



Republic of Zambia

MINISTRY OF FINANCE AND NATIONAL PLANNING

UPDATE ON APRIL 2024 BUDGET RELEASES

Lusaka, 12th May, 2024 – Finance and National Planning Minister Dr SITUMBEKO MUSOKOTWANE has said the realigned budget necessitated by the drought in many parts of the country, will be presented to Parliament in the next session, for approval. The Minister has assured that in the intervening period, the Treasury will continue to finance key developmental and social welfare programmes. The Minister spoke as he reflected on the April, 2024, budget releases report.

April, 2024 Releases

In April 2024, the Ministry of Finance and National Planning (Treasury) released K15.2 billion to finance public service delivery. Of this amount, K4.9 billion was released for the public service wage bill, while K3 billion was spent on debt service (domestic and external) and arrears. In addition, K3.5 billion was released for transfers, subsidies and social benefits. Furthermore, the Treasury released K3.1 billion for the implementation of various Government programmes and general operations, while K701.2 million was spent on capital expenditure.

In line with the Government's commitment to reduce indebtedness, a sum of K3 billion was released, of which, K2.7 billion went towards the payment of both domestic and external debt service while K250 million was for dismantling arrears to suppliers of goods and services to the Government.

In the month under review, the Treasury released K3.5 billion for transfers and subsidies, of which notable expenditure items included:

- 1) K942.5 million for the Social Cash Transfer Programme;
- 2) K534.1 million as a grant to schools to aid in smooth operations of the second term;
- 3) K453.9 million for the operations of public hospitals and Grant Aided Institutions (GAIs);
- 4) K235.7 million towards the Skills Development Bursary component of the Constituency Development Fund;
- 5) K209.7 million to the Public Service Pension Fund as operational grant and pensions payments financing gap in line with the **Government's** policy stance to ensure that dues are paid to retirees in the shortest possible period;
- 6) K145.4 million for university operations and student loans and scholarships;
- 7) K120.8 million to the Local Government Equalization Fund; and,
- 8) K209.1 million as a grant to ZRA to support operations and resource mobilisation efforts.

In addition, a total of K620.5 million was released for the Farmer Input Support Programme (FISP).

For general operations, the Treasury released K3.1 billion to facilitate implementation of programmes under various Government institutions. Notable items under this category, included K206.3 million for procurement of drugs and medicals supplies and K170.0 million for Compensation and Awards.

For capital expenditure, the Treasury released K701.2 million, of which, K355.5 million was for road Infrastructure, while K345.6 million went to other projects in Ministries, Provinces and Agencies.

The Government spent K4.9 billion on costs relating to the Public Service Wage Bill (personal emoluments) for various public service workers.

Final reflection by the Minister

We are pleased with the reforms that are taking place to improve public finance management, procurement, and service delivery in the public service. We will continue to pursue the reforms and change management initiatives so that we reach a value for money equilibrium in public service delivery.

“The setbacks caused by the drought and the reported abuse of public funds in some sectors will not deter the Treasury from ensuring that the credibility of the budget is sustained for the good of the country. We will continue to release funds in a timely and efficient manner to ensure that all approved programmes are implemented in accordance with **plans**,” Dr MUSOKOTWANE has stated.

The Minister cautions that wanton abuse of public funds will not be tolerated. He has also restated that perpetrators of the abuse of public resources will face the law and maximum applicable punishment will be sought from the courts, within the less than six months provision for financial crimes. Public officials who are lagging behind in adopting the good governance and public service transformation reforms implemented by the New Dawn Administration, thereby causing fiscal spillages, will also face relevant sanctions.

Dr MUSOKOTWANE has also reiterated the **Government’s** commitment not to condone corruption so that public goods and services in Zambia are delivered to all without illegitimate costs; and, benefits accrue to intended beneficiaries in the wider public and not to a few individuals, only.

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Office of the Secretary to the Treasury

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