



PRESENTATION BY THE PLANNING AND
ECONOMIC MANAGEMENT DEPARTMENT
(PEMD) TO THE INCEPTION WORKSHOP FOR
CIVIL SOCIETY'S ENGAGEMENT IN THE
FORMULATION OF ZAMBIA'S FIFTH NATIONAL
DEVELOPMENT PLAN.

Presented by Muhabi Lungu
Principal Planner (Economic Sectors)
Ministry of Finance and National Planning

21st June 2005
Mulungushi International Conference Center

Introduction

1. The Fifth National Development plan is a medium term planning instrument intended to focus government's policy and programming towards a desired objective or objectives set in a specified timeframe. In the current situation, the timeframe has been set for six years, commencing in 2006 and concluding in 2011. The six-year planning period of the 5th NDP has been adopted as a result of the three-year budgeting cycle of the Medium Term Expenditure Framework (MTEF). Therefore, the instrument will be designed in such a manner as to ensure that it is result based, formulating national development strategies within a realistic annual and medium-term budget process. Keeping in line with the policy of decentralization, as recently announced, and in reaffirming government's commitment to broad based consultations, it has been decided that planning and the subsequent budget process will be extended to the district level. To this effect, preparations towards the development of district strategic plans commenced in the third quarter of 2004.

Rationale

2. The immediate rationale for preparing the NDP is that the implementation of the first Poverty Reduction Strategy Paper (PRSP-2002-2004) came to an end in December 2004. In addition, the Transitional National Development Plan (TNDP-2002-2005) comes to an end in December 2005. Zambia therefore has no comprehensive planning instrument for 2006 and beyond.

Background

3. In an earlier environment, during the decade of the 90's, lack of a development plan would not have been perceived as problematic. It was then firmly believed that the private market mechanism had an adequate capacity to allocate resources efficiently, and that it was self-adjusting. Since minimal value was placed on national planning, greater emphasis was instead placed on annual budgeting. The annual budget was then executed within the context of several policy and program targets that existed

independently and in an ad-hoc capacity in line ministries and sectoral initiatives. However, in the late 90s, there was a rethink and a realization by government that the annual budget was not a sufficient tool for long-term national development planning. That perhaps the market mechanism needed a little assistance.

4. The genuine repositioning, which resulted from the observable negative consequences of lack of planning, coincided with the movement of global opinion towards the development of poverty reduction strategies. The global movement towards PRSP was necessitated by the introduction of the HIPC initiative and the need, thereafter, to ensure that the released resources are channelled towards poverty reduction programmes. This coinciding of events created an environment for which the pivotal role of medium term planning was, yet again, placed at the center of the national agenda. Hence, Zambia developed a Poverty Reduction Strategy Paper (PRSP) to cover the period 2002 to 2004.

5. In addition to the PRSP, the Transitional National Development Plan (TNDP) was also prepared to cover the period 2002 to 2005. The rationale of preparing a TNDP was due to the observation that the PRSP was not sufficiently comprehensive, as it did not including all aspects of Government policy and programming. It is here important to note that from the inception of the TNDP, it was envisaged that a fully-fledged national development plan would eventually be prepared. Hence the Fifth National Development Plan.

Links with earlier initiatives

6. The basis upon which the NDP is being prepared is in acknowledgment that there is no need to reinvent the wheel. That the policy and programme formwork, as designed through the consultative process of both the TNDP and the PRSP is still valid. Invariably, the new plan must then combine the essential elements of both instruments. It is for this reason that government, in consultation with cooperating partners, decided not to prepare a second generation PRSP, but to instead support a home grown initiative, which is to encompass all salient aspects of the PRSP, other government policies, plans and operations. The approach towards a comprehensive plan is also in part a result of the recognition that too many planning instruments have existed at the same time and that this occurrence has tended to confuse programme implementation as well as their support by the donors.

7. One of the primary aims of the process, therefore, will be to integrate all the mini plans currently existing and merge significant aspects of their policies and programmes in to the 5th National Development Plan. The objective here is to go beyond just the PRSP and the TNDP. Consequently, it was decided early in the process that it was necessary to ensure the development of a comprehensive instrument that will include and involve, the domestication of the Millennium Development Goals (MDGs), The Brussels Program of Action for Least Developed Countries, the New Partnership for Africa's Development (NEPAD) and other international initiatives. Nationally, the intention is to include studies and initiatives that have already made policy and programme recommendations, such as the Private Sector Development Plan (PSD), Indaba Resolutions, National Diversification Master Plan and the recently launched Decentralization Policy. Included in this bracket of

initiatives are line ministry strategic plans being developed as well as studies done by interest groups, NGOs and cooperating partners.

8. The National Development Plan will, especially ensure, that it is strongly influenced by initiatives such as the Public Sector Reform Programme, and the Public Expenditure Management and Financial Accounting Reforms (PEMFAR).

Theme of the National Development Plan

9. Since the process began, Government, through the Department of Planning and Economic Management at the Ministry of Finance and National Planning, has been preoccupied to make recommendations towards the theme and focus of the plan. Given the resolution that the essential element of the PRSP/TNDP should remain, our proposals for the theme have included the following:

- Aiming at achieving Pro- Poor growth and development with equity.
- Achieving Pro- poor growth, job creation and equity.
- Achieving pro-poor growth through rural development and technological advancement.

Strategic Focus of the NDP

The proposed Strategic Focus has received the following suggestions:

- Regionally balance rural Development.
- Provision of accessible quality social services.
- Provision of affordable infrastructure.
- Advancement in science and technology and,
- Achieving Public Safety

10. Within the context of the above theme and strategic focus, it is being proposed that the priority will be on the economic sectors of Agriculture, Tourism, Mining Manufacturing Transport and communication. In the Social Sectors, focus will continue to be on Education, Health and Public Safety. The thrust of the plan should then be within the confines of regional development. The thread that will bind all of these implement able policies and programmes shall be the thread of Governance.

Process and Timeframe

a) Process

11. Keeping in line with precedence set at the time of the preparation of the Poverty Reduction Strategy Paper 2002-2004, the preparation of the 5th National Development Plan will be/is being done through a consultative process. The work of

preparing the chapters (policy and programme proposals) will be done by working groups, which should be representative of a wide range of stakeholders.

12. The work of developing the NDP will, theretofore, predominantly be undertaken by the Sector Advisory Groups (SAGs), which will closely be supervised by the line ministry Permanent Secretary. The SAGs, which are fairly representative of government, civil society, private sector and cooperating partners, are perceived to be the most desirable and feasible consultative forum by which to anchor the preparation of the plan

13. There are now Seventeen Sector Groups, primarily based on thematic ideas of the PRSP. For each group, a consultant has been procured in order to assist in the literature review and drafting of the plan. Some SAGs have more than one consultant, depending on the nature of that SAG. Please take note that the work of the consultant is not to design the policy but to listen to the participants and merely use their knowledge and experience to frame the chapters in a manner that conforms to professional ethics and standard. The designers of the framework will be the Sectors Advisory Groups through a consultative process. The stakeholders have been given the power to create.

14. It is at this level that the role of stakeholder involvement will be most valuable. Civil Society, in particular, is expected to play a crucial role in the formulation of policy and its direction, its subsequent programme design and eventually implementation. The Government has not created any restriction in terms of stakeholder participation on the Sector Advisory Groups. Granted that some of the groups have not been operating to the desired expectations, it is being planned that the process of preparing the NDP will consolidate and eventually create the momentum towards making the SAGs a valuable forum for stakeholder consultations. The value of the SAGs is intended not only to be directed towards the design of the framework but also towards its implementation, monitoring and evaluation. In this regard, government invites civil society to fully participate in both the development of the plan as well as its implementation.

b) Time-Frame

15. The process has already commenced and is expected to be completed by the end of the year. The Zero Draft is expected to be ready for circulated for comments between the 12th and 16th of September 2005. The activities to be undertaken include: literature review; evaluation; consultations and drafting of both sectoral and regional chapters of the plan. These activities will culminate into the holding of weeklong and all-inclusive National Stake Holders Meeting (NSHM). The current Roadmap indicates that the NSHM will take place between the 26th and 31st of September 2005. The result of this meeting will be the first draft of the NDP.

16. The remaining time has been provided for editing of the documents and professional standardization of language. It is planned that the finalisation and eventual launch of the plan will be in the first week of January 2006.

-END-