WORLD BANK GROUP

THE WORLD BANK IBRD • IDA | IFC International Finance Corporation | MIGA Multilateral Investment Guarantee Agency

Zambia:

Country Private Sector Diagnostic

EXECUTIVE SUMMARY

DECEMBER 2024

About the Country Private Sector Diagnostic

The private sector is the engine of long-term economic growth and a vital catalyst for global social and economic development. When functioning well, the private sector promotes innovation and entrepreneurship, improves access to and the quality of economic opportunities, and supports the sustainable use of natural resources. In developing economies, the private sector creates most jobs, generates tax revenue, and accounts for significant investment.

The revised Country Private Sector Diagnostic (CPSD) reports seek to unlock private sector–led growth and investment. Prepared jointly by the institutions of the World Bank Group, each report discusses the overall business environment within a country and provides an analysis of specific sectors in which private sector investment could accelerate growth, if appropriate policy and regulatory issues are addressed.

Designed from the perspective of an investor or entrepreneur, this new generation of reports seeks to identify untapped private investment opportunities and the barriers that stand in the way (earlier reports can be found here). The sector opportunities are chosen based on their potential to spur private investment, create jobs, generate domestic revenue, and foster sustainable, inclusive growth, in response to targeted policy action. The report aims to help country policymakers prioritize the most impactful actions that can boost private sector growth, while delivering on broader development goals.

The CPSD is one of the World Bank Group's core country diagnostics produced to guide the design and implementation of public and private investment projects, budget support operations, advisory services, and other analytical work. It is intended to be of interest to domestic and foreign business investors, government officials, World Bank Group staff and management, civil society, and other development partners.

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Executive Summary

Zambia is endowed with a wealth of mineral reserves, abundant arable farmland, renewable energy sources, diverse wildlife, political stability, and a young population. The country is well-positioned to draw significant private investment, which could help it achieve its development aspirations.

Zambia's economy is emerging from a debt crisis and has successfully negotiated a debt restructuring with creditors and an International Monetary Fund (IMF) program.[1] Following several years of anemic growth, rising poverty, and declining foreign direct investment, the government has taken important measures to restore macroeconomic stability and foster economic growth. Promoting private investment is at the forefront of the government's strategy, as net foreign direct investment (FDI) inflows declined from an average of 5.5 percent of gross domestic product (GDP) during 2010–2019 to 1.0 percent of GDP in 2020 (figure ES.1).[2] Interest from foreign investors has begun to resurface. FDI is projected to reach 3.9 percent of GDP in 2024, and foreign investment announcements amounted to $1.7 billion in 2022 and $1.4 billion in 2023.[3] During the past decade, the majority of FDI has been in metals mining, followed by building materials and renewable energy.

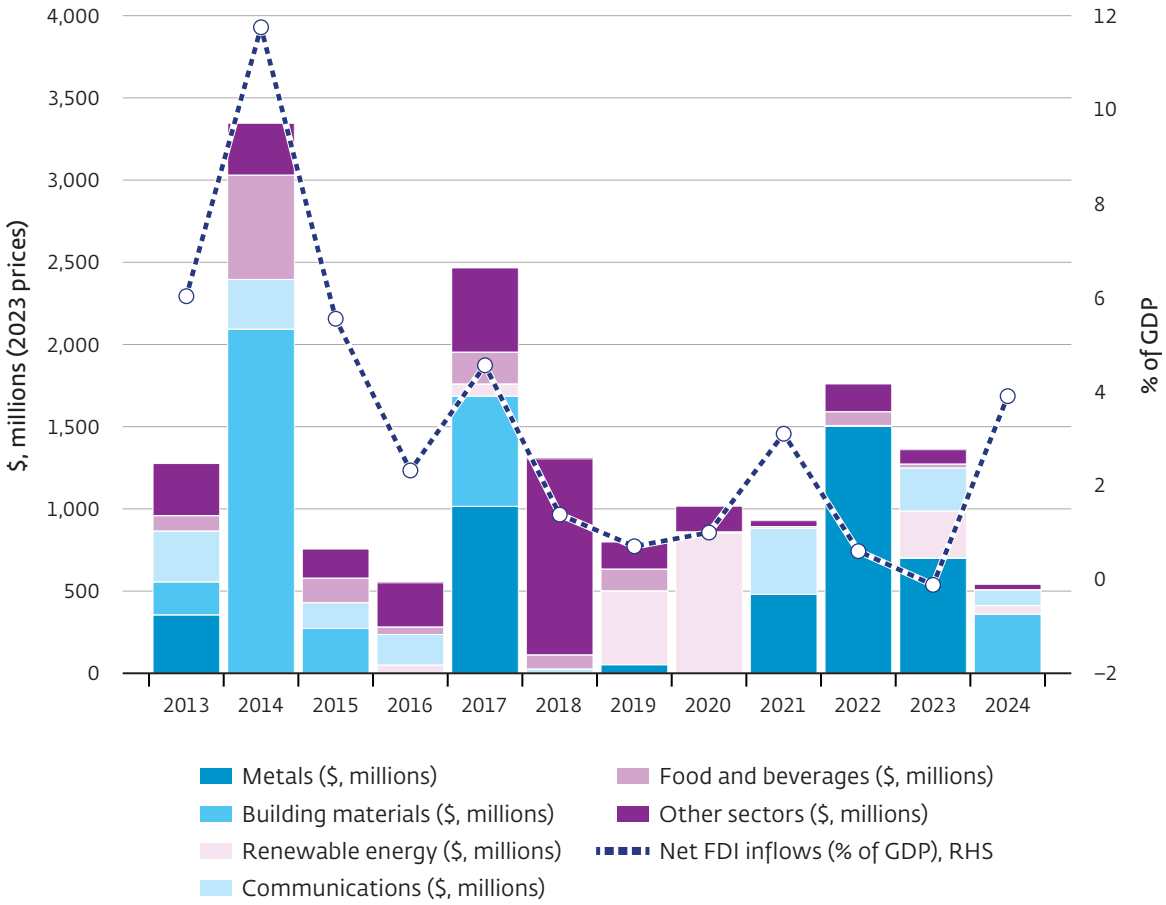
This report highlights that, with reforms, significant profitable investment opportunities are available for businesses, which would contribute to better jobs and higher incomes for Zambia's population. To keep the analysis focused and manageable, the report delves into four specific sectors: mining, solar power, agribusiness and tourism. Implementing key actions in these sectors could attract up to $21 billion in cumulative new investment between 2025 and 2030, or close to 50 percent above current trends.[4] Up to roughly 80,000 additional formal jobs could be created directly—equivalent to more than 10 percent of formal jobs in 2022. In an upside scenario, as many as 220,000 additional jobs could also be created indirectly in the rest of the economy (with greater uncertainty in the estimates, especially for the indirect impact of mining investments on employment).[5]

The selected sectors analyzed in this report suffer from common constraints that affect the economy at large and that the Government of Zambia will need to address to fully realize the potential of the private sector.[6] In order to grow and become more productive, private firms need more predictable policy, simpler regulations, fewer barriers to private sector entry, fewer market distortions, and less corruption. They also require smart

Figure ES.1

Interest from foreign investors is resurfacing

FDI announcements and actual net FDI inflows, 2013–2024



Sources: FDI announcement data from fDi Markets, Financial Times Ltd. Net FDI inflows from Macro Poverty Outlook Dataset, World Bank.
Note: FDI = foreign direct investment. FDI announcements deflated using US GDP deflator from IMF World Economic Outlook (October 2024) data. 2024 announcements cover the January–June period only and added up to $541.0 million (2023 prices). During the first half of 2023, announcements reached $539.7 million.

investments to build the country's transportation infrastructure, and to expand power generation and transmission to provide reliable, affordable electricity. Skills shortages and skills gaps act as a constraint to growth across economic sectors.[7] Moreover, Zambia will also need to address environmental and social concerns associated with the clear-cutting of forests, loss of biodiversity, land degradation, community displacement, and child labor.

But each sector also faces its own specific obstacles, and many of these could be addressed in the short- to medium-term. Below is a breakdown of those challenges and recommendations for overcoming them. A fuller discussion is included in the body of this report.

Mining of Copper and Other Energy Transition Minerals (Manganese, Nickel)

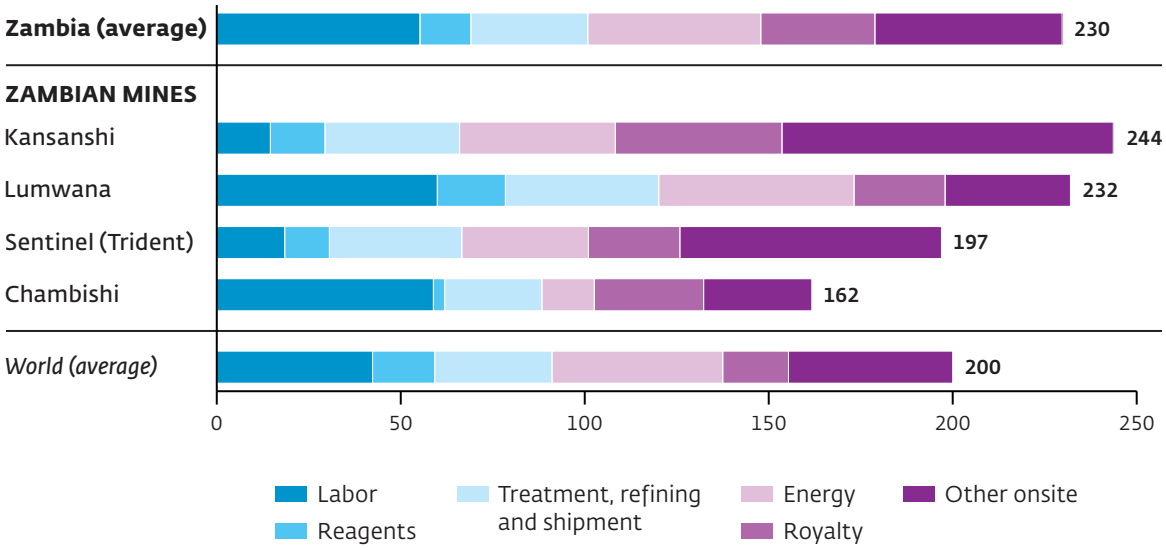
Zambia is Africa's second-largest copper producer and ranks ninth globally, but production has declined in recent years. In contrast, production of other minerals that are in high demand globally for the energy transition, including manganese and nickel, have steadily grown. Although still at relatively low levels, production of these has increased nearly fourfold and threefold, respectively, since 2020.[8] Zambian mines are overall cost competitive, with average operational cash costs in line with the global average (figure ES.2).

Mining is important for the Zambian economy, and accounts for approximately 15 percent of GDP, 70 percent of export earnings,[9] and 44 percent of government revenues (largely through mining royalties and corporate income taxes).[10] The mining sector, currently dominated by foreign firms,[11] has traditionally been a major source of inward foreign direct investment, focused on extraction and early-stage refinement. While Zambia has potential to expand downstream activities over the medium term, the report focuses on extraction and assesses opportunities to increase private investments within the near term.

Figure ES.2

Production costs of some Zambian mines are below global benchmarks

Cash cost for copper production, 2024 (cents per pound, 2023 $)



Source: S&P Capital IQ Pro, 2024.
Note: "Cash cost" reflects short-run production costs and excludes sustaining capital and other amortized expenses. Kansanchi, Lumwana, Sentinel, and Chamibishi accounted for 73 percent of copper production in Zambia in 2023.

Since 2022, several international mining companies have announced new investments in Zambia, including $1.25 billion for the Kanshanshi copper mine and $2 billion for expansion at the Lumwana copper mine. This is a significant scale-up from $400 million in FDI announced between 2015–19.[12]

Although the current administration has set high ambitions for the mining sector, the legacy of previous governments, which had pursued nationalizations,[13] still weighs on investor confidence.[14] The country's policy environment has also been a source of uncertainty. The mining tax regime has been modified 11 times in the past 19 years, making companies reluctant to make long term commitments in the sector. Lengthy, complex, and unclear licensing processes[15] and a lack of transparent stakeholder engagement have eroded investor trust and given rise to community grievances. Meanwhile, Zambia's geological mapping dates from the 1970s and covers only about 55 percent of the country. Inadequate energy and transportation infrastructure has also hampered exploration and production.

Attracting new investments while retaining existing ones requires tackling several policy issues: ensuring a stable and predictable policy environment, including with the recently proposed legislative bills and sector strategy;[16] allowing access to prospective areas for exploration through licensing transparency and tenure security, regulated by the Minerals Commission; improving infrastructure access, particularly to reliable and cost-effective energy; and providing more stringent and effective safeguards to avoid environmental damage and associated reputational risk to investors. With reforms to improve the security of tenure, licensing, and access to better geological data, among others, our analysis suggests that copper production could reach a maximum of 1.5 million MT by 2030, from 0.7 million metric tons (MT) in 2023. Correspondingly, total new private investment in the mining sector could range from $6 billion to $18 billion by 2030, potentially creating between 10,000 and 40,000 new jobs in the sector, plus additional indirect jobs in the rest of the economy ranging between 60,000 and 180,000.[17]

Solar Power

Roughly 90 percent of Zambia's electricity generation comes from hydropower but increased domestic demand from the energy-intensive mining sector (which consumes around 50 percent of electricity) and residential consumption (nearly 30 percent of energy demand) is straining existing sources. Ever more frequent droughts and climate-related shocks have made the hydropower supply less reliable, as evidenced by rolling black-outs and load-shedding. Electricity is the second most frequently reported constraint to the business environment in Zambia, with 21 percent of firms citing access to electricity as a major constraint to their operations.[18]

Total electricity demand is expected to grow 150 percent by 2030 from its 2020 level, according to government projections, reaching 41,925 gigawatt-hour (GWh).[19] Fewer than

half of all households have access to electricity.[20] Moreover, realizing the potential growth in the mining sector will require significant new electricity generation. Demand is likely to grow as incomes rise in Zambia and neighboring countries, and as new mining investments come to fruition. Zambia could emerge as a regional power provider; Zambia's electricity exports grew from $87 million in 2019 to $397 million in 2023.[21]

Solar photovoltaic (PV) power has emerged as a cost-effective option to expand electricity generation in Zambia.[22] Independent solar power producers (IPPs) could feed into the grid operated by state-owned utility ZESCO, sell directly to mining companies through bilateral contracts, or power distributed "mini-grids" that serve provincial towns and villages. Recent announcements by investors include a signed $2 billion agreement with ZESCO to develop 2 gigawatts (GW) of solar projects, and an April 2024 Purchase Power Agreement between an IPP and ZESCO to supply 1 GW of solar energy.[23] Nevertheless, past experience suggests that ZESCO's weak financial position would continue to affect its ability as an effective offtaker for solar IPPs.

Unlocking the full potential of solar investment will require addressing lack of regulatory clarity and transparency that limit IPP access to the transmission and distribution grids[24] and investor concerns about the creditworthiness of ZESCO as the main power offtaker. There is also a perception that ZESCO's procurement processes lack transparency and that rules governing transmission charges are unclear. The existing transmission infrastructure has limited capacity to handle large-scale renewable energy projects, particularly intermittent renewable energy sources like solar and wind which can affect grid stability and reliability. Given ZESCO's scarce financial resources, the introduction of independent private transmission (IPT) operators would allow to extend the grid.[25]

With appropriate reforms—improving the governance of the electricity sector, establishing clear and consistent regulations and procedures that govern how the electricity market operates, unbundling ZESCO and thus having transparent network charges, and enhancing ZESCO's financial standing—private investment in solar power could meet much of the projected increase in energy demand, particularly from the mining sector, allowing electricity producers to sell directly to individual companies more easily. The recent publication of rules on open access to the grid are a step in the right direction, although their implementation is at an early stage.

This report estimates total new private investment in additional solar generation capacity could range between $0.4 billion and $1.1 billion by 2030, or an increase between 375 megawatt (MW) and 1,125 MW, compared to 123 MW in installed solar generation capacity in 2023 if appropriate reforms are implemented. In addition to meeting future demand and reducing reliance on hydropower, investments in solar generation would create between 3,000 and 8,000 direct and indirect jobs in the formal sector.

Maize, Soya, Wheat

With good climatic conditions and only a third of available arable land under cultivation, Zambia offers large opportunities for agribusiness to expand sustainably, particularly for maize, soya, and wheat production. The country has transformed into a net exporter, significantly contributing to regional food security and the supply of raw materials for downstream sectors such as processed food and poultry. Investment decisions will be driven by strong market fundamentals, led by low production costs and growing demand from domestic and regional markets that could attract significant investment. Annual domestic demand for maize, for example, is projected to rise from 3.2 million metric tons (MT) in 2024 to over 4 million MT by 2030. Meanwhile, regional exports of maize and value-added maize products, such as ground flour and animal feed, could double to 1.5 million MT, driven by demand in the Democratic Republic of Congo, Malawi, and Zimbabwe. Similarly, demand for edible oils on the local market will require 200,000 MT of soya beans per year by 2030, more than three-times current production.

Zambia is home to roughly 1,300 large commercial farms—many boasting world-class yields and strong profit margins (figure ES.3). Some of these farms specialize in producing wheat, making Zambia the only country in the region producing an annual surplus. Gross margins on a hectare of wheat are more than four times that of a hectare of maize and three times that of soya. These margins could increase an additional 70 percent by 2030 with the reforms described below.

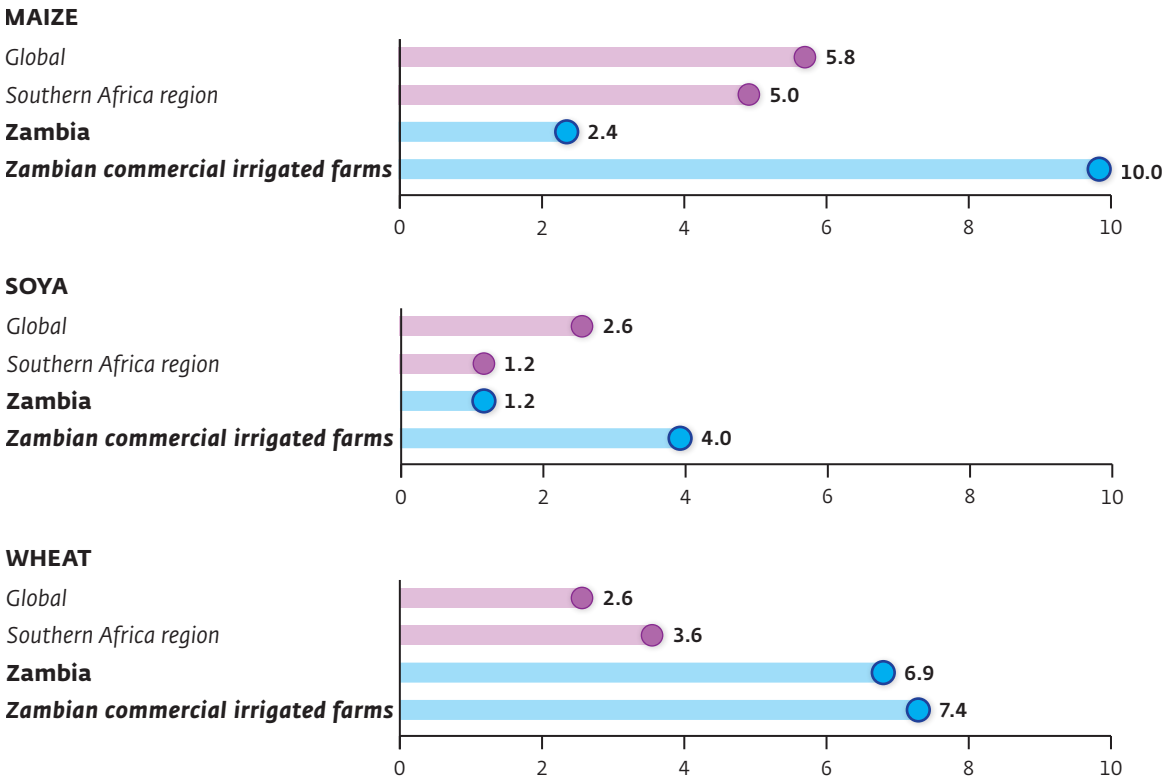
Attracting more private investment into agribusiness will require addressing market-distorting government interventions and unpredictable trade policy, such as export bans on major commodities like soya beans and maize. The government's development strategy has long been driven by food security concerns and public programs to support the country's high number of smallholder and subsistence farmers. The Farmer Input Support Program (FISP), which provides subsidized fertilizer and seed, and the Food Reserve Agency (FRA), which buys and sells commodities from these farmers, have commendable objectives. However, they have not significantly improved productivity, farmers' incomes, or long-term food security. These two programs account for almost all public funding to support sector development.[26] Resources could be reallocated to more efficient and impactful uses.

Limited infrastructure is also holding back agricultural investment. The country needs better roads for market access, better water infrastructure to facilitate investment in irrigation and to boost climate resilience, and more electricity to power mechanization. Access to finance is a problem for farmers, particularly smaller farms. Farming is typically a low-margin, high-risk endeavor, meaning that current high interest rates make financing investment in productivity or expansion out of reach for most farmers. Other

Figure ES.3

Large commercial irrigated farms boast world-class yields

Zambian yields per crop vs. comparators, 2022 (metric tons per hectare)



Source: BFAP, IAPRI, FAO, and World Bank Group calculations.

long-standing problems, such as deforestation, encroachment, and corruption, can also make or break an investment decision.

To facilitate private investment, Zambia could reallocate resources from inefficient market interventions into more productive public investment in roads and irrigation infrastructure. Carrying out planned improvements to the FISP, for example, would raise the efficiency of the program, reduce fiscal costs, and boost productivity, while ensuring better targeting and equity in the provision of services and support to small farmers. Improving land-use planning and simplifying land acquisition could facilitate investment in expansion of productive farms. Tackling these impediments will help to realize the government's objective to garner investor interest in its Farm Blocks initiative. This report estimates that potential private investment in the sector could range from $0.3 billion to $1.5 billion, cumulative, by 2030, with associated job creation, directly and indirectly, in the range of 20,000 to 60,000.

Tourism

With rich nature and wildlife assets, diverse cultural heritage, and relative political stability, Zambia presents strong potential for tourism. Zambia is home to Victoria Falls, wildlife reserves, and multiple national parks. Protected areas, such as Lower Zambezi and South Luangwa National Parks, are well suited for private investment in eco-friendly accommodations, which could create better-paid jobs in the formal sector and diversify revenue streams. Business and conference tourism could attract private investment and grow in Lusaka and Livingstone.

Zambia's tourism sector is recovering to pre-pandemic levels. Investment fell from an average of $297 million per year before COVID (2013–2019), to $181 million in 2020–2023. In 2023, travel and tourism employed almost 450,000 people representing 6.7 percent of total jobs in the country. Zambia's tourism sector trails that of some of its neighbors: the sector represents 12.1 percent of GDP in Botswana and 9.5 percent in Tanzania, but only 6.2 percent in Zambia. Income generated per international visitor to the country falls short of the regional average (figure ES.4). Zambia ranked 104th overall in the 2024 World Economic Forum Travel and Tourism Development Index. Key areas for improvement include Information and Communications Technology (ICT) readiness and air transport infrastructure and connectivity. Poaching, wildlife-community conflicts, and unplanned development in protected areas also pose problems.

Despite a challenging business environment, the 2023 Zambia Tourism Investor Appetite Assessment found that 85 percent of survey respondents planned to expand their businesses within one to five years (World Bank 2023b). Further, the Africa Hospitality Confidence Index 2024, which surveyed over 500 tourism businesses in Africa, including Zambia, shows 80 percent of respondents having confidence in the short-, medium- and long-term prospects of the sector, driven by increased tourism, business travel, and "bleisure" (business and leisure) travel.

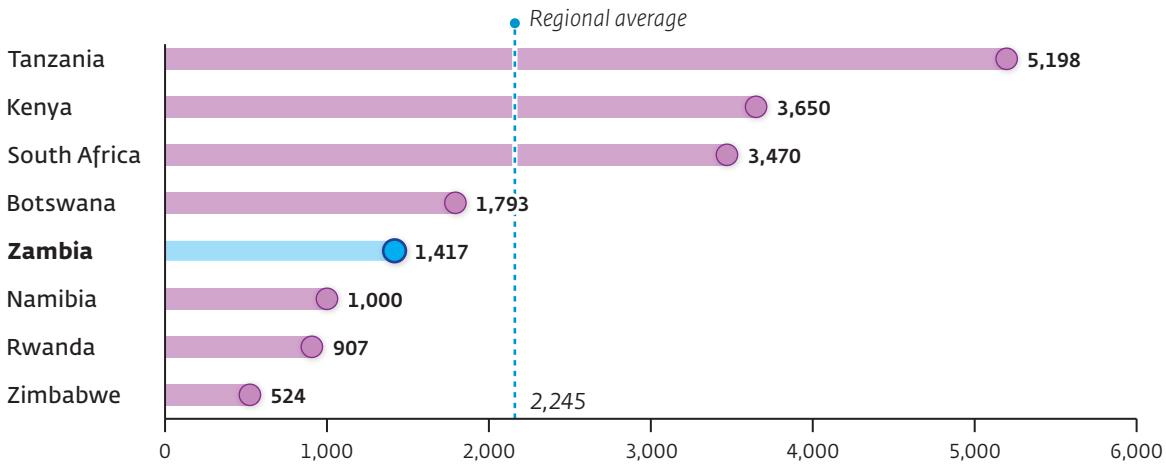
Nature-based and conference tourism are especially promising, based on comparisons with regional peers. However, conference tourism in the main hubs of Lusaka and Livingstone has been hampered by inadequate facilities, whereas nature-based tourism is affected by deficiencies in natural asset planning, forestry and wildlife management and control. While nature-based tourism including eco-tourism is typically more up-market, such activities not only support potential for increased job creation and upskilling, but also sustainable growth and development.

To unlock tourism's full potential, the government must improve the allocation of tourism-related licenses; streamline regulation and processes to open, expand, and even operate a business; and establish a Convention Bureau to promote conference tourism. Better management of protected areas to mitigate poaching and support conservation could also attract investors.

Figure ES.4

Reforms could reduce the gap in tourism income between Zambia and its neighbors

Contribution of travel and tourism to GDP per international visitor, pre-COVID, 2019 ($)



Source: Staff calculations with data from United Nations Tourism and World Travel and Tourism Council (WTTC).

This report conservatively estimates that private investment in new hotels alone could range between $35 million and $100 million by 2030 (cumulative). Correspondingly, total employment creation—encompassing both direct jobs in the construction of new hotels, as well as indirect jobs in the rest of the economy—would range between 2,000 and 6,000 jobs. Additional investments and employment in the sector, beyond hotels and accommodations, would also expand, as demand rises for other products and services aimed at foreign visitors—restaurants, tour and transportation services, and local handicrafts.

The Path Ahead

There is growing optimism about Zambia's macroeconomic future, as the country works to restore fiscal stability and address the structural factors that led to the 2020 sovereign debt default. All this gives Zambia an opportunity to promote more diversified and sustainable private sector–led growth. Removing regulatory barriers, limiting public corruption, lifting market-distorting subsidies and investing in roads, airports, internet and power infrastructure can help Zambia make the most of it.

Table ES.1

Summary of recommendations

Sector	Recommended actions
Mining of Copper and Other Energy Transition Minerals (manganese, nickel)	
Rationale • Scale up copper, manganese, nickel production to contribute to energy transition technologies and stimulate economic recovery. • Promote investments in solar photovoltaic (PV) power generation to meet production needs. • Increase fiscal revenues and foreign exchange reserves. **Constraints** • Uncertainty in tax regime, and frequent policy changes. • Insufficient information and transparency on geological prospects and licensing. • Access to prospective exploration areas tied up through the cadaster inefficiencies. • Weak and inconsistent application of environmental, social, and governance (ESG) standards.	• Clarify in the 2023 Mining Regulation Commission Bill issues of security of tenure, rights and obligations. • Review the adequacy of 2024 Local Content Regulations, "free carry" and production sharing in Critical Minerals Strategy. • Digitize and disseminate geological survey data and collect new geodata. • Create criteria to qualify future issuance of licenses and tenement to entities with technical and financial capability to advance exploration programs, regulated via Minerals Commission. • Upgrade to fully digital mining cadaster management system. • Standardize exploration license to 10 years, remove limits to per-company number of licenses, introduce non-exclusive reconnaissance license. • Formalize ESG and social license to operate criteria into law and regulate performance via Minerals Commission.
Solar Power	
Rationale • Diversify from increasingly variable hydropower. • Guarantee electricity supply to mining and meet rising demand in the rest of the economy. • Position Zambia as regional electricity supplier. **Constraints** • Ineffective stewardship of the electricity sector—unclear regulation, insufficiently transparent processes, and inadequate institutional capabilities—undermines investor confidence. • Macroeconomic uncertainty and ZESCO's fragile creditworthiness without cost-reflective pricing.	• Update the Integrated Energy Resource Plan with realistic demand forecast assumptions through 2040, to better inform private investment decisions in the sector. • Implement clear and consistent market rules, including regarding unbundled network charges, included in the recently enacted grid code, to operationalize open access to the grid regulations and foster greater IPP participation in generation activities. • ZESCO to adopt separate accounting for generation, transmission, and distribution, to improve transparency, financial management, and regulatory compliance, and to enhance private participation in transmission activities (e.g., via Independent Power Transmission arrangements and tenders to develop priority transmission corridors).

(Table continues next page)

Table ES.1

Summary of recommendations *(continued)*

Sector	Recommended actions
Maize, Soya, Wheat	
Rationale • Increase productivity and create jobs in rural areas. • Improve food security and boost climate resilient agriculture. **Constraints** • Inefficient agricultural subsidies. • Difficultly acquiring large tracks of land. • Government commodity trading distorts prices. • Export bans and permit processes disrupt trade.	• Reduce the scope and better target the Farmer Input Support Program (FISP), and complete the transition from direct input supply to e-voucher system. • Update and revise Lands Act to simplify land acquisition, provide for ease of customary land conversion, and introduce integrated land use planning. • Implement Agriculture Marketing Bill to establish private sector rights to market access and the Agricultural Marketing Council for improved stakeholder consultation. • Narrow the mandate of the Food Reserve Agency (FRA) to allow for greater private sector participation in the market, specifically as it pertains to purchasing, storage, and sales of physical stock.
Tourism	
Rationale • Job creation in the formal sector. • Protection of natural assets (wildlife, forests). **Constraints** • Excessive licensing and regulatory burden. • Concession framework has insufficient transparency and lacks flexibility. • Ineffective management of protected areas. • Lack of coordination among stakeholders makes tourism promotion ineffective.	• Reduce the number of tourism related licenses required and move submission and processing of tourism required licenses to government e-business online platform. • Establish Convention Bureau to promote Zambia as a business and conference destination and to coordinate stakeholders. • Issue a statutory instrument on revised concession framework as part of new Wildlife Bill to be passed in 2024. • Issue a statutory instrument to enable the private sector to manage wildlife areas (e.g., *Collaborative Management Partnership* agreements).

Note: Each chapter includes specifics on the above constraints and recommendations.

Notes

1. On 11 November 2024, the IMF announced that it had reached a staff-level agreement with Zambian authorities on priority economic policies and reforms that, once approved by the IMF Executive Board, would release $185.5 million in financing under the IMF Extended Credit Facility (IMF 2024a).
2. The decline was partly explained by a fall in investment in copper mining, which resulted from lower global copper prices, frequent policy changes, and legal disputes that created uncertainty among investors. Moreover, uncertainty around the sovereign debt restructuring process reduced investor demand for domestic government securities.
3. fDi Markets, Financial Times Ltd.
4. Investment and job creation estimates are based on simplifying assumptions and subject to uncertainty, as described in more detail in appendix A of the report. Figures in 2023 US dollars. From 2020 to 2023, total gross fixed investment (domestic and foreign) in the economy averaged $7.5 billion per year. The estimates presented in this report indicate that additional annual investments of $3.5 billion during the six-year period from 2025 to 2030, for a total of $21 billion.
5. According to the most recent labor force survey (Zambia Statistics Agency 2023), the total number of employed persons 15 years or older in 2022 was 3,273,125, of which 23.7 percent—or roughly 776,000 people—were employed in the formal sector. Estimates of jobs created due to new investment are based on sector level job multipliers that distinguish between direct and indirect jobs created.
6. The World Bank's Zambia Country Economic Memorandum (World Bank, 2024) analyzes macroeconomic challenges and policies to foster economic growth.
7. World Bank (2023).
8. Zambia's shares of global production were 0.9 percent for manganese and 0.2 percent for nickel in 2023 according to USGS.
9. African Development Bank (2022) and IMF (2023b) cited in Center for Critical Minerals Strategy (2024).
10. Bauer (2024).
11. The Zambian state, primarily through ZCCM-IH and the Industrial Development Corporation (IDC), holds various equity stakes in the upstream mining sector, including majority and minority shares in multiple mining projects.
12. fDi Markets, Financial Times Ltd.
13. In September 2023, the government agreed to return control of the Konkola Copper Mines (KCM) to Vedanta Resources, ending a four-year dispute over the ownership of the assets that the previous government had seized.

14. Based on stakeholder interviews conducted in the preparation of this report.
15. The Ministry of Mines and Minerals Development had to suspend mining license issuance in February 2022 for eight months after purported corruption and speculative behavior in the awarding of mining licenses. The suspension affected exploration and mining licensing projects for all minerals that were to be approved and granted at the time and did not affect existing projects. Mining license issuance only resumed in November 2022 with a backlog of over 2,000 license applications.
16. Mineral Regulation Commission Bill 2023, Critical Mineral Strategy, and 2024 Local Content Regulations.
17. Estimates of jobs created indirectly are especially tentative, as they depend on job multiplier coefficients that are subject to wide margins of error. The mining and quarrying industry employed 65,409 persons in 2022 (Zambia Statistics Agency, 2023).
18. World Bank. 2019 Zambia Enterprise Surveys (https://www.enterprisesurveys.org).
19. Ministry of Energy (2023).
20. IEA, IRENA, UNSD, World Bank, WHO (2024).
21. United Nations (UN) Comtrade Database (https://comtradeplus.un.org/TradeFlow).
22. Figures in 2021 US dollar prices from Ministry of Energy (2023). In addition to not generating greenhouse gas emission, relative to coal generation projects, solar generation installations are less costly ($1.01 million per MW versus $1.07 million) and have a significantly shorter lead time (2 years versus 5 years).
23. "SkyPower Global signs 1 GW solar PPA with Zambian utility," 26 April 2024. https://skypower.com/2024/05/03/skypower-global-signs-1-gw-solar-ppa-with-zambian-utility.
24. The recent open access regulation (July 2024) is confirming open access to the grid and requires the regulator to develop unbundled network charges. Transmission rights will be offered on a first come first serve basis and the concept of long-, medium- and short-term open access is introduced. This is uncommon as open access has no duration usually. If ZESCO refused access to IPPs and/or customers, the regulator is likely to intervene, thus providing some confidence to eventual investors.
25. Other countries in the region, such as South Africa, are in the process of implementing various types of IPT models.
26. Over the last three years (2021, 2022, and 2023), total spending on the FISP and FRA has exceeded 80 percent of the total Ministry of Agriculture's budget. World Bank (2024).

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