Zambia
Country Partnership Framework
FY25-FY29

IN-COUNTRY STAKEHOLDER CONSULTATIONS
MAY 2024
Today’s Agenda

Part 1:
WBG Activities in Zambia
Changing Corporate Priorities

Part 2:
Proposed CPF for FY25-29
Feedback and Discussion
Part 1: WBG Activities in Zambia and Evolving Corporate Priorities
World Bank Existing Portfolio in Zambia and Pipeline

ONGOING PROJECTS: 26, ~$3.24BN (NATIONAL, REGIONAL AND TF)

FY24 & FY25 PIPELINE PROJECTS: 8, ~$0.85BN

PORTFOLIO COMPOSITION

- Agriculture and Food: 14%
- Education: 9%
- Energy & Extractives: 4%
- Environment, Natural Resources & the Blue Economy: 7%
- Finance, Competitiveness and Innovation: 6%
- Governance: 11%
- Health, Nutrition & Population: 19%
- Poverty and Equity: 4%
- Macroeconomics, Trade and Investment: 4%
- Social Protection & Jobs: 24%
- Social Sustainability & Inclusion: 3%
- Transport: 15%
- Water: 5%
- Digital: 12%
- Energy & Extractives: 40%
- Social Protection & Jobs: 24%
- Social Sustainability & Inclusion: 3%
- Health: 18%
Existing IFC and MIGA Portfolios in Zambia (US$mn)

IFC: $154.7MN (OUTSTANDING)

- Infrastructure, $84.9
- Financial, $23.7
- Manufacturing, Agribusiness & Services, $48.8

MIGA: $143.9MN (GROSS EXPOSURE)

- Infrastructure, $29.1
- Financial, $101.4
- Manufacturing, $13.5

• Complemented by a $5mn Advisory program in various sectors
• Investor countries include India, South Africa, Luxembourg and Japan
Time is of the essence. Multiple, intertwined crises threaten the achievement of this Vision and Mission. We need to write a new playbook to drive impactful development that is inclusive of everyone, resilient to shocks, and sustainable.

**Definition:** A livable planet is a healthy and sustainable planet on which people can prosper. Associated metrics are included in the final Corporate Scorecard.
All new CPFs should align to the new Corporate Scorecard

**VISION**

**OUR VISION IS A WORLD FREE FROM POVERTY ON A LIVEABLE PLANET**

**PEOPLE**
Global population headcount living in poverty

**PROSPERITY**
Global average income shortfall from a prosperity standard of $25/day
Number of countries with high inequality

**PLANET**
Global greenhouse gas emissions
Millions of people highly vulnerable to climate risks globally*
Millions of hectares of healthy terrestrial ecosystems globally*
Millions of people facing food and nutrition insecurity globally
Percentage of people with access to basic drinking water, sanitation services, and hygiene globally

* New indicator

**RESULTS NARRATIVES**

Will articulate the contributions of WBG support for policy reforms, institution building, and market transformation.

These results narratives, one per outcome area, will:

- Present the long-term horizon of WBG interventions, rather than that of individual projects
- Provide visibility on country- and sector-level results and on partnerships
- Use qualitative and quantitative evidence complementary to the Scorecard indicators
- Derive lessons across the portfolio of interventions
- Reflect on the contributions of clients and partners beyond WBG resources
Part 2: Feedback on Proposed CPF for FY25-29
The CPF fits within a framework of regular diagnosis and learning

Country engagement framework

Systematic Country Diagnostic (SCD)
- Provides analytical foundation for CPF
- Text annexed to the CPF

Country Partnership Framework (CPF)
- Draws on SCD, government priorities and corporate goals
- Sets out objectives of WBG engagement, coordinates WBG activities, creates basis for accountability
- 5 year horizon

Performance and Learning Review (PLR)
- Every 2 years or at the mid-point of the CPF
- Summarizes progress
- Reviews relevance
- Makes adjustments

Completion and Learning Review (CLR)
- Prepared at the end of the CPF
- Draws lessons
- Assesses:
  - development outcomes
  - WBG performance
  - alignment with WBG corporate strategy
WB Country Engagement Framework

The WBG’s approach to country engagement has four distinct components:

1. **Systematic Country Diagnostic**
2. **Country Partnership Framework**
3. **Performance & Learning Review**
4. **Completion & Learning Review**

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**Diagnostics Based Priorities**
- End extreme poverty and boost shared prosperity on a livable planet.
- Prioritization of development policies – based on enhanced core ASA.

**Country Development Goals**
- National Development and Government Plans (increasingly integrating global challenges e.g., NDCs).

**HLOs and CPF Objectives**

**Comparative Advantage**
- Lessons Learned
- WBG Convening power
- Renewed focus on exploring complementarities with partners and private sector.

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**Maximizing Financing for Development**
Govt Priorities: 8th National Development Plan

STRATEGIC DEVELOPMENT AREA 1: ECONOMIC TRANSFORMATION AND JOB CREATION
- Development outcome 1: An industrialized and diversified economy
- Development outcome 2: Enhanced citizenry participation in the economy
- Development outcome 3: A competitive private sector

STRATEGIC DEVELOPMENT AREA 2: HUMAN AND SOCIAL DEVELOPMENT
- Development outcome 1: Improved education and skills development
- Development outcome 2: Improved health, food, and nutrition
- Development outcome 3: Improved water supply and sanitation
- Development outcome 4: Reduce poverty, vulnerability and inequality

STRATEGIC DEVELOPMENT AREA 3: ENVIRONMENTAL SUSTAINABILITY
- Development outcome 1: Enhanced mitigation and adaptation to climate change
- Development outcome 2: Sustainable environmental and natural resources management

STRATEGIC DEVELOPMENT AREA 4: GOOD GOVERNANCE ENVIRONMENT
- Development outcome 1: Improved policy and governance environment
- Development outcome 2: Improved rule of law, human rights, and constitutionalism
## 2024 SCD: Key Development Challenges and Priorities

<table>
<thead>
<tr>
<th>Development Challenge</th>
<th>Development Priority</th>
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<tbody>
<tr>
<td><strong>PROSPERITY</strong></td>
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<tr>
<td><em>Macroeconomic volatility and constrained access to external finance</em></td>
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<td><em>Lack of diversification and value addition</em></td>
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<td><strong>POVERTY</strong></td>
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<td><em>Low agricultural productivity among small-scale farmers</em></td>
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<td><em>Poor human capital</em></td>
<td>7</td>
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<td><em>Limited and low-quality service delivery</em></td>
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<tr>
<td><strong>PLANET</strong></td>
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<tr>
<td><em>Environmental degradation and poor management of natural resources</em></td>
<td>12</td>
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<tr>
<td><em>Limited resilience to climate change</em></td>
<td>14</td>
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1. Strengthen fiscal policy and management, increase Domestic Revenue Mobilization (DRM), and build fiscal stabilization mechanisms
2. Streamline the regulatory and business environment and enhance investment policies
3. Scale-up access to finance and markets (connectivity and trade facilitation)
4. Improve equitable access to quality and market-relevant skills development for youth and enable economic opportunities for women
5. Maximize the potential from energy transition minerals in global decarbonization
6. Improve efficiency and effectiveness of agricultural policy for small- and medium-sized farmers
7. Improve learning outcomes and ensure equitable access to secondary education
8. Strengthen resilient health systems, with a focus on primary healthcare and WASH
9. Ensure an adequate intergovernmental fiscal architecture, strengthen infrastructure and capacity of local governments, and promote effective citizen engagement mechanisms
10. Strengthen urban planning, land administration, and infrastructure investments in towns and cities
11. Sustain coverage and adequacy of SCT as a foundational social assistance program, while strengthening sustainable graduation pathways through a cash ‘plus’ approach and a shock-responsive SP system
12. Promote sustainable and efficient use of natural resources (including water, land, forests and minerals)
13. Develop climate-sensitive financing instruments to manage natural resources and support climate-smart investments
14. Diversify the energy mix, while expanding generation capacity and closing access gaps
15. Implement agronomic solutions at scale and invest in resource-efficient irrigation
## Proposed CPF 2025-2029: Aspirations and Objectives

### HLO 1: More and Better Jobs

<table>
<thead>
<tr>
<th>Objective 1:</th>
<th>Objective 2:</th>
<th>Objective 3:</th>
<th>Objective 4:</th>
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<tbody>
<tr>
<td>Improve the business environment for private investment</td>
<td>Promote macroeconomic stability through improved revenue mobilization and fiscal governance</td>
<td>Enhance competitiveness through improved connectivity to markets</td>
<td>Diversify the energy mix while expanding generation capacity and closing access gaps</td>
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### HLO 2: Improving Human Capital

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<th>Objective 5:</th>
<th>Objective 6:</th>
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<td>Improve education, skills and health outcomes for the future labor force</td>
<td>Improve targeting and effectiveness of social protection</td>
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### HLO 3. Enhancing Climate Resilience

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<th>Objective 7:</th>
<th>Objective 8:</th>
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<tbody>
<tr>
<td>Improve climate smart agriculture and sustainable management of natural resources</td>
<td>Enhance disaster and climate risk management systems and financing</td>
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**Proposed CPF FY25-29**

**HLO 1: More and Better Jobs**
1. Improve the business environment for private investment
2. Promote macroeconomic stability through improved revenue mobilization and fiscal governance
3. Enhance competitiveness through affordable backbone services and connectivity to markets
4. Diversify the energy mix while expanding generation capacity and closing access gaps

**HLO 2: Improving Human Capital**
5. Improve education, skills and health outcomes for the current and future labor force
6. Improve the targeting and effectiveness of social protection

**HLO 3: Enhancing Climate Resilience**
7. Improve climate smart agriculture and sustainable management of natural resources
8. Enhance disaster and climate risk management systems and financing

**Selectivity Filter 1:**
- National Development Plan 2022-2026
- Economic Transformation & Job Creation
- Industrialized/diversified economy
- Citizen participation in economy
- Competitive private sector

- Human & Social Development
  - Improved educ/skills
  - Improved health/nutrition
  - Improved WASH
  - Reduced poverty/vulnerability/inequal

- Environmental Sustainability
  - Adaptation/mitigation to climate
  - Sustainable environmental and natural resource management

- Good Governance Environment
  - Improved policy and governance environment
  - Improved rule of law, human rights & constitutionalism

**Selectivity Filter 2:**
- 2024 SCD Key Priorities and HLOs
- PROSPERITY
  - Strengthen fiscal management, DRM, and build fiscal stabilization mechanisms
  - Streamline the regulatory/business environment & enhance investment policies
  - Scale-up access to finance and markets
  - Market-relevant skills for youth & economic opportunities for women
  - Maximize energy transition minerals

- PEOPLE
  - Improve agr policy for small/med farmers
  - Improve learning outcomes
  - Strengthen resilient health systems
  - Improve intergov fiscal, strengthen local gov & citizen engagement
  - Strengthen urban planning, land admin, and infrastructure in towns and cities
  - Sustain coverage/adequacy of social protect

- PLANET
  - Promote sustainable and efficient use of natural resources
  - Develop climate-sensitive financing instruments
  - Diversify the energy matrix, while expanding generation capacity and closing access gaps
  - Implement agronomic solutions at scale and invest in resource-efficient irrigation

**Selectivity Filter 3:**
- WBG's Competitive Advantages
- More Efficient, Transparent and Accountable Institutions
- Empowerment of Women
Issues for Discussion

Have we identified the right priorities on which to support Zambia over the next five years?

How do we increase impact of WBG support? What has worked and what needs to be improved?

How better we can engage with civil society during CPF implementation?
Next Steps

• Complete stakeholder consultations (May 2024)

• Finalize drafting of CPF (May-June 2024)

• Internal ‘Decision Review’ (early July 2024)

• CPF finalization and delivery to the Board (September 2024)
Thank You!!