# Table of contents

1. EXECUTIVE SUMMARY 4

2. INTRODUCTION 5

3. ALIGNMENT WITH AND CONTRIBUTION TO UNSDPF 9

4. PROGRAMME-LEVEL RESULTS 9

4.1. COORDINATION AND GOVERNANCE 9

4.2. PARTNERSHIPS AND RESOURCE MOBILIZATION 9

4.3. RESULTS OF PCP ADVISORY SERVICES 10

4.4. TECHNICAL COOPERATION RESULTS 10

4.4.1 PRELIMINARY PCP FOCUS AREA 1: IMPROVING THE POLICY ENVIRONMENT 11

4.4.2 PRELIMINARY PCP FOCUS AREA 2: DEVELOPMENT OF INDUSTRIAL SKILLS 11

4.4.3 PRELIMINARY PCP FOCUS AREA 3: FOSTERING MANUFACTURING INDUSTRIES AND VALUE ADDITION ON PRIMARY COMMODITIES 12

5. COMMUNICATION 14

6. UPCOMING MILESTONES AND MAJOR RESULTS EXPECTED IN 2020 15

7. ANNEX 1: PCP PORTFOLIO OVERVIEW – UNIDO TC 15
### PCP Zambia at a Glance

#### Status
- Early programming (initiated in 2019)

#### Main National Policy/Strategy Supported by the PCP
- Zambia’s Vision 2030 and the Seventh National Development Plan (7NDP)
- National Industrial Policy 2018
- MSME Development policy 2009-2019 (under revision)
- Local Content Strategy
- 2018 National Investment Promotion Strategy
- SMART Zambia Master Plan developed for the upgrade of telecommunication networks and data centers

#### Focus Sectors/Areas
- Tentative:
  - Improving the policy environment
  - Industrial skills development
  - Fostering manufacturing industries and value addition on primary commodities

- Cross-cutting: Effective partnerships coordination, monitoring and evaluation

#### Main Participating Ministries
The Ministry of Commerce, Trade and Industry (MCTI) is the main counterpart. Other key partners include the Ministry of Finance, Ministry of National Development Planning, Ministry of Higher Education, Zambia Development Agency, the Chamber of Commerce and Industry.

The PCP national coordination body will comprise the MCTI (lead Ministry) and representatives of: the Ministry of Foreign Affairs; the Ministry of Agriculture; the Ministry of Fisheries and Livestock; the Ministry of Energy; the Ministry of Water Development, Sanitation and Environmental Protection; the Ministry of Transport and Communications; the Ministry of Housing and Infrastructure; the Ministry of Mines and Mineral Development; the Ministry of Tourism and Arts; the Ministry of Lands and Natural Resources; the Ministry of Higher Education; the Ministry of General Education; the Central Statistical Office; the Zambia Development Agency; and the Zambia Chamber of Commerce and Industry.
### PCP ZAMBIA AT A GLANCE

**Financial institutions**: African Development Bank, OPEC Fund for International Development, European Investment Bank, World Bank, International Monetary Fund

**Bilateral/multilateral partners**: Swedish International Development Cooperation Agency, EU (11th EDF); strong potential cooperation with the Japan International Cooperation Agency, Finland, Sweden, Agence Française de Développement, the Italian Development Cooperation, the German Development Cooperation


**Business sector**: Zambia Electricity Supply Corporation (government-owned), Zambia Chamber of Commerce and Industry, Zambia Association of Manufacturers, HP, the Volvo Group, and the Technical Education, Vocational and Entrepreneurship Training Authority

**Other**: Zambia Environmental Management Agency, International Centre on Small Hydropower

### UNIDO PROJECTS WITH FUNDING SECURED

1. **Total number of ongoing projects**: 12 projects (3 completed in 2019)
2. **Total funding excl. psc. US$**: 4,452,390 (see Annex 1)

### TOTAL INVESTMENTS LEVERAGED

<table>
<thead>
<tr>
<th>UNIDO PROJECTS WITH FUNDING SECURED (COMPLETED AND ONGOING)</th>
<th>N/A</th>
</tr>
</thead>
</table>

### TOTAL PCP VOLUME

<table>
<thead>
<tr>
<th>TOTAL PCP VOLUME</th>
<th>US$ 4,452,390</th>
</tr>
</thead>
</table>

---

1. **Funding secured**: The total budget (net of programme support costs) under signed agreements for UNIDO programmes and projects.

2. **Funding leveraged**: Financial contributions allocated by public or private partners towards objectives pursued in a PCP. They are contributed partly as a result of UNIDO interventions within the framework of the PCP. Such resources are not channeled through UNIDO’s accounts and accordingly not under the Organization’s direct control.

3. **Total PCP volume**: UNIDO’s portfolio with funding secured plus investments leveraged.
1. EXECUTIVE SUMMARY

In October 2018, the Executive Board of UNIDO approved the development of the Programme for Country Partnership (PCP) for Zambia following the official request from the President of Zambia, Edgar Lungu. The PCP will support the growth of a diversified and competitive industrial economy and contribute to the strategic objectives of Zambia’s Seventh National Development Plan (7NDP) and Vision 2030, which aims to transform Zambia into a middle-income nation by 2030.

In early 2019, UNIDO and the Government initiated the formulation of the new programme. UNIDO conducted several missions to the country to discuss the PCP with government counterparts and development partners, and facilitate the transition from the ongoing UNIDO Country Programme into a PCP. Consultations were held on the roles and responsibilities of counterparts, the composition of the PCP national coordination body and the preliminary identification of PCP focus areas. Three tentative PCP focus areas were identified: (i) Improving the policy environment; (ii) Industrial skills development; and (iii) Fostering manufacturing industries and value addition in primary commodities.
2. INTRODUCTION

The PCP for Zambia will support the Government in implementing its Seventh National Development Plan (7NDP) and Vision 2030, in line with the ongoing UN Sustainable Development Partnership Framework (2016-2021) for Zambia. The PCP will work to strengthen synergies among the various stakeholders contributing to industrialization, from government entities, to financial institutions, UN entities, the business sector, and other development partners, by providing a platform for co-ordination.

Based on discussions with the Government, the following preliminary focus areas of the PCP Zambia were identified:

- **Focus area 1**: Improving the policy environment
- **Focus area 2**: Industrial skills development
- **Focus area 3**: Fostering manufacturing industries and value addition on primary commodities
- **Cross-cutting**: Effective partnerships coordination, monitoring and evaluation
The main aim of this component is to assist the government in the development and revision of existing industrial strategies and sectoral diagnoses, as well as in building the necessary institutional capacities. The following projects were identified to date, which will feed into this component:

- The formulation and implementation of a national pharmaceutical sector development strategy.
- The revision of the micro, small and medium enterprise (MSME) policy supported through the identification of gaps and alignment of the new policy with existing global, regional and national trends.
- The establishment of an industrial statistics and intelligence system and training of national implementation teams.
- The strengthening of technical capacities for effective appraisal of projects and public investment management.

**Alignment with 7NDP strategic objectives and priority areas:**
The main goal of the 7NDP is to create a diversified and resilient economy for sustained growth and socio-economic transformation driven by agriculture, mining and tourism. To support the achievement of this goal, the 7NDP identifies several strategic objectives: a) To diversify and make economic growth inclusive; b) To reduce poverty and vulnerability; c) To reduce developmental inequalities; d) To enhance human development; and e) To create a conducive governance environment for a diversified and inclusive economy.

The objectives of the 7NDP are anchored in long-term outcomes derived from Zambia’s overarching Vision 2030. The figure below illustrates the specific objectives of the 7NDP and the corresponding long-term outcomes of Zambia’s Vision 2030.

![Vision 2030 and 7 NDP diagram](image-url)

Source: The Seventh National Development Plan 2017-2021

PCP focus area 1 is aligned with and will contribute to the long-term outcome “A nation with improved governance” of Vision 2030, as well as the strategic objective of the 7NDP to create a conducive governance environment for a diversified economy. More specifically, PCP focus area 1 will contribute to the following key areas of this 7NDP strategic objective: a) Improving the policy environment; b) Improving transparency and accountability; and c) Improving service delivery. Consequently, PCP focus area 1 will also contribute indirectly to the strategic objective of economic diversification and job creation.
Focus area 2: Industrial skills development

The main aim of this component is to support inclusive economic development through capacity-building activities, notably for vulnerable groups such as youth and women, and the promotion of entrepreneurship, particularly in the sub-sector of minerals (metallic and non-metallic) processing and products. A focus area will be skills development to harness the opportunities offered by the Fourth Industrial Revolution in areas such as digital economy, e-commerce and new technologies. The following projects were identified to date, which will feed into this component.

- The increase of technical capacities and industrial skills through the implementation of the Zambian Industrial Training Academy (ZAMITA) project (phase II).
- The improvement of the well-being and productivity of young women and men in the western and north-western provinces of Zambia by creating income generating activities and employment opportunities for productive work.
- The creation of a regional high-tech centre of excellence, as an extension of the Northern Technical College (NORTEC), with the aim to improve skills in modern industry.
- The development of entrepreneurial skills and competencies through organized entrepreneurship training and business partnerships (such as with Hewlett-Packard).
- The economic empowerment of native and vulnerable youth and refugees in northern regions of Zambia through improved integration into local communities.

Alignment with 7NDP strategic objectives and priority areas:

PCP focus area 2 is primarily aligned with and will contribute to the strategic objective of enhanced human development, and indirectly to the strategic objective of economic diversification and job creation. The 7NDP strategic area of “enhancing human development” addresses the need to develop human beings’ capacities, specifically their ability to be educated, be healthy, have a reasonable standard of living and feel safe. It also addresses the need to attain the desired human capital development by building inclusive and appropriate skills that respond to the demands of the labour market. More specifically, the PCP focus area 2 will contribute to the following key areas of this strategic 7NDP objective: a) To promote a highly skilled workforce that contributes effectively to economic growth and diversification; b) To promote livelihoods and empowerment in rural areas; c) To enhance the effectiveness of economic empowerment programmes; and e) To improve the education system that equips individuals with skills in numeracy, information and communications technology (ICT) and literacy beyond a basic level.

Focus area 3: Fostering manufacturing industries and value addition on primary commodities

This component focuses on the development of value chains and agro-industrial parks, as well as on investment promotion and the improvement of business practices, including through increased energy and environmental efficiency. The following projects were identified to date, which will feed into this component:

- The development of the infant food manufacturing sub-sector and the cotton seed value chain in order to develop a spectrum of value added products.
- The development of manufacturing industries in the sub-sectors of textiles and garments, and leather and leather products.
- Upgrading and strengthening existing industrial zones, and the development of an agro-industrial park around the Kalahari geo-thermal plant.
- Increasing access to clean and affordable energy through small hydropower and solar mini grid development, and scaling-up access to energy in rural areas for productive uses.
- The development of the country’s environmental initiatives, including the development of the (HCFCs) Phase-out Management Plan, the mercury emission reduction project, the reduction of persistent organic pollutant (POPs) releases from open waste burning (through participation in the SADC regional project).
- Enhancing investment promotion by building capacities of the relevant local stakeholders in cooperation with the Zambian Development Agency (ZDA), contributing to the mobilisation of impact investors, South-South investments and diaspora investments, strengthening knowledge management of key actors and foreign direct investment (FDI) monitoring by the IPAs and other institutional stakeholders, and fostering inter-institutional coordination.
Alignment with 7NDP strategic objectives and priority areas:
PCP focus area 3 will primarily support the 7NDP strategic objective of “economic diversification and job creation” while focusing on the following key areas of the strategic objective: a) Improved production of technology and innovation through the use of research and development; b) Restructured, diversified and export-oriented economic sectors; c) Increased private sector engagement across sectors; d) Increased employment opportunities in both urban and rural areas; and e) Reinforced sustainable development principles.

Currently, economic output remains concentrated in the tertiary and primary sectors dominated by retail and wholesale trade, agriculture and mining. The secondary sector that is expected to support high value manufacturing remains subdued. Equally, the structural composition of gross domestic product (GDP) is not commensurate with the distribution pattern of employment, which lies heavily on the agrarian sector with low productivity. The PCP Zambia will foster manufacturing sector growth through investment promotion and modernization efforts targeting knowledge-transfer and the development of advanced digital production technologies of the Fourth Industrial Revolution.

In an effort to adapt and mitigate the effects of climate change on the agriculture sector, the 7NDP promotes the adoption of environment-friendly agricultural practices (climate smart and organic techniques) and creating public awareness on the adverse effects of climate change. Moreover, the Plan promotes the use of energy efficient and environmentally safe practices. Through the PCP’s focus area 3 and cooperation with relevant stakeholders, such as ZESCO, the PCP Zambia will support the implementation of such strategies towards achieving a more inclusive and sustainable economic growth.

Cross-cutting: Effective partnerships coordination, monitoring and evaluation

This component will seek to ensure that effective partnerships are coordinated and support the sustainable scaling-up of investments in the selected priority sectors/areas, under the leadership of the national coordination body.

Monitoring:
- Continuous monitoring and follow-up by the PCP management team.
- Setting-up and operationalisation of the NCB and funds mobilisation strategy.
- Mid-term review of the PCP in collaboration with the NCB; assess the design of the PCP, examine performance against outcomes, and assess the actual delivery against planned outputs.
- Independent final evaluation to be carried out by the Evaluation Group in collaboration with the NCB, the UNIDO PCP Team and the UNIDO Regional Office in South Africa.
- Regular monitoring reports will be shared with stakeholders.

Preparatory activities:
- Establishment of the NCB and mechanisms for funds mobilization, partnership coordination and results monitoring.
- Coordination mechanisms in place: NCB and other coordination mechanisms (donor coordination, prioritization, UN system coordination, etc.).
- Resource mobilization mechanisms: national resource mobilization mechanisms in place (equity and other financial resources).
- Results monitoring system: effective results monitoring systems established and focused on manufacturing value added (MVA) and industrial sector performance indicators as per ISID and national Government priorities.
3. ALIGNMENT WITH AND CONTRIBUTION TO UNSDPF

The PCP for Zambia is being developed in line with the United Nations Sustainable Development Partnership Framework (UN SDPF, 2016-2021). As part of the initial consultation and pre-formulation missions, several stakeholder workshops took place with the Government, as well as a special session with the United Nations Country Team in Zambia, presided by the United Nations Resident Coordinator. These meetings served to sensitize the development community to the PCP concept and identify potential cooperation opportunities.

The UN Country Team Zambia comprises 12 resident UN funds, programmes and specialized agencies, including UNIDO. The Bretton Woods organizations, including the International Monetary Fund (IMF) and the World Bank (WB), are part of the UN System, and they contribute to Zambia’s development priorities in close coordination with the UNCT. The Partnership Framework is valued at $806 million, and aims to support Zambia’s development priorities in the period of 2016-2021. The Partnership Framework has three broad pillars, which are: i) Inclusive social development; ii) Environmentally sustainable and inclusive economic development; and iii) Governance and participation.

Activities of the current UNIDO CP are aligned with the Zambia UN SDPF 2016-2021. With its technical cooperation (TC) activities, UNIDO particularly contributes to the implementation of Pillar 1: Inclusive social development, especially the Outcome 1.1: By 2021, GRZ and partners deliver equitable, inclusive, quality and integrated social services. The joint initiative by the United Nations Population Fund (UNFPA) and UNIDO on “Economic and social empowerment of young women and men in western and northwestern regions of Zambia” aims at improving youth’s resilience to health risks and insecurities through integrated health programmes with linkages to education and skills development.

UNIDO also contributes to Pillar 2: Environmentally sustainable and inclusive economic development, especially its Outcome 2.1: By 2021, productive sectors expand income-earning opportunities that are decent and sustainable. There are currently three ongoing projects in Zambia under the ISID thematic priority “Safeguarding the environment”. The Global Environment Facility (GEF)-funded project, “Upscale small hydropower mini-grid development in Zambia to deliver renewable energy for productive uses” is implemented jointly by UNIDO and ZESCO. The project is worth $645,734; its second phase is currently in planning.

UNIDO’s contribution to Pillar 3: Governance and participation, especially Outcome 3.1: By 2021, the national statistical system generates and disseminates disaggregated data for evidence-based national development processes, will be addressed through the technical portfolio of the upcoming PCP for Zambia, namely the component focused on improving the policy environment.

4. PROGRAMME-LEVEL RESULTS

4.1. COORDINATION AND GOVERNANCE

In 2019, UNIDO conducted several missions to the country to initiate PCP formulation with the Government, discuss national contributions to the PCP and the structure and composition of the PCP national coordination body (NCB). Furthermore, the recruitment process for the post of the PCP national coordinator was initiated. UNIDO also held regular consultations with the Permanent Mission of Zambia to the United Nations office and other international organizations in Geneva as part of the joint formulation process.

The Government has proposed a national coordination mechanism for the PCP, which will be finalized and institutionalized in 2020. An inter-ministerial PCP NCB will be established under the chairmanship of the Ministry of Commerce, Trade and Industry (MCTI). The latter would, in turn, report on the PCP’s progress to the Head of State. The proposed NCB would include: the Ministry of Finance; the Ministry of National Development Planning; the Ministry of Foreign Affairs; the Ministry of Agriculture; the Ministry of Fisheries and Livestock; the Ministry of Energy; the Ministry of Water Development, Sanitation and Environmental Protection; the Ministry of Transport and Communications; the Ministry of Housing and Infrastructure; the Ministry of Mines and Mineral Development; the Ministry of Tourism and Arts; the Ministry of Lands and Natural Resources; the Ministry of Higher Education; and the Ministry of General Education. It will also comprise the Central Statistical Office, the Zambia Development Agency and the Zambia Chamber of Commerce and Industry.

4.2. PARTNERSHIPS AND RESOURCE MOBILIZATION

There is a significant potential for resource mobilization in Zambia and discussions with potential PCP partners are ongoing. Stakeholder consultations were held, among others, with the African Development Bank (AfDB), the European Union (EU), International Fund for Agricultural Development (IFAD), the Swedish International Development Agency (SIDA), and the World
Bank. The PCP will also build on the partnerships already initiated through the Country Programme (CP), which in addition to the above-mentioned entities, include the Department for International Development (DfID), the Japan International Cooperation Agency (JICA), the Embassy of Finland, the Embassy of Sweden, the “Agence Française de Développement” (AFD), and Italian and German agencies for development cooperation.

As part of the CP, for instance, the OPEC Fund for International Development (OFID) and China are jointly supporting the development of Zambia’s energy sector through a UNIDO project focused on upscaling hydropower and solar renewable energy. A strong partnership also already exists with SIDA and the Volvo Group as part of an ongoing public-private partnership project supporting the Zambian Industrial Training Academy (ZAMITA).

A stakeholder workshop, conducted in July 2019, brought together national ministries, technical agencies and private sector partners to discuss PCP priorities, the setting up of a coordination mechanism and the next steps for the realization of the PCP.

In addition, a special session on the PCP was organized with the UNCT in Zambia to introduce the features of the PCP, the tentative focus areas of the PCP for Zambia, and discuss collaboration under the PCP umbrella and the framework of the ongoing UNSDPF. UNIDO and the UN Economic Commission for Africa (UNECA) are also exploring cooperation in the area of industrial policy and the country diagnostic exercise as part of PCP Zambia.

Representatives from the Government of Zambia participated in a training conducted by the Israeli Agency for International Development Cooperation (MASHAV), in partnership with UNIDO, which focused on agri-business development and experience-sharing between PCP countries. The training was organized from 8-20 December 2019, in Haifa, Israel. Mr. Billy Malijani, First Secretary of the Zambian Permanent Mission to the United Nations and other international organizations in Geneva and Vienna, and Mr. Hans Yamba, Principal Economist from the Ministry of Commerce, Trade and Industry, represented Zambia at the training.

In addition to Zambia, government representatives from Cambodia, Côte d’Ivoire, Ethiopia, Kenya, Kyrgyzstan, Peru, Rwanda, and Senegal took part in the course. Participants exchanged experiences and best practices in stakeholder coordination and the mobilization of public and private investments, including through large-scale agro-industrial projects which, for example, are an integral part of the PCP for Ethiopia.

4.3. RESULTS OF PCP ADVISORY SERVICES
N/A

4.4. TECHNICAL COOPERATION RESULTS
The PCP is still in the initial stages of programming. Going forward, in addition to new interventions, the programme will build on some of the already ongoing TC activities in the country, in line with the tentatively identified PCP priority areas.
4.4.1 PRELIMINARY PCP FOCUS AREA 1: IMPROVING THE POLICY ENVIRONMENT

Zambia is one of the beneficiary countries under the regional Africa Caribbean Pacific (ACP) Programme, “Support to Business Friendly and Inclusive National and Regional Policies, Strengthening Productive Capabilities and Value Chains”. This UNIDO project is funded by the EU’s 11th European Development Fund (EDF) as part of the Intra-ACP Private Sector Development Facilities and Programmes. The project will be implemented in coordination with the Zambia Development Agency.

Moving forward with the PCP, UNIDO will follow-up on the Government’s requests to support the formulation and implementation of a national strategy for the pharmaceutical sector, the revision of the existing policy on the development of micro, small and medium enterprises, and the establishment of a national Industrial Statistics Observatory.

<table>
<thead>
<tr>
<th>ERP ID</th>
<th>Ongoing project / sub-programme title</th>
<th>Donor</th>
<th>Funding (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>170049</td>
<td>Supporting business-friendly and inclusive national and regional policies, and strengthening productive capabilities and value chains – ACP regional project</td>
<td>EU, RPTC</td>
<td>600,000</td>
</tr>
</tbody>
</table>

**Sub-total: US$ 600,000**

<table>
<thead>
<tr>
<th>ERP ID</th>
<th>Pipeline project / sub-programme title</th>
<th>Donor</th>
<th>Funding (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pharmaceutical strategy formulation (Pharma Project)</td>
<td>TBC</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Establish an Industrial Statistics and Intelligence System in Zambia</td>
<td>AfDB</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Strengthen technical capacities for effective appraisal of projects and public investment management</td>
<td>TBC</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Revision of Micro, Small and Medium Enterprises (MSME) Development Policies</td>
<td>TBC</td>
<td></td>
</tr>
</tbody>
</table>

**Component total** | **US$ 600,000**

4.4.2 PRELIMINARY PCP FOCUS AREA 2: DEVELOPMENT OF INDUSTRIAL SKILLS

Preparations were initiated for the second phase of the ZAMITA project, which will form an integral part of the industrial skills component of the PCP. The ZAMITA project is implemented in coordination with NORTEC and the Zambian Ministry of Higher Education, and funded by Sida. The first phase, ongoing since 2015, has been supporting employment creation for youth by providing trainings on industrial skills needed for jobs in mining and related sectors. The second phase is expected to focus on the transport sector.

In July 2019, UNIDO received an official request for inclusion of Zambia in the regional project “Revitalization of forest training centers in the Southern African Development Community (SADC) region for green employment”. The request is currently under negotiation with the Embassy of Finland.

<table>
<thead>
<tr>
<th>ERP ID</th>
<th>Ongoing project / sub-programme title</th>
<th>Donor</th>
<th>Funding (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>140279</td>
<td>Zambian Industrial Training Academy (ZAMITA) Private-Public Development Partnership (PPDP) within Zambian’s Mining Skills and Training Framework (Phase I)</td>
<td>Sweden</td>
<td>1,390,218</td>
</tr>
<tr>
<td>190181</td>
<td>Zambian Industrial Training Academy (ZAMITA) Phase II</td>
<td>Sweden</td>
<td>1,532,003</td>
</tr>
<tr>
<td>150250</td>
<td>Economic and social empowerment of young women and men in western and north-western regions of Zambia</td>
<td>Trust Fund for Youth Employment</td>
<td>40,308</td>
</tr>
<tr>
<td>190143</td>
<td>Regional: Opportunities for youth in Africa: Accelerating job creation in agriculture and agribusiness (Total budget: 31,704 USD)</td>
<td>Trust Fund for Increased Food security</td>
<td>TBC</td>
</tr>
</tbody>
</table>

**Sub-total: US$ 2,962,569**
ERP ID | Pipeline project / sub-programme title | Donor | Funding (US$)  
--- | --- | --- | ---  
140279 | HP LIFE Zambia | TBC | TBC  

<table>
<thead>
<tr>
<th></th>
<th>Sub-total:</th>
<th>TBC</th>
</tr>
</thead>
</table>

Component total US$ 2,962,569

### 4.4.3 PRELIMINARY PCP FOCUS AREA 3: FOSTERING MANUFACTURING INDUSTRIES AND VALUE ADDITION ON PRIMARY COMMODITIES

A workshop was held in March 2019 to explore the possibility of building on the success of the recently concluded project focused on renewable energy, “Upscale small hydropower mini-grid development in Zambia to deliver renewable energy for productive uses – feasibility study phase”. A meeting was held between ZESCO, UNIDO and OFID to discuss the potential new initiative.

Another set of projects under the Montreal Protocol umbrella was aimed at phasing out ozone depleting Hydrochlorofluorocarbons (HCFCs) use in industry and agriculture. Preparations have already been initiated for stage I of the ongoing project on HCFC phase-out management plan (stage I). In addition, assistance is envisioned in the areas of environmental management, including the mercury emission reduction project, and supporting the reduction of POPs releases from open waste burning (through potential participation in the SADC regional project).

A preparation phase was launched for a new project on “Supporting infant food manufacturing in Zambia”. This project will seek to partner with the private sector to establish an infant food processing facility that utilizes locally produced raw materials.

ERP ID | Completed project / sub-programme title | Donor | Funding (US$)  
--- | --- | --- | ---  
190010 | Supporting infant food manufacturing in Zambia (PA phase) | RPTC, UNIDO | 20,000  
120210 | Upscaling Small Hydropower Plants (SHP) Mini-Grid Development in Zambia to Deliver Renewable Energy for Productive Uses | Zambia, UNIDO RB | 720,540  

<table>
<thead>
<tr>
<th></th>
<th>Sub-total:</th>
<th>740,540</th>
</tr>
</thead>
</table>

ERP ID | Ongoing project / sub-programme title | Donor | Funding (US$)  
--- | --- | --- | ---  
105306 | HFC phase-out management plan (stage I) | Montreal Protocol | 139,321  
190207 | Preparation of a HCFC phase-out management plan (stage II) | Montreal Protocol | 10,000  
150060 | Regional: Promotion of BAT and BEP to reduce uPOPs releases from waste open burning in the participating African countries of SADC sub-region (Total budget: 6,615,000 USD) | GEF | TBC  
170049 | Regional: Energy efficient lighting and appliances project in Southern and Eastern Africa (Total budget: 5,922,771 USD) | Sweden | TBC  
120386 | Regional: Establishment and first Operational Phase of the Secretariat of the SADC Centre for Renewable Energy and Energy Efficiency (SACREEE) (Total budget: 2,744,549 USD) | Austria, UNIDO RB, UNIDO RPTC | TBC  

<p>|  | Sub-total: | 149,321 |</p>
<table>
<thead>
<tr>
<th>ERP ID</th>
<th>Pipeline project / sub-programme title</th>
<th>Donor</th>
<th>Funding (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Development of an industrial park around the Kalahari geo-thermal plant</td>
<td>TBC</td>
<td>TBC</td>
</tr>
<tr>
<td></td>
<td>Upscale Small Hydropower Mini-Grid Development in Zambia to Deliver Renewable Energy for Productive Uses (phase II)</td>
<td>OFID, ZESCO</td>
<td>2,240,000</td>
</tr>
<tr>
<td></td>
<td><strong>Sub-total:</strong></td>
<td><strong>2,240,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

Component total US$ 3,129,861
5. COMMUNICATION

Progress on the PCP Zambia was reported through UNIDO’s ISID Newsletter, featured in promotional publications on the PCP portfolio, and through regular UNIDO briefings to Member States.

The PCP Zambia was also promoted during various missions and meetings with potential partners and stakeholders. It was also highlighted at the eighth UNIDO Ministerial Conference for the Least Developed Countries (LDCs), at the 18th session of UNIDO’s General Conference, and during the Seventh ISID Forum which took place on the sidelines of the General Conference.

ZAMBIA’S PARTICIPATION IN UNIDO EVENTS AND GLOBAL FORUMS AIMED AT PROMOTING INDUSTRIALIZATION AND THE PCP APPROACH

In 2019, the Government of Zambia participated in a number of global forums organized by UNIDO, which were aimed at promoting industrialization and the multi-stakeholder approach of the PCP.

The eighth UNIDO LDC conference was held on 2 November 2019, in Abu Dhabi, United Arab Emirates, under the theme of “Accelerating industrialization in LDCs: Lessons learned and innovative approaches”. H.E. Mr. Christopher Bwalya Yaluma, Minister of Commerce, Trade and Industry of Zambia, participated as a panellist, specifically in a session focused on industrial policy instruments and strategies, and the importance of manufacturing for the socio-economic transformation of LDCs.

In addition, Ms. Coumba Mar Gadio, the UNRC in Zambia, participated as a panellist in the LDC conference. She highlighted the PCP Zambia’s potential to contribute to capacity-building, policy development and improved coordination, and the importance of a multi-stakeholder approach to advance development goals.

Ms. Margaret Kaemba, Deputy Permanent Representative and Chargé d’Affaires of the Permanent Mission of Zambia to the UN office and other international organizations in Geneva and Vienna, participated as a panellist in the Africa Industrialization Day 2019, where she highlighted the importance of collaboration with UNIDO and other UN entities, particularly through the PCP and the framework of IDDA III.
6. UPCOMING MILESTONES AND MAJOR RESULTS EXPECTED IN 2020

In 2020, UNIDO will conduct a country diagnostic, which will help to finalize the PCP priority areas and develop a programme document. The national coordination body is expected to be established by the second quarter of 2020. New technical interventions will be developed in the PCP Zambia priority areas, with several projects expected to launch in 2020. Among these, the activities of the EU-funded regional investment programme, which also benefits Zambia as part of the ACP states.

7. ANNEX 1: PCP PORTFOLIO OVERVIEW – UNIDO TC

<table>
<thead>
<tr>
<th>ERP ID</th>
<th>PCP component # or cross-cutting area</th>
<th>Completed project / sub-programme title</th>
<th>Donor</th>
<th>Funding (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>120210</td>
<td>Focus area 3</td>
<td>Upscaling Small Hydropower Plants (SHP) Mini-Grid Development in Zambia to Deliver Renewable Energy for Productive Uses</td>
<td>Zambia, UNIDO RB</td>
<td>720,540</td>
</tr>
<tr>
<td>190010</td>
<td>Focus area 3</td>
<td>Supporting infant food manufacturing in Zambia (PA phase)</td>
<td>RPTC, UNIDO</td>
<td>20,000</td>
</tr>
</tbody>
</table>

Sub-total: 740,540

<table>
<thead>
<tr>
<th>ERP ID</th>
<th>PCP component # or cross-cutting area</th>
<th>Ongoing project / sub-programme title</th>
<th>Donor</th>
<th>Funding (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>170049</td>
<td>Focus area 1</td>
<td>Regional: Supporting business-friendly and inclusive national and regional policies, and strengthening productive capabilities and value chains – ACP regional project (Total budget: 8,623,245 USD)</td>
<td>EU, RPTC</td>
<td>600,000</td>
</tr>
<tr>
<td>140279</td>
<td>Focus area 2</td>
<td>Zambian Industrial Training Academy (ZAMITA) Private-Public Development Partnership (PPDP) within Zambia’s Mining Skills and Training Framework (Phase I)</td>
<td>Sweden</td>
<td>1,390,218</td>
</tr>
<tr>
<td>190181</td>
<td>Focus area 2</td>
<td>Zambian Industrial Training Academy (ZAMITA) Phase II</td>
<td>Sweden</td>
<td>1,532,003</td>
</tr>
<tr>
<td>150250</td>
<td>Focus area 2</td>
<td>Economic and social empowerment of young women and men in western and north-western regions of Zambia</td>
<td>Trust Fund for Youth Employment</td>
<td>40,308</td>
</tr>
<tr>
<td>190143</td>
<td>Focus area 2</td>
<td>Regional: Opportunities for youth in Africa: Accelerating job creation in agriculture and agribusiness (Total budget: 31,704 USD)</td>
<td>Trust Fund for Increased Food security</td>
<td>TBC</td>
</tr>
<tr>
<td>105306</td>
<td>Focus area 3</td>
<td>HCFC phase-out management plan (stage I)</td>
<td>Montreal Protocol</td>
<td>139,321</td>
</tr>
<tr>
<td>190207</td>
<td>Focus area 3</td>
<td>Preparation of a HCFC phase-out management plan (stage II)</td>
<td>Montreal Protocol</td>
<td>10,000</td>
</tr>
<tr>
<td>150060</td>
<td>Focus area 3</td>
<td>Regional: Promotion of BAT and BEP to reduce POPs releases from waste open burning in the participating African countries of SADC sub-region (Total budget: 6,615,000 USD)</td>
<td>GEF</td>
<td>TBC</td>
</tr>
</tbody>
</table>

Sub-total: 3,711,850
<table>
<thead>
<tr>
<th>ERP ID</th>
<th>PCP component # or cross-cutting area</th>
<th>Ongoing project / sub-programme title</th>
<th>Donor</th>
<th>Funding (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>170049</td>
<td>Focus area 3</td>
<td>Regional: Energy efficient lighting and appliances project in Southern and Eastern Africa (Total budget: 5,922,771 USD)</td>
<td>Sweden</td>
<td>TBC</td>
</tr>
<tr>
<td>120386</td>
<td>Focus area 3</td>
<td>Regional: Establishment and first Operational Phase of the Secretariat of the SADC Centre for Renewable Energy and Energy Efficiency (SACREEE) (Total budget: 2,744,549 USD)</td>
<td>Austria, UNIDO RB, UNIDO RPTC</td>
<td>TBC</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sub-total: 3,711,850</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ERP ID</th>
<th>PCP component # or cross-cutting area</th>
<th>Pipeline project / sub-programme title</th>
<th>Donor</th>
<th>Funding (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Focus area 1</td>
<td>Pharmaceutical strategy formulation (Pharma Project)</td>
<td>TBC</td>
<td>TBC</td>
</tr>
<tr>
<td></td>
<td>Focus area 1</td>
<td>Establish an Industrial Statistics and Intelligence System in Zambia</td>
<td>AfDB (tbc)</td>
<td>TBC</td>
</tr>
<tr>
<td></td>
<td>Focus area 1</td>
<td>Strengthen technical capacities for effective appraisal of projects and public investment management</td>
<td>TBC</td>
<td>TBC</td>
</tr>
<tr>
<td></td>
<td>Focus area 1</td>
<td>Revision of Micro, Small and Medium Enterprises (MSME) Development Policies</td>
<td>TBC</td>
<td>TBC</td>
</tr>
<tr>
<td></td>
<td>Focus area 2</td>
<td>HP LIFE Zambia</td>
<td>TBC</td>
<td>TBC</td>
</tr>
<tr>
<td></td>
<td>Focus area 3</td>
<td>Development of an industrial park around the Kalahari geo-thermal plant</td>
<td>TBC</td>
<td>TBC</td>
</tr>
<tr>
<td></td>
<td>Focus area 3</td>
<td>Upscale Small Hydropower Mini-Grid Development in Zambia to Deliver Renewable Energy for Productive Uses (phase II)</td>
<td>OFID, ZESCO</td>
<td>2,240,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sub-total: 2,240,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total US$ 6,692,390</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
FOR MORE INFORMATION, PLEASE CONTACT

PCP ZAMBIA PROGRAMME MANAGER:
Manuel Mattiat, Programme Officer, Africa Regional Coordination Division
Email: m.mattiat@unido.org

Disclaimer

© UNIDO January 2020. All rights reserved.

This document has been produced without formal United Nations editing. The designations employed and the presentation of the material in this document do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations Industrial Development Organization (UNIDO) concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries, or its economic system or degree of development. Designations such as “developed”, “industrialized” or “developing” are intended for statistical convenience and do not necessarily express a judgement about the stage reached by a particular country or area in the development process. Mention of firm names or commercial products does not constitute an endorsement by UNIDO.

All photos/visuals © UNIDO, Pexels, Envato Elements, Freepik.