3nd October, 2023

**PRESS STATEMENT**

**THE 2024 NATIONAL BUDGET REFLECTIONS**

ActionAid Zambia lauds the Government for presenting the 2024 national budget themed “unlocking the economic potential”. The budget raises both positive and negative issues that affect citizens as they struggle to sustain their livelihoods.

We have carefully analyzed the speech by the Minister of Finance and National Planning Situmbeko Musokotwane on some of the strategic pronouncements that the Government plans to effect in trying to boost the economic activities across different sectors.

We commend the Minister for acknowledging that there is high poverty in most communities in Zambia resulting from the rising inflation. The 2024 budget should have focused purely on ending poverty that is getting to alarming levels.

ActionAid has committed to protect the interest of the poor women and young people in the country and its interest in key thematic areas such as environment and others directly linked to people’s daily survival remain resolute.

We acknowledge the increment of financial resources towards environmental protection in the 2024 budget from K1.06 billion 2023 to K1.5 billion representing 1.4% increment. However, this increase is still low. We hence urge the government to Increase the allocation of funds to Environmental Protection to create a fertile and sustainable to Green Innovations relating to environmental protection.

In the Agriculture, the proposed Increase in the production of the agriculture sector and manufacturing industries specifically in fertilizer production is likely to improve crop production. We are however concerned that the minister did not elaborate on whether the fertilizer to be produced would be chemical or organic.

We should divert and focus on fertilizers that are not harmful to the environment. We need to invest in a clean and green future urgently. Organic fertilizer remains a key mechanism to rebuild the soil’s fertility which has been damaged with the continuous use of chemical.

Actionaid has observed that despite the Government promising to recruit agriculture extension officers in 2023, the Minister of Finance gave no update on the matter. We are left wondering if these employees were engaged or not.

Agriculture extension offices are a key component to enhanced food production in the sector and their recruitment should not be delayed if the proposed farm block scheme is to succeed. Zambia remains strategically positioned to become a hub of food production for the southern region given the availability of water bodies accessible to it.

With regards to tax and public debt, the Government needs to be explicit on defining the methods it intends to effect in its escalated tax collection strategy. This is a critical matter as the country requires more revenue to sustain some of the social sectors and the gains recorded beyond the International Monetary Fund (IMF) program,

The Government needs to employee serious tools and mechanisms that are influential in ending poverty gradually.

It is equally encouraging that the finance minister announced that Zambia will join the Global Forum on Tax Transparency and Exchange of Information for tax purposes. We feel that this Forum will facilitate the exchange of tax information among 140 jurisdictions, ensuring transparency and combating illicit financial flows.

Zambia urgently needs to ensure progressive and equitable tax policies. It is in this vein that we also welcome the planned operationalization of the much-awaited regulatory body for the mining sector. This will not only address issues of tax invasion in mines but equally accountability in terms of export volumes.

The decision to amend the Zambia Revenue Authority Act to introduce a whistleblower reward is equally commendable and should be supported by all patriotic citizens,

ActionAid Zambia urges the Government to focus on the interests of women and youths in implementing the 2024 National Budget. The existing Employment Code Act needs to be revised to embrace the interests of both the employers and the employee especially the younger generation and women who are the majority.

We however, commend the government for committing to employ 4,200 teachers and 1,200 non-teaching staff in 2024 and the additional 4000 health workers.

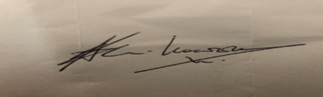
This is progressive in reducing the high unemployment levels currently prevailing and affecting mostly youths and women. Therefore, we are of the view that, to sustain these gains, Government will need to put in place measures to generate enough resource to meet its obligations.

We need more youths and women empowerment through the increased Constituency Development Fund (CDF). We expected the Government to make firm decisions to benefit youths through the fund that has since been increase to K30.6 million.

We further call on the Government to put in place measures that will enhance the uptake or utilization of the funds for the benefits of the rural communities, Government should put in place measures that will ensure quality delivery of the services being offered by local contractors.

Finally, we urge the Government to collectively address the rising cost of living as admitted by the Minister of Finance. Poverty should not be tolerated. Poverty is man’s enemy that should be fought with all effort.

Signed



Dr Andrew Itai Chikowore (PhD)

Interim Country Director-Zambia