



Republic of Zambia  
Ministry of Finance and National Planning

**OCTOBER 2022 BUDGET PERFORMANCE**

---

**Monday, 7<sup>th</sup> November, 2022** - The Minister of Finance and National Planning Dr SITUMBEKO MUSOKOTWANE, MP, announces that in October, 2022, the Government released a total of K13.9 billion to finance public service delivery. Of this amount, the implementation of various developmental projects, programmes and general operations amounted to K2.2 billion. Transfers, subsidies and social benefits received K6.0 billion. K1.4 billion went towards debt service and other liabilities, while K3.3 billion was spent on the public service wage bill. A further K1 billion was spent on capital expenditure such as roads and water and sanitation infrastructure.

### Transfers

In line with the need to accelerate development through efficiently mobilised domestic resources, the Treasury made disbursements of K1.7 billion for transfers and K3.6 billion for subsidies:

- 1) K62.9 million for the Food Security Pack;
- 2) K398.8 million for Youth & Women Empowerment and bursary components under the Constituency Development Fund. This brings the total released under CDF to K3.4 billion out of the total CDF budget of K4 billion for 2022;
- 3) K164.3 million for the operations of Grant Aided Institutions (GAIs) in Government Ministries;
- 4) K111.6 million to the Local Government Equalization Fund for operations in councils;
- 5) K97.6 million for general operations in public universities;
- 6) K67.5 million towards hospital operations, countrywide; and,
- 7) K123.9 million to Zambia Revenue Authority for operations and domestic revenue collection.

### Subsidies

Under this aspect, the Treasury released K3.6 billion towards procurement of inputs under the Farmer Input Support Programme (FISP) for the 2022/2023 farming season. In this regard, we are confident that the delivery of inputs will be done timely and with the barest minimum disruptions, if any.

### Social Benefits

In the month under review, the Government released K500 million to mitigate the negative impact of the Public Service Pension Fund financing gap on pensioners. Although, months ago, we cleared all end-2021-outstanding-pension-arrears under the Public Service Pensions Fund, we will sustain the momentum in the payment of emerging retirement benefits that are due to former public service workers under the Public Service Pensions Fund, to cut down the waiting period for their hard-earned terminal benefits.

In addition to being current with the Public Service Pensions Fund, the Government will in 2023 also focus on reducing the lengthy waiting period encountered by beneficiaries under the Local Authorities Superannuation Fund.

Under the social benefits component, we also released K197.3 million towards the Social Cash Transfer Programme. The positive witness accounts by the recipients are testimony to the efficacy of the programme. We are happy that the facility is changing the lives of many of our citizens and, therefore, take this opportunity to thank cooperating partners for their support to the facility.

### **Capital Expenditure**

The Treasury also released K1 billion towards capital projects. Of this amount, K430.5 million was spent on road infrastructure, K170 million for school infrastructure, and K446.9 million for the Kasama Airport, fuel depots and water and sanitation projects. The release Kasama Airport funds is in line with the guidance given by the Republican President during a recent visit to the Province that works needed to be speeded-up so that the region is opened up to investment, especially in the tourism sector and the agriculture value chain.

### **General Operations**

The Treasury also released K1.7 billion to facilitate service delivery under various Government institutions. Notable expenditure items included:

- 1) K1.1 billion for general operations of Government Ministries, Provinces and other Spending Agencies;
- 2) K60 million to the Zambia Statistical Agency (ZSA) for tasks related to the 2022 Census of Housing & Population;
- 3) K138.1 million for purchase of essential drugs and medical supplies in Public Health Institutions;
- 4) K50 million for Compensation and Awards payments; and,
- 5) K12.7 million for the Land Titling Programme.

### **Wage Bill**

The Government spent a total of K3.3 billion on costs relating to the Public Service Wage Bill (Personal Emoluments) for various public service workers, including health, teaching and other personnel.

### **Debt and other Liabilities**

In line with the commitment to reduction of indebtedness, the Government last month released K1.4 billion towards payment of domestic debt and meeting external debt obligations to multilateral lending institutions.

Further, the Treasury released K447.7 million towards the dismantling of arrears relating to suppliers of Goods & Services (K325 million) and fuel (K54.8 million).

## **Conclusion**

The identification of programmes and the criteria for allocating resources in the budget is predominantly guided by the collective aspirations of the people of Zambia reflected in the Eighth National Development Plan (8NDP) and the Vision 2030. Funds released on a monthly basis depend on collected revenue, and the expenditure estimates approved by Parliament.

As Government, we are cognisant that the actualisation of policy intentions is anchored on macro-economic stability. This is why we are carefully monitoring the domestic and global dynamics to ensure that there is minimal disruption, if any, to our economic stabilisation and growth programmes, thereby safeguarding citizens' livelihoods for a prosperous and equitable Zambia.

Over the medium term, the Government will focus on stimulating the domestic economy through promotion of investment, and expansion in the agriculture, mining and tourism sectors. We will also pay special attention to job creation and promotion of Public Private Partnerships as a mode of project financing. Further, the Government will continue to stimulate growth by reducing the Budget deficit, enhancing domestic resource mobilisation, restructuring debt and dismantling domestic arrears – all this while protecting social sector spending.

**Issued by:**

(Original Signed)

**Secretary to the Treasury**

**MINISTRY OF FINANCE AND NATIONAL PLANNING**