REPORT

OF THE

PLANNING AND BUDGETING COMMITTEE

ON THE

REVIEW OF THE THIRD AND FOURTH QUARTER BUDGET PERFORMANCE FOR THE YEAR 2023, FOR SELECTED MINISTRIES, PROVINCES AND SPENDING AGENCIES

FOR THE

THIRD SESSION OF THE THIRTEENTH NATIONAL ASSEMBLY

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List of Acronyms and Abbreviations

CPI	Consumer Price Index
CDF	Constituency Development Fund
8NDP	Eighth National Development Plan
GDP	Gross Domestic Product
GIR	Gross international reserves
IMF	International Monetary Fund
MPSAs	Ministries, Provinces and Spending Agencies
MSMEs	Micro, Small and Medium Enterprises
PFIs	Partner Financial Institutions
RDCs	Recurrent Departmental Charges
VAT	Value Added Tax
ZCGS	Zambia Credit Guarantee Scheme

FOREWORD

Madam Speaker, the Planning and Budgeting Committee has the honour to present its Report on the Review of the Third and Fourth Quarter Budget Performance for the year 2023, for Selected Ministries, Provinces and Spending Agencies (MPSAs) for the Third Session of the Thirteenth National Assembly. The functions of the Committee are set out in Standing Order 195 of the National Assembly Standing Orders, 2021. Standing Order 195(4) specifically provides that the Committee shall study and report on matters related to coordination, control and monitoring of performance of the National Budget.

The Committee held ten meetings to review the third and fourth quarter Budget performance for 2023, with respect to the selected MPSAs. In this regard, the Committee interacted with key stakeholders. The list of stakeholders who appeared before the Committee and rendered both oral and written submission is at Appendix 1 of the Report.

The Report has been segmented into two parts: Part I gives a review of the macroeconomic framework and assesses the fiscal framework, it further highlights the third and fourth quarter performance of the 2023 budget for selected MPSAs. Part II presents stakeholders' views on the performance of the Budget. Part II also highlights the Committee's observations and recommendations.

Madam Speaker, the Action Taken Report on the Review of the Third and Fourth Quarter Budget Performance for selected MPSAs for 2022 is not part of the Report as it was submitted late by the Executive.

Madam Speaker, the Committee is grateful to the stakeholders who tendered both written and oral submissions. It also wishes to thank you, for affording it an opportunity to scrutinise the third and fourth quarter budget performance for the selected MPSAs for 2023. It also wishes to appreciate the services rendered by the Office of the Clerk of the National Assembly throughout its deliberations.

P.P

Mr Fred C Chaatila, MP
CHAIRPERSON

March, 2024
LUSAKA

1.0 COMPOSITION OF THE COMMITTEE

The Committee consisted of Mr Fred C Chaatila, MP (Chairperson); Ms Brenda Nyirenda, MP (Vice-Chairperson); Mr Machila Jamba, MP; Mr Koonwa Simunji, MP; Mr David Mabumba, MP; Mr Kalalwe Mukosa, MP; Mr Jeffrey Mulebwa, MP; Mr Anthony C Mumba, MP; Mr Mayungo Simushi, MP and Mr Mwabashike Nkulukusa, MP.

PART I

2.0 INTRODUCTION

The 2023 National Budget was anchored on a theme "*Stimulating economic growth for improved livelihoods."* The total budget amounted to K 167.3 billion, a reduction from K173 billion in 2022. As a fiscal tool, the 2023 Budget marked the start of the implementation of the Eighth National Development Plan (8NDP) for 2022 to 2026.

In light of the above, and in line with its mandate, the Committee reviewed the budget performance of the third and fourth quarters of 2023, to evaluate the Government's execution of the budget in comparison to its projected targtes along with an overall assessment of its performance for the full year.

3.0 MACROECONOMIC FRAMEWORK AND PERFORMANCE

The 2023 National Budget covered all the four strategic development areas of the 8NDP namely: Economic Transformation and Job Creation; Human and Social Development; Environmental Sustainability; and Good Governance Environment. The performance of the macroeconomic objectives as set out in the Budget, to actualise development in the four strategic areas could not be assessed in isolation of the economic global performance.

3.1 Global Economic Developments

Global economic performance had significant effects on the economies of both developed and developing nations. According to the International Monetary Fund (IMF), World Economic Outlook released in October 2023, global growth was expected to slow down to 3.0 per cent in 2023 from 3.5 per cent in 2022. Consequently, growth in advanced economies was projected to slow down to 1.5 per cent in 2023 from 2.6 per cent in 2022, while emerging markets and developing economies were forecast to record a modest decline in growth. Overall, Sub-Saharan Africa's economic performance was hindered by the lower-than-average performance of the largest countries on the continent.

3.2 Domestic Developments

The 2023 National Budget, set to achieve the following specific macroeconomic targets:
(a) attain a real Gross Domestic Product (GDP) growth rate of at least 4.0 per cent;
(b) reduce inflation to within the target band of 6-8 per cent by the end of the year;
(c) maintain international reserves above 3 months of import cover;
(d) mobilise domestic revenue to at least 20.9 per cent of GDP;
(e) achieve a fiscal deficit of not more than 7.7 per cent of GDP; and
(f) limit domestic borrowing to not more than 3.0 per cent of GDP.

A review of the performance of the 2023 Budget macroeconomic objectives during the third and fourth quarters of the year, is as discussed hereunder.

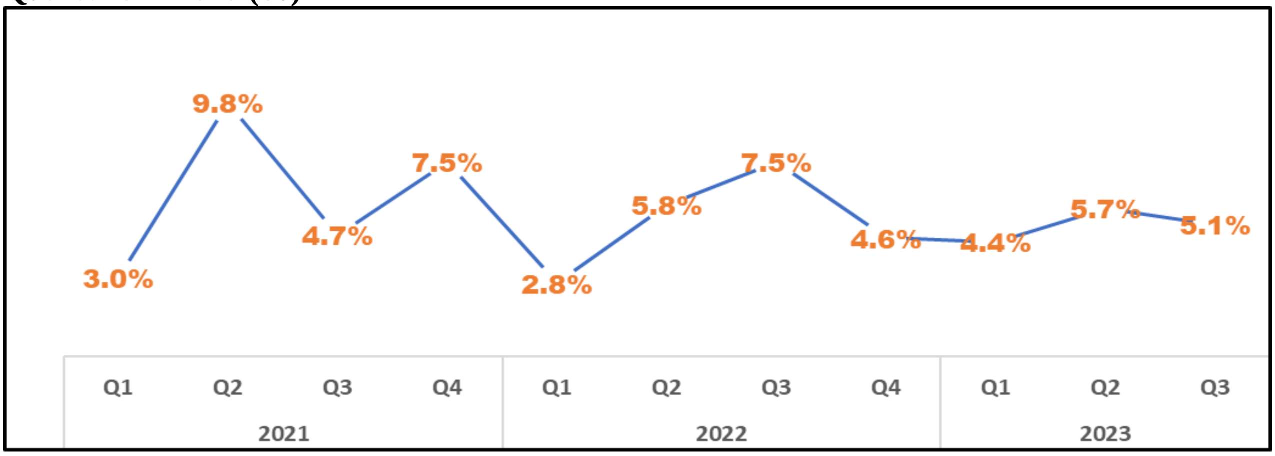
3.2.1 Gross Domestic Product Growth Rate

The Committee was informed that the quarterly GDP estimates were a high frequency indicator of economic performance, which were produced with a quarter lag. In this regard, the GDP estimates were up to the third quarter of 2023. Stakeholders informed the Committee that the growth for 2023 was 4.3 per cent from 5.2 per cent over the same horizon, of the previous year. The growth was above the Budget forecast of 4.0 per cent, which was later revised downwards to 2.7 per cent.

It was further submitted that growth slowed down in 2023 to 4.0 per cent from 5.2 per cent in 2022 owing to weak performance in the mining, agriculture, as well as wholesale and retail trade, sectors. In 2023, the mining sector contracted largely due to operational challenges and low grade ore at some major mines. Furthermore, increased input prices, incidence of pests, late onset of the rain and droughts in some parts of the country in the 2022/2023 farming season underpinned the contraction in the agriculture sector.

The Committee was informed that GDP estimates for the third quarter of 2023 showed that the economy grew by 5.1 per cent from 7.5 per cent in the third quarter of 2022. This represented a 2.4 per cent decrease in growth. These estimates were based on the year-on-year comparison of GDP at constant 2010 prices as shown in figure 1.

Figure 1: Quarterly GDP Growth Rates at Constant 2010 Prices, Quarter 1 2021 – Quarter 3 2023 (%)**



Source: ZamStats, Feburary 2024

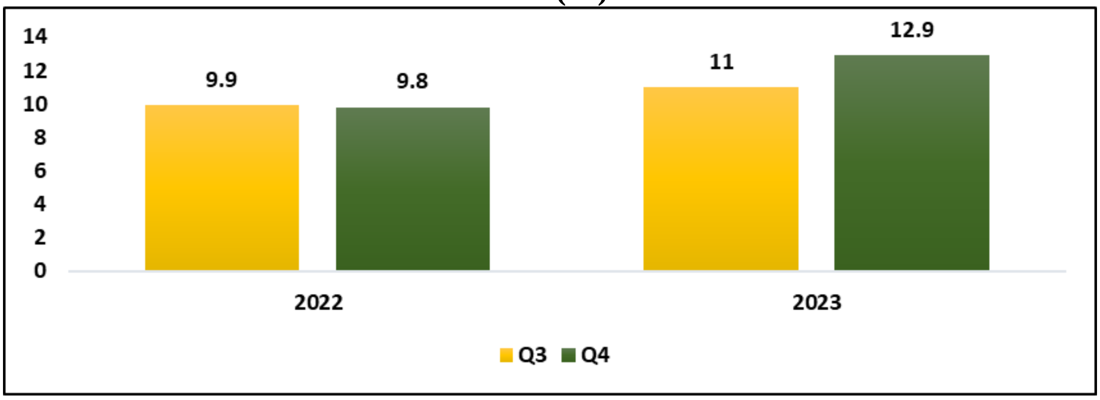
Stakeholders submitted that the contributions to the growth of 5.1 per cent in the third-quarter of 2023 was primarily driven by *Information and communications* (contributing 2.1 percentage points, *construction* (contributing 1.2 percentage points), *education* (contributing 1.1 percentage points), *financial services* (contributing 0.4 percentage points), *human health and social work activities* (contributing 0.2 percentage points), *accommodation and food services* (contributing 0.2 percentage points). On the contrary, negative impacts on GDP growth were from agriculture, forestry, and fishing (contributing-0.3 percentage points), *wholesale and retail trade* (contributing -0.1 percentage points) and *administrative and suport service activitie*s (contributing - 0.1 percentage points).

3.2.2 Inflation Performance

Stakeholders submitted that the Consumer Price Index (CPI) was used to compute the rate of inflation. CPI measured the changes in the general level of prices of goods and services that house holds acquired for the purpose of consumption.

Stakeholders submitted that inflation was fairly stable in single digits from the second half of 2022 to the first half of 2023, but picked up in the second half of 2023. This pushed inflation away from the 6-8 per cent target band. They further submitted that inflation rose from 9.9 per cent in December, 2022 to 12.9 per cent in December, 2023. The main drivers of inflation were the depreciation of the Kwacha against major currencies, higher food prices owing to constrained supply amid strong regional demand for maize grain, upward adjustment in electricity tariffs, and the rise in transportation costs following increases in retail fuel prices. The Committee was informed that to contain the persistent inflationary pressures, the Bank of Zambia raised the statutory reserve ratio by 300 basis points and a further 250 basis points in November, 2023. Figure 2 below shows the average annual inflation rates for quarter three and quarter four of both 2022 and 2023. The data showed that inflation had continued to rise despite the interventions by the Central Bank.

Figure 2: Average Annual Inflation Rate for quarter three and four of 2022 and 2023(%)

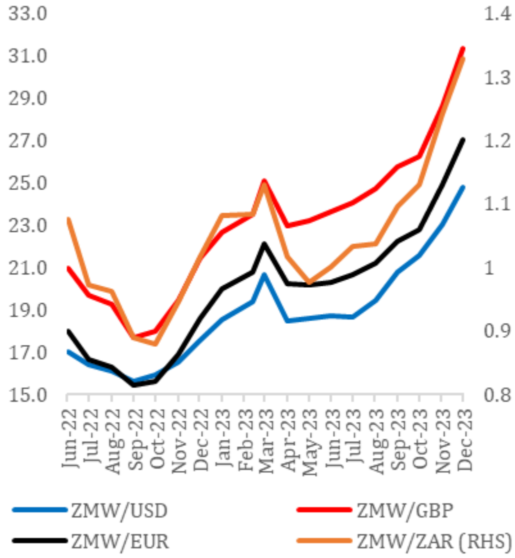


Source: Parliamenatry Budget Office computation using data from ZamStats

3.2.3 Exchange Rate

Stakeholders submitted that in the second half of 2023, the Kwacha depreciated by 46.4 per cent against the US dollar to K25.71 from an average of K 19 per dollar, compared to 6.6 per cent during the same period in 2022. It was further submitted that, low foreign exchange supply, particularly by the mining sector, amid high demand was the key driver of the higher rate of depreciation. In addition, adverse market sentiments due to the protracted external debt restructuring negotiations contributed to the depreciation of the Kwacha. Chart 1 below shows the average monthly nominal lending exchange rate.

Chart 1: Average Monthly Nominal Exchange Rate



Source: Bank of Zambia

3.2.4 International Reserves

The Committee was informed that at the end of December, 2023, gross international reserves (GIR) increased to US$3.3 billion (equivalent to 3.7 months of imports) from US$3.0 billion at the end of June 2022. This was largely due to disbursements by the IMF under the Extended Credit Facility and World Bank budget support, mining tax receipts paid directly to the Bank of Zambia in US dollars, and project inflows.

3.2.5 Developments in the Commodities Market

(i) Crude Oil

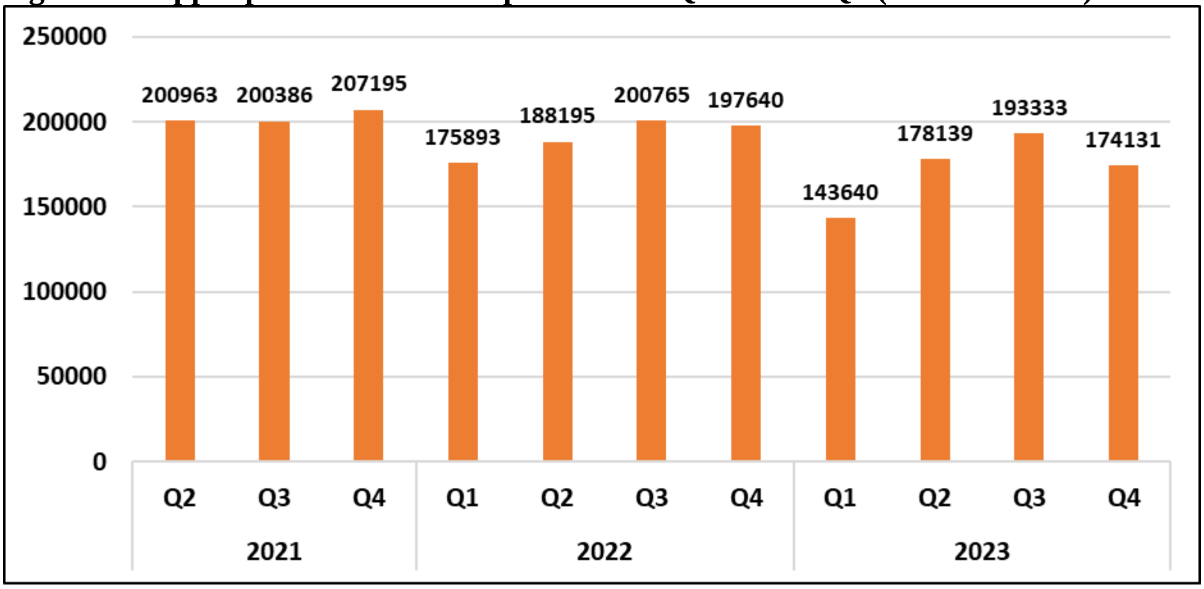
Stakeholders submitted that annual crude oil prices for 2023 reduced by 7.57 per cent averaging US$85.86 per barrel from an average of US$92.36 per barrel in 2022. It was further submitted that, quarterly crude oil prices increased by 12.3 per cent, averaging US$85.86 per barrel from an average of US$76.49 per barrel in the second quarter of 2023. This was attributed to a positive shift in macroeconomic sentiment and also due to the announcement by the Organisation of the Petroleum Exporting Countries to maintain production cuts through to the end of 2023 as agreed by both Saudi Arabia and Russia.

(ii) Mining Sector

Performance of the mining sector was highly susceptible to global market prices as determined by the London Metal Exchange. In 2023, copper prices exhibited volatility on the international market, with an average price of US$ 8,356.00 per metric tonne in the third quarter. Notably, this figure represented an improvement from the average of US$ 7,742 per metric tonne recorded in the second quarter of 2022.

Stakeholders submitted that the culumlative volume of refined copper exported from January to December, 2023 was 779.4 thousand metric tonnes, while that of 2022 was 898.4 thousand metric tonnes representing a 13.2 per cent decrease. On a quarterly basis, refined copper export volume for the fourth quarter of 2023 was 228.6 thousand metric tonnes compared to 224.3 thousand metric tonnes in the third quarter of 2023. Overall, annual production declined to 689,243 thousand metric tonnes in 2023 from the total annual production of 969,688 thousand metric tonnes in 2022. This was on account of operational challenges at some major mines and lower quality ore grades as experienced in the second quarter of 2023. On account of the foregoing, the performance of the Kwacha reflected the challenges in the mining sector, which was the major source of foreign exchange.

Figure 3: Copper production for the period 2021 Q2 to 2023 Q4 (Thousand MT)



Source: MoFNP 2023 Third Quarter Economic Report

Stakeholders informed the Committee that during the period under review, gold output increased by 30.27 per cent to 766 metric tonnes from 588 metric tonnes recorded in the second quarter of 2023. Coal production also increased by 9.72 per cent in the third quarter of 2023 to 233,949 metric tonnes from 213,227 metric tonnes in the second quarter of 2023 but reduced by 1.59 per cent in the corresponding period of 2022. It was further submitted that in as much as the gold ouput was still small in comparison to copper, the increase in gold and coal production in the third quarter of 2023 signified positive prospects for the mining industry's aspirations to diversify.

3.2.6 Trade Performance

Satkeholders submitted that Zambia's major exports in 2023 were copper, electric energy, sulphuric acid and bullion gold while imports mainly comprised gas oils, sulphur of all kinds, motor spirit, dumpers for off-highway, sulphur, copper concentrate and road tractors, gas oils, and urea. The Committee was informed that during the third quarter of 2023, the total value of exports was K53,726 million against imports of K49,928 million, resulting in a trade surplus of K3,798 million compared to K458 million in quarter two of 2023. During the the fourth quarter, total exports were K55,210 million while imports were K56,180 million. Therefore, the country recorded a trade deficit of K970 thousand.

3.2.7 Debt Management

Stakeholders informed the Committee that in 2023, disbursements on debt service amounted to K41.3 billion representing 26 per cent of the total expenditure. Of this amount, K8.7 billion was disbursed in quarter one, K7.6 billion in quarter two, K8.0 billion in quarter three and K9.7 billion in quarter four. This accounted for 36 per cent of domestic revenues in the period under review. Generally, the expenditure on debt service was 7.5 billion, 15 per cent below the target due to the on-going debt service standstill on debt restructuring with private and commercial creditors.

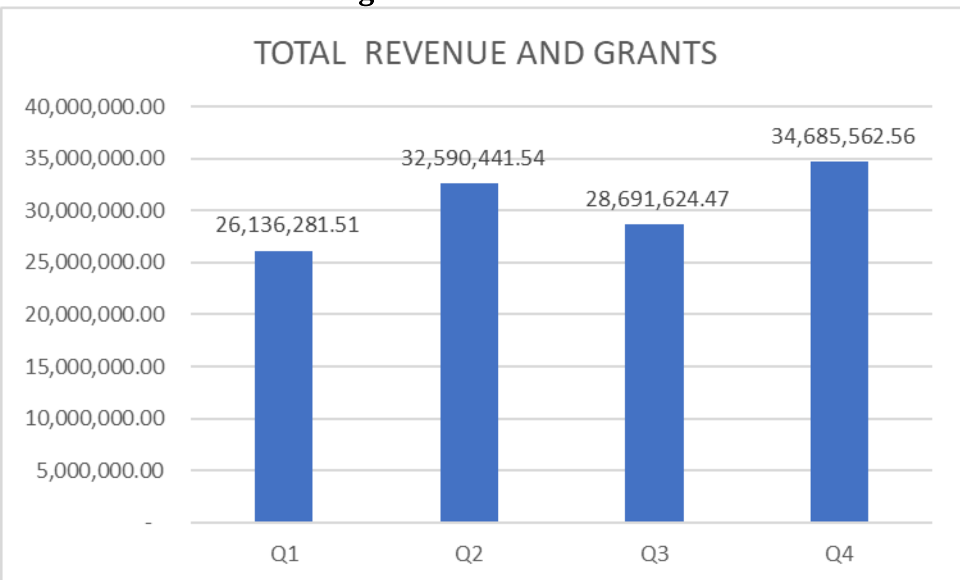
4.0 REVIEW OF THE FISCAL FRAMEWORK

Review of the fiscal framework covered both the performance of revenue and expenditure duing the third and fourth quarter, as set out hereunder.

4.1 REVENUE ANALYSIS AND PERFORMANCE

During the 2023 fiscal year, total revenues and grants amounted to K122.10 billion and were above the budgetary target of K113.4 billion by 7.7 per cent, representing a 22.9 per cent of GDP. Tax revenue, non-tax revenue and grants amounted to K92.4 billion, K23.7 billion and K6.0 billion respectively. Of this amount, K26.1 billion was in the first quarter, K32.6 billion was in the second quarter, K28.7 billion was in third quarter and K34.7 billion in the fourth quarter. This performance was largely due to the overperformance of grants and non-tax revenue. However, tax revenue collections, amounting to K92.4 billion, fell below the target of K93.8 billion.

Figure 4: Total Revenue and Grants



Source: MoFNP 2023 Third and Fourth Quarter Economic Report

4.1.1 Revenue Performance During the Third Quarter of 2023

The Committee was informed that the revenue target for the third quarter was K 25,783.1 million. Stakeholders submitted that K29,447.4 million in gross revenue, was collected, while refunds stood at K4,050.0 million with an out turn of K25,397.4 million, which was 1.5 per cent below the target. The Committee was informed that net revenue collections increased by 24.4 per cent in the third quarter. The improved performance of total revenue and grants was attributed to over collection in import Value Added Tax (VAT) as well as non-tax revenue attributed to user fees, fines and interest from on lending and dividends. However, Mineral Royalty Tax reduced to K30.7 million in comparison to K2.1 billion in the third quarter of 2022. The poor performance of non-tax revenue was attributed to factors such as reduction in copper production due to low grade copper that was mined by major contributors of tax.

4.1.2 Revenue Performance in the Fourth Quarter of 2023

The revenue target for the fourth quarter was K25,328.9 million. Stakeholders submitted that K1,902.0 million or 7.5 per cent was collected above the quarter target. The Committee was informed that total revenues and grants amounted to K 34,700 million in the fourth quarter of 2023 compared to K23,600 million in 2022.

The positive performance was attributed to collections above the target in VAT, Customs and Excise Duty as well as non-tax revenue. Tax revenue amounted to K 25,300 million in the fourth quarter of 2023 in comparison to K19,700 million in 2022. Further, no-tax revenue increased to K 5,500 million in 2023 from K3,800 million in 2022. The good performance was attributed to receipt of exceptional revenue such as dividends from the Bank of Zambia.

5.0 EXPENDITURE ANALYSIS AND PERFORMANCE

Stakeholders submitted that in 2023 the Government's total disbursements amounted to K159.88 billion as total expenditure against a budget target of K 167.3 billion representing an under performance of 4.5 per cent. It was further submitted that in comparison with 2022, total disbursements amounted to K140.4 billion against a target of K173 billion, and was 18.8 per cent below target. The reduction in expenditure for 2023, primarily stemmed from lower-than-projected expenses across various categories including personal emoluments, use of goods and services, domestic interest payments, transfers and subsidies.

The Committee was informed that the Government spent K44.9 billion on all costs relating to the public service wage bill including overseas allowances, representing 28.1 per cent of total expenditure in 2023 and 38.7 per cent, as a share of domestic revenue within the budget target of 39.9 per cent. However, the expenditure was K1.6 billion 3.5 per cent below the budget owing to the delay in the recruitment of personnel. With regard to the Use of Goods and Services, the Government disbursed K13.0 billion representing 8.1 per cent of the total Budget. The Committee was informed that this was 12.6 per cent below the target of K14.9 billion due to lower releases towards drugs and medicial supplies owing to procurement processes .

With regards to social benefits, the Government disbursed a total of K6.4 billion representing 4.0 per cent, from the total expenditure, which was on target and in line with the Government's commitment to prioritise social spending.

Notably, a substantial 54 per cent of total expenditure was allocated to non-discretionary expenditure, leaving 46 per cent for investment in productive sectors and social sector expenditure. This was a slight increase when compared to 2022, where the public service wage bill and debt payments accounted for 50 per cent of the total expenditure. This was of concern as an increase in non-discretionary spending left little fiscal space for the Government to embark on developmental projects and fund social sectors.

5.1 2023 Quarter 3 and Quarter 4 Expenditure Performance

The Committee was informed that the comparative analysis of the third quarter and fourth quarter of 2023 revealed that total expenditure amounted to K37.4 billion in the third quarter compared to K45.5 billion in the fourth quarter. In the fourth quarter, expenditures were higher than the third quarter largely due to higher than projected expenditure for transactions in financial assets and liabilities to cater for dismantling of domestic arrears.

Stakeholders submitted that the releases towards Personal Emoluments in the third quarter amounted to K12.1 billion compared to K11.5 billion in the fourth quarter of 2023. The reduction in releases towards Personal Emoluments was due to frontloaded releases for other Emoluments to cater for payment of staff related costs.

With respect to the releases towards the Use of Goods and Services, K2.8 billion was disbursed in the third quarter compared to K3.4 billion in the fourth quarter of 2023. The increase in expenditure during the fourth quarter of 2023 was mainly attributed to increased expenditure on costs related to Government operations and the Compensation Fund.

The releases towards interest payment in the third quarter amounted to K8.0 billion compared to K9.7 billion in the fourth quarter of 2023. The expenditures were higher in the fourth quarter compared to the third quarter due to higher releases for domestic interest payments, which involved payments towards maturities for Government securities.

Stakeholders further submitted that releases towards transfers and subsidies in the third quarter amounted to K6.5 billion compared to K8.9 billion in the fourth quarter of 2023. This was because releases towards the Constituency Development Fund (CDF) and the Farmer Input Support Programme to provide inputs to farmers were higher in the fourth quarter. Other releases included social benefits, non-financial assets which included releases to Strategic Food Reserves which stood at K1.1 billion in the third quarter compared to K357.0 million in the foruth quarter of 2023.

5.2. Review of the Third and Fourth Quarter Performance of the 2023 Budget for Selected Ministries Provinces and Spending Agencies

The Committee reviewed the third and fourth quarter Budget performance for the Ministry of Technology and Science, Ministry of Infrastruture Housing and Urban Development, Ministry of Local Government and Rural Development, Southern Province and Copperbelt Province. The Committee also interacted with Smart Zambia Institute, Zambia Information and Communications Technology Authority(ZICTA) and Zambia Credit Guarantee Scheme. For purposes of budget tracking, the Committee interacted with the Ministry of Finance and National Planning over the budgetary performance of the selected MPSAs that interacted with the Committee.

The Committee further interacted with the Zambia Institute for Policy Analysis, Zambia Statistics Agency, Zambia Revenue Authoirty,and the Bank of Zambia.

5.2.1 Ministry of Technology and Science Head 66

The Committee was informed that the Ministry of Technology and Science was mandated to contribute to the attainment of the 8NDP objectives with respect to the strategic development objective under Economic Transformation and Job Creation, and Human and Social Development. Stakeholders informed the Committee that the total approved budget for the Ministry in 2023 was K1,312,286,327.00. This was inclusive of supplementary warrants of K160,000,000 on Skills Development Funds and K542,562,788 for ZICTA respectively**.**

The annual budget allocation for programmes under the Ministry was as follows: Science Research and Development – K134,037,010, Information Communications Technology (ICT) Development - K719,377,567, Skills Development - K335,770,340**,** Technology and Innovation - K67,969,973 and Management and Support Services - K55,131,438.

The Committee was informed that the releases and expenditure for the Ministry in the third and fourth quarter was as shown in Table 1.

Table 2: Releases and Expenditure by Programme for Quarter 3 and Quarter 4 for 2023

PROGRAMME	2023 CEILING	BAL	QUARTER 3		QUARTER 4		
		B/F from Q2	RELEASES	EXPENDITURE	B/F from Q3	RELEASES	EXPENDITURE
Science Research and Development	134,037,010	6,467,127.59	45,287,872.62	24,806,367.56	26,948,632.65	20,091,355.11	46,907,642.99
Information Communications Technology (ICT) Development	719,377,567	1,946,841.71	45,461,315.77	43,039,793.74	4,368,363.74	226,214,515.34	230,198,274.84
Skills Development	335,770,340	3,327,325.27	130,884,144.28	114,799,825.88	19,411,643.67	60,508,317.61	79,560,641.38
Technology and Innovation	67,969,973	11,780,683.16	21,152,300.00	7,680,516.67	25,252,466.49	11,182,452.50	36,427,456.85
Management and Support Services	55,131,438	4,879,884.46	16,588,471.50	11,872,798.67	9,595,557.29	11,199,388.30	19,201,248.25
	1,312,286,328.00	**28,401,862.19**	**259,374,104.17**	**202,199,302.52**	**85,576,663.84**	**329,196,028.86**	**412,295,264.31**

During the third quarter, the Ministry received an allocation of K259,374,104.17 and spent K202,199,302.52, while in the fourth quarter, it received K329,196,028.86 and spent K412,295,264.31. The expenditure in the two quarters included balances brought forward from the second quarter. This left unspent total balance of K2, 477,428.39 in 2023 of which K1,955,883.00 was for Personal Emoluments and K521,545 was for Recurrent Departmental Charges (RDCs).

Stakeholders informed the Committee that the budget allocation of approximately 0.8 per cent of the total National Budget, during the period under review fell short of the required resources to implement interventions aimed at achieving the set targets on key result areas. For instance, full implementation of the Digital Agenda was hampered by the high cost of deploying digital infrastructure especially in unserved and underserved areas.

The Committee learnt that the Ministry had a total of seventy-four output targets out of which, fifty-nine were achieved representing 80 per cent. Stakeholders informed the Committee that while the Ministry received 99 per cent of the approved budget, late release of funds towards the close of the year and delayed approval of requests to vary funds, contributed to misapplication of funds and had a negative effect on project implementation.

5.2.2 Ministry of Infrastruture Housing and Urban Development Head 54

In 2023, the Ministry had an approved budget of K692.1 million broken down by programme as follows: Housing Development - K112 million; Public Infrastructure Development - K414.2 million; Government Asset Management - K86.8 million; Property Management Services - K13 million; and Management and Support Services - K66.1 million. Stakeholders submitted that out of K692.1 million, K535.3million representing 77.3 per cent was released and the whole amount was expended in the implmenataion of programmes and activities. Table 2 below shows 2023 quarterly releases and expenditure by Programme and Sub-programme.

Table2: 2023 Quarterly Releases and Expenditure by Programme and Sub-programme

Year	Key Programme & Sub-programme	QUARTERLY RELEASES AND EXPENDITURE				
		2023 Approved	Q3 Releases	Q3 Expenditure	Q4 Releases	Q4 Expenditure
2023	Rural and Urban Housing	18,726,329.00	5,039,734.37	2,119,881.12	4,507,265.83	8,924,963.01
	Real Estate and Housing	1,022,106.00	-	300,447.00	-	116,000.96
	Social Housing Construction	59,791,710.00	9,106,157.00	4,562,000.92	11,239,517.37	25,388,677.99
	Informal Settlements	32,372,000.00	7,230,164.00	-	6,713,524.00	25,200,660.44
	Road Infrastructure	135,620,520.00	33,905,130.00	33,905,130.00	33,905,130.00	33,905,126.00
	Other Public Infrastructure	275,286,627.00	26,063,411.05	21,847,675.02	49,447,737.72	113,674,049.19
	Construction Sector	3,298,375.00	824,593.70	824,594.00	824,593.70	824,590.50
	Public Infrastructure Maintenance	86,885,176.00	22,418,175.75	5,817,019.52	25,913,318.00	58,720,607.28
	Valuation of Property	8,867,690.00	1,888,713.49	1,752,814.65	1,489,730.42	2,513,249.64
	Property Management	4,112,326.00	1,521,575.80	1,508,469.59	1,932,261.94	2,092,391.91
	Executive Office Management	3,931,348.00	986,439.11	847,221.74	479,865.57	401,189.48
	Human Resource Management	43,564,703.00	9,624,408.21	9,121,956.61	8,443,615.23	11,083,669.16
	Financial Management – Audit	2,346,989.00	623,373.36	600,630.16	309,549.08	604,157.90
	Financial Management – Accounts	4,168,275.00	670,118.58	1,309,478.70	301,418.98	1,082,675.14
	Procurement Management	2,768,895.00	725,695.63	473,558.90	639,736.45	754,556.15
	Planning, Policy and Coordination	7,998,105.00	3,888,304.60	2,691,798.97	655,146.56	2,027,944.15
	Policy and Planning – M&E	1,420,000.00	202,855.00	156,211.76	124,545.00	404,984.61
TOTAL		**692,181,174.00**	**124,718,849.65**	**87,838,888.66**	**146,926,955.85**	**287,719,493.51**

Stakeholders informed the Committee that during the period under review, targets under Housing were not achieved due to delayed payments and escalating prices of building materials following the unprecedented devaluation of the kwacha against other convertible currencies. Other impediments were due to delays in execution of works by contractors.

It was further submitted that numerous public infrastructure, among them, police stations, civic centres, provincial offices, were not constructed due to delayed and lengthy procurement and approval processes as well as clearing of contracts by the Office of the Attorney General. Additionally, understaffing in some of the departments affected the implementation of a number of planned for programmes.

5.2.3 Ministry of Local Government and Rural Development Head 29

The Committee was informed that the Ministry of Local Government and Rural Development had a mandate to contribute to national development anchored on the 8NDP with respect to all the four strategic development outcomes. Stakeholders informed the Committee that the budgetary provision for 2022 stood at approximately K5.7 billion (K5, 766, 013, 145) representing 3.3 per cent of the National Budget. In 2023, the allocation increased to approximately K6.4 billion (K6, 449, 760, 989) representing 3.9 per cent of the National Budget, translating into a 0.6 per cent increase in percentage share against the National Budget.

Table 3: Expenditure by Economic Classification

2023	**Programme**	**Classification**	**Approved**	**Released**	**Actual Expenditure**
	Ministry of Local Government and Rural Development	Personal Emoluments	78,905,485	37,873,541	37,001,798
		Goods and Services	130,613,766	144,916,893	144,781,694
		Transfers	6,105,713,274	6,527,182,956	6,527,163,629
		Assets	134,528,464	13,828,000	13,827,881
	Head Total		**6,449,760,989**	**6,723,801,390**	**6,722,775,002**

Table 4: Output Indictors by Programme

OUTPUT INDICATORS BY PROGRAMME							
Programme	**Key Output Indicator**	**Ministry of Local Government and Rural Development**					
		2021		**2022**		**2023**	
		Target	**Actual**	**Target**	**Actual**	**Target**	**Actual**
Human Settlements and Planning Regulations	Number of integrated development plans developed	20	20	20	20	15	14
Local Governance	Number of Local Authorities with approved budgets	116	116	116	116	116	116
Municipal Infrastructure and Support Delivery	Number of markets constructed	5	5	3	2	4	4
Customary Governance	Village register purchased	-	-	-	-	5000	3450
Rural Development	Number of Rural Crossing points Rehabilitated	10	10	10	5	15	15
Management and Support Services	Number of Local Authorities Audited	60	55	60	60	60	58

The Committee was informed that while the Ministry received funding at 100 per cent, there was delayed and non-release of funding for capital expenditure, thus affecting project implementation. Further, the ceiling for the Ministry's RDC's remained the same as in 2022, thereby posing implementation challenges for most projects and programmes.

5.2.4 Copperbelt Province Head 91

Stakeholders submitted that the Copperbelt Province received all the funds as per the approved budget shown in Table 5 below. However, the funds were not released on time during the third and fourth quarter. As a result, the provincial administration had to fast track implementation of projects to avert the mopping of funds by the Treasury. The receipt of funds on a monthly basis affected implementation of programmes. Stakeholders were of the view that, funding should be done on a quarterly basis, as this would ensure timely planning and implementation of projects. The Committee was further informed that the province collected non-tax revenue from land fees and forestry fines. The target for 2023 was K45.6million and the outturn was K 15.2million.

Table 5: Expenditure by Economic Classification

	Classfication	Approved	Released	Actual Expenditure
Copperbelt Province	Personal Emoluments	87,516,707	89,168,002	89,160,238
	Goods and Services	18,812,469	18,300,069	18,266,607
	Social Benefits			
	Transfers		155,608	155,608
	Assets	2,743,764	3,602,979	3,581,185
Head Total		**109,072,940**	**111,226,658**	**111,163,638**

5.2.5 Southern Province Head 98

Table 6: Expenditure by Economic Classification

Southern Province	Personal Emoluments	90,787,688	90,787,683	90,746,370
	Goods and Services	22,246,576	33,565,563	21,671,719
	Transfers			
	Assets	155,255	174,841	130,560
Head Total		**113,189,519**	**124,528,087**	**112,548,650**

The Committee was informed that the province was fully funded even though much of the funds were received in November, 2023. The Committee was further informed that the provincial administration had challenges to supervise programme implementation as most of the ministries had their own budgets and work plans which were not synchronised with the provnical administration. The Committee was also informed that the other challenge was with respect to deforestation and that the provincial administration lacked sufficient funding to undertake partrols and also to manage confiscated logs of timber from those found breaking the law.

5.2.6 Smart Zambia Institute Head 39

Stakeholders submitted that the mandate of Smart Zambia Institute was to coordinate and implement Information and Communication Technology (ICT) infrastructure and develop systems for the provision of electronic services to facilitate Government to Government (G2G), Government to Business (G2B) and Government to Citizens (G2C) services in a secure and robust environment as provided for in the *Electronic Government Act, No.41 of 2021.* The Committee was informed that Smart Zambia Institute had three main programmes, which included Electronic Government, ICT systems, and Management Support Services. The budget allocations for each programme was as shown in the Table 7 below.

Table 7: Budget allocation by Programme

Code	Programme	2022 Approved Budget (K)	2023 Approved Budget (K)	2024 Approved Budget (K)
3415	Electronic Government	20,461,666	18,049,118	157,338,923
3416	ICT Systems	101,072,247	132,411,791	246,647,641
3499	Management and Support Services	16,386,041	46,107,324	54,943,866
	Head Total	137,919,954	196,568,233	458,930,

Stakholders informed the Committee that the orginal budget for electronic government was K 18,049,118 while a supplementary budget of K39,912,000 was disbursed resulting in a total of K57,961,118 with an actual expenditure of K57,399,976. With regard to ICT systems, the orginal budget was K132,411,791 and a supplementary budget of K202,013,535 was disbursed giving a total budget of K334,425,326 and an actual expenditure of K3,383,627,281. The Committee was informed that the total budget for management services was K46,107,324 with an actual expenditure of K 43,646,273.

It was further submitted that the expenditure during 2023 was over 97 per cent of the budget. Some of the achievements during the third and fourth quarter were that the Institute:

(i) developed and launched the national electronic government plan (2023 – 2026);
(ii) trained fifty-one public service employees and all permanent secretaries on the electronic government procurement;
(iii) facilitated the microsoft enterprise agreement and installed licenses on security devices;
(iv) conducted cyber security awareness programmes for 668 officers in provincial centres;
(v) deployed forty local area networks for the district commissioners ;
(vi) formulated the draft for the national electronic government plan (2023 to 2026);
(vii) had electronic government (general) regulations signed;
(viii) trained 731 officers from various MPSAs and 130 clients on access to services on the zamportal;
(ix) trained 1,541 teachers in basic digital skills; and
(x) developed the constituency development fund prototype dashboard and data capture tools

Stakeholders informed the Committee that the implementation of the budget was not without challenges. Some of the challenges included:

(i) low literacy levels;
(ii) low uptake of digital services;
(iii) low access to smart devices;
(iv) limited digital infrastructure;
(v) lack of electricity especially in rural areas; and
(vi) high cost of infrastructure and systems.

5.2.7 Zambia Information and Communication Technology Head 66

The Committee was informed that the Authority's budget was funded primarily through a revenue grant from the Treasury. It was further submitted that for the financial years 2022 and 2023, the Authority had supplementary budget allocations to support the implementation of key projects aimed at enhancing its regulatory functions. The Authority also invested in term deposits held by commercial banks as part of its financial planning whose interest earned formed part of its income for operational purposes. The total budget allocations for the years 2022 and 2023 outlining the different income streams were as highlighted in Table 8 below:

Table 8 – Budget Allocations

Income Category	2023 Budget	2022 Budget	Percentage Change
	ZMW	ZMW	
Revenue Grant	156,283,181	148,841,125	5%
Restricted Granting Procedure (RGP)	317,934,452	146,018,013	118%
International Termination Fees	15,566,269	21,024,077	-26%
Other Income	4,200,000	4,238,807	-1%
Total Income	**493,983,902**	**320,122,022**	**54%**

Stakeholders submitted that some of the notable developments in the budget allocations between 2022 and 2023 included the increase in revenue grant by 5 per cent to K156.26 million in 2023 from K148.84 million in the previous period.

Similarly, the Restricted Granting Procedure budget for 2023 surged to K317.93 million, marking a substantial 118 per cent increase compared to K146.12 million previously allocated. Conversely, the international termination fees budget for 2023 had a significantly declined, falling to K15.57 million in 2023 from K21.02 million in 2022, representing a decrease of 26 per cent.

Stakeholders submitted that this downturn in planned collections was mainly on account of the anticipated decline in international traffic calls terminating in Zambia through traditional calling platforms due to the growing prevalence of alternative calling methods facilitated by over-the-top (OTT) platforms, which offered media service directly to viewers via the Internet such as Netflix, Amazon Prime,and YouTube among others.

Overall, the total budget allocation for 2023 was K493.98 million compared to K320.12 million in the preceding period representing an increase of 54 per cent. The Authority had a budget amount of K119.54 million earmarked for the third quarter of 2023 and received an actual total funding disbursement amounting to K65.12 million, representing a 54 per cent of the allocated budget, while in the fourth quarter, the Authority had a budget of K127.30 million.

Stakeholders submitted that in the third quarter of 2023, there were a total of ninety-five anticipated outputs across the eight programmes. Of these, seventy-three had been successfully completed, fourteen were work in progress, while eight remaind outstanding. This translated to 77 per cent done, 15 per cent work in progress and 8 per cent outstanding.

With respect to the fourth quarter, stakeholders submitted that there were a total of 130 anticipated outputs across the eight programmes. Of these, ninety-seven had been successfully completed, twenty-one were work in progress, while twelve remained outstanding. This translated to 75 per cent done, 16 per cent work in progress and 9 per cent undone.

It was further submitted that the Authority experienced some challenges among them: lengthy procurement processes, non-payment of license obligations by government owned entities, depreciation of kwacha and delayed receipt of the revenue grant.

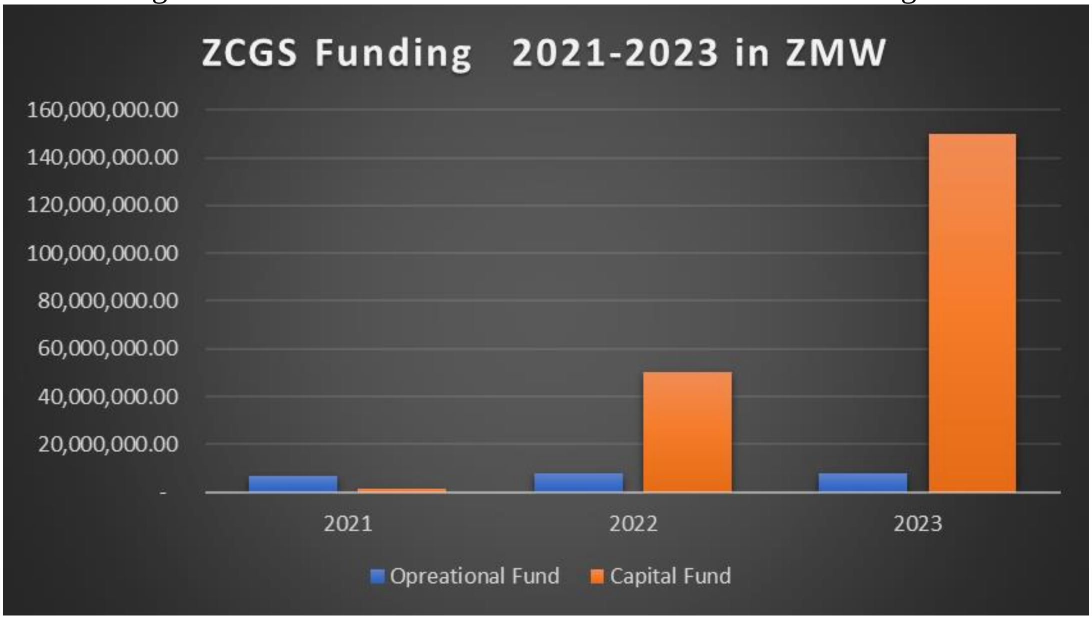
5.2.8 Zambia Credit Guarantee Scheme Limited Head Head 21

The Committee was informed that the Zambia Credit Guarantee Scheme (ZCGS) was a Limited Company incorporated in 2017 and was wholly owned by the Government of the Republic of Zambia through the Ministry of Finance and National Planning pursuant to the *Minister of Finance (Incorporation) Act, Chapter 349 of the Laws of Zambia.* Stakeholders informed the Committee that ZCGS was created to enhance access to finance of Micro, Small and Medium Enterprises (MSMEs) in Zambia and to provide partial credit guarantees to MSMEs with viable businesses but insufficient collateral. This would assist viable MSMEs obtain affordable financing from financial institutions, thereby contributing to job creation, poverty reduction and economic development.

Stakeholders informed the Committee that partial credit guarantee to MSMEs was provided through Partner Financial Institutions (PFIs). When a PFI conducted its credit underwriting on an MSME and was satisfied with the viability of the business but not with its security, ZCGS then provided a guarantee cover between 50 to 70 per cent of the loan amount. Once the MSMEs met ZCGS's set eligibility criteria, a guarantee would then be issued allowing the PFI to provide the credit facility in the absence of the adequate security. Stakeholders submitted that in 2022, ZCGS received guarantee funds amounting to K 50,000,000 and a grant amounting to K8,049,967.00 which was 0.03 per cent of the 2022 National Budget.

In 2023, the guarantee fund increased by 200 per cent to K150,000,000 from K50,000,000 in 2022. The operational fund was maintained at K 8,049,967 representing 0.09 per cent of the 2023 National Budget. Figure 5 below showed the trend of capital injection from the shareholder in 2020 when the company was established to 2023.

Figure 6: Trend of Zambia Credit Guarantee Scheme Funding - 2021-2023



PART II

6.0. VIEWS OF STAKEHOLDERS

6.1 Low allocation of Funds for Capital Projects

Stakeholders expressed concern that the allocation of funds to the Ministry of Technology and Science fell short of the required resources to deploy digital infrastructure in unserved and underserved areas. Additionally, due to lack of sufficient funding, the Ministry was unable to undertake applied and industrial research due to the high costs of infrastructure and equipment.

6.2 Weak Policy and Legal Frameworks to Enhance Science, Technology and Innovation

Stakeholders noted with concern that the policy and legal framework for the Science, Technology and Innovation sector was weak. As a result, implementation of research and development was fragmented resulting into lack of focused research and uncoordinated utilisation of the meagre resources allocated to the Ministry. Stakeholders further noted that while CDF had provided an opportunity to Technical Education, Vocational and Entrepreneurship Training institutions as more students had enrolled under the CDF bursary, it was regrettable that CDF support to the learners was limited to short term courses only.

6.3 Untimely Release of Funds

Stakeholders expressed concern that while the release of the funds during the third and fourth quarters of 2023 was fully done, most of the funds were disbursed a few days before the close of the year. This contributed to misapplication of funds and failure to implement projects timely. It was further submitted that this exerted undue pressure on the MPSAs as they were expected to expend the funds promptly. Stakeholders also expressed concern over delayed approval of requests for variation of funds.

6.4 Poorly Formulated Contracts and Management of Construction Projects

Stakeholders noted with concern that most of the contractors had abandoned their project sites, due to delays in payment of advance payments. Stakeholders were further incensed that construction contracts had clauses which entitled contractors to begin accruing income upon signing the contracts, even before, commencement of any work. It was further noted that most contractors did not handover construction worksites, equipment and materials used during constultancy, such as vechicles, among others.

6.5 Lengthy Procurement Processes

While appreciating Government's intention to enhance procurement processes, stakeholders noted with concern that the MPSAs performed dismally on most of their set targets due to lengthy procurement processes and the slow pace of clearing of procurement contracts by the Office of the Attorney General.

6.6 Failure to Meet Targets for Non-Tax Revenue

Stakeholders noted with concern that during the period under review, MPSAs mandated to collect non-tax revenue failed to meet their targets. They further noted that the MPSAs did not have justifiable basis for the budgeted for non-tax revnue targets.

6.7 Low Impact of Programmes under Provincial Administration

While acknowledging that provinces had various programmes under their budgets, to support the four Strategic Development Areas under the 8NDP, the impact of most of the programmes was highly insignificant. Additionally, stakeholders observed with concern that there was a lack of coordination between sector ministries and the provincial administrations.

6.8 High Deforestation

Stakeholders noted that the provincial administration collected non-tax revenue from forestries domiciled in their respective provinces. It was further submitted that in as much as this was a source of non tax revenue, it encouraged deforestation.

6.9 Budget Credibility

Stakeholders noted that budget credibility was enhanced during the period under review. However, stakeholders noted with concern that most of the MPSAs had supplementary budgets which negated the strides to achieve budget credibility.

6.10 Disbursement of Funds to the Zambia Credit Guarantee Scheme in Tranches

Stakeholders commended the Government for forming the Zambia Credit Guarantee Scheme. However, they noted with concern that disbursements to the Scheme were in tranches which created uncertainty in the negotiations with PFIs, as the issuance of guarantees was incentivised by available cash cover. Additionally, the receipt of funds in tranches, and as late as December, prevented the Scheme from making investment income to supplement its operational costs as well as create the provisions for non - performing loans.

6.11 Positive prospects in the mining sector

Stakeholders noted that while copper production during the period under review had continued to decline, major developments occurred in the mining sector that offered positive prospects to expand production. These included the transfer of ownership of Konkola Copper Mines (KCM) to Vedanta, selection of International Resources Holding Limited (IRH) as a strategic equity partner for Mopani Copper Mines (MCM) and opening of Shaft 28 in Luanshya by China Non-Ferrous Mining Company. The anticipated operationalisation of the Minerals Regulation Commission would also enhance regulatory oversight in the mining sector.

6.12 Implementation of the Export Tracking Framework

Stakeholders welcomed the development of the Export Proceeds Tracking Framework (EPTF) which was intended to enhance balance of payments and transparency of the country's export earnings. However, stakeholders noted that there was no mechanism of tracking export proceeds from the tourism sector. This was because most of the bookings for accommodation facilities were done offshore. Stakeholders were of the view that the country was going to continue losing proceeds in the tourism sector.

6.13 Operationalise the Monitoring and Evalution Framework for Local Authorities

Stakeholders expressed concern that the monitoring and evaluation framework for local authorities had not been operationalised. Further, stakeholders noted with concern that while the quantum of CDF funds had increased, councils still lacked the requisite capacity as most staff establishments had remained the same. It was further submitted that there was no structured mechanism to assess the performance of the utilisation of CDF.

6.14 Reduction in International Termination Fees

Stakeholders noted that there was a decline in the international termination fees to K 15.57 million in 2023 from K 21.02 million in 2022, due to a decline in international traffic calls terminating in Zambia through traditional calling. Stakeholders noted that this was due to the growing prevalence of alternative calling methods facilitated by over-the-top plateforms.

6.15 Consumer Price Index and Inflation

Stakeholders noted with concern that during the period under review inflation continued to rise due to the increase in prices for both food and non-food items. Stakeholders noted also that Consumer Price Index (CPI) was used to compute the rate of inflation. However, it was submitted that the last house hold survey to determine the subsisting consumer food basket was done in the year 2000.

7.0. COMMITTEE'S OBSERVATIONS AND RECOMMENDATIONS

7.1 Lengthy Procurement Processes

The Committee observes with concern that the timely implementation of projects by most MPSAs was hindered due to protracted approval and procurement procedures such as approval of contracts by the Office of the Attonery General among others.

In this light, the Committee recommends that the Executive should as a matter of urgency, take practical measures to unlock the current procurement rigidities. More specifically, the Committee is of the view that the Ministry of Finance and National Planning in conjunction with the Ministry of Justice should formulate standard contract templates to streamline procurement processes and also to set thresholds for contract amounts that should be approved by the Minsitry of Justice.

7.2 Timely Funding

The Committee observes that receipt of funds by the MPSAs is occasionally delayed, resulting in dealyed implementation of projects. The Committee further observes that the Treasury disburses funds to the MPSAs on a monthly basis as per the revenue collections. The Committee observes with concern that the Ministry of Finance and National Planning has not been disbursing funds as per the monthly profiled amounts. Consequently this contributed to misapplication of funds and exerted undue pressure on the MPSAs to expend funds promptly to avert mopping of funds by the Treasury.

The Committee urges the Executive to ensure that funds are disbursed timely and consistently as per the monthly profiles. The Committee further recommends that the Executive should be prompt in considering and approving requests for variation of funds to avoid funds being returned to Treasury at the close of the year.

7.3 Enhance Management of Construction Contracts and Projects

The Committee notes that most clauses in construction contracts stand to benefit contractors at the expense of the citizenry. The Committee notes that contracts are promptly signed and advance payments are not paid in time. As a result, contractors abandon construction sites and also begin to accrue income by mere signing of the contract. The Committee further observes with concern that contractors do not handover construction worksites, equipment and materials used during constultancy such as vechicles among others.

In view of the foregoing, the Committee strongly recommends that the Executive should ensure that construction contracts especially for road construction are scrutinsed diligently before signing. Further, the Committee recommends that the Executive should ensure that contract clauses are followed to the letter, such as in respect to handing over of work-sites and all materials used during consultancy of a project.

7.4 Disbursement of Funds to the Scheme in Tranches

The Committee notes that by best practice, Credit Guarantee Fund Schemes for MSMEs have been a panacea for the developemt and growth of MSMEs across the globe. However, this is dependant on availabilty of cash cover when negotiating with partner Financial Institutions before issuing guarantees. While the Committee commends the Government for establishing the Zambia Credit Guarantee Scheme, the Committee notes with concern that receipt of funds in tranches and untimely disubursement, causes uncertainty and negatively affects the operations of the Scheme.

Therefore, the Committee urges the Executive to endeavour to disburse a full-lumpsum at the beginning of the year which will reduce uncertainty in negotiations with PFIs as the issuance of guarantees is incentivised by the cash cover

7.5 Review and Monitor Tax Expenditures

The Committee observes that although the Government has offered a number of tax exclusions, exemptions and preferential tax rates, among other tax expenditures, these have not accrued envisaged consumerate benefits to the citizenry. The Committee further observes that beneficiaries of the tax expenditure often change their company names and operative structures at the expiry of the tax holidays.

In light of the foregoing, the Committee strongly recommends that , the Executive should start reporting to the National Assembly, on the benefits accrued from the various tax expenditures. Furthermore, the Executive should put in place a robust monitoring and review mechanism to ensure compliance.

7.6 Funding of the Household Survey

The Committee observes that although the food basket is an important ingredient in the calculation of the CPI, which is used to compute the rate of inflation, last Household Surevy to determine the actual subsisting foodbasket was conducted in the early 2000s.

The Committee strongly recommends that the Zambia Statistics Agency should conduct the Household Survey which will provide real time information of what constituents the foodbasket as consumer patterns have evolved over the past twenty-four years.

7.7 Enhance coordination Between Provincial Administration and Sector Ministries

The Committee observes that there is a lack of coordination between the sector ministries operating in the provinces and the provincial administration. As a result, there is duplication in the implementation of projects and wastage of the meagre resources. The Committee also observes that the various sector ministries have pre-planned projects, which the provincial administrations are often not aware of and are not party to.

In light of this, the Committee recommends that the Executive should as a matter of urgency, implement measures to enhance coordination planning, budget execution and tracking at provincial centres. In addition, the Committee urges the Executive to consider channelling resources meant for capital projects under respective ministry sectors operating in provinces to the budget for the provincial administrations, to enhance effective use of resources and avert duplication.

7.8 Plummeting Macroeconomic Fundementals

The Committee observes that most of the macroeconomic indicators were within target as per the 2023 National Budget. This notwithstanding, the intended range of 6–8 per cent inflation was exceeded. Furthermore, the exchange rate was highly volitale and exacerbated the cost of doing business and eroded the purchasing power of the kwacha. The Committee notes with concern that the Central Bank did put in place short-term measures such as increasing the statutory reserve ratio, mopping out of all Governement funds from the commercial banks and provided market support of US$1.1 billion in 2023, mainly from mining taxes paid directly to the Bank of Zambia in US dollars.

While appreciating the interventions that were put in place, the Committee urges the Executive to ensure that it comes up with long term measures as opposed to short-term measures that are not sustainable. Additionally, the Committee urges the Executive to ensure that implementation of policy measures is consistent among all the players responsible for managing the fiscal framework and macroeconomic fundamentals to ensure and guarantee price and goods stability.

7.9 Increase in Discretionary Expenditure

The Committee notes that during the period under review a substantial 54 per cent of total expenditure was allocated to non-discretionary expenditure leaving 46 per cent for investment in productive sectors and social sector expenditure. The Committee observes with concern that increase in discretionary spending leaves little fiscal space for the Government to embark on developmental projects and to fund social sectors.

In view of the above, the Committee strongly urges the Government to take practical steps to reduce discretaionary expedntures and create more fiscal space for developmental spending which is a basis for economic growth.

7.10 Increase Funding for Technology and Science

The Committee observes that the country has lagged behind with respect to digitalisation of the country due to the high cost of digital infrastructure, unambitious legal and policy framework which can serve as a basis for innovation and development of in-house solutions for the myriad challenges the country faces.

The Committee urges the Executive to priotise investment in technology and to strengthen the legal and policy framework to spur research and development. The Committee further urges the Executive to consider increasing the budgetary allocation to the Ministry of Technology and Science to atleast not less than 2 per cent of the total budget from a paltry 0.8 per cent.

8.0 CONCLUSION

The Committee notes that during the period under review, the economy faced a number of challenges. Inflation trended upwards and moved away from the 6-8 per cent target band, real GDP growth slowed down, the external sector was relatively subdued, and the exchange rate came under considerable pressure to depreciate. Notwithstanding the foregoing, the Committees notes that budget performance was better than expected. There was a lower fiscal deficit than projected and the condition of the financial sector was assessed to be satisfactory.

The Committee encourages the Government not to lose sight of the diversification agenda as it continues to implement the 8NDP. The Committee further urges the Government to priotise investment to the non-tradtional sectors which were responsible for the economic growth in the second part of the year, as the mining sector continued to recorded low production; and low copper quality. The Committee remains optimistic that the recommendations contained in its Report will contribute to improving budget execution for the coming year.

PP

Mr Fred C Chaatila, MP
CHAIRPERSON

March 2024
LUSAKA

APPENDIX I List of Witnesses

Bank of Zambia
Smart Zambia Institute
Southern Province
Copperbelt Province
Zambia Infomration and Communications Technology Authoirty
Ministry of Infrastructure Housing and Urban Development
Ministry of Finance and National Planning
Ministry of Local Government and Rural Development
Ministry of Technology and Science
Zambia Credit Guarantee Scheme
Zambia Revenue Authority
Zambia Institute for Policy Analysis and Research
Zambia Statistics Agency

APPENDIX II - List of National Assembly Officials

Mr Stephen Chiwota, Director (Financial Committees)
Mr Fitzgerald Kateshi, Director (Parliamentary Budget Office)
Mrs Angela M Banda, Deputy Director (Financial Commitees)
Ms Chitalu R Mulenga, Senior Committee Clerk (FC2)
Mr Ferdindand Chikambwe, Senior Budget Analyst -Revenue
Mrs Edna K Zgambo, Senior Budget Analyst (Economics)
Mr Elijah I C Chilimboyi, Committee Clerk
Ms Carol Ndoti, Committee Clerk
Mr Philip Mwiinga, Budget Analyst
Mr Wiza Zimba, Budget Analyst
Mr Joseph Mwansa, Budget Analyst
Mrs Rachael M Kanyumbu, Administrative Assistant
Mr Danny Lupiya, Committee Assistant
Mr Muyembi Kantumoya, Parliamentary Messenger