation

No Data



Performance same as or worse than baseline



Performance better than baseline



2021 Plan Target Achieved

## 5.4 KEY RESULT AREA 4: IMPROVED SERVICE DELIVERY

This Result Area has two strategies and 12 programmes.

### 5.4.1. Key Performance Indicator Assessment

Table 5.4 shows the performance of the KPIs under this Result Area.



Table 7.4: Key Performance Indicator(s): Improved Service Delivery

Key Performance Indicators	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance
Ease of doing business ranking	111	2015	50	85	●

KEY Color	Interpretation
●	No Data
●	Performance same as or worse than baseline
●	Performance better than baseline
●	2021 Plan Target Achieved

*“Zambia’s position on the ease of Doing Business Ranking Improved to 85 in 2017 from 111 in 2015”*

World economies are ranked on their ease of doing business from 1–190. The assessment of Zambia’s ease of doing business at a glance using the KPI in Table 5.5, indicated that the country had improved its ranking. This means that the policy and regulatory environment was becoming conducive for the operation of businesses. The country’s ranking moved from 111 in 2015 to 85 in 2017.

#### 5.4.2. Outcome Indicator Assessment

Table 7.5: Outcome Indicator(s): Improved Service Delivery

Outcome Indicator	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance
Proportion of population satisfied with public services	54.8	2009	60	Survey not Done	●
Ease of doing business ranking	111	2017	50	85	●

KEY Color	Interpretation
●	No Data
●	Performance same as or worse than baseline
●	Performance better than baseline
●	2021 Plan Target Achieved

An assessment of the outcome indicators under this KRA reveals that Zambia had continued to make steady strides towards the plan targets of 50 on the ease of doing business ranking from a baseline of 111 in 2015. The country achieved a score of 85 on the ease of doing business rankings during the year under review. According to the World Bank Ease of Doing Business ranking, Zambia achieved a score of 85 in 2017 from 98 in 2016.

### 5.4.3 Policy and Legal Reforms

During the period under review, the Government commenced the process of modernising and enhancing the delivery of public services through the use of ICT. Through the Smart Zambia Programme, Government continued to invest in e-governance systems to improve efficiency and transparency in the sector and establish a time-bound work programme for all relevant Ministries and other agencies, to establish integrated e-governance services such as e-Cabinet.

SMART Zambia Institute was restructured in 2017 to realign it with the 7NDP and to strengthen and position the institution to effectively support the E-Government Reforms.

The Electronic transaction and e-commerce Bill which was jointly developed by the Smart Zambia Institute and the Ministry of Transport and Communications was finalised and is due for presentation to Parliament during the 2018 session.

The Government commenced the review of the Land Policy and established the Lands Commission in line with the 2016 Amended Constitution of Zambia.

The Lands and Deeds Registry Act was amended in order to streamline land administration and management; to make it more robust and transparent; and ensure efficient land allocation.

The Government continued to implement a nation-wide land audit and digital mapping and titling. However, during the period under review, only ninety-two (92) certificates of title were issued.

*"The Government continued to implement a nation-wide land audit and digital mapping and titling."*

## 5.5 KEY RESULT AREA 5: IMPROVED RULE OF LAW, HUMAN RIGHTS AND CONSTITUTIONALISM

This Result Area has three (3) strategies and thirteen programmes that will have to be implemented to achieve results of this KRA.

### 5.5.1 Key Performance Indicator Assessment

No KPIs have been identified to assess performance under this KRA.

### 5.5.2 Outcome Indicator Assessment

Outcome indicators are provided in Table 7.6. The table shows that out of the 12 outcome indicators, there was progress in 6, and lack of progress in 2 indicators. The rest of the indicators did not have data for a performance assessment to be made.



Table 7.6: Key Performance Indicator(s): Improved Rule of Law, Human Rights and Constitutionalism

Outcome Indicator	Baseline	Year of Baseline Estimate	Plan Target	2017 Actual	Assessment of Progress at a Glance
Rule of law index	-0.25	2015	0.25	-	●
Remand-convict ratio	29	2009	15	25	●
Voice and accountability Index	-0.11	2015	0.25	-	●
Backlog of cases (%)					
1. Small Claims Court	68	2016	10	24.6	●
2. Local Court	34	2016	10	35.1	●
3. Subordinate Court	40	2016	10	35.1	●
4. High Court	59	2016	10	46.9	●
5. Supreme Court	30	2016	10	65.4	●
f)Industrial Relations Court	45	2016	10	-	●
6. Court of Appeal	99	2016	10	43.0	●
7. Constitutional Court	67	2016	10	65.3	●
Ratio of full-time lawyers per 10,000 population	0.59	2016	1	-	●

KEY Color	Interpretation
●	No Data
●	Performance same as or worse than baseline
●	Performance better than baseline
●	2021 Plan Target Achieved

## 5.6 KEY RESULT AREA 6: ENHANCED NATIONAL VALUES, PRINCIPLES AND ETHICS

This Result Area has three (3) strategies and six (6) programmes that will have to be implemented to achieve results of KRA 2.

### 5.6.1 Key Performance Indicator and Outcome Indicator Assessment

The KRA does not have any KPI or outcome indicators.

### 5.6.2 Output Indicator Assessment

This KRA had one output indicator that was due in the year 2017 out of 6 indicators in the 7NDP. This was the “Number of dialogue platforms established and operationalised”. By the end of 2017 two (2) dialogue platforms were established and operationalised. The 2017 target was achieved.

## Pillar 05: Creating a Conducive Governance Environment for a Diversified and Inclusive Economy

The Ministry also registered the following milestones in a quest to promote National Values and Principles (NVPs);

- Stakeholder mapping of Civil Society Organisations; Religious and Traditional Leaders; Private Sector (e.g. ZACCI), the Media, and Artists was done.
- Ten weekly programmes on National Values, Ethics and Principles were aired on ZNBC;
- Information, Education and Communication materials to promote NVPs were developed;
- Sensitisations of Heads of Government Departments; Civil Society and the clergy on NVPs was conducted in Northern, Muchinga, Lusaka, Western and Central Provinces;
- National-wide sensitizations were also done through the PDCC during the dissemination of the 7NDP. The importance of mind-set change in the implementation of the 7NDP was highlighted.

### 5.6.3. Budget Performance

No funds were allocated for programme implementation for the Ministry of Guidance and Religious Affairs in 2017. The 2017 budget only constituted funds for the Ministry's set up activities.

### 5.6.4. Policy and Legal Reforms

- A draft Religious Organisation Self-Regulatory document was developed and validation was underway by the end of 2017.
- Guidelines on clearance of foreign clergy were developed in consultation with Ministry of Home Affairs.
- The Ministry of Guidance and Religious Affairs Strategic Plan was finalised and aligned to 7NDP.
- Preliminary work on the Communication Strategy for National Values and Principles started.
- A road map for the development of the Policy on National Guidance; and accompanying Act was formulated.

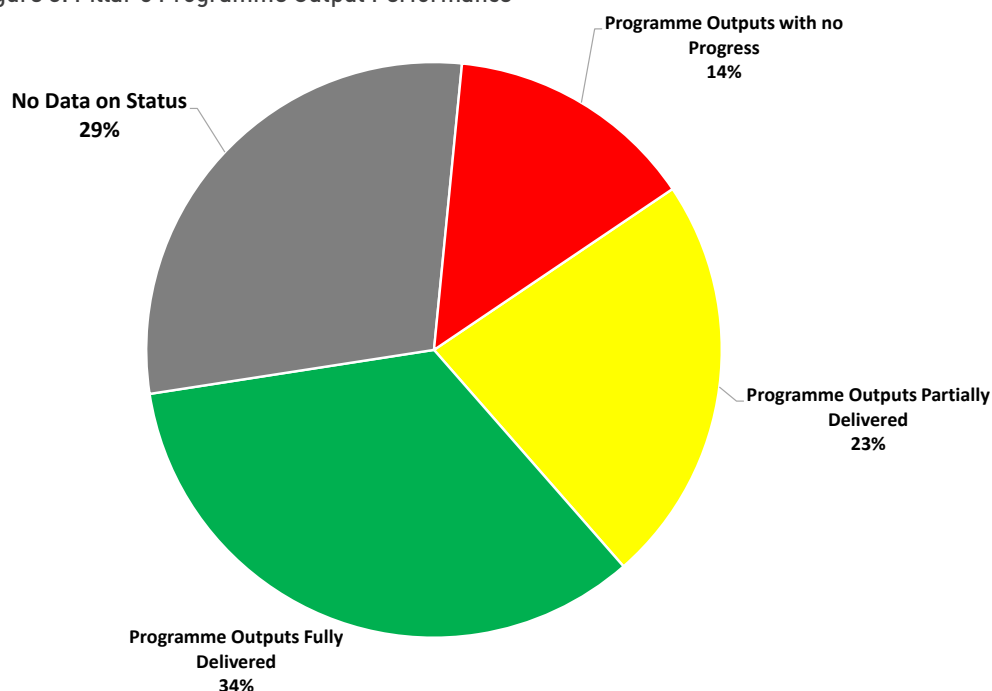
### 5.7 OVERALL PROGRAMME PERFORMANCE ON CREATING A CONDUCTIVE GOVERNANCE ENVIRONMENT

The overall programme performance on the delivery of targeted programme outputs for 2017 under this pillar was as shown in the pie chart below.

The pie chart shows that 61 percent of the programme outputs due for reporting in 2017 in the 7NDP were assessed in terms of performance while 29 percent either had no information due to non-availability of survey data or the implementing institutions did not report progress.

Further, the chart shows that 34 percent of the total number of expected outputs in 2017 were fully delivered while 23 percent were either partially delivered or performed poorly in relation to the target for the year. Delivery of 14 percent of the programme outputs was reported not to have commenced during the year under review.

Figure 8: Pillar 5 Programme Output Performance



Other milestones registered under this KRA in 2017 aimed at improving service delivery included;

- **E-Cabinet System:** Enhanced transparency, accountability, and efficiency in cost savings and timely processing of Cab Memos;
- **ZIAMIS – FISP E-Voucher System:** Better targeting of beneficiary farmers resulting in savings of K1 Billion;
- **E-Payslip Management System:** Reduced costs of paper-based payslips and other related costs by 90 percent and inbuilt head account of government employees;

## Pillar 05: Creating a Conducive Governance Environment for a Diversified and Inclusive Economy

- **IFMIS – Treasury Single Account System:** Efficient movement of government funds/ cash with inbuilt accountability and transparency;
- **Single Centralised National Data centre platform:** Reduced the cost of procurement and maintenance of servers by 52.2 percent; (K1.7 Million savings); and
- **Seventy-one (71) MPSA connected to Unified Internet service on GWAN:** Reduced the cost of silo internet payments from K62 million to K28 million saving K34 million (54 percent).

### 5.8 OVERALL BUDGET PERFORMANCE ON CREATING A CONDUCTIVE GOVERNANCE ENVIRONMENT

Table 5.7 shows the overall budget performance for institutions contributing to the implementation of Pillar 5. The table shows that half of the institution received over 90 percent budget releases, while two institutions received below 70 percent budget releases. The table further shows that the Ministry of National Guidance and Religious Affairs did not have any funds allocated to it in the year under review.

Table 5.7: Overall Budget Performance

Institution	Budget (Zmw)	Releases (Zmw)	Percent Released
Cabinet Office	342,052,841.00	330,791,868.52	96.7%
Ministry of Land and Natural Resources	93,314,067.00	70,129,742.31	75%
Ministry of Labour and Social Security	23,702,472.00	18,036,889.00	76%
Local Government Commission	3,078,876.00	2,909,157.00	94%
Anti-corruption Commission	17,077,223.00	15,663,379.00	91.7%
Office of the Public Protector	4,114,102.00	4,114,102.00	100%
Office of the Auditor General	41,156,785.00	28,395,629.00	69%
National Prosecutions Authority	86,025,621.00	81,278,426.13	94%
Human Rights Commission	3,195,158.00	3,195,158.00	100%
Electoral Commission of Zambia	56,400,000.00	49,800,000.00	88.3%
Judiciary	114,903,282.00	110,296,442.68	96%
Ministry of Home Affairs	218,681,477.00	140,918,786.14	64%
Ministry of Justice	140,850,000.00	111,450,000.00	79%
Ministry of National Guidance and Rel. Affairs	0	0	0

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