

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**

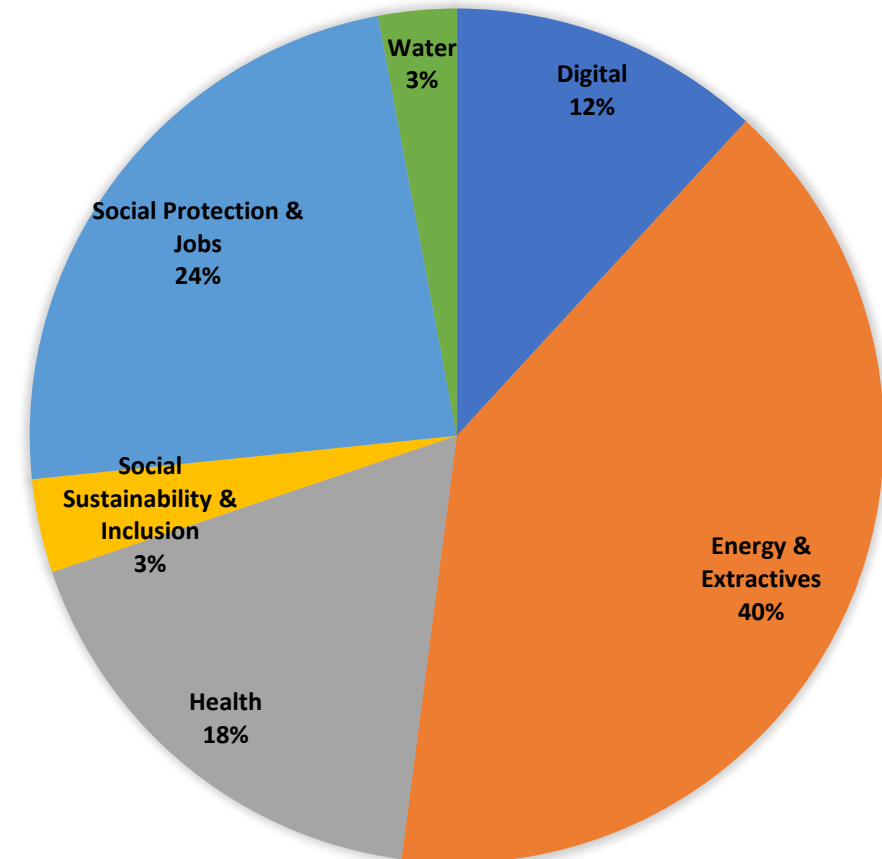
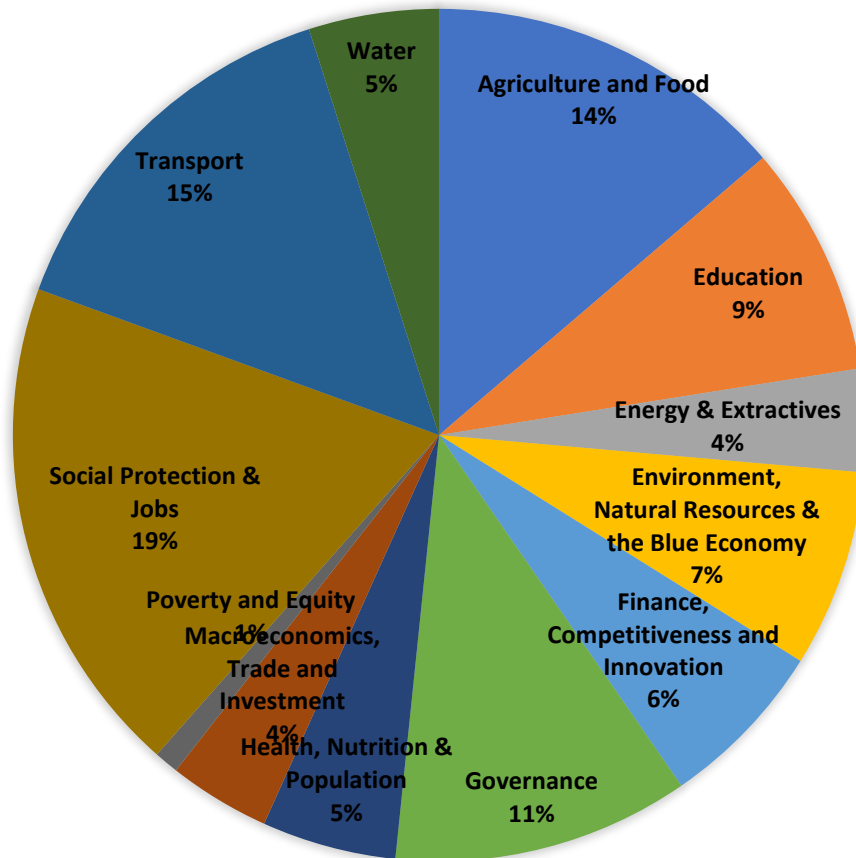
Part 1: WBG Activities in Zambia and Evolving Corporate Priorities

World Bank Existing Portfolio in Zambia and Pipeline

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

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

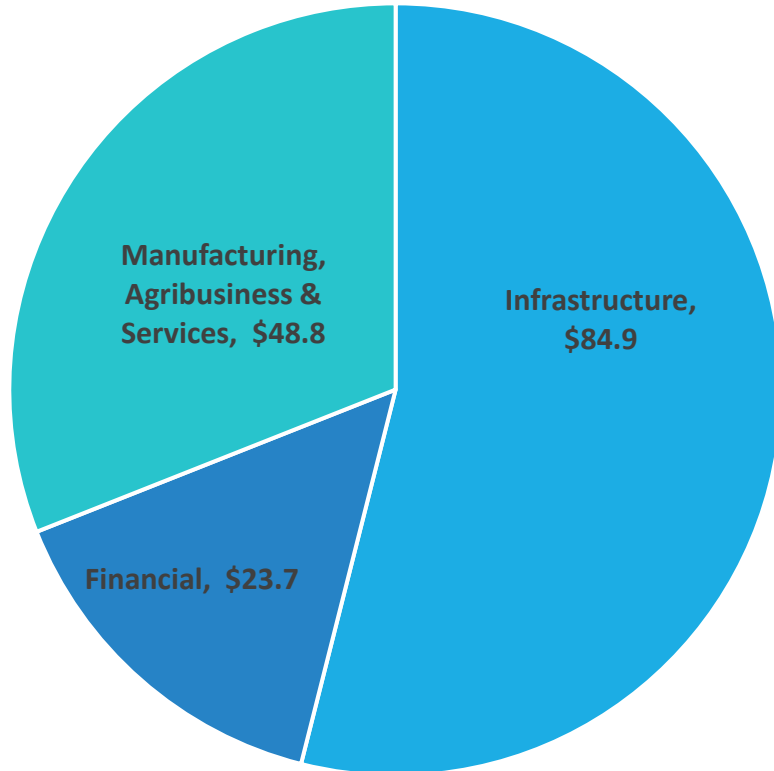
PORTFOLIO COMPOSITION



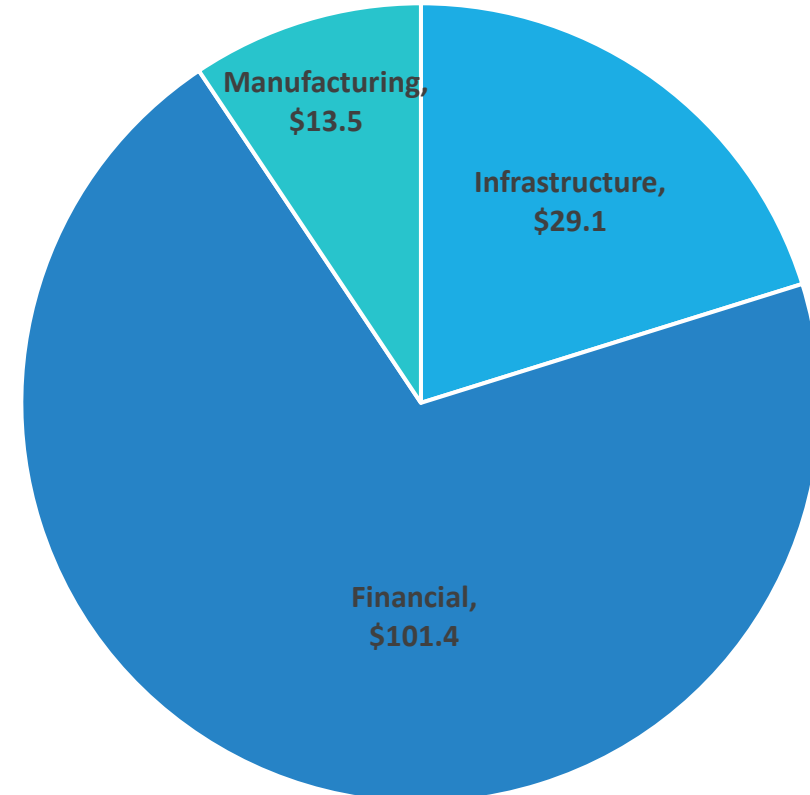
Existing IFC and MIGA Portfolios in Zambia (US\$m)

IFC: \$154.7MN (OUTSTANDING)

MIGA: \$143.9MN (GROSS EXPOSURE)



- Complemented by a \$5mn Advisory program in various sectors



- Investor countries include India, South Africa, Luxembourg and Japan

World Bank Evolution Process – A new vision and mission

Our vision is to create a world free of poverty on a livable planet.

Our mission is to end extreme poverty and boost shared prosperity on a livable planet.

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

Scorecard Building Blocks

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

CLIENT CONTEXT

WBG RESULTS

WORLD BANK GROUP SCORECARD		FY24 - FY30
CLIENT CONTEXT		WORLD BANK GROUP RESULTS
PEOPLE		
1	Protection for the poorest Percentage of people covered by social protection and labor programs, of which 70% to the poorest adults	Millions of beneficiaries of social safety net programs**
2	No learning poverty Percentage of children who cannot read by end-of-primary school age	Millions of students supported with better education**
3	Healthier lives 0-5 Percentage of children under five stunted	Millions of people receiving quality health, nutrition, and production services**
4	Percentage of people receiving essential health services	Millions of people benefiting from strengthened capacity to prevent, detect, and respond to health emergencies**
PROSPERITY		
5	Effective macroeconomic and fiscal management Countries at high risk of or in debt distress	Countries at high risk of or in debt distress that implemented reforms toward debt sustainability**
6	Countries with low income to GDP ratio above or equal to 5%	Countries with low income to GDP ratio at or below 20% (including social security contributions) that have increased collections, including equity**
PLANET		
7	Green and blue planet and resilient populations 0-5 Number of countries with low renewable natural capital wealth accumulation	Net GHG emissions per year**
8	Terrestrial and aquatic areas covered by protected areas	Millions of people with enhanced resilience to climate risks**
9	Proportion of fish stocks within biologically sustainable levels	Millions of hectares of terrestrial and aquatic areas under enhanced conservation and management**
10	Sustainable and equitable water and sanitation services 0-5 Percentage of people with access to basic drinking water, sanitation services, and hygiene	Millions of people provided with water, sanitation, and hygiene of which 70% is safely managed**
11	Sustainable Food Systems 0-5 Millions of people facing food and nutrition insecurity	Millions of people with strengthened food and nutrition security**
INFRASTRUCTURE		
12	Connected communities Percentage of people with access to reliable transport solutions, all year round**	Millions of people that benefit from improved access to sustainable transport infrastructure and services**
13	Available, reliable and sustainable energy for all 0-5 Percentage of population with access to electricity	Millions of people provided with access to electricity**
14	Renewable energy capacity installed	GW of renewable energy capacity installed**
DIGITAL		
15	Digital connectivity 0-5 Percentage of population using the internet	Millions of people using broadband internet**
16	Digital services Rate of online government service provision	Millions of people using digitally enabled services**
CROSS-CUTTING THEMES		
17	Gender equality and youth inclusion Number of people that use a financial account, of which 70% are women and youth	Millions of people benefiting from greater gender equality, of which 70% from actions that expand and enable economic opportunities**
18	More and better jobs Unpaid employment share of working age population, of which 70% are women	Millions of people and businesses using financial services, of which 70% are women and youth**
19	Percentage of youth not in education, employment, or training, of which 70% are women	Millions of new or better jobs, of which 70% for women and youth**
20	Better lives for people in fragility, conflict and violence 0-5 Number of economic zones being in FCZ	Millions of displaced people and people in host communities assisted with services and livelihoods**
21	More private investment Private investment as a percentage of GDP	\$ billions in total private capital mobilized**

Organizational effectiveness and efficiency indicators dashboard

RESULTS NARRATIVES

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

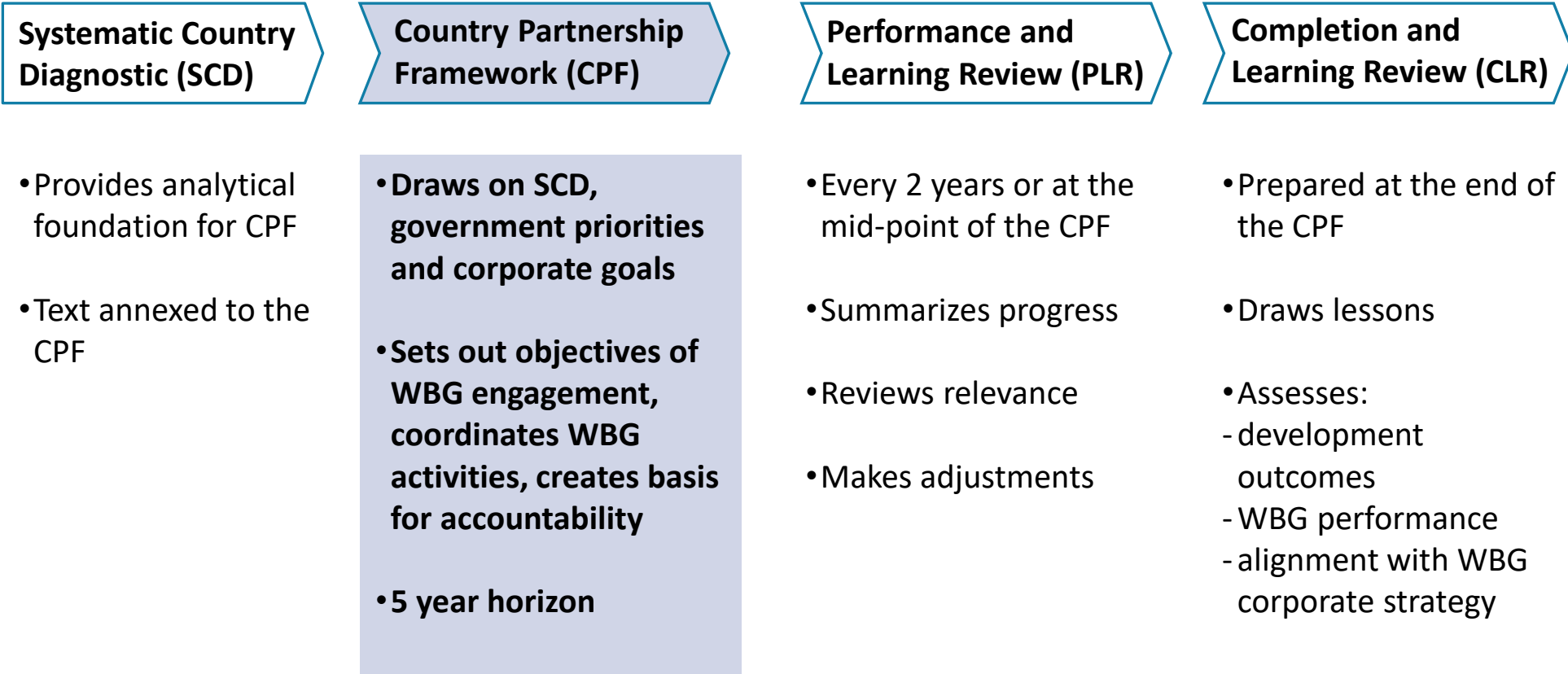
These results narratives, one per outcome area, will:

- 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

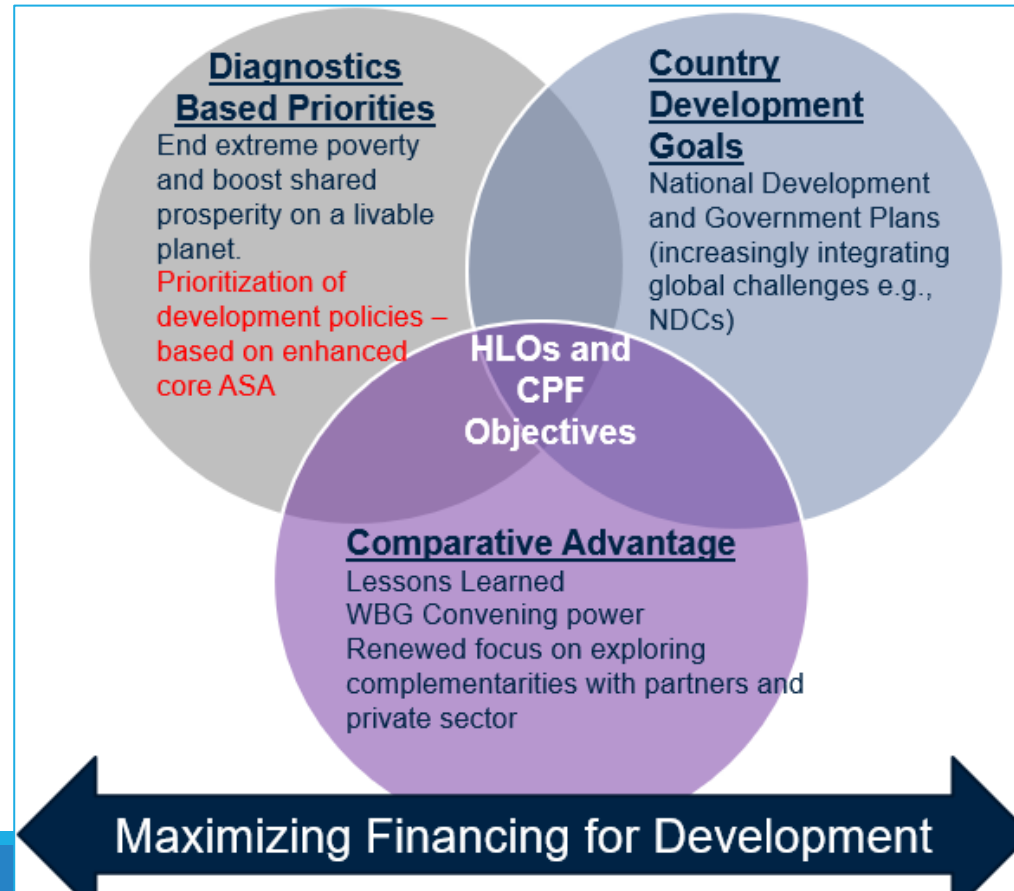
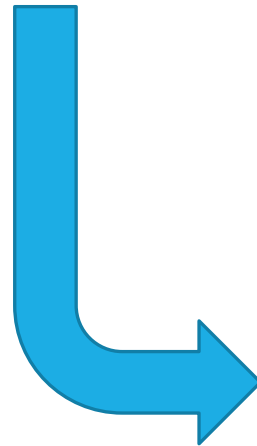
The CPF fits within a framework of regular diagnosis and learning

Country engagement framework



WB Country Engagement Framework

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



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

		Development Challenge		Development Priority
PROSPERITY	Weak governance and institutions	<i>Macroeconomic volatility and constrained access to external finance</i>	1	Strengthen fiscal policy and management, increase Domestic Revenue Mobilization (DRM), and build fiscal stabilization mechanisms
		<i>Lack of diversification and value addition</i>	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
POVERTY	Weak governance and institutions	<i>Low agricultural productivity among small-scale farmers</i>	6	Improve efficiency and effectiveness of agricultural policy for small- and medium-sized farmers
		<i>Poor human capital</i>	7	Improve learning outcomes and ensure equitable access to secondary education
			8	Strengthen resilient health systems, with a focus on primary healthcare and WASH
		<i>Limited and low-quality service delivery</i>	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 townships 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			
PLANET	Weak governance and institutions	<i>Environmental degradation and poor management of natural resources</i>	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
	Weak governance and institutions	<i>Limited resilience to climate change</i>	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

Objective 1:

Improve the business environment for private investment

Objective 2:

Promote macroeconomic stability through improved revenue mobilization and fiscal governance

Objective 3:

Enhance competitiveness through improved connectivity to markets

Objective 4:

Diversify the energy mix while expanding generation capacity and closing access gaps

HLO 2: Improving Human Capital

Objective 5:

Improve education, skills and health outcomes for the future labor force

Objective 6:

Improve targeting and effectiveness of social protection

HLO 3: Enhancing Climate Resilience

Objective 7:

Improve climate smart agriculture and sustainable management of natural resources

Objective 8:

Enhance disaster and climate risk management systems and financing

Selectivity Filter 3: WBG's Competitive Advantages

Selectivity Filter 1:

National Development Plan 2022-2026

Proposed CPF FY25-29

Selectivity Filter 2:

2024 SCD Key Priorities and HLOs

• 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

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

• 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 intergovt 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

Cross Cutting Objectives:

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!!
