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ABOUT ECA

Vera Songwe, Under-Secretary-General of the UN and Executive Secretary of the ECA

Our mission is to deliver ideas and actions for an empowered and transformed Africa, informed by the 2030 Agenda and Agenda 2063.

ECA’s Core Functions:

Conducting multisectoral research and analysis that nurture the regional integration.

Providing platforms for policy frameworks and action plans at the regional and subregional levels.

Providing policy advice and analytical work to support countries' sustainable development.
The Economic Commission for Africa's (ECA) Sub regional Office for Southern Africa (SRO-SA), based in Lusaka, Zambia, supports the following regional member States; Angola, Botswana, Eswatini, Lesotho, Malawi, Mozambique, Mauritius, Namibia, South Africa, Zambia and Zimbabwe through the direct intervention of its two technical sections, sub regional initiatives and inclusive industrialization. Support to member States is anchored on the Commission's three core functions – convening, think tanking and operational support. Through the convening function, SRO-SA provides, regional bodies, member States and other stakeholders with a platform for consensus building leading to the development of policy frameworks, standards and action plans that reinforce regional integration and development. The think-tank function primarily includes the conduct of multi-sectoral research and analysis that nurture the integration of the three pillars of sustainable development, and promote peer learning, innovative thinking and the advocacy of public policies while fostering intersectoral linkages and synergies. Through the operational function, SRO-SA provides policy advice at both country and regional level through direct demand-based support to member States and regional economic communities in areas related to its normative and analytical work and in collaboration with the United Nations system at the country level.
The core functions of SRO-SA encompass:

(a) assisting member States and regional economic communities in the sub-region to promote and develop inclusive industrialization policies, national and regional plans and appropriate institutional frameworks in achieving socio-economic development;

(b) collaborating with the Southern African Development Community (SADC) and the Common Market for Eastern and Southern Africa (COMESA) and other Intergovernmental Organizations, the private sector and other stakeholders in promoting regional development agenda and priorities; and

(c) convening expert group meetings and policy dialogues and providing technical support and advisory services to member States and stakeholders aimed at enhancing their capacity to design and implement key priority agreed initiatives for regional economic transformation.

Recent technical support by SRO-SA to stakeholders in Southern Africa has included, among others, industrial policy harmonisation, development of national AfCFTA strategies and implementation plans, supporting the growth of micro, small and medium enterprises (MSMEs), domestic resource mobilisation and capacity building in macro-economic modelling.

Periodically, SRO-SA designates specific countries for focus in the provision of technical support. This allows the Office to specifically focus on these few countries in the broader programme of supporting socio-economic development within the region by addressing specific development challenges. Currently the focus countries include; Malawi, Namibia, South Africa, Zambia and Zimbabwe.
Zambia’s Socio-Economic and Development Context

In recent years, Zambia’s socio-economic and development prospects have been constrained by, among others, the COVID-19 pandemic which has adversely impacted on lives and livelihoods. Prior to the pandemic the economy had been facing several challenges including; high fiscal deficits, elevated debt levels and debt service, low international reserves, arrears owed to domestic suppliers of goods and services, tight liquidity conditions and subdued growth. Thus, the outbreak of the COVID-19 pandemic further undermined the already fragile economy which has been further weakened by the Russia-Ukraine war leading to rising domestic fuel and food prices.

The high levels of poverty and inequality in Zambia remain a concern. The Living Conditions and Monitoring Survey (2015) indicates that Zambia still ranks among the countries with high incidences of poverty and inequality in Africa and globally. This is despite several interventions made in education and skills development, health, water and sanitation, job creation and empowerment of citizens. However, total poverty reduced to 54.4 percent in 2015 from 62.8 percent in 2006 overall with poverty being higher in rural areas at 76.6 percent compared to 23.4 percent in urban areas. Yet overall extreme poverty remained high at 40.8 percent being also higher in the rural areas at 60.8 percent. These persistently high poverty levels in rural areas were mostly attributed to households’ inability to afford agricultural inputs, low wages or salaries and lack of capital to start or expand own business.

Technical Support to Zambia

Promoting inclusive industrialization and regional value chains

Common agro-industrial park - SRO-SA in close collaboration with COMESA is providing technical support towards establishment and management of the Common Agro-Industrial Park (CAIP) between Zambia and Zimbabwe. The feasibility study on CAIP was completed and validated in 2021. The CAIP has been conceived under the Joint Cooperation Agreement on Industrial Development signed between the two countries in March 2021. The feasibility study proposed modalities of operation of the industrial park, its form and structure, and the value chains to be focused on in the park including maize, cotton, soya beans, leather and leather products and dairy. Sensitization workshops on the CAIP were organized in both Zambia and Zimbabwe and these provided opportunities to present the findings and recommendations of the pre-feasibility study and served as a platform for dialogue amongst stakeholders. Stakeholders expressed support of the proposals and urged the two member States to quickly move to the next stages to facilitate establishment of the park. A draft policy, legal, regulatory and institutional framework has been drafted and will be validated by stakeholders in May 2022. Furthermore, discussions with the other technical partners, the United Nations Industrial Development Organization (UNIDO), The United Nations Conference on Trade and Development (UNCTAD) and African Development Bank (AfDB) on the commencement of detailed feasibility studies in the park have commenced. A meeting of Permanent Secretaries of the responsible ministries in the two governments is planned for late in May 2022 to discuss location of the park as well financing models to be considered.
Industrial Policy harmonization and alignment - Zambia is one of the beneficiaries of a project supporting regional member States under the UN DA 12th Tranche which seeks to facilitate and accelerate industrialization in Southern Africa. Through this project, four studies on (i) Harnessing Special Economic Zones for Private Sector Development in Southern Africa; (ii) Alignment and harmonization of regional and national frameworks on industrialization and national domestication of regional strategies and policies in Southern Africa (iii) Accelerating the Implementation of COMESA and SADC industrial policies and strategies through domestication and (iv) The Impact of the COVID-19 pandemic. Zambia is yet to develop an implementation plan to facilitate harmonization and alignment with regional framework.
Support to Regional Trade & Implementation of Zambia’ National AfCFTA Strategy

Development and launch of a national AfCFTA Strategy - The African Trade Policy Centre (ATPC) and SRO-SA supported the Zambian Government’s Ministry of Commerce, Trade and Industry (MCTI) to develop and launch a national strategy on the implementation of the African Continental Free Trade Area (AfCFTA) Agreement. The strategy development process was anchored on a fully consultative process involving all stakeholders (government ministries and parastatals, business organizations, academia and research, youth and women business groups, civil society organisations and other partners) throughout the whole value chain from preliminary consultations, the organisation of a national consultative forum to the drafting of the strategy (and its several reviews), its validation in September 2020 and finalization in November 2020. The Strategy was successfully launched in July 2021 at which point implementation commenced.
Capacity Building on the AfCFTA - To kick-start the implementation of the strategy, the Ministry of Trade and Industry (MCTI) sought to enhance the capacity of national stakeholders and requested for capacity building support on multilateral and regional trade arrangements from the ECA’s African Institute for Economic Development and Planning (IDEP). IDEP, ATPC and SRO-SA developed a training programme and recruited two experts to anchor the training on Trade Policy Formulation, Trade Negotiations and Trade Facilitation which was organized virtually during the period from 6 to 24 September 2021. The virtual training course was attended by over 100 participants from a wide cross section of national stakeholders. Overall, the training sought to enhance the capacity of Zambian stakeholders to participate in the Multilateral Trading System, Regional Trade Area and Trade Facilitation, including within the context of the AfCFTA.

AfCFTA Country Business Index - SRO-SA collaborated with ATPC in implementing a project to develop an AfCFTA Country Business Index for Zambia working closely with the private sector. The focus was on private sector companies which import and export including those private sector intermediaries which operate in the trading environment. Four elements - AfCFTA implementation, ease of trading in Africa, trade for development and AfCFTA impact were analysed in the study. This activity targeted business associations, Chamber of Commerce and Industry and export associations.
Capacity strengthening for domestic resource mobilization and curbing illicit financial flows

ECA in collaborating with the United Nations Department of Economic and Social Affairs (UNDESA) and the United Nations Conference on Trade and Development (UNCTAD) are working together to implement a project titled, “Towards an integrated national financing framework (INFF)”. To this end, ECA and UNCTAD in collaboration with the Ministry of Finance and National Planning organized a four-day Capacity Building Workshop on Domestic Resource Mobilisation and Illicit Financial Flows in Zambia, from 15th - 18th of March 2022 in Lusaka. The Workshop sought to inform key policymakers of the Integrated National Financing Framework (INFF) process, highlight the domestic resource mobilisation requirements of the country and train policymakers in Zambia on the use of statistical methods to estimate illicit financial flows. The workshop brought together high-level Government officials, policymakers, civil society organisations, and UN Representatives.

Zambia is also among the 10 target beneficiary countries of the project along with Burkina Faso in the African region. The project aims at strengthening capacities in selected developing countries to address gaps in the costing and planning of their financing needs to achieve the Sustainable Development Goals (SDGs) and national development objectives, in addition to mobilizing domestic and external finance within their INFF frameworks.
Macroeconomic modelling and forecasting

Technical support towards Capacity Strengthening - ECA has been providing capacity building support in macroeconomic modelling, following a request by the Government of Zambia. The first training in macroeconomic modelling and forecasting, particularly on technical and functionality of the ECA developed proto-type macro-model, was conducted on 9 – 11 November 2020. A follow-up workshop was held on 1 – 3 June 2021, which included training on customising the model with Zambian data. The model will be perfected as more data is collected from Zambia.

Policy Advisory Services

Drafting and Launch of Zambia’s Land Policy and Reforms - SRO-SA and Private Sector Development Finance Division supported the Ministry of Lands and Natural Resources in the drafting and review its National Land Policy. The technical support included analytical work on the sub-regional study on Land, Identity and Socio-economic Transformation in Southern Africa finalised in 2018; a Policy Brief produced in 2019 and a follow-up High Level Policy Dialogue on Land Policy Reforms and Socio-economic Transformation in Southern Africa held in January 2020; and in addition to technical support to the Government of Zambia by ECA and other stakeholders through a long process of consultations, stakeholder engagement and technical reviews contributed to the finalization of the National Land Policy, which launched on 11 May 2021.
Alignment of Zambia national development plans with the SDGs and Agenda 2063

As part of the Zambia United Nations Country Team (UNCT), SRO-SA made substantive contribution towards the UN support to the Ministry of National Development Planning in drafting the 2020 Voluntary National Review which was presented at the UN High-Level Political Forum.

Furthermore, SRO-SA is supporting the establishment of Community of Practice (CoP) Network for National Planning Entities (NPEs) in the region, for which Malawi will be a beneficiary. The National Planning Commission of Malawi and Zambia’s Ministry of National Development Planning have been actively involved in conceptualisation of the Network. The Network will provide a structured, interactive and inclusive platform for networking, exchanging information and knowledge on best practices, successes and challenges, among professionals in NPEs in the region. The Network is also meant to facilitate learning from experiences in other countries and capacity development of officers and institutions. SRO-SA provided technical assistance in drafting of the Work Plan and Terms of Reference for the CoP/Network. As per the Work Plan of the CoP/Network, an e-Seminar on the role of NPEs in responding to the Covid-19 pandemic and its challenges was organized in late June.

Zambia will be one of the beneficiaries of upcoming support by MGD on the IPRT in Southern Africa and will soon be on the radar for technical support on Agenda 2063 and Agenda 2030 through the Ministry of Finance and National Planning. At a recent meeting to identify capacity development needs in national planning, Zambia indicated readiness for IPRT training, the need for assistance in decentralised planning and in strengthening data collection systems.

Supporting implementation of the UN Sustainable Development Partnership Framework - SRO-SA chairs the Result Group 1 of the UNSDPF on Economic Diversification and Job Creation, which includes coordinating the joint planning process, coordinating the monitoring of implementation of the joint workplan as well the review and reporting. Furthermore, the Office is also supporting the Common Country Analysis, particularly leading the chapter on economic analysis. SRO-SA actively contributes to current discussions on the 8th NDP and review of the 7th NDP as part of the United Nations Group.
Resource mobilisation under SDG Fund - The Office engaged with, and supported the UN Resident Coordinator’s Office (RCO) process of submitting the resource mobilization proposal, for the country, under the Joint SDG Fund. This included providing technical support and participating in the UN RCO-Zambia’s submission on setting up an Integrated Financing Framework for Zambia under Component 1 of the Joint SDG Fund’s call for proposals. The proposal/joint programme for Zambia was approved by the Joint SDG Fund, worth U$1.5 million SDG financing. The approved joint programme for Zambia has since been rolled out to support the Government in, among others, developing an SDG-aligned financing strategy to mobilise and effectively manage additional domestic and international resources, leveraging resources from private sector, seeking innovative financial solutions and broadening partnerships.
Supporting national efforts towards recovery from the COVID-19 crisis

As part of a constituted UN Task Force of Economic Experts, SRO-SA supported and contributed to UN-led COVID-19 impact assessments, studies and analyses on country’s key sectors and specific target groups. This was part of the implementation of the UN framework for the immediate socio-economic response to COVID-19 in Zambia, which informed the interventions by the UN system and other stakeholders in the country. This also included contributing to the UN RCO’s coordinated COVID-19 Recovery Needs Assessment (CRNA) for Zambia, a standard tool adapted from the Post-Disaster Need Assessment methodology jointly developed and used across the globe for the past decades by the UN, World Bank and the European Union, as a good practice for informing economic recovery efforts.

Furthermore, as one of the regional member States, Zambia is also part of the regional analyses on the impact of COVID-19 on economies in Southern Africa as part of the deliverables of the UN DA 12th Tranche Project.
Promotion of Private Sector - MSME Development

Zambia is a beneficiary of the UN joint project on innovative approaches for Micro, Small & Medium Enterprises (MSME) competitiveness to promote trade and inclusive industrialization in Southern Africa in the Post-COVID 19 context. Two studies are planned that will include Zambia as a case study: the first study will develop a diagnostic assessment of the state of Science, Technology and Innovation (STI) by industrial-based MSMEs in the six target countries (Malawi, Mauritius, Mozambique, Namibia, South Africa, Zambia), including an inventory of government support to industrial-based MSMEs to engage in process and product innovation, develop and apply technology, complemented by an overview of competitiveness bottlenecks faced by industrial MSMEs as well as impacts of Covid-19 and inventory of innovative approaches to address them. The second study aims to identify opportunities for MSMEs in six target countries (Malawi, Mauritius, Mozambique, Namibia, South Africa and Zambia) to integrate into national, regional and global value-chains, and trade at higher levels, in line with the Southern Africa Development Community (SADC) Industrialization Strategy and Roadmap and to build back better post-COVID 19.

SRO-SA mobilized internal resources through RPTC to support the Government of Zambia towards Phase II of the Integrated Socio-Economic Survey: Cross-Sectional LCMS. The Zambia Statistics Agency (ZamStats) in collaboration with Ministry of Finance and National Planning commenced, in 2021, the implementation of the Integrated Household Survey including: a COVID-19 impact assessment; a survey of well-being via instant frequent tracking and a cross-sectional living conditions monitoring survey. The implementation of Phase I activities on the impact of COVID-19 commenced in November 2020. The assessment was fully funded by the United Nations system and World Bank. Fieldwork was completed and currently the data is undergoing cleaning in preparation for data analysis and report writing.

Preparatory activities for Phase II have begun and the planned cross-sectional LCMS will begin soon to, among other issues, update the existing poverty profile for the country for planning purposes as no such survey has been conducted in Zambia since 2015 due to resource constraints. The cross-sectional living conditions monitoring survey will be used to collect critical data for successfully computing the following:

- socio-economic indicators for the identified data gaps in the Mid-term Evaluation of the 7NDP which will feed into the end-line review,
- indicators of the living conditions in Zambia;
- indicators for the identification of vulnerable groups for targeted interventions;
- baseline data for the 8th National Development Plan (currently under preparation);
- data to monitor progress towards the attainment of SDGs and Agenda 2063;
- data to update National Poverty profile (including poverty mapping at sub-national level) and calculate priority indicators and estimates of the Household Final Consumption Expenditure as an Input into facilitating the rebasing of the GDP (rebasing of GDP should be done every five years);
- food balance sheets compilation; and
- inform nutrition-based interventions by stakeholders.
The Office prepared and published Country Profiles, including on Zambia, a recurrent publication that provided a robust and independent analysis of the country’s economic and social development status, progress and prospects, for use by policy makers and analysts with respect to key national, regional and international development initiatives agendas, including economic transformation. The Country Profiles were published and updated, up to 2018. The latter generation produced were called STEPS Profiles as they focused on, and tracked “Structural Transformation, Employment, Productivity and Society”. These recurrent publications were widely disseminated, eliciting evidence-based policy engagement and dialogue among stakeholders, including state and non-state actors.
Some of our recent publications

1. Blue Economy, Inclusive Industrialization and Economic Development in Southern Africa
2. Promoting growth and economic transformation in Southern Africa: The challenges and implications of declining commodity prices
4. Recent economic and social conditions in Southern Africa
Governance of State-owned enterprises in South Africa

Validation meeting on the study to assess the feasibility of establishing and managing a common agro-industrial park between Zambia and Zimbabwe

Southern African Regional Stakeholder Forum

Report on private sector and regional integration in Southern Africa: accelerating opportunities for investment and growth