2026 SOCIAL SECTOR BUDGET

FROM COVERAGE TO IMPACT, SUSTAINING GAINS IN ZAMBIA'S SOCIAL SECTOR

ZIPAR Zambia Institute for Policy Analysis & Research

Global Gateway

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UNITED NATIONS ZAMBIA

INTRODUCTION

The 2026 National Budget marks a pivotal moment for Zambia's social sector, as it represents the final annual budget aimed at actualising the 8th National Development Plan (8NDP). Between 2022 and 2026, the total national budget expanded from **K172.9 billion** to **K253.1 billion**, reflecting a **46.3%** increase. Similarly, the social sector budget nearly doubled in nominal terms, rising from **K40.5 billion** to **K76.7 billion**, an **89.5%** increase. Its share of the national budget peaked at **33.8%** in 2024 before moderating to 30.3% in 2026, suggesting that while social investment was scaled up in response to economic and climate shocks, momentum has slowed in the final year of the plan.

However, implementation has been shaped by a series of extraordinary challenges. Zambia faced sovereign debt distress and default, the COVID-19 pandemic and, most recently, the worst drought in over four decades. These shocks have placed immense strain on households and the fiscal resources of the Government, slowing progress toward 8NDP targets. Poverty, however, has remained high and off target at 60% in 2024 against a targeted 45% for 2026, while 6.6 million children are multidimensionally poor.

TRACKING SOCIAL SECTOR BUDGET PRIORITIES

Trends and Responsiveness

Turning to the 2026 Social Sector budget, allocations show mixed trends compared to 2025, reflecting constrained fiscal space and the effects of fiscal consolidation, rather than a shift in policy priorities. With one third of the national budget allocated to debt servicing, social sector allocations have been pressured despite ongoing needs:

- Critical **Child Protection Services**, particularly civil registration and birth registration have seen significant funding reductions in the 2026 budget. **In 2026, K3.2 million is allocated to Civil Registration Services, a steep decrease from K5.5 million in 2025 and K5.3 million in 2024**. Within Social Welfare, funding for Child Welfare and Adoption Services also remains notably low, despite rising vulnerability among children nationwide. Allocations for these services **dropped from K3.4 million in 2025 to just K1 million in 2026**. This drastic funding cut significantly undermines the effective execution of case management which is vital for identifying, supporting, and safeguarding children in need of care and protection.

- **Social Protection decreased** from **K16.16 billion** to **K15.67 billion**, a reduction of **K487 million (–3.0%)**, with its share of the national budget falling from **7.4% to 6.2%.** The decline follows a peak in 2025 driven by emergency drought response and signals a return to baseline programming. Key interventions include the **Food Security Pack (FSP)**, which increased to **K1.5 billion**, expanding coverage to **325,000** households **(up from 244,000)**, though average per-household support declined.

- **Social Cash Transfer (SCT)** allocations fell from K8.27 billion to K7.65 billion, a drop of K620 million **(–7.5%). SCT** continues to account for nearly half of the social protection budget—**51.2%** in 2025 and **48.8%** in **2026** underscoring its central role in stabilizing household consumption. Despite the reduction, the programme is set to expand to **1.5 million** households **(approximately 42% of the population)**, maintaining **K400 monthly** household transfer **(K600 for households with disabilities)**. Government financing in the 2026 allocation now covers 88.1% of the SCT budget, signaling stronger domestic ownership.

- **The health budget** increased from **K23.17 billion in 2025 to K26.17 billion in 2026**, an increase of **K3.01 billion (+13.0%)**, though its share of the national budget declined slightly from **10.7% to 10.3%.** This nominal growth demonstrates a commitment to enhancing the resilience of the health system at a critical time, **especially as global policy changes have led to a reduction in consistent external donor support**. Notable budget measures include **a 30% increase in funding for drugs and medical supplies (rising from K4.9 billion to K6.4 billion)**, the recruitment **of 2,500 additional health workers**, and the expansion of specialized hospitals and maternity annexes. These investments are vital for reducing preventable child deaths, ensuring children have access to essential medicines, and expanding safe maternal, newborn and childcare services that determine whether children survive and thrive. However, the sector still faces **a financing gap of over K21 billion** to meet international commitments, and adolescent health remains underfunded. Without increased funding for adolescent health, girls will continue to face higher risks of early pregnancy, HIV, Sexually Transmited Infections (STIs) unsafe childbirth and socio-economic exclusion, prolonging cycles of poor health and poverty that harm children now and in the future.

- **Nutrition Specific funding remains critically low:** Although the allocation has increased marginally from **K33.2 million in 2025 to K33.7 million in 2026.** As a share of the total national budget, nutrition funding has declined from **0.02% in 2025 to just 0.01% in 2026** underscoring the persistent lack of prioritization for this essential sector. Despite, modest growth over the **2022–2026 period**, nutrition remains severely underfunded, **accounting for less than 0.02%** of the national budget. The **K19 million allocated for Severe Acute Malnutrition (SAM)** treatment in 2026 will reach only **15% of children in need**, leaving a significant coverage gap. Treatment is a priority as the majority of children with SAM will remain at risk of death, as children with SAM are 9-10 times more likely to die than well-nourished children.

- **Education** increased from **K31.49 billion in 2025** to **K33.04 billion in 2026**, a rise of **K1.54 billion (+4.9%)**. Its share of the national budget declined from **14.5% to 13.1%**, suggesting that while education remains a priority, its growth has been outpaced by other fiscal demands. The increase supports continued **teacher recruitment, school infrastructure expansion**, and a **26% rise in Early Childhood Education (ECE)** funding, with a shift toward non-wage, school-level inputs.

- **Water, Sanitation and Hygiene (WASH)** increased **from K2.4 billion to K2.6 billion, an increase of K200 (+9%)**, with its share of the national budget falling from **1.13% to 1.06%** which falls significantly short of the commitments outlined in the 8NDP target of **5%.** The **zero-rating of VAT on piped water** is a positive reform expected to improve utility cash flow and reinvestment capacity, but without tariff revision and increased capital investment, the sector remains underfunded and vulnerable. A key structural challenge is the cost-recovery gap in water service delivery: it costs **K18 to produce a cubic meter of water**, yet it is sold for **K7.9**, leaving a **K10 deficit per unit**. This results in an **annual financing gap of K1.3 billion**, threatening the sustainability of service provision

LOOKING AHEAD

As the 8NDP enters its final year, the 2026 budget provides a critical opportunity to consolidate gains, address persistent gaps, and lay the foundation for a more resilient and inclusive social sector. However, with one third of the budget allocated to debt repayment, the fiscal space for social investment remains constrained. Whether Zambia can achieve its 8NDP targets will depend on how effectively budget allocations are translated into improved service delivery and whether social spending is protected from competing fiscal pressures in the years ahead.

CHILD PROTECTION

From Recognition to Care

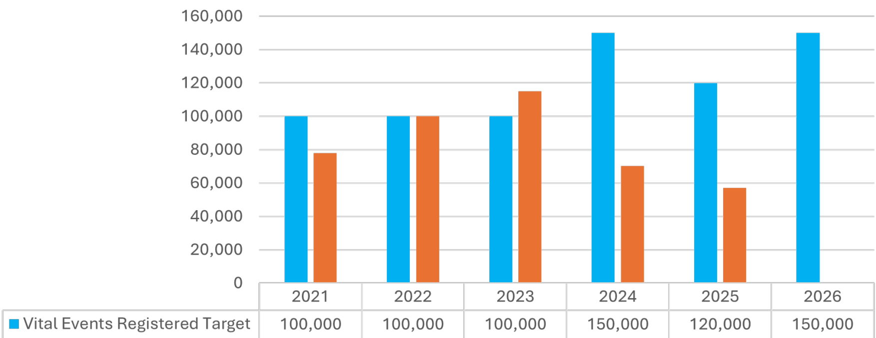
Key Messages

- Zambia's low birth registration coverage, which stands at 14.2% among children under five years of age, poses a major barrier to inclusive service delivery and child protection.
- Zambia's budget for Child Welfare and Adoption Services has dropped to just 1.26% of the overall Social Welfare Programme allocation in 2026, despite rising child vulnerability. To protect Zambia's 9.7 million children, funding must increase to at least 5%, ensuring stronger child protection and support systems.

Birth Registration

Despite Zambia's under-five population nearing 2 million, **only 14.2% of children are registered at birth, and a mere 6% possess birth certificates (UNICEF 2024)**. This leaves the vast majority of children invisible in official statistics, unable to fully access their rights to health care, education, and social protection. **Alarmingly, the 2026 budget allocates just K3.2 million to Civil Registration Services—a sharp decline from K5.5 million in 2025 and K5.3 million in 2024**. This reduction threatens the system's capacity to deliver on its mandate.

Figure 1: *Vital Events Registration: Targets vs Actual (2021-2026)*



Constructed from Estimates of Revenue and Expenditure ("Yellow Book"), 2022-2026.

The Government has set a target of registering **150,000 vital events in 2026, yet without disaggregation by event type, it remains unclear how many births will be prioritized**. This lack of clarity is problematic. **Unless birth registration is explicitly prioritized and adequately resourced**, Zambia risks deepening the exclusion of children from essential services and widening the coverage gap. Without ring-fenced and strategic investment in birth registration, **Zambia may fall short of its commitment to SDG 16.9—ensuring legal identity for all, including birth registration, by 2030**. Moreover, weak registration systems undermine the government's ability to plan effectively for child protection, education, immunization, and social services. To reverse this trend, predictable and sufficient funding is essential—not only to scale up birth registration coverage, but also to modernize civil registration systems, extend outreach to remote communities, and ensure that every child is counted and able to claim their rights.

Social Welfare

Zambia's budget for Child Welfare and Adoption Services remains significantly low, despite the increasing vulnerability of children across the country. Allocations fluctuated from **K1.3 million in 2024 to K3.4 million in 2025, before dropping to K1 million in 2026 (see table. Table 1)**. Furthermore, the programme's share within the broader Social Welfare budget declined to just 1.26% in 2026, representing a 2.84 percentage point reduction.

Table 1: *Social Welfare Programme Budget Allocations, 2024-2026*

Year	Social Welfare Programme	Child Welfare and Adoption Services Sub Programme	% share of the sub programme
2024	K55,819,714	K1,254,361	2.25%
2025	K83,345,722	K3,417,907	4.10%
2026	K85,618,467	K1,081,744	1.26%

Constructed from Estimates of Revenue and Expenditure ("Yellow Book"), 2022-2026.

This continued deprioritization poses serious risks. With a child population of 9.7 million[1] and alarming statistics, such as 60 girls and 44 boys experiencing physical violence, strengthening child welfare systems is essential to ensuring adequate protection and support for Zambia's children.

To address the growing needs of vulnerable children, it is recommended that the budget allocation for Child Welfare and Adoption Services be increased to at least 5% of the total Social Welfare **Programme.** This would translate to approximately **K4.3 million in 2026**, ensuring more robust support for child protection services, case management, and community-based interventions. Investing in child welfare is not only a moral imperative but also a strategic move to safeguard Zambia's future. In addition, **Personal Emoluments should clearly indicate adequate investment in staffing of Social Welfare Officers, an estimated 10% increase in allocation would enable recruitment** of adequate staff, including 2,600 additional officers for child protection work and establish the 920 posts required to administer the SCT and free up social workers for child protection work.

1 Zambia Statistics Agency (2022) Living Conditions Monitoring Survey Report 2022. Lusaka: Zambia Statistics Agency (ZamStats). Available at: https://www.zamstats.gov.zm

BEYOND SURVIVAL:

Deepening Social Protection for Prosperity

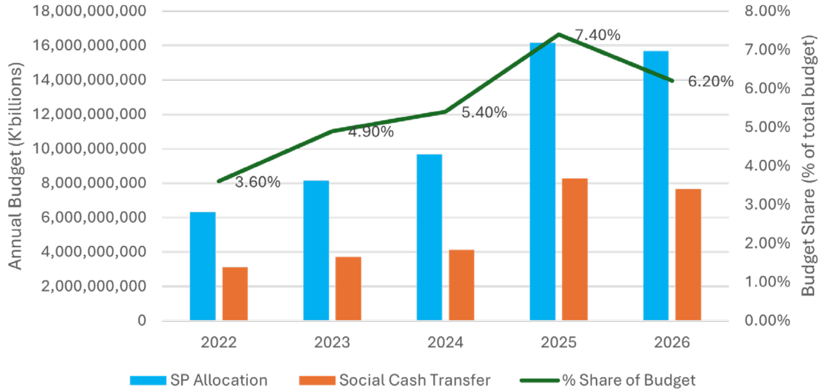
Key Messages

- SCT remains Zambia's flagship social protection programme, fiscally sustainable at 0.8% of GDP, expanding to reach 1.5 million households in 2026, with Government-led financing at 88.1% of overall budget.
- Expanded coverage with strategic trade-offs: Food Security Pack (FSP) funding rises to K 1.5 billion in 2026, reaching 325,000 households, an increase of 82,000, though average per-household support slightly declines, reflecting a deliberate focus on broadening reach over deeper individual support.

Social Cash Transfer

The SCT allocation of K7.6 billion in 2026, approximately 0.8% of GDP, represents a slight decrease from the K8.3 billion allocated in 2025 (Figure 2). This reduction reflects the conclusion of the Emergency Cash Transfer (ECT), a drought response measure. SCT is budgeted for both expanded coverage and improved benefit adequacy, maintaining the ECT transfer value of K400 per household per month (K600 for households with members with severe disabilities), and expanding to 1.5 million households (approximately 8.4 million people, 42% of the population) in 2026. These measures will help narrow the coverage gap for households in persistent poverty, with over 60% of Zambians below the poverty line and 48% in extreme poverty. **In 2026, the Government plans to assume an even greater share of SCT financing, contributing K6.7 billion representing approximately 88.1% of the total program me budget while donor support stands at K910 million**. This increasing domestic contribution highlights the Government's commitment to enhanced ownership and long-term sustainability of the Social Cash Transfer programme.

Figure 2: *Social Cash Transfer Budget Allocations (2022-2026)*



Constructed from Estimates of Revenue and Expenditure ("Yellow Book"), 2022-2026.

Continued absence of support for extending health coverage to the poor and vulnerable risks reversing Cash Plus gains on health insurance. While the Government has taken initial steps to link the National Health Insurance with SCT households under the pursuit of Universal Health Coverage, the 2026 Budget, like the 2025 Budget, does not address this need. **National Health Insurance Management Authority reports that just over 20,000 SCT households, supported by the Global Fund are accessing subsidized insurance services, eliminating out-of-pocket payments. This is marginal compared to the target of 1.5 million SCT households nationwide.** Without urgent action to close this gap, previous gains in health access and financial protection for vulnerable households may be eroded, undermining the broader objectives of social protection and Cash Plus integration.

Cash for Work

The 2026 national budget continues Zambia's Cash for Work (CfW) programme, a drought response initiative first rolled out during last year's drought. It remains a vital intervention for vulnerable populations who are not fully covered by the SCT or the ECT schemes. **However, the allocation to CfW has been reduced from K2 billion in 2025 to K1 billion in 2026, reflecting the easing of the immediate drought impact.**

These allocations are consistent with the government's Medium-Term Budget Plan (MTBP), which projected declining allocations over the period. However, the absence of the programme in the 2027 and 2028 budget framework suggests that it may be phased out, raising questions about the sustainability of support to households that remain vulnerable to climate shocks.

The programme operates largely as a public works scheme, centered on short-term, labor-intensive activities such as clearing drainages, sweeping roads, and maintaining community infrastructure. **These tasks offer short-term relief and income but create little lasting impact, as work is restricted to 10 days per month at minimum wage.** Implementation is often fragmented, coordinated by local authorities through Ward Development Committees (WDCs), and hampered by the absence of clear operational guidelines, resulting in uneven execution and weak accountability. Moreover, the lack of defined beneficiary targets makes it difficult to assess the sufficiency of resources, highlighting the need to establish clear caseloads as a priority improvement.

Food Security Pack

The Food Security Pack (FSP) remains one of Zambia's core social protection programmes. By design, the initiative embeds shock-responsive elements as it aims to empower households that have lost their productive assets due to recurrent unfavorable climatic conditions. **After two consecutive years of stagnant allocations at K 1.2 billion in 2024 and 2025, the 2026 national budget increases funding to K 1.5 billion.** This minimal scale-up reflects a post-drought outlook, with the Government seeking to strengthen household resilience and reduce reliance on emergency responses.

The FSP targets vulnerable but viable households those with the capacity to produce food for consumption and sale if provided with agricultural inputs. In 2026, the programme aims to reach 325,000 households, up from 244,000 in 2025. **However, the average per-household allocation declines slightly from approximately K4,940**

in 2025 to K4,615 in 2026, suggesting that the expansion prioritizes coverage over deepening support per household. A portion of the budget is earmarked for vehicles and motorbikes to support programme management, which may improve oversight but reduce funds reaching beneficiaries. **If well designed, the FSP could support graduation pathways by enhancing productive capacity and linking to broader strategies that reduce long-term dependence on input support.** The programme also offers a strong entry point for nutrition-sensitive interventions. Diversifying input packages to include legumes, vegetables, and small livestock could improve household diets and child nutrition while boosting income. This approach aligns with global best practices on integrating nutrition into social protection.

As the social protection system continues to develop, **the substantive investment offers opportunities to increase efficiency and effectiveness through alignment of programme objectives and delivery systems.** For example, SCT stabilizes consumption for labor-constrained households, while FSP builds productive capacity for viable households. CfW, on the other hand, provides temporary income and supports community development. Though the beneficiaries do not overlap, harmonizing targeting criteria, monitoring systems, and delivery platforms could improve efficiency and coherence across Zambia's social protection landscape.


14 15 16 17
21 22 23
24 25 26

REINFORCING HEALTH GAINS AMIDST POLICY SHIFTS TO ACHIEVE UNIVERSAL HEALTH COVERAGE (UHC)

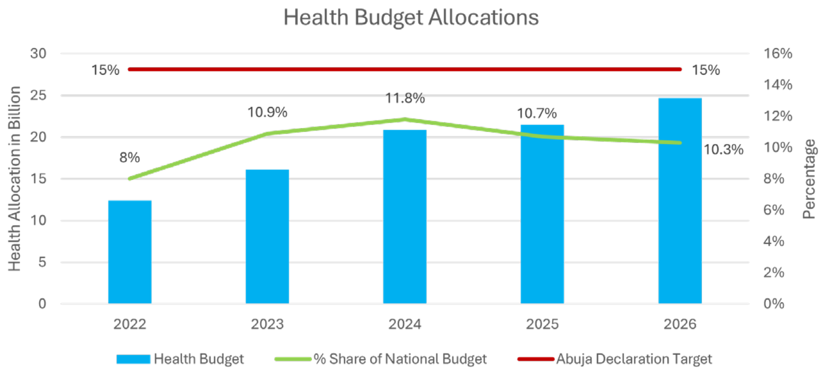
Key Messages

- The 2026 health budget increased to K26.2 billion from K23.2 billion in 2025, a 13% rise (0.61% in real terms), now accounting for 10.4% of the national budget. Despite this increase, the allocation remains inadequate to meet the country's health needs.
- The Government's 30% increase in funding for drugs and medical supplies from ZMW 4.9 billion in 2025 to ZMW 6.4 billion in 2026 is a commendable step. Considering shifting global health financing, this underscores the urgent need to strengthen sustainable domestic funding to safeguard essential health services and prevent disruptions in the health supply chain.
- The fight against non-Communicable Diseases (NDCs) remains a priority, as highlighted by the increase in infrastructure of specialized hospitals. This will ensure the availability of specialized care in the country.

The rising investment in health comes at a critical time, when global policy shifts are seeing reductions in consistent external support from donors. To continue the trajectory of achieving quality Universal Health Coverage (UHC), the 2026 national budget increases spending to K26.2 billion from K23.2 billion in 2025, representing a 13% rise (0.61% in real terms), as seen in Figure 3. However, this growth masks a persistent underfunding challenge, as allocations have consistently fallen short of international and regional commitments. Under the Abuja Declaration, Zambia pledged to allocate at least 15%

of its national budget to health, equivalent to K37.96 billion in 2026. [2]Together, these commitments call for a minimum allocation of K47.2 billion. **The current budget leaves a financing gap of over K21** billion. This shortfall has serious implications for service delivery, health workforce capacity, and the achievement of universal health coverage.

Figure 3: Health Sector Budget Allocations (K 'billions), 2022-2025



Constructed from Estimates of Revenue and Expenditure ("Yellow Book"), 2022-2026

Closing this gap is not only about fulfilling global commitments but also about ensuring that Zambia's population has access to essential, equitable, and sustainable health services. To fully close the gap, sustained and strategic increases in health financing are critical, especially considering the withdrawal of critical external support. The expansion of infrastructure development facilities such as, maternity annexes and health posts has enabled accessibility, availability and timely maternal and child services.

The Government has recruited a total of 18,305 health workers since 2022, with an additional 2,000 to be hired this year, and 2,500 to be hired in 2026. This brings the total recruited workforce to 23,166. This commitment reflects the Government's priority to meet the National Health Strategic Plan (NHSP), which has a target

2 African Union. (2001, April 27). Abuja Declaration on HIV/AIDS, Tuberculosis and Other Related Infectious Diseases. Organisation of African Unity / AU. https://au.int/sites/default/files/pages/32894-file-2001-abuja-declaration.pdf health establishment target of 126,831 health workers, and enhance the delivery of quality UHC. Despite this recruitment progress, the abrupt US funding cuts led to the termination of more than 11,000 health workers supporting the HIV response, and approximately 23,000 community health workers providing services for malaria, tuberculosis, and other health needs.[3] The sector, thus, has a total workforce of 87,044 against target in the NHSP, leaving a gap of 39,787 personnel. The current gap in staffing means that the ratios remain low and far from the World Health Organisation (WHO) recommendations of 1 to 5,000 for doctor-patient ratio and the acceptable 1 to 700 nurse-to-patient ratio. This shortfall is likely to lead to overburdened staff and poor health outcomes.

Infrastructure development remains a key priority for building resilience and a self-sufficient health system with a total allocation of K1.7 billion. To expand access to advanced and specialized health care, the Government has committed to completing infrastructure development of specialized hospitals. As the burden of NDCs continues to rise, investing in specialized infrastructure is critical, as it will ensure early diagnosis and treatment. These investments signal the Government's ongoing commitment to expanding specialized services and prioritizing international referrals for complex medical procedures, however they must not be made at the expense of delivery of primary health services.

The rising HIV infections and limited access to reproductive health services among adolescents require stronger budget allocations to strengthen and expand access to comprehensive care. The 2026 Budget increases funding for drugs and supplies, recruits 2,500 health workers, and expands infrastructure, including mini-hospitals, maternity annexes, and a digital health system (SmartCare Pro). **These system-wide investments can indirectly benefit adolescents, but no funds are earmarked for adolescent health services such as youth-friendly sexual and reproductive health,**

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3 *UNAIDS. (2025, May 21). 'My greatest fear is that we will return to the dark days of the epidemic' | UNAIDS. https://www.unaids.org/en/resources/presscentre/featurestories/2025/may/20250521_zambia*

HIV programming, or mental health. With Zambia still lagging on adolescent HIV 95-95-95 targets, this omission presents a critical policy gap. The opportunity lies in leveraging essential medicines and medical supplies procurement, staffing, and CDF-funded infrastructure to integrate adolescent-friendly services while advocating for a dedicated financing line in future budgets.

The shifting global health financing landscape underscores the urgent need to strengthen sustainable domestic funding for health services and public health functions. Zambia's HIV and broader health response has been severely affected by reductions in U.S. support. In 2024 alone, approximately $423.86 million in aid was received, with US$367 million earmarked specifically for health programmes. From 2026, a further US$50 million cut in funding for health commodities is expected.[4] These reductions threaten the essential health services for children, including access to quality lifesaving health supplies, without reliable domestics financing, progress in reducing child mortality risks will be impacted. In line with the Lusaka Agenda and declining donor support, Zambia must prioritize child health through sustainable domestic financing to safeguard health gains and build a system that will be resilient.[5]

4 UNAIDS. (2025, May 21). 'My greatest fear is that we will return to the dark days of the epidemic' | UNAIDS. https://www.unaids.org/en/resources/presscentre/featurestories/2025/may/20250521_zambia

5 African Union. (2023, December 12). The Lusaka Agenda: Conclusions of the Future of Global Health Initiatives Process. https://d2nhv1us8wflpq.cloudfront.net/prod/uploads/2023/12/Lusaka-Agenda.pdf


Weight (Kgs)
Months
Birth
1year
Age (completed months and years)
5 years
3years
Continue breastfeeding and feed the child with 3 main meals and 2 snacks per day.

NUTRITION

Zambia's Untapped Growth Engine

Key Messages

- **Nutrition Specific funding remains critically low:** Although the allocation has increased marginally from **K33.2 million in 2025 to K33.7 million in 2026**, this increase is insufficient to account for inflation and, in effect, the allocation remains the same as 2025. As a share of the total national budget, nutrition funding has actually declined **from 0.02% in 2025 to just 0.01% in 2026** underscoring the persistent lack of prioritization for this essential sector.

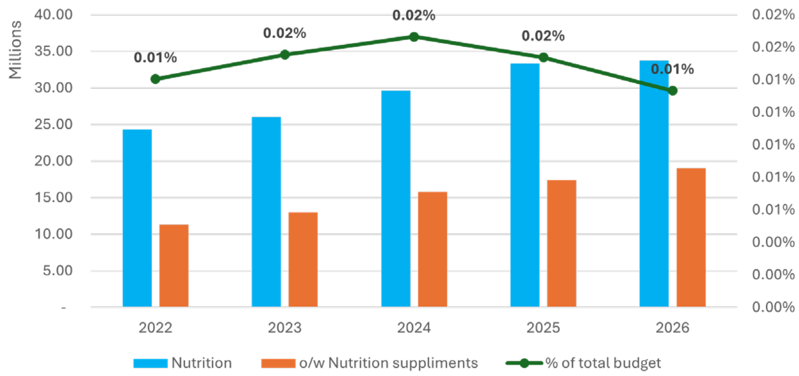
- **The National Food and Nutrition Commission (NFNC)**, which is responsible for mainstreaming and coordinating nutrition programming, received an increase in funding from **K13.5 million to K14.7 million.** The NFNC's role is critical in supporting a multisectoral approach to addressing the **persistently high stunting rate of 32% in the country.** This budget increase is expected to cover operational costs but may not fully address all programme requirements.

- Despite the Ministry of Finance and National Planning's directive that all Ministries, Provinces, and Spending Agencies must adequately mainstream cross-cutting issues such as food and nutrition in the 2026–2028 Medium Term Budget Plan (MTBP) and the 2026 Annual Budget, this priority has not been clearly reflected in the 2026 budget.

As of 2024, 32% of Zambian children under five are stunted, with 10% severely stunted, while 3% are wasted, an acutely life-threatening condition. These figures highlight persistent challenges in child survival and development despite policy commitments under the 8NDP. Despite government directives to prioritise nutrition in planning and budgeting, progress remains limited. **The Ministry of Finance and National Planning instructed all Ministries, Provinces, and Spending Agencies to ensure that cross-cutting issues, including food and nutrition, are adequately mainstreamed in the 2026–2028 MTBP and the 2026 Annual Budget.** This includes creating dedicated budget lines for nutrition-sensitive and nutrition-specific interventions and clearly explaining how nutrition is integrated across programmes and activities. However, these requirements have not been fully implemented. Nutrition was absent from both the 2026 Budget Speech and the 2026–2028 MTBP, dedicated budget lines remain minimal, and there is still no clear overall allocation, **highlighting a persistent gap in the prioritisation and funding of this critical sector. The insufficient prioritization of nutrition across sectors,** even in light of the directive outlined in the 2025 Budget Call, underscores the necessity of institutionalizing nutrition budget tagging to facilitate effective monitoring of compliance with multisectoral directives.

The 2026 National Budget allocates K 33.7 million to nutrition, a modest increase from K 33.4 million in 2025 and K 24.3 million in 2022 (Figure 4). This represents a cumulative growth of nearly 40% over the planned period. **However, nutrition still accounts for less than 0.01% of the total national budget of K 253.1 billion, far below what is needed to address the scale of malnutrition in the country.** This chronic underfunding limits the reach and impact of nutrition interventions, leaving the majority of malnourished children without access to care.

Figure 4: Nutrition spending- K 'million (2022-2025)



Constructed from Estimates of Revenue and Expenditure ("Yellow Book"), 2022-2026.

Over half of the nutrition budget is allocated to the treatment of Severe Acute Malnutrition (SAM), primarily through the provision of nutritional supplements. In 2025, K17.37 million was allocated for nutritional supplements intended to treat 8,150 children, which equates to approximately K2,131 per child. However, this allocation addressed only 15% of the estimated 54,100 children that require treatment, leaving 85% of affected children without access to necessary care.

In 2026, the allocation for nutritional supplements within primary health care services is set at K19 million, representing 56.3% of the total nutrition budget. If all resources are directed toward the procurement of Ready to Use Therapeutic Food, **this allocation could enable the treatment of approximately 12,849 children.** This would reduce the 2025 budget allocation gap towards treatment by 4,699 children, however an estimated 41,251 children **would still remain without needed intervention and would face a mortality risk approximately nine times higher than their healthy counterparts.** To ensure comprehensive coverage for all children requiring life-saving nutritional supplements, the allocation would need to increase to K80 million—nearly five times the current funding level. Addressing this critical funding shortfall is essential to safeguarding vulnerable children and achieving positive outcomes in child survival and nutrition.

While Zambia has made progress in increasing its nutrition budget, **current allocations still fall short of meeting the country's urgent needs**. More than two-thirds of children with SAM remain without funded treatment, and resources for preventive services that could reduce stunting, wasting, and anaemia remain constrained. Sustained investment is needed not only to close the treatment gap for children with SAM but also to expand preventive services, including growth monitoring, infant and young child feeding counselling, supplementation and fortification, and school-linked nutrition interventions.

EDUCATION AT TIPPING POINT

Real Gains Amid a Shrinking Share

Key Messages:

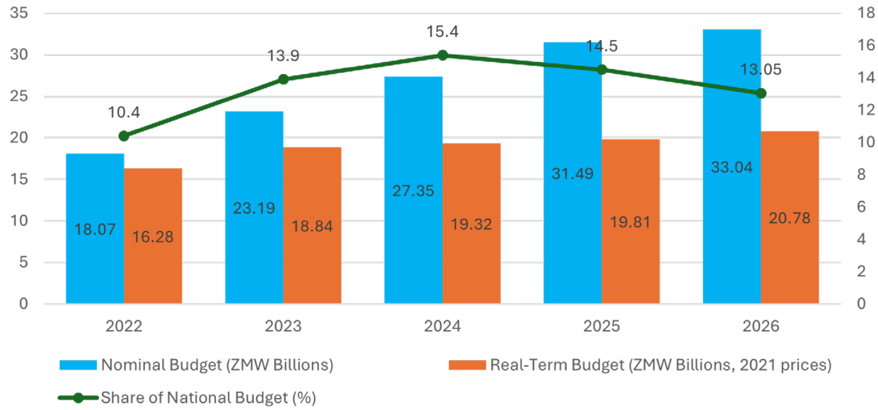
- Despite a nominal increase in education funding f**rom K31.49 billion in 2025 to K33.04 billion in 2026,** a 4.9% rise. However, the share of the national budget allocated to education has declined from **14.5% to 13.1%** and after adjusting for inflation, the real value of the education budget fell by 6.6%.

- **Quality depends on execution:** Early Childhood Education (ECE) funding rose by **26% from K702.5 million in 2025 to K885 million in 2026**, with a focus on school-level inputs. But without timely releases and focus on classroom needs, gains in quality may not materialize.

The 2026 **Education** budget allocates **K33.04 billion** to education an increase from K31.49 billion in 2025. However, the real value of the allocation contracted by 6.6%. Its share of the National Budget declined from **14.5% to 13.1%,** suggesting that while education remains a priority, its growth has been outpaced by other fiscal demands. The increase supports continued **teacher recruitment, school infrastructure expansion, and a 26% rise in Early Childhood Education (ECE)** funding, with a shift toward non-wage, school-level inputs.

Within the Ministry of Education's **K30.6 billion envelope**, the composition remains heavily skewed toward **personal emoluments (K21.7 billion or 71%),** with only **K737 million (2.4%)** for goods and services, **K5.7 billion (18%)** for transfers, and **K2.4 billion (7.8%)** for capital assets. This wage-heavy structure risks undermining classroom quality unless operational inputs and grants are protected and disbursed on time.

Figure 5: *Education Sector Budget Allocations (2022-2026)*



Constructed from Estimates of Revenue and Expenditure ("Yellow Book"), 2022-2026.

Early Childhood Education

Early Childhood Education (ECE) increased from **K702 million to K885 million (+K182 million, +26%),** with a notable shift toward **non-wage inputs.** The school feeding programme received **K53 million,** and school grants rose to **K82 million,** while **K50 million** was allocated for teaching materials aligned with the 2023 curriculum. This signals a quality-oriented push, though impact depends on timely and targeted execution. This composition is consistent with a quality-oriented push. However, although the ECE budget has increased and shifted toward quality-oriented non-wage inputs, the impact on learning outcomes is not guaranteed. To achieve the desired quality, releases must be timely and should be applied towards classroom-related inputs. This moment is critical: how resources are deployed will determine whether Zambia capitalizes on or misses the opportunity to improve the educational success of its young population.

Primary Education

The Primary Education Programme experienced a notable contraction in the 2026 budget, declining from **K15.47 billion in 2025 to K13.71 billion** a reduction of **K1.76 billion (–11.4%)**. This decrease is primarily attributed to a drop in personal emoluments, which fell from **K14.24 billion to K12.27 billion.** The reduction reflects the reclassification and upgrading of teachers, who may have transitioned to secondary education payrolls following promotions and restructuring. While this shift may improve career progression and staffing at higher levels, it has led to a lower salary burden under the primary education budget.

Despite the overall decline, the programme maintains key investments aimed at sustaining foundational learning. These include:

- K470 million for primary school grants, supporting operational needs and the Education for All policy.
- K390 million for the School Feeding Programme, which continues to provide essential nutrition to learners, especially in drought-affected regions. This allocation follows a scale-up in 2025 and reflects a stabilization phase as the drought eases.
- K140 million for teaching and learning materials, aligned with the rollout of the 2023 curriculum. This is especially important following the withdraw of donor support.

However, the contraction in overall funding, particularly in wage-heavy components raises concerns about service delivery and equity in early grades. With pupil-book ratios still below the desired 1:1 standard and pass rates for Grade 7 and Grade 9 remaining low, the reduced budget may constrain efforts to improve learning outcomes unless operational efficiencies and timely disbursements are prioritized.

Secondary Education

Secondary Education surged from **K7.62 billion in 2025 to K10.70 billion (+K3.07 billion, +40.3%) in 2026**, reflecting a strategic shift toward post-primary expansion. Key investments include **K1.1 billion for free education grants, K154.7 million for boarding school requisites, and K701 million for infrastructure under the Zambia Education Enhancement Project (ZEEP).** This prioritization aims to address capacity and quality pressures but risks widening disparities if primary education is not adequately protected.

School Feeding Programme

The School Feeding Programme remains a cornerstone of Zambia's education and child welfare strategy, particularly in mitigating hunger-related barriers to learning. In 2026, the programme received a combined allocation of **K443 million**, comprising **K390 million for primary education and K53 million for early childhood education (ECE).** This follows a significant scale-up in 2025 as part of the Government's emergency response to the severe drought, which had disrupted food security across much of the country. The 2026 allocation reflects a **post-drought adjustment,** maintaining substantial support while shifting focus from emergency expansion to stabilization. In secondary education, **K154.7 million** has been allocated for **boarding school requisites,** which includes supplementary feeding for learners in residential settings. While these investments are commendable, the real value of feeding allocations may be eroded by inflation, and coverage gaps could persist without further scale-up. Strengthening procurement systems, linking to local agriculture, and expanding them into underserved areas will be critical to maximise the programme's impact on attendance, retention, and learning outcomes, especially for children in food-insecure communities.

THE FORGOTTEN LIFELINE:

Revitalizing Zambia's WASH Sector for a Healthier Future

Key Messages

- The 2026 allocation for the Water Sector has increased from K2.4 billion in 2025 to K2.6 billion in 2026 (9%). Its share of the National Budget fell from 1.13% to 1.06%, which falls short of the commitments outlined in the 8NDP target of 5%.

- The average budget execution rate for the Water Supply and Sanitation Sub-Programme in the last five years remains low at around 40%, by mid-year 2025 only 4% of the funds to the sector had been disbursed, further jeopardizing efforts to bridge coverage gaps in water and sanitation services

- Over the past five years, the average budget execution rate for the Water Supply and Sanitation Sub-Programme has remained low, at approximately 40%. Alarmingly, by mid-year 2025, only 4% of the allocated funds for the sector had been disbursed. This severely undermines efforts to close the gaps in water and sanitation coverage, threatening progress toward universal access and improved public health.

- Commercial Utilities (CUs) spend K18 to produce a cubic metre of water that is sold for only K7.90, creating a financing gap of K 10.10 and K 1.3 billion cumulatively per annum, threatening service continuity without urgent tariff and financing reforms.

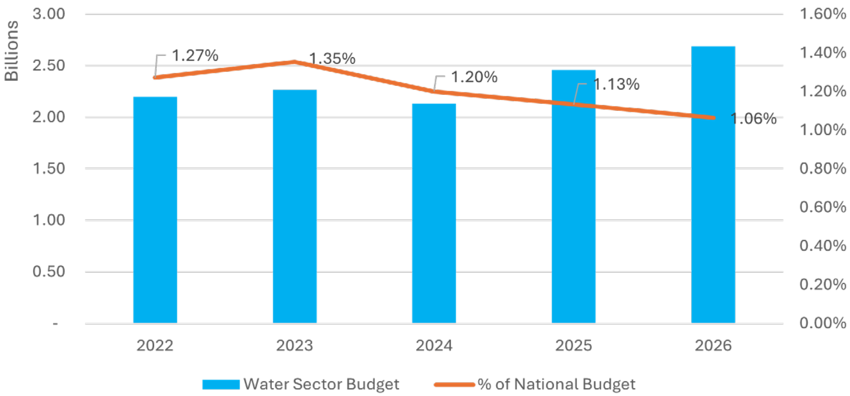
- Zero-rating VAT water is a game changer, with the potential to reduce costs, improve cash flow, and enable utilities to reinvest in infrastructure. With pro-poor safeguards, it can unlock wider access to safe water.

While Zambia has made strides in the WASH sector in 2025, with 517,000 additional people gaining access to safe water and 739,000 benefiting from improved sanitation services, this progress has not been matched by a proportional increase in budget allocations. As a result, over 2 million Zambians still lack reliable access to clean drinking water, leaving communities vulnerable to preventable waterborne diseases. Zambia currently faces several significant challenges, including the worst cholera outbreak in its history since 1977, which occurred between October 2023 and May 2024, resulting in over 23,000 cases and 740 deaths, with 40% of those affected being children under five. The 2024 El Niño drought affected over 9.8 million people across 84 districts, further straining resources and exacerbating public health concerns. More recently, according to the Northern Province Cholera Situation Report No. 47, between August and September 2025, Northern Province reported over 246 cholera cases and 2 fatalities. This data highlights that the public health crisis remains a significant concern. However, **the absence of designated funding for cholera response or infection prevention and control (IPC) measures raises significant concerns about managing ongoing public health risks.**

Over the past five years, allocations to the Water sector as a share of the total national budget have steadily declined, despite its **critical role in safeguarding public health and driving economic productivity** (5). The total allocation for Housing and Community Amenities is currently K3.2 billion, of which K2.6 billion is designated for the Water Sector. This represents a mere 1.06% (K253.1 billion) of the 2026 national budget, falling short of the 8NDP target of 5%. Consequently, this creates a substantial funding gap that poses a serious risk to advancements in health, economic growth, and broader development objectives. Additionally, the **World Bank highlights**

that Zambia's water sector is plagued by chronic underfunding and low budget execution, with disbursements often remaining below 40%.[6]

Figure 6 Water Sector Budget Allocations (K 'billions), 2022-2026



Government of Zambia, 2022- 2026 Yellow book Estimates of Revenue and Expenditure (Output-Based).

Zambia's 2026 budget allocation for water security under the **Water Resource Management and Development Programme decreased from ZMW 813.5 million in 2025 to ZMW 805.4 million (-1%)** in 2026. This reduction is primarily due to a 6% decrease in Water Resources Infrastructure funding, which supports dam construction and rehabilitation, critical for long-term water storage and resilience. In contrast, allocations for Water Resources Management and Groundwater Exploration increased by 111% and 83%, respectively, **reflecting a shift toward catchment protection and aquifer development.** These investments are essential for improving WASH outcomes, particularly for children, who remain vulnerable to waterborne diseases and inadequate access to safe water. However, the current level of investment remains insufficient to comprehensively address Zambia's water security challenges and meet national development objectives.

Although the 2026 budget allocation to the sanitation sub-programme increased from

6 World Bank. (2022). Zambia Water Supply and Sanitation Sector Diagnostic: Narrowing the Gap between Policy and Practice

K714 million in 2025 to K735 million in 2026 (+2.9%), Sanitation remains critically underfunded in Zambia, despite representing a vital component of public health. Its share of the WASH budget has dropped from 45% in 2025 to 40% in 2026. **This trend is concerning, given that 85% of Zambians depend on non-sewered sanitation systems such as pit latrines and septic tanks.** This funding supports important initiatives such as Community-Led Total Sanitation (CLTS), which seeks to achieve Open Defecation Free (ODF) status in 1,000 villages. While these interventions are commendable, the current level of investment remains insufficient to comprehensively address Zambia's sanitation challenges. A comprehensive approach is necessary to enhance sanitation service provision and align with Zambia's sustainable development objectives.

An important policy reform in the 2026 Budget is the zero-rating of main (piped) water supply for Value Added Tax (VAT), replacing the previous VAT-exempt status. This change enables commercial water utilities to recover VAT on essential supplies, including water treatment chemicals, pipes, energy, and technical services. The expected benefits of this reform include reduced operating costs for utilities, improved cash flow, enhanced capacity for infrastructure reinvestment, and stabilized tariffs for consumers. However, these advancements must be accompanied by increased capital investment and necessary structural reforms to ensure long-term sustainability. In this context, the Government's demonstrated political will in 2026 to unlock the potential of the WASH sector and attract private sector investment marks a notable advancement. Nevertheless, this commitment must be translated into concrete actions, including the recapitalization of utilities and leveraging Public-Private Partnerships (PPPs) to bring in new capital and technologies.

Commercial Utilities (CU) are mandated providers of WASH services and operate under severe financial strain that threatens their ability to deliver safe and consistent services. **The core issue lies in a tariff structure that has remained unchanged since 2019, resulting in a growing financing gap. CUs spend approximately K 18 to produce a cubic metre of water that is sold for only K 7.90,** creating a financing gap of K 1.3 billion cumulatively per annum. The negative financing severely hampers the CUs' ability to maintain and expand infrastructure, procure essential inputs, compensate staff adequately, and discourages private sector investment. The situation is worsened by K 501 million unpaid bills from government institutions and the lingering effects of a COVID-era moratorium that prevented penalties on overdue accounts. [7]

Although the 2026 budget allocations for commercial utilities rise to 6.14% of the Water Supply and Sanitation Programme budget, **there is a possibility that this funding may be contingent upon performance-based criteria that Commercial Utilities (CUs) must meet**. This could present challenges in accessing these resources if the specified benchmarks are not achieved. Additionally, delays in fund disbursement and inconsistent budget releases may undermine their ability to plan and execute multi-year infrastructure and maintenance projects. Without strategic, sustained support, financial strain on CUs will compromise safe and reliable water delivery, exacerbate inequities, and increase the risk of waterborne disease outbreaks.

7 National Water Supply and Sanitation Council (2024). " Tariff Analysis Document for Water Supply and Sanitation

EVERY VOICE, EVERY OPPORTUNITY:

Advancing Gender, Disability, and Inclusion

Key messages

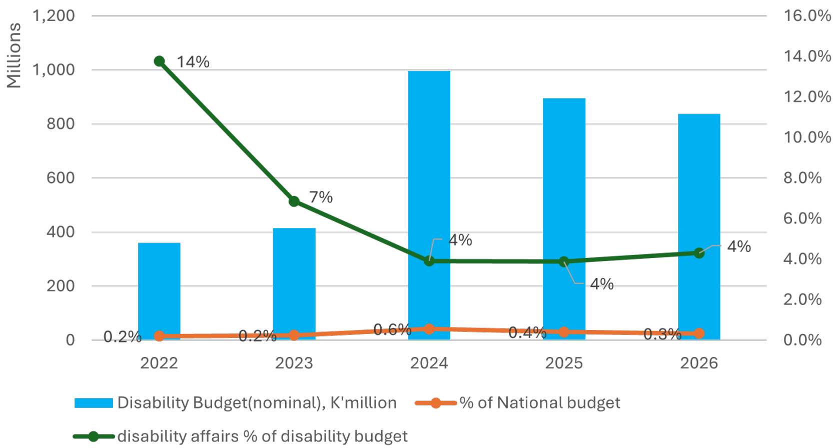
- The disability budget allocation has decreased from **K895 million in 2025 to K838 million in 2026**, representing a reduction in its share of the national budget from **0.4%** to **0.3%**. This downward trend in funding is particularly concerning given that persons with disabilities account for **7.7% of Zambia's population, or approximately 1.5 million people.**

Disability

The 2026 Disability allocation shows a modest yet constrained outlook for disability funding, **with the overall allocation projected at K838 million, accounting for only 0.3% of the national budget, down from a peak of 0.6% in 2024.** This allocation encompasses several key components: it includes the Social Cash Transfer (SCT) for persons with disabilities, funding for special education, provisions under Disability Affairs, and support for organizations serving people with disabilities (PWDs). **Disability funding has consistently remained below 1% of the total national budget.** The SCT component accounts for most of the disability budget (91%), yet the 2026 allocation declines from 0.4% to 0.3% of the budget **despite persons with disabilities representing 7.7% of Zambia's population (1.5 million).**[8]

8 *Situational Analysis of Persons with Disabilities in Zambia Dec 2023-SitAn Final_ https://unprpd.org/new/wp-content/uploads/2024/03/CountryBrief_Zambia.pdf*

Figure 8 Allocation towards Disability Budget (K'millions)



Government of Zambia, 2023- 2026 Yellow book Estimates of Revenue and Expenditure (Output-Based Budget)

Disability Affairs is projected to increase by 3.9% between 2025 and 2026. However, despite this increase, the share of the overall total disability budget has dropped significantly from 14% in 2022 to 4% in 2024 onwards, as shown above in Figure 6. **While service provision for persons with disabilities undergoing rehabilitation and physiotherapy reached an unprecedented 2,243 beneficiaries in 2025,** this remains negligible compared to 7.7% of Zambia's population living with disabilities.

Grants to schools with special education needs continue to rise, reaching K 37.29 million in 2026, representing a 9.4% increase from 2025 and a 33.2% rise since 2024. **Yet outcomes remain weak: in 2024, only 200 of the targeted 1,000 learners were reached (20%), and as of mid-2025, the figure had dropped to 63 of 800 targeted beneficiaries supported (8%).** Persistent barriers, such as inaccessible infrastructure (e.g., wheelchair-friendly toilets and ramps), and shortages of trained teachers and adapted learning materials, undermine the impact of higher allocations.

Key messages

- Direct allocations to Gender Equity and Equality reduced substantially from K69.5 million to K55.2 million, these cuts threaten the effective implementation of gender programmes, especially as external support declines.
- Without clear gender tagging, a full gender analysis of the budget is difficult, a review of investments in gender-responsive programmes such GEWEL, free education, and school feeding programmes indicate potential to advance girls' education. However, gaps in coverage and resources risk undermining their impact.

Gender

The Gender Division under the Cabinet Office is mandated to ensure gender is mainstreamed into national development objectives in line with the National Gender Policy (2023–2028) and the 8NDP. **In 2026, allocations to Gender Equity and Equality stand at K55.2 million, down from K69.5 million in 2025.** Within this, K8.5 million is earmarked for gender rights protection, K15 million for women's empowerment, K18.3 million for gender mainstreaming, and K13.5 million for planning and coordination, reflecting a sharp reduction compared to last year. While the budget sets ambitious targets for rights protection, mainstreaming, and building data systems for gender-responsive planning and budgeting, these cuts raise concerns about the capacity of gender machinery to sustain progress toward equality, particularly in the context of reduced external support, which threatens achievement of SDG 5: Achieve gender equality and empower all women and girls.[9]

9 *https://www.unwomen.org/en/resources/gender-snapshot*

The Social Cash Transfer (SCT) programme demonstrates strong potential to reduce the feminization of poverty if implemented with a gender lens. **In 2025, it supported 1,311,101 households, including 307,118 with persons with disabilities, 732,286 female-headed households, 66,467 caring for the critically ill, 9,110 child-headed households, and 196,035 elderly-headed households.** Building on this, the 2026 Budget proposes expanding coverage to 1.5 million households with an allocation of K7.6 billion. Together with the Food Security Pack (K1.5 billion, 320,000 beneficiaries), these programmes could beneft more women and other vulnerable groups if targeting is strengthened and allocations guided by gender data.

In education, girls' empowerment is supported through GEWEL alongside allocations for free education (K2.4 billion, reaching 2.3 million additional learners) and the Home-Grown School Feeding Programme (now covering all 116 districts, 4.6 million beneficiaries). These initiatives, together with CDF bursaries (K1.1 billion) and tertiary scholarships, reinforce progress toward gender parity in secondary education. Still, the lack of Early Childhood Education infrastructure sustains time poverty for women, limiting broader participation in the Care Economy.

Rising CDF allocations to K6.2 billion continue to drive grassroots development, but gender-responsive planning is needed to ensure women's equal participation and benefit. Similarly, while women account for over 70% of small-scale farmers—the group facing the highest poverty incidence (81%)—expanded agricultural credit and irrigation support risk excluding them without deliberate mechanisms to overcome barriers such as limited collateral.

Suffice it to note that this analysis does not constitute a full gender budget review. Rather, it identifies programmes within the 2026 Budget that, if designed and implemented with a gender lens, have the potential to advance women's and girls' empowerment. Zambia's Gender Inequality Index (0.540 in 2022) and persistent intersectional disadvantages, particularly among rural female-headed households where poverty exceeds 70%, underscore the urgency of leveraging these opportunities.

CONCLUSION

The 2026 National Budget closes out the 8th National Development Plan (8NDP) during a period marked by economic strain, climate shocks, and persistent poverty. With nearly one third of the budget allocated to debt servicing, the fiscal space for social investment has narrowed, leading to shrinking shares of GDP across key sectors. Yet, the budget shows signs of responsiveness: social protection has expanded to support drought affected households, health allocations have increased, particularly for drugs and medical supplies, and recruitment in education and health continues. These efforts reflect a commitment to preserving core services and stabilising gains made under free education and universal health coverage. However, the scale of need remains vast. Poverty stands at 60%, far off the 8NDP target of 45%, and 6.6 million children are multidimensionally poor. These figures underscore the urgency of translating budget allocations into real improvements in service delivery and human development.

Looking ahead, Zambia faces a critical inflection point. The final year of the 8NDP offers a chance not only to consolidate progress but to reorient priorities toward inclusive growth and resilience. Underfunded sectors like nutrition and WASH, essential for child survival and public health, require urgent attention. Without strategic scale up, the country risks entrenching inequalities and missing its development targets. The 2026 budget must be more than a closing chapter; it should serve as a launchpad for a new era of social investment, one that ensures every child, every household, and every community has the opportunity to thrive.

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