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| AA_Logotype100   |  | | --- | | **SUBMISSION TO THE PARLIAMENTARY COMMITTEE**  **ON**  **REVIEW OF THE 2022 ANNUAL REPORT ON THE IMPLEMENTATION OF THE 8TH NATIONAL DEVELOPMENT PLAN**  **28th June 2023**  **Contact:**  Andrew Chikowore- PhD.  Interim Country Director  P.O Box 51407  Lusaka  Cell: | |

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**1.0 ABOUT ACTIONAID**

ActionAid Zambia is a national organization working to end poverty and injustice in Zambia. ActionAid Zambia (AAZ) is a member of the ActionAid International Federation which works in 44 countries across the globe. AAZ works on five (3) priority areas namely: Climate Justice and Environmental Sustainability, Civic Participation and State Accountability, and Transformative Youth Led Engagement.

Our vision is a ‘A just, equitable and sustainable Zambia in which every person enjoys the right to a life of dignity’ and the mission is ‘To achieve social justice, gender equality and poverty eradication by working with people living in poverty and exclusion, their communities, people’s organisations, activists, social movements, and supporters’. In fulfilling its mandate, ActionAid Zambia works with various stakeholders such as women and youth groups, civil society organisations, government agencies to mention but a few. ActionAid works in Nalolo, Sesheke, Mpulungu, Mbala, Chipata, Luangwa, Kafue, and Nakonde.

**2.0 BACKGROUND**

On 1st September 2022, His Excellency, President Hakainde Hichilema launched the 8th National Development Plan, a five-year plan for the years 2022-2026 themed “Socio-economic Transformation for Improved Livelihoods”. It is a successor of the 7th National Development Plan which was implemented from 2017-2021. The 8NDP is the fourth in a series of National Development Plans to achieving Zambia’s 2030 Vision among others; whose aim is to attain a prosperous middle-income country status by creating an enabling environment for social economic development. The current national development plan focuses on four Strategic Development Areas (Pillars).

1. **Economic Transformation and Job Creation**
2. **Human and Social Development**
3. **Environmental Sustainability**
4. **Good Governance Environment**

**AIM OF SUBMISSION**

ActionAid Zambia has been requested to make a submission by Parliament on the review of the 2022 Annual progress on the implementation of the 8th National Development Plan. The current national development plan focuses on four Strategic Development Areas which have been interlinked with a view to spar Socio-economic Transformation for Improved Livelihoods”. Therefore, the aim of this submission is to review the 2022 Annual Report on the Implementation of the 8th National Development Plan’s Second Strategic Development Area, with particular attention on the Third and Fourth Development Outcomes, and their Review Strategies as requested by the Parliamentary Select Committee. These are:

* Development Outcome 3: Improved Water and Sanitation.

(a) review strategy 1: Improve access to clean and safe water supply

(b) review Strategy 2: Improve sanitation service

* Development Outcome 4: Poverty and Vulnerability Reduction

(a) review strategy 1: Improve social protection programmes

(b) review strategy 2: Enhance welfare and livelihoods of poor and vulnerable people especially with respect to female headed households

(c) review strategy 4: Increasing access to decent and affordable housing

Additionally, this submission highlights observations made by ActionAid based on key gaps observed on the matters that have been raised in the report, and provides key recommendations raised in the 2022 annual progress report. This analysis of the annual report will begin by giving a brief context of the Water and Sanitation issues, and Poverty and Vulnerability Issues.

**3.2Overview of the Water and Sanitation Sector in Zambia**

The 2018 Zambia Demographic and Health Survey as cited by UNICEF[[1]](#footnote-2) revealed notable discrepancies in access to WASH services between urban and rural areas. It highlighted that that while 71 percent of the general population had access to improved drinking water sources, urban areas outperformed rural areas with 91 percent compared to 57 percent, respectively. Similarly, improved sanitation services were used by 54 percent of the population, with urban areas at 79 percent and rural areas at approximately 38 percent. Basic handwashing services were accessible to 24 percent of the population, with urban areas having higher access (36 percent) than rural areas (15 percent). Additionally, open defecation was more prevalent in rural areas (16 percent) than in urban areas (1 percent), accounting for approximately 10 percent of the overall population.[[2]](#footnote-3) The foregoing clearly shows how critical it is to finance the sector.

Over the past three years however, there has been a downward trend in the budget allocated to WASH (Water, Sanitation, and Hygiene) initiatives. According to UNICEF, the proportion of GDP dedicated to WASH decreased by 0.3 percentage points, dropping from 0.8 percent in 2020 to 0.5 percent in 2022. In real terms, there was a decline of 34 percent, and on a per capita basis, the decrease amounted to 14 percent during the same period.

ActionAid is of the view that this decline is concerning as it deviates from the desired path towards achieving universal access to safe and affordable WASH services by 2030.[[3]](#footnote-4) The inadequate funding in the WASH sector can negatively impact women and the children. For instance, in terms of unpaid care work, women will still need to walk long distances just to access water for their families’ daily needs.

**4.0 Overview of Social Protection Programmes**

The social protection sector in Zambia has grown significantly over the past years, on the back of a comprehensive National Social Protection Policy Framework (NSPP - 2014). The right to social protection is enshrined in the Bill of Rights of the Constitution of Zambia and is also part of the country’s long-term Vision 2030 which envisages “a nation that promotes and provides sustainable security against deprivation and extreme vulnerability”. The Vision is operationalised through the five-year national development plans, medium-term budget plans and annual budgets. As part of the strategic development pillar on human and social development of the Eighth National Development Plan (8NDP), the Government intends to reduce poverty, vulnerability, and inequalities. To do this, the Government among other interventions, focuses on improving coordination of social protection programmes; enhancing the welfare and livelihoods of poor and vulnerable people; reducing developmental inequalities and vulnerability; extending social security coverage; and enhancing multi-sectoral disaster management to assist in planning, policy formulation and eliminate duplication in social protection programmes. However, the report has reviewed the following gaps and key recommendations:

AAZ notes that government has put in place measures aimed at enhancing social safety nets among the vulnerable community anchored on legal frameworks and policies to guide the implementation of these programs. Furthermore, ActionAid Zambia is also aware that despite Zambia’s robust economic growth and recent reclassification as a lower-middle income county, a large proportion of the country remains in poverty. Statistics reveal that 60 per cent of the Zambian population and an estimated 78 per cent of those located in rural areas continue to live below the poverty line. The above can also be supported by social protection (SP) which serves as an important means of ‘graduating’ or moving households from such a state of high vulnerability and poverty to one of resilience, with an increased capacity to invest in productive assets and hence improved livelihood security.

ActionAid Zambia must mention that social protection has long been established as a human right in and of itself, as well as key to the progressive realization of wider human rights, e.g., a life of dignity, freedom from poverty, gender equality etc.

**5.0 SUBMISSION OF A MEMORANDUM ON THE 2022 ANNUAL PROGRESS REPORT ON THE IMPLEMENTATION OF THE 8NDP.**

Macroeconomic Performance – Fiscal Performance

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|  | **Macroeconomic Performance - Fiscal Performance** | | |
| **No.** | **Issue/Strategy** | **Remarks** | **ActionAid Zambia’s Key Recommendations** |
|  | During the year under review, total revenues and grants stood at 21.6 percent of GDP | **Total revenues and grants have been grouped together. There is no mention of revenues alone as a percentage of GDP** | **There is need to appreciate how Zambia is performing in terms of revenue collection as a percentage of GDP. Therefore, the report would have captured revenues as a percentage of GDP and not adding revenues and grants. The achievement of 21.6% is consistent with the target in 2022 national budget, however the target in the 2022 national budget was just focusing domestic revenues and not grants.**  **Domestic revenue collection is the most sustainable way of raising revenues given that grants are based on many factors which are not sustainable such as good will. Therefore, there is need to show revenue collection as a percentage of GDP** |
| **No** | **Issue/ Strategy** | **Remarks** | **ActionAid Zambia’s Key Recommendations** |
| 1. | **Improve Access to clean and safe water.**  **Targets**   * a total of 2,169 boreholes were drilled against the target to drill 3,205 boreholes. * The target to construct 100 small, piped water schemes was exceeded as 209. | It was reported in the annual report that the government exceeded expectations in terms of construction and rehabilitation of boreholes. It was reported that 2,169 boreholes were drilled against the target to drill 3,205 boreholes. However, UNICEF in their WASH budget brief report for 2023[[4]](#footnote-5) highlighted that only 638 (20 percent) boreholes were drilled against the set target. Similarly in terms of rehabilitation of boreholes, the 8th NDP annual report states that rehabilitation of 2,905 boreholes against a target of 2, 825 was achieved. This however also differs from the UNICEF WASH Budget Brief for 2023 which stated that only 300 boreholes were rehabilitated, translating to only 11% of the target. There is great need to harmonize these reports.  It is extremely commendable that 209 small, pipped water schemes were constructed, surpassing the target of 100. However, the suppliers of the small, piped water schemes are utility companies. These companies have challenges of having high levels of non-revenue water (water not paid for) due to lack of proper maintenance of the current infrastructure, which still leaves communities to not have access to water throughout or have access to good amount of water.  The target to have 10 SOMAP shops equipped was not met. Therefore, it is of the assumption that there is lack of investment to have proper SOMAP shops. A few SOMAP shops equipped will keep communities resorting to accessing poor quality water sources which results in overdependence of the handpumps that are available | ActionAid Zambia is of the view that there must be adequate collaboration in monitoring of these infrastructure development projects between the government and other key stakeholders and harmonize these reports. Government needs to ensure that they strengthened their Monitoring and Evaluation systems for accurate data capturing. Capturing of wrong or inaccurate data can affect the process of policy formulation negatively.  There is need for the government to encourage Private companies to invest in cooperative utilities because they are not self-sustaining due to lack of funds. Additionally, there is need for the government to create an enabling environment to encourage Investment the WASH sector such as investing shops. This includes lifting taxes on imported handpumps. |
| 2. | **Improve Sanitation Services**  **Targets**:  Construct 100 institutional inclusive waterborne sanitation facilities.  Expand the sewer network by 80 Kilometers.  Connect 5000 households to the sewer line.  250 villages to have Open Defection Free status.  Results:  118 Institutional inclusive waterborne sanitation facilities were constructed.  141.46 kilometers of sewer line was expanded.  21, 631 household were connected to the sewer line | These were mainly constructed in public facilities such as schools, hospitals, public offices, and markets facilities. ActionAid Zambia however notes however that moving away from the long lasting Ventilated Improved Pit (VIP) latrine to pour flash toilets comes with cost implication. Experience suggests that pour flush toilets may carry a cost that is multiple times higher than VIP latrines. Such cost implications can slow down the pace of improving sanitation services. Which has relatively been stagnant for a while, especially in rural areas. | It is commendable that the government was able to exceed its target of constructing 100 waterborne sanitation facilities by 18. It is commendable that the government exceeded its target in terms of expanding the sewer systems.  However, ActionAid Zambia is of the view that there is need to increase budgetary allocation towards sanitation facilities, due to the expected high costs to be incurred with the management and maintenance of the newly constructed waterborne sanitation facilities to ensure that rural communities benefit from this.  There is also a need to scale up the targets as the number of beneficiaries is too small. This should include the districts and their respective numbers of beneficiaries. There should be a clear mechanism that ensures that people with disabilities also benefit and easily access these facilities without any challenges.  . |

Development outcome 4: Reduced Poverty, Vulnerability, and Inequalities

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| **No.** | **Issue/Strategy** | **Remarks** | **Recommendations** |
| 1 | **Improve Coordination of Social Protection Programmes.**  **Programmes**   1. **Social protection integration** 2. **Social protection reforms** 3. **Social protection security**   **Living conditions monitoring surveys** | * In the report, the following gaps were noted: The allocation to Social Protection has nominally increased by nearly one third. However, * ActionAid Zambia is of the view that the allocation to Social Protection falls short of even the social safety net average expenditure of 1.5 percent for Sub-Saharan Africa. ActionAid Zambia notes with concern that this trajectory of allocation undermines that urgency to eradicate poverty for vulnerable. * While it is commendable that the target to have one (1) Social Security law reviewed was met and exceeded as three (3) Social Security laws were reviewed, ActionAid Zambia urges the government to consider increasing the budgetary allocation towards social protection programmes. * Despite all the interventions that have been undertaken in the last few years, there has not been a nationally representative survey since the 2015 Living Conditions Monitoring Survey to definitively gauge poverty levels and determine if these interventions are making any meaningful impact. This dearth of evidence makes it challenging to assess the efficiency and effectiveness of the social protection interventions that have been put in place over the last few years. | * The Government must consider domesticating the regional budgetary allocation set for Sub-Saharan Africa at 1.5% of the total National budget. continue the current positive trend of increased resource allocation to social protection, ensuring programme expansion to cover pregnant women, infants, school going children, persons with disabilities and youths. Currently, these groups are not being adequately covered by the existing social protection programmes. * The Cooperating partners continue to play a significant role in bridging the financing gap. To supplement this critical source, the government needs to explore more financing options such as domestic resource mobilization (DRM) by ensuring the Multi-National Corporations (MNCs) pay their fair share of tax and through public private partnerships.   The Government, through the Zambia Statistics Agency, needs to conduct more frequent and regular household surveys, such as the Living Conditions Monitoring Survey, which will help determine in a timely fashion if interventions put in place are achieving the intended results and the actual financing needs required. |
| 4 | |  | | --- | | **Social Cash Transfer (SCT)**  The target to have 68.8 percent of the extremely poor population receiving Social Cash Transfers was achieved at 69.16 percent. Further, the target to have six (6) bimonthly cash transfer payments provided annually was achieved. The performance was attributed to increased budgetary allocation to SCT and support from Cooperating Partners. |   **Public Welfare Assistance Scheme The target to provide in-kind support to 16,000 vulnerable individuals was not achieved as only 7,183 vulnerable individuals accessed support. The performance was attributed to inadequate funding of the programme.**  **Disability Services**  **The target to provide grants to 15 disability institutions was achieved as 15 disability institutions were provided with grants. The target to have 5 MPSAs with Disability Focal Point Persons was achieved as 15 Ministries and Provinces had active Disability Focal Point Persons. The target to support 978 Persons with Disabilities (PWDs) with assistive devices was not achieved as only 403 persons were supported. However, the target number of PWDs provided with social assistance could not be ascertained as data on this indicator was not available.** | It is commendable that the performance was impressive. SCT programmes are key in addressing vulnerability especially in rural areas.  ActionAid is concerned that the government was not able to achieve its target for the Public Welfare Assistance. Despite the scheme being there to capacitate and support communities to overcome extreme poverty and vulnerability, the challenge noted has been the erratic funding, and limited financial and technical support. Some districts have had no funding so far to support the scheme. An example of such a district is Chipata which has had no funding in the period under review.  .  **ActionAid Zambia** questions If government identified and set a target to support 978 PWD’s with assistive technology or devices and fail to locate them, because there was no data available. This worries many Zambians and family members who live with PWD and to hear that government failed to support them because there was no data available **is unacceptable**. In 2015 the government produced the Zambia Disability report through the Ministry of community Development which details key issues such as having 20% of PWD in need with assistive devices. | **There is need for such programmes to be largely covered by government funding and not over dependence on Donors. These resources could be domestically mobilized from the mines and other multilateral corporations through taxes.**  **There is need for transparency of the SCT by use of ICT to identify the beneficiaries and to promote efficiency in the implementation of the scheme.**  **There is a need to strengthen structures and systems to identify the beneficiaries for the empowerment schemes.**  **ActionAid recommends that the government strengthens its domestic resource mobilization strategies to fund Social Cash transfer and other similar initiatives. ActionAid recommends that the Government should revisit some of the tax incentives given to the mining companies to ensure that as a country, we raise revenue to progressively spend on social sectors.**  **ActionAid Zambia is of the view that, the Ministry of Community Development and Social services should be part of the reporting team to provide data related on PWD’s programmes and initiatives being carried out to have a comprehensive reporting on this strategy and whether we are meeting the needs of PWD.** |

**Other Recommendations**

* The 8NDP should always come with the implementation plan as it contains performance targets to the actual implementation. The 2022 Annual Progress Report was formulated based on the interim performance targets proposed and endorsed by the various 8NDP Clusters as the approval of the Implementation Plans by NDCC was being awaited.
* The APR should accompany the interim performance targets proposed and endorsed by the various 8NDP Clusters for references on the report.
* The sector requires substantial investments. The Zambia Water Investment Programme has estimated the financial needs for extending WASH services to underserved and unserved areas, revealing that current funding falls far short of the required amount on an annual basis. Additionally, there is a need to explore innovative and diverse financing options that involve not only the government but also the private sector and households. Such an approach would foster a more inclusive and inventive funding mix to meet the significant investment demands in the sector.

**6.0 CONLUSION**

ActionAid Zambia understands that the achievement of the set goals in the National Plan require Huge financial resources. As such AAZ wishes to recommend to this August House that government needs to put in place measures that will ensure improved mechanisms to mobilise financial resources both Domestically and internationally. As an institution, we recommend that Government should revisit some of the tax incentives given to the mining companies to ensure that as a country we raise revenue to progressively spend on social sectors such as Agriculture, health, education, and water by way of ensuring mining companies pay their fair share of taxes. As an institution, we also call on the government to ensure measures are put in place to tax the informal sector given the debt Burden for improved revenue generation domestically.

Government needs to put in place an M&E system that we help monitor and track progress based on accurate date for improved programming of the 8th NDP.

1. UNICEF (2023) Wash Budget Brief. UNICEF: Lusaka [↑](#footnote-ref-2)
2. Zambia Demographic and Health Survey 2018. [↑](#footnote-ref-3)
3. https://www.unicef.org/zambia/media/3521/file/UNICEF%20ZAMBIA%20Budget%20brief\_WASH%202023%20Final.pdf.pdf [↑](#footnote-ref-4)
4. https://www.unicef.org/zambia/media/3521/file/UNICEF%20ZAMBIA%20Budget%20brief\_WASH%202023%20Final.pdf.pdf [↑](#footnote-ref-5)