

# Public Policy

Policy direction for the development of the Eighth National Development Plan and the 2022 Budget is framed around four thematic areas:

- 1.) Economic Transformation and Job Creation;
- 2) Human and Social Development;
- 3) Environmental Sustainability; and
- 4) Good Governance Environment.

## Business compliance

Government will amend the National Pension Scheme Act Cap 256 of the Laws of Zambia, to make the penalty regime less punitive to employers. This will also encourage compliance and registration of new employers.



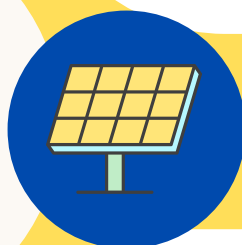
## Kwacha stability

Government will maintain a flexible exchange rate regime. Measures that support the stability of the exchange rate will be pursued, including stepping up the accumulation of international reserves to create a buffer to cushion the economy against external shocks



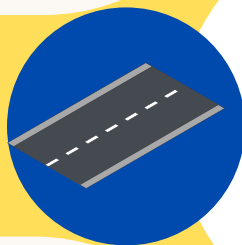
## Renewable energy

Renewable Energy Investment Plan that will improve the energy mix. This will reduce our vulnerability to climate shocks by leveraging the declining cost of technologies to harness our vast solar resources, complemented by wind and geothermal energy.



## Rural connectivity

Government initiated the Improved Rural Connectivity Project to maintain and rehabilitate a total of 4,300 kilometers of rural feeder roads. Including the rehabilitation of economic roads such as the Lusaka-Ndola, Chinsali-Nakonde and Kazungula-Sesheke roads



## MSME Ministry

The President established a dedicated Ministry of Small and Medium Enterprise Development. The Ministry will be responsible for policy as well as the development, mentorship and incubation of SMEs.



## CDF

Increased CDF allocations are meant to build classrooms, teachers' houses and clinics, among others. Local resources and service providers be prioritized and only in their absence will goods and services be sourced from outside the constituency. Items such as school furniture should be sourced and made using local labour and resources, where possible



## Public private partnerships

Government will repeal and replace the Public Private Partnership Act No. 14 of 2009. The new Act will address shortcomings of the current law by ensuring mutual benefits to the public and private sectors and will also enhance the enabling environment for local and foreign investors.



## Youth empowerment

To ensure that local people in the constituency are prepared to take up these jobs, some money has been put aside to accelerate the training of youths in each constituency. Empowerment funds for SMEs- K350,000,000 CDF, Youth and women empowerment funds - K803, 085,220



## Tax base

Government will harmonise Corporate Income Tax rates for all sectors and increase the taxable-base for VAT by standardizing the supply rate of a) property and non-life insurance, and abolish the current applicable insurance premium levy; and b) Booklets and Newspapers.



## Pay As You Earn

CURRENT REGIME		PROPOSED REGIME	
Income Band	Tax rate (%)	Income Band	Tax rate (%)
0 - 4000	0	0 - 4500	0
4,001 – 4, 800	25	4,501 – 4, 800	25
4,801 – 6,900	30	4,801 – 6,900	30
Above 6,900	37.5	Above 6,900	37.5

