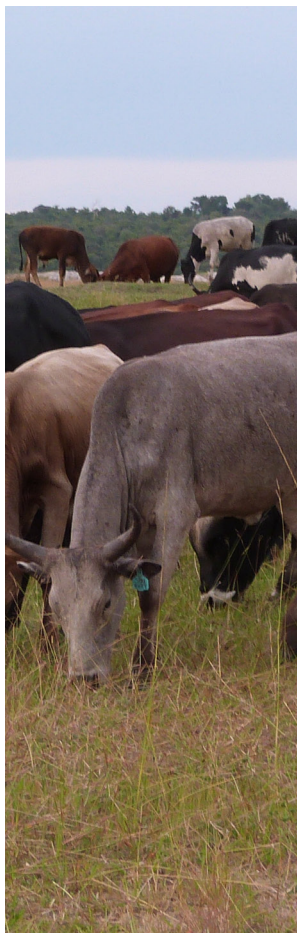




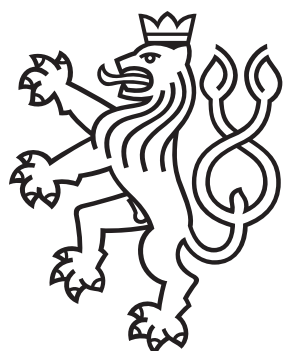
Ministry of Foreign Affairs  
of the Czech Republic



# Development Cooperation Programme of the Czech Republic

## Zambia

2018–2023



	<b>Introduction .....</b>	<b>4</b>
<b>1.</b>	<b>Zambia .....</b>	<b>5</b>
	Map of the country, basic facts, political and economic situation	
1.1	Analysis of the country's needs	
1.2	The country's development priorities and 2030 Agenda's SDGs	
<b>2.</b>	<b>The Czech Republic in Zambia .....</b>	<b>9</b>
2.1	Cooperation outcomes to date	
2.2	Cooperation priorities and objectives	
2.3	Measures to achieve the objectives	
2.4	The Czech Republic's coordination with other stakeholders	
<b>3.</b>	<b>Conditions for the implementation of the cooperation programme.....</b>	<b>12</b>
3.1	Conditions for implementation in the country	
3.2	Monitoring and evaluation	
3.3	Risk management and increases in sustainability	
3.4	Duration and updating of the programme	
<b>4.</b>	<b>Annexes .....</b>	<b>15</b>
4.1	Programme chart	
4.2	Results matrix	
4.3	Abbreviations and explanatory notes	

## Introduction

*This programme builds on the Czech Republic's existing development cooperation and partnership with Zambia and responds to the country's needs and development priorities. It addresses the objectives of the Development Cooperation Strategy of the Czech Republic 2018-2030 while respecting the Sustainable Development Goals (SDGs) under the 2030 Agenda for Sustainable Development as well as the principles of the Global Partnership for Effective Development Cooperation. The programme reflects past experience, including project and sector evaluations carried out during the previous cooperation programme. It takes into account the conclusions and recommendations for Czech development cooperation stemming from the 2016 OECD Peer Review.*

*Zambia is on the UN list of Least Developed Countries (LDCs), and its various human development indicators present a mixed picture of a low- to middle-income country. The country is currently experiencing a marked economic slowdown following a period of robust growth in the past decade. The growth was driven by high copper production rather than by the much needed industrialisation, macroeconomic change and economic diversification. Income inequality and poverty (including extreme poverty) have remained high. The degree of social inequality and vulnerability of poor people is equally acute. Government expenditure on health care, education and social protection is inadequate.*

*This programme sets out to assist Zambia in putting into action its "Vision 2030": A prosperous middle-income nation by 2030" strategy document and achieving the middle-income country status. The priorities of the programme are to help reduce poverty and poor people's vulnerability by creating jobs (especially in rural areas), to help diversify Zambia's economy and build sustainable manufacturing and agriculture sectors, including the development of infrastructure, education and training.*

*To deliver on these priorities, the Czech Republic will work to improve the market access of the small and middle sized farmers, to increase the quality and diversification of the agriculture production and in this way to promote the agricultural and rural development in general. The programme is intended to support Zambia as it moves away from dependence on development assistance; the broad objectives are to reduce poverty and hunger, and to encourage sustainable economic growth. The Czech Republic will take advantage of the experience gained during its own transition process, and of the high added value of its expertise and skills.*

*In addition to bilateral development activities, the Czech Republic is ready to provide humanitarian assistance to Zambia, especially in the event of major disasters and adverse climate events.*

*This programme is the result of active cooperation between the involved central and local government authorities, NGOs and the business community. It is a consensual document laying the groundwork for coordinated and consolidated Czech development cooperation with Zambia and promoting its sustainability, coherence and visibility.*



## 1. ZAMBIA

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<b>Population:</b>	16,222 million <sup>1</sup>
<b>OECD/DAC country classification (per capita GNI):</b>	USD 1,308, least developed country (LDC) <sup>2</sup>
<b>UNDP Human Development Index (HDI):</b>	0.586 in 2014 (139 <sup>th</sup> of 188 countries)
<b>Transparency International Corruption Perceptions Index: (CPI)</b>	38 points, 76 <sup>th</sup>
<b>Freedom House's Freedom Status:</b>	partly free
<b>ODA per capita:</b>	USD 63 <sup>3</sup>

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<sup>1</sup> <http://www.worldbank.org> (2015)

<sup>2</sup> <http://www.oecd.org> (2016)

<sup>3</sup> <http://www.worldbank.org> (2014)

## Situation

Zambia has long been recognised as a democratic country whose government needs to further stabilise the internal political, social and economic situation, build the people's confidence in government institutions, and give a renewed significance to the national motto "One Zambia, One Nation". The country's main long-term priorities are to reduce chronic poverty and social inequalities, create jobs, fight corruption, work for overall sustainable growth and, last but not least, to become a middle income country.

Zambia has one of the world's fastest growing populations. According to UN estimates the country's population may triple by 2050. On the other hand, Zambia's life expectancy rates are among the worst worldwide, despite the rapid population growth. One of the causes is the lack of accessible and good quality healthcare and medical services: limited availability of neonatal and paediatric care results in high maternal and infant mortality, and there are related challenges such as high malnutrition rates in pregnant women, and limited access to reproductive health services. Rural women and girls are especially vulnerable in this regard.

The years of robust economic growth (annual GDP growth was never below the 5% level until 2014), ended in 2015 with the GDP falling to a fifteen-year low as a result of a combination of adverse factors: high government expenditure, decline in world prices of copper (the country's crucial commodity), low agricultural yields, water shortages leading to an energy crisis, and increasing inflation. The International Monetary Fund (IMF) listed Zambia among Sub-Saharan non-oil commodity exporters worst hit by the decline in commodity prices. Economic development is hampered by lack of diversification, poor infrastructure, fiscal inefficiency, widespread tax evasion, and lack of skilled workforce. The capital city of Lusaka and the northern Copperbelt province have reaped all the benefits of the past economic boom; the rural provinces have remained poor. Zambia has one of the world's biggest gaps between the rich and poor, and one of the highest levels of chronic poverty: 60% of the population are below the poverty line and female poverty levels are acute.

## 1.1 Analysis of the country's needs

The following analysis of Zambia's needs is based primarily on the country's "Vision 2030" development strategy. It also reflects previous experience with Czech development cooperation in the country, including the results of some project evaluations. Individual needs are analysed against the backdrop of the SDGs.



The macroeconomic stability and growth enjoyed by Zambia for much of the past decade did not significantly reduce **income inequalities and chronic poverty**. Economic growth did not generate adequate living conditions in rural areas where most of the population lives. Rural poverty is at around 75%; 40% people live in extreme poverty with daily food intakes below the recommended level. The country has one of the world's biggest gaps between the rich and poor.



The **agriculture** sector has the potential to drive economic development and help reduce the high poverty and malnutrition rates. To achieve this, agricultural production needs to be **diversified** and combined with **development of rural farming areas** (focusing on marginalised groups). Agriculture employs 85% of active workforce but accounts for only one fifth of the GDP. Subsistence farming dominates the sector. Agricultural development is impeded by poorly functioning market and value chains, limited access to technologies, energy sources and financial services, and limited opportunities to develop skills.



Impacts of the **climate change** are a major challenge to the agriculture sector and its productive capacity. Zambia has ample arable land, but it needs to increase productivity in ways that respect local natural resources and take into account potential impacts of the climate change.



## **1.2 The country's development priorities and 2030 Agenda SDGs**

Zambia's long-term strategic development document, "Vision 2030: A prosperous middle-income nation by 2030",<sup>4</sup> is based on the country's needs and on the SDGs. Vision 2030 lays the groundwork for national development plans. The present programming period is covered by the Seventh National Development Plan 2017-2021 ("7NDP"). The main objective of the 7NDP and of the national development effort at large is to turn Zambia into a middle-income country by 2030 and to build a diversified economy no longer dependent on development assistance. The main priorities are agriculture and rural development, including the building of infrastructure and the energy sector, health care, education and human resources development. Gender equality, social protection of the poor, human rights, employment and lasting macroeconomic stability remain the cross-cutting objectives.

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<sup>4</sup> National Long Term Vision 2030 (Vision 2030),  
<http://www.mofnp.gov.zm> (available at <http://unpan1.un.org/intradoc/groups/public/documents/cpsi/unpan040333.pdf>)

## **2. THE CZECH REPUBLIC IN ZAMBIA**

### **2.1. Cooperation track record to date**

The Development Cooperation Strategy of the Czech Republic 2010-2017 included Zambia among the priority countries. The cooperation was based on a Memorandum of Understanding between the Czech Development Agency and the ministries concerned. The cooperation included bilateral and trilateral projects managed by the Czech Development Agency, and Zambia also benefited from the Czech government scholarship scheme. Development projects were concentrated in the West Zambia and South Zambia provinces. In accordance with the Development Cooperation Strategy, the cooperation focused on agriculture, health care and education sectors.

Healthcare projects aimed to improve the quality and availability of health care for the mother and child, educational projects focused on vocational education, and projects in the agriculture sector concerned mostly cattle breeding. Examples of the cooperation include a mother and child care project in West Zambia, a vocational education project for vulnerable children at Katongo Basic School in West Zambia, a sustainable care project for orphaned and vulnerable children in West Zambia, and agricultural projects for holistic landscape and livestock management (implemented in cooperation with the Africa Centre for Holistic Management) and sustainable and stable fodder production at smallholder farms.

The Czech-Zambian development partnership maintains a high standard and has a good potential for growth. Zambia's central authorities are aware of the projects and appreciate the cooperation. Project implementers do not encounter major problems on the ground.

## 2.2. Cooperation priorities and objectives

This programme aims to support Zambia in its development effort and its resolve to become a middle-income country by 2030, in line with the Zambian government's development aspirations spelled out in the Vision 2030 strategy document. The Czech Republic will use its own experience of overall economic and social transition as guidance in working towards these objectives.

The Czech Republic will assist Zambia's poverty reduction and eradication efforts, and support the country's economic and social stabilisation especially in rural areas. There will be a group of projects to promote comprehensive rural development; this will involve developing inclusive social services, and mainly improving young people's qualifications. Concerns such as equality of women and men and of all groups of the population, good democratic governance and climate protection will be mainstreamed into all development cooperation activities.

### OBJECTIVES AND OUTPUTS:

#### I. Agriculture and rural development

**Promoting agricultural productivity and diversity, stabilizing the rural population, its economic prosperity and social situation. Contributing to the reduction of chronic poverty and to efforts to deal with social inequalities.**



The sustainable rural development will be promoted in its all three dimensions (economic, social, and environmental).

The objective will be achieved through intensification and diversification of the agricultural production, through introduction of integrated plant and stock farming with intensified but environmentally friendly use of resources focused on general rural development. The aim is to improve access to production resources and agricultural input, mainly for small and middle sized farmers. This will involve improving the farmers' knowledge of resilient and sustainable agricultural practices, promoting farm mechanisation, and helping build value chains in agriculture and food production. The programme is designed to help improve productivity in ways that respect local natural resources and take into account potential impacts of the climate change. The programme will encourage partnerships and cooperation between the private and public sectors as well as between farmers and other actors in the production, processing and marketing chain. The programme will promote agri-business as well as financial and advisory services. The economic empowerment of women and girls will be a cross-cutting issue. Another important concern will be to address the quality of food intake of these groups, including dietary diversity, dietary habits and prevention of malnutrition. Other non-productive activities in favour of sustainable rural development will also be promoted. All activities under this objective will emphasize the multiplication of outcomes in order to achieve a comprehensive change.

Concerns such as equality of women and men and of all groups of the population, good democratic governance and climate protection will be mainstreamed into all development cooperation activities.

### **2.3. Measures to achieve the objectives**

Bilateral project-based development cooperation, complemented by trilateral cooperation projects co-financed by other donors, will be central to the achievement of the programme's objectives and results. Supplementary activities will include the Czech Republic's multilateral development cooperation and, where necessary, also humanitarian aid.

Bilateral development cooperation under this programme will be implemented mainly through development projects aimed at building the capacities of partners and beneficiaries, including the transfer of know-how, technology and complete plant equipment. These projects will be carried out solely on the basis of project proposals from local entities, taking into account the programme's goals as well as needs assessment on the ground. Funding mechanisms will include grants, public procurement contracts, budgetary measures and, where appropriate, financial donations to local entities in the partner country. Another instrument are Small Local Projects (SLPs) implemented directly by Czech embassies. SLPs make it possible to deliver smaller, precisely targeted development activities consistent with the focus of the programme and linked to other Czech development cooperation projects. New financial instruments, feasibility studies, business partnerships of a development or investment nature, and trade promotion projects (Aid for Trade) will also be employed. Other activities directly related to the priority areas of development cooperation under this programme will include the posting of teachers and experts to Zambia, and study visits by the staff of Zambian government institutions and local authorities to the Czech Republic. The study visits will be permitted only for the purpose of know-how transfers. The programme will make use of synergies with other technical tools (scholarships).

### **2.4. The Czech Republic's coordination with other stakeholders**

In keeping with global principles on aid effectiveness and in the spirit of continuity with its approach so far, the Czech Republic will seek to coordinate its activities with other donors in the thematic areas of its priority interest under the Development Cooperation Strategy of the Czech Republic 2018-2030.

In previous years, the Czech Republic was not directly involved in donor coordination mainly because it had no embassy or consulate in Zambia. In 2017, the opening of a resident embassy in Lusaka enabled the Czech Republic to join the local donor community and benefit from opportunities for direct and practical working contacts with bilateral and multilateral partners. In this programming period the Czech Republic intends to develop its coordination and synergies with other donors in priority areas of mutual interest.

The basic rules for donor coordination in Zambia have been agreed in the Joint Assistance Strategy document, signed by Canada, Denmark, Finland, Germany, Japan, the Netherlands, Norway and Sweden, the development cooperation agencies of Ireland (Irish Aid), United States (USAID) and the United Kingdom (DFID), as well as the EU, UN agencies, IMF and the World Bank. The Czech Republic will seek to cooperate with these countries and international organisations on the ground.

Above all, the Czech Republic will look for opportunities to cooperate with the EU, including participation in Joint Programming (if introduced in Zambia). The EU's 11th European Development Fund addresses the focal sectors of energy, agriculture and governance.

The Czech Republic will cooperate with the EU and other donors bearing in mind its own foreign policy priorities and its capacities, in the spirit of the principles of aid effectiveness, aid harmonisation, and mutual accountability between donors and the Zambian government.

### **3. CONDITIONS FOR THE IMPLEMENTATION OF THE COOPERATION PROGRAMME**

#### **3.1. Conditions for implementation in the country**

The terms and conditions for the implementation of the development cooperation of the Czech Republic with Zambia are laid down in a Memorandum of Understanding between the Ministry of Foreign Affairs of the Czech Republic and (? The Ministry for Development Cooperation Planning of Zambia?), concluded on ... and in force for the period of... The Zambian side agrees:

(Text will be finalized based on the negotiation with the Zambian side)

- to exempt from customs duties, taxes and other mandatory payments any goods and services financed from the Czech contribution, as well as any equipment, material and work necessary for the implementation of the Agreement /MoU;
- to exempt from customs duties, taxes and import surcharges any goods imported for the personal use of Czech development project implementers when seconded to Zambia in accordance with this Agreement /MoU, as well as any goods imported for the personal use of the dependants of such implementers; to facilitate the entry and departure customs clearance procedures for the above individuals; to bear in mind the need to avoid double taxation; to consider reducing the waiting time for visas and work and residence permits; and to ensure favourable treatment for the above individuals.

#### **3.2. Monitoring and evaluations**

Project monitoring and evaluation of programme implementation are basic requirements to keep all stakeholders informed of the course and results of cooperation to the necessary extent and quality. These processes will be governed by provisions contained in the External Development Cooperation Strategy and in the Methodology for the Project Cycle of Bilateral External Development Cooperation Projects. The results of monitoring and, in particular, evaluations will form an important basis for comprehensive assessment of development activities, for decision-making on further cooperation with Zambia at a strategic, programme and project level, and for the subsequent comprehensive management system, linking the results to strategic objectives.

In the continuous monitoring and evaluation of development activities established by this programme, a results-oriented procedure will be implemented, so the outputs and targets of individual projects will be followed as a means of more efficient and accountable management and the flexible setting of necessary changes in response to the evolving conditions of implementation and the experience gained (in the sense of “learning by doing”). The monitoring of all of the Czech Republic’s development activities will be carried out by staff of the Czech diplomatic mission in Lusaka, apart from Czech Development Agency projects, which will be monitored by the Agency’s staff. Monitoring will take place once or twice a year. The Czech Republic will strive for joint monitoring missions with the Zambian authorities, implementers and partners in development activities. Monitoring will result in monitoring reports, which will be shared between the Ministry of Foreign Affairs (Department of Development Cooperation and Humanitarian Aid), the Czech Development Agency, the Czech Embassy and the Zambian authorities, and will also serve as a basis for follow-up evaluations. For the sake of monitoring the implementation of the programme, the values of the programme’s output indicators and objectives will be reviewed in

two-year cycles according to sources of data verification (especially those provided from the Zambian authorities).

Evaluations will assess the long-term impacts and benefits of development interventions in Zambia according to the OECD's internationally standardised methodology, with a focus on the various thematic areas defined in the External Development Cooperation Strategy that are relevant to this programme. Links to the fulfilment of the Sustainable Development Goals (SDGs) named in this programme will also be evaluated. In addition, the geographic and regional focus of the programme will be assessed. The Czech Republic will seek the involvement and building of Zambian evaluation capacities.

During each year of programme implementation, the Ministry of Foreign Affairs will host one or two consultations between the Ministry, the Czech Development Agency and any other relevant programme implementers. These sessions will be aimed at ensuring there is an ongoing consensus regarding the implementation of the programme and its expected results, and at coming up with a timely response to any eventual major problems.

In the medium term, the programme may be adapted so as to respond as well as possible to Zambian needs and to reflect the results of evaluations and their recommendations to the fullest extent possible.

Ahead of the expiry of the programme, the Czech Embassy and the Czech Development Agency will work together to draw up a summary report for the Ministry of Foreign Affairs describing and evaluating the results of the overall impact analysis. The report will include explanations in those instances where set objectives and outputs have not been achieved, and will discuss which tools have proven good and which have not. The report will form an important basis for the final programme evaluation and for a decision on further cooperation with Zambia.

### **3.3. Risk management and sustainability advancement**

Risk management is conducted in accordance with the External Development Cooperation Strategy. A fundamental underlying document is the strategic and project-related "Risks Analysis of Implementing External Development Cooperation in Zambia" (the "Analysis"), which includes a list of risk management instruments. The programme of cooperation with Zambia is based on this Analysis and an analysis of Zambia's development needs. Risks and measures to prevent them will be monitored regularly.

With reference to the External Development Cooperation Strategy, the sustainability of development assistance and the results of completed projects is one of the fundamental objectives behind the implementation of external development cooperation. Advancement in sustainability is an important criterion of success for development activities in the country. Sound risk management and effective project management in various stages of the project cycle will help to increase sustainability. In line with the provisions of the External Development Cooperation Strategy, the emphasis is on the high-quality *identification* of Zambia's development needs in accordance with the relevant strategies followed by the Zambian government, and on the pursuit of goals and activities leading to their fulfilment according to established rules.

A prerequisite is the rigorous analysis of participants and local conditions for development activities, as well as relevant and quality enter data. In this context, in the formulation of projects an emphasis will be placed on a well-prepared *exit strategy*. An important element is the stress on the highest possible level of *involvement of local partners in the process of project preparation and decision-making*. This is then linked to the subsequent sharing of *ownership of the results* of development activities, supported

by careful and predictable *project handover*, including proper training of beneficiaries. An important factor is cooperation and communication between the implementer and partners when knowledge is being transferred, training is being provided, etc. An important factor conducive to the required development-related synergy effects is *coordination* with other donors and implementers in the area, plus mutual coordination between stakeholders under the Czech Republic's external development cooperation. An emphasis will be placed on strengthening control mechanisms and on the mandatory implementation of recommendations arising from evaluations in strategic external development cooperation documents.

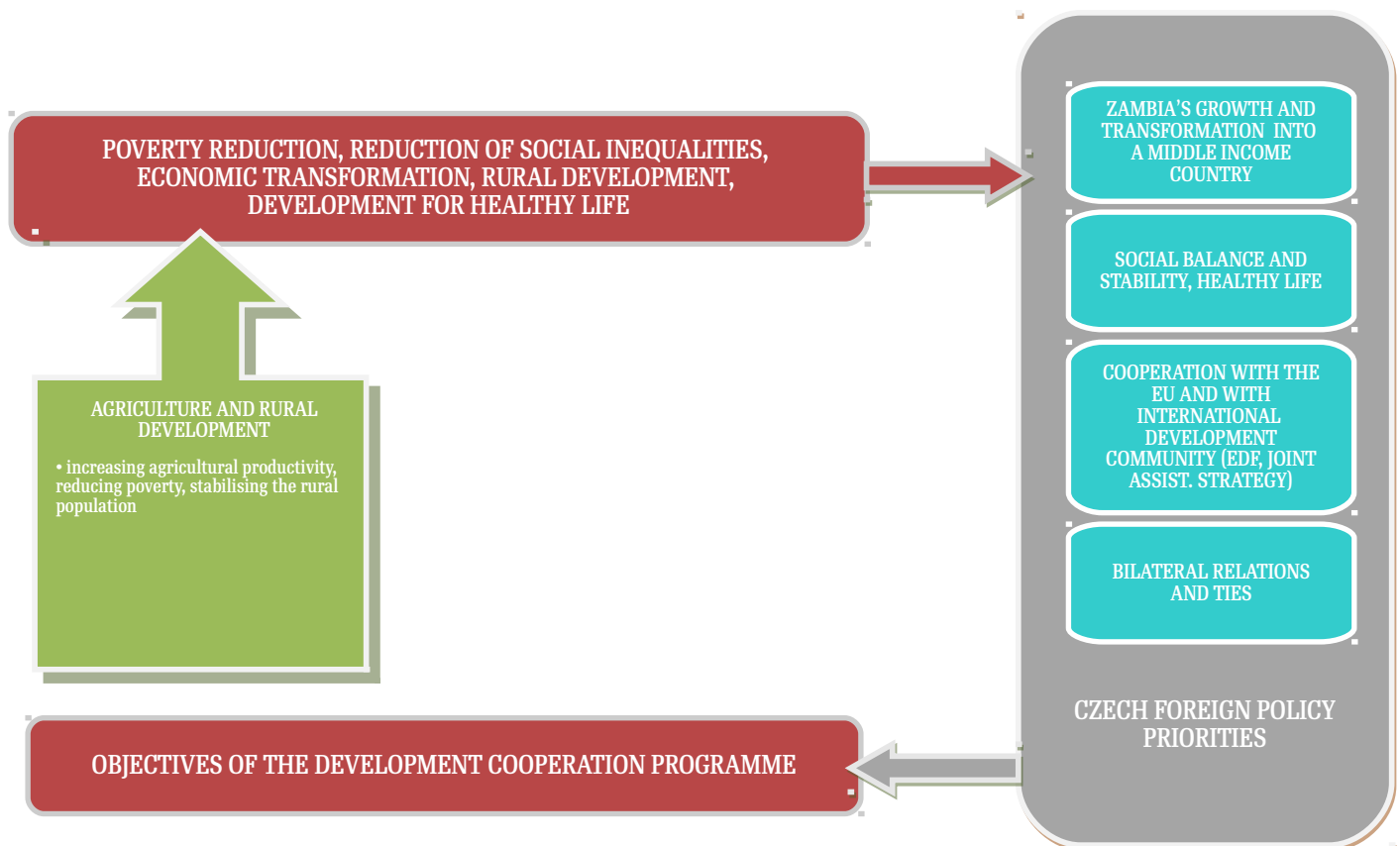
### **3.4 Programme validity and updates**

This programme of development cooperation between the Czech Republic and Zambia will be in force for the 2018-2023 period. Its implementation will be consistently monitored and evaluated in accordance with the Development Cooperation Strategy of the Czech Republic 2018-2030 and with annual monitoring and evaluation plans. The results of the monitoring and evaluation will be used to adjust the programme where necessary and appropriate. A comprehensive evaluation will be carried out by 2023 to decide on the course of further cooperation.

## 4. ANNEXES

### 4.1 Programme chart

#### Zambia 2018 – 2023 Czech development cooperation programme



**4.2 Results Matrix – Zambia (2018 – 2023)**

Priority Areas of Sustainable Development	Results	Indicators Baseline and Target
Agriculture and Rural Development	<p><b>Outcome 1: Increase agricultural productivity and incomes of small-scale food producers</b>, in particular family farmers and women, through the implementation of <b>resilient and sustainable agricultural practices</b> (SDG Targets 2.3, 2.4)</p> <p><b>Output 1.1:</b> Strengthened access of small-scale food producers to productive resources and agricultural inputs</p> <p><b>Output 1.2:</b> Increased access and use of effective agricultural extension and financial services, markets and opportunities for value addition</p> <p><b>Output 1.3:</b> Ensured sustainable food production systems</p>	<p>Volume of production per labour unit by classes of farming Share (%) of the target population with acceptable Food Consumption Score (FCP)</p> <p><b>1.1.</b> Share of farmers with access to agricultural inputs</p> <p><b>1.2.</b> Share of farmers benefiting from support provided by agricultural extension and financial services</p> <p><b>1.3.</b> Percentage of agricultural area under sustainable agricultural practices</p>

### 4.3. Abbreviations and explanatory notes

<b>ACHM</b>	African Centre for Holistic Management
<b>CPI</b>	Corruption Perceptions Index
<b>CzDA</b>	Czech Development Agency
<b>DAC/OECD</b>	Development Assistance Committee of the Organisation for Economic Cooperation and Development
<b>DFID</b>	Department for International Development (British Development Agency)
<b>EDF</b>	European Development Fund
<b>EU</b>	European Union
<b>GDP</b>	Gross Domestic Product
<b>GNI</b>	Gross National Income
<b>HDI</b>	Human Development Index
<b>IMF</b>	International Monetary Fund
<b>LDCs</b>	Least Developed Countries
<b>MFA</b>	Ministry of Foreign Affairs
<b>NDP</b>	National Development Plan
<b>ODA</b>	Official Development Assistance
<b>SDGs</b>	Sustainable Development Goals
<b>USAID</b>	U. S. Agency for International Development