

“2019: NEW HOPE FOR ZAMBIA” TOWARDS A PROSPEROUS ZAMBIA

PRESS STATEMENT

FOR IMMEDIATE RELEASE

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It's the dawn of a new year, which brings new hope towards our collective efforts resolving to transform our nation to a better Zambia. This year, Zambia has an opportunity to build on the positive economic trajectories that were recorded in 2018; which led to inflation being maintained as single digit and the kwacha maintaining strength against other major currencies. **The economic outlook of this year looks positive and we expect growth of above 4% due to improved performance in sectors such as construction among others.**

This year, we need to explore possibilities and harness our resources for the growth of our economy. The adage “Thinking outside the box” should be the anchor of our policy alternatives especially as we seek to enhance **Domestic Resources Mobilization**. We need to look at various innovative possibilities that will promote revenue generation for the country. Such possibilities range from; **The Mukula tree programme, Emerald sub sector** and the **Fisheries sub sector** among others. If well harnessed, these sub sectors could yield substantial revenue for the treasury. Further, in view of the **African Continental Free Trade Agreement, (AFCFTA)** which will come into effect, Zambia needs to develop a strategy that will ensure that the country benefits immensely from trading under the **Continental Free Trade Agreement (CFTA)**. This will call for growth of the manufacturing sector and revamping of selected viable industries to promote value addition; that we have spoken about for sometime. We need as a country to be very competitive and planning starts now.

In this year 2019, the **Seventh National Development Plan (7NDP)** will enter its **3rd year of operation**. We have been closely monitoring the implementation progress of the 7NDP but our call is for all implementation agencies to expedite efforts this year to ensure that the programmes in the plan are speedily implemented. **We expect to see a reduction in developmental inequalities and also a reduction**

in incidences of poverty and vulnerability. This is because majority of the policy decisions that had been implemented in 2018 will bear fruit this year.

As we look to the future, many of our opportunities that exist to confront our challenges will need constant engagement with a wide range of societal groups, each with their own needs, interests and levels of influence. In the same trajectory, As we enter a new year, it is important that we reflect on our collective efforts in our different capacities to address various key trajectories aimed at national building and development.

OPPORTUNITIES

The 2018 Forum on China – Africa Cooperation (FOCAC) committed US\$ 60 billion towards Africa under 8 initiatives as follows:

1. Industrial Promotion Initiative;
2. Infrastructure Connectivity Initiative;
3. Trade Facilitation Initiative;
4. Green Development Initiative;
5. Capacity Building Initiative;
6. Health Care Initiative;
7. People-to-People Exchange Initiative; and
8. Peace and Security Initiative (China-Africa peace and security fund).

Zambia therefore needs to formulate a strategy and technical working groups, in order to benefit from these initiatives. Preparations should commence now and thus within the framework of FOCAC, Zambia can align some of these initiatives to our development efforts under the 7NDP.

Further, the Government should this year continue to **pursue the International Monetary Fund (IMF) bailout deal.** We have been submitting to Government to pursue the IMF bailout Programme for balance of payment support for as long as the bailout terms and conditions are favorable to all Zambians by consolidating growth. As a matter of fact, The IMF presents affordable finance and is significantly more affordable than commercial borrowing from domestic and international markets and thus PMRC encourages the Government to continue pursuing an IMF package that compliments our home grown Economic Stabilization and Growth Programme (ESGP)

IN CONCLUSION

As PMRC, we are committed to continuously work towards supporting Government institutions, agencies and development partners in developing evidence-based policy recommendations for the effective delivery of the national development agenda. We commit to continue providing policy analysis to compliment the Government in the pursuit of prudent macroeconomic policies and reforms to place public finances and debt on a sustainable path, increase the economy's resilience to shocks, and achieve higher and inclusive growth. With this pledge, We will continue to partner with all like-minded institutions to bolster our efforts and work towards encouraging debate on social and economic policy issues critical to national development and economic transformation.

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