



Republic of Zambia

MINISTRY OF COMMERCE, TRADE AND INDUSTRY

**NATIONAL LOCAL
CONTENT STRATEGY
2018 -2022**

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FOREWORD

Zambia offers significant economic growth opportunities due to its abundant natural resources as well as access to preferential trading opportunities in regional and international markets. Economic growth is a relevant factor in poverty reduction, job and wealth creation and ensuring a more equitable distribution of income. The country has in past decades undertaken various policy and structural reforms aimed at creating an enabling environment for the private sector to thrive and subsequently trigger economic growth.

While these reforms have had a positive impact on economic growth averaging 5%, poverty and unemployment levels have remained high; a clear indication of the disconnect between economic growth and reduction in poverty levels. This has mainly been attributed to the absence of business linkages between the growth sectors and local firms, particularly, the inability to utilise local resources and domestic labour as well as inadequate knowledge of quality and standards. Another contributing factor is the lack of linkages between local enterprises and foreign enterprises to promote competitiveness and transfer technology, skills and knowledge to the local population.

In addition, the absence of a regulatory framework to implement the integration of locally available primary resources, goods and services in production processes has made it difficult to monitor the extent to which large enterprises particularly foreign investors have integrated their production methods to the local economy.

This National Local Content Strategy aims to foster business linkages in growth sectors as well as promote linkages between MSMEs and large enterprises, both local and/or foreign. Government will use this strategy as a tool to ensure that the benefits Zambia seeks to achieve from FDI with regards to improved technology and managerial skills are integrated into the domestic market and distribution networks. Ensuring linkages between local and foreign enterprises will enhance the competitiveness of local firms and therefore spur the much needed industrialisation and diversification.

This strategy therefore serves as a framework for integrating the use of local primary resources and locally manufactured goods and services, employment of locals and participation of local service providers in production processes. Furthermore, it will serve as a framework for strengthening institutional capacity and streamline measures so that investors are not unduly burdened with the requirements for local content.

The successful implementation of this strategy largely depends on concerted efforts by the Government, the private sector and collaborating partners.



Christopher B. Yaluma, MP
MINISTER OF COMMERCE, TRADE AND INDUSTRY

ACKNOWLEDGEMENT

This National Local Content Strategy is the product of extensive discussions and consultations with various stakeholders in the Private Sector, Civil Society, Academia and Government. The interests and concerns of stakeholders in the limited utilisation of locally available primary resources, goods and services and employment of domestic labour in production processes was critical in the development of this strategy.

The Ministry is grateful for the support received from United Nations Development Programme (UNDP) and various cooperating partners' that have contributed to the development on the Local Content Strategy. I also thank the staff in the Ministry of Commerce Trade and Industry as well as various Statutory Bodies under the Ministry for their effective collaboration and dedication in the preparation of this strategy.

The list of people and organisations to thank and acknowledge is long. Therefore let me simply thank all who participated in the preparation of this important document.

The Ministry looks forward to the collaboration from all stakeholders in the implementation of this strategy.



Kayula Siame
PERMANENT SECRETARY
MINISTRY OF COMMERCE, TRADE AND INDUSTRY

WORKING DEFINITIONS

Foreign investor means in the case of a natural person means a person who is not a citizen of Zambia and in the case of a company, a company incorporated under the laws of any country other than Zambia in which more than fifty percent of the shares are held by a person who is not a citizen of Zambia and in the case of partnerships, means a partnership in which the partnership controlling interest is owned by a person who is not a citizen of Zambia;

Greenfield Investment: *means new investment as defined in the Zambia Development Act;*

Industry: Refers to the goods-producing segment of the economy. In this respect, it includes agriculture and mining which are collectively referred to as the primary sector. It also includes manufacturing and construction activities which are referred to as the secondary sector. Additionally, the term Industry denotes services which constitute the tertiary segment;

Industrialization: The act of transforming or value addition, on a commercial scale, of raw materials into finished or semi-finished products and includes the assembling of inputs into finished or semi-finished products;

Industrial Yard: A specific location where a group of similar and related firms share common markets, technologies, infrastructure, and worker skill needs which are often linked by buyer-seller relations;

Local Content: Means the extent of utilization of local inputs and/or products in the production and provision of goods and services throughout the economy. To this effect, Government policy requires a minimum of 35% utilization of local inputs and/or products in the production and provision of goods and services throughout the economy;

Local investor means a natural person who is a citizen of Zambia; a Company incorporated under the laws of Zambia in which the majority of the shares are held by a person who is a citizen of Zambia, or a partnership in which the partnership controlling interest is owned by a person who is a citizen of Zambia;

Manufacturing: Refers to the act of transforming on a commercial scale, of raw materials into finished or semi-finished products and includes the assembly of inputs into finished or semi- finished products;

Multi Facility Economic Zone: A specific geographic area or premises with modern physical and social infrastructure that attract investments in manufacturing and act as engines for economic growth wealth and job creation and increase foreign exchange earnings;

Value Addition: Any step in the production process that improves the product or service for the customer and results in a higher net worth; and

Value Chain Cluster: A Value Chain Based Cluster involves the full range of business or economic activities which are required to bring a product or service from conception, through the different phases of production (involving a combination of physical transformation and the input of various producer services), and commercialization, delivery to final customers and final product disposal after use.

ACRONYMS

BRR	Business Regulatory Review Agency
Bank of Zambia	BoZ
CCPC	Competition and Consumer Protection Commission
CEEC	Citizens Economic Empowerment Commission
COMESA	Common Market for Eastern and Southern Africa
CSO	Central Statistical Office
CTI	Commercial, Trade and Industrial
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
HEA	Higher Education Authority
NISIR	National Institute for Scientific and Industrial Research
MCTI	Ministry of Commerce, Trade and Industry
MoA	Ministry of Agriculture
MoHI	Ministry of Housing and Infrastructure
MoJ	Ministry of Justice
MoL	Ministry of Labour
MLNR	Ministry of Lands and Natural Resources
MoM	Ministry of Mines
MTA	Ministry of Tourism and Arts
MSME	Micro Small and Medium Enterprises
NTE	Non Traditional Exports
NTBC	National Technology Business Centre
PACRA	Patents and Companies Registration Agency
SADC	Southern Africa Development Community
TEVETA	Technical Education, Vocational and Entrepreneurship Training Authority
TRIMS	Trade Related Investment Measures
UNDP	United Nations Development Programme
ZABS	Zambia Bureau of Standards
ZAM	Zambia Association of Manufacturers
ZDA	Zambia Development Agency
ZPPA	Zambia Public Procurement Authority

1.0 INTRODUCTION

Zambia is one of the world's most resource endowed countries with vast mineral resources, extensive arable land and more than 35% of the water resources of the Southern African region. The country has over the past 20 years registered positive economic growth rate averaging 5%. The leading areas of growth have been mining, agriculture, construction and tourism. Despite this positive outlook, the proportion of Zambians living in abject poverty exceeds 65% and levels of unemployment have consistently remained very high.

The disconnect between economic growth and reduction in the poverty rate has mainly been attributed to the absence of business linkages between the growth sectors and local firms, particularly, the inability to utilise local resources and domestic labour. For example, the recent boom in sectors such as construction, mining, agriculture and tourism did not translate into significant growth in the manufacturing sector as most of the manufactured inputs that go into these sectors were imported resulting in the contribution of the manufacturing sector to GDP remaining stagnant at 7.8%. Furthermore, the number of infrastructure projects in the construction sector has been on the increase but there has been limited participation of the local firms and inputs.

Zambia has seen an increase in Foreign Direct Investment (FDI) inflows. Such investment is not only expected to improve Zambia's economic performance through competitiveness of its products but to lead to transfer of technology, employment and transfer of skills to the local population. However, the domestic private sector has not been integrated with the new investments. There has not been sufficient integration with the domestic market through utilization of locally sourced products, employment of Zambians, nor transfer of knowledge and skill to domestic firms and individuals.

Furthermore, the absence of a regulatory and policy framework on local content has resulted into limited utilisation of local primary resources and locally manufactured goods and services in the growth sectors, low employment levels of locals and low participation of local service providers in the economy. The Strategy on National Local Content for Zambia will therefore ensure that there are strong linkages between foreign companies or enterprises and the local economy.

2.0 SITUATION ANALYSIS

Over the years, the Zambian Government has continuously developed and implemented policies and strategies aimed at enhancing the commercial and industrial sector and ensuring equal participation in the local economy by both foreign and local investors in line with the Vision 2030.

In doing so, a number of policies have been put in place to directly or indirectly promote local content requirements in the production and provision of goods and services in the economy. Such instruments include the following:

- (a) Citizens Economic Empowerment Act – No. 9 of 2006;
- (b) Mines and Mineral Development Act No. 7 of 2015;

- (c) Petroleum Exploration and Development Act No. 10 of 2008;
- (d) Private Public Partnership Act No. 14 of 2009;
- (e) The Standards Act-Cap 416;
- (f) The Road Development Agency Act; and
- (g) Zambia Public Procurement Act No. 14 of 2009

Despite the existence of the above pieces of legislation, the economy has failed to adequately promote the usage of local resources in the production processes. This has mainly been exacerbated by the lack of a specific legislation on local content.

Due to the absence of a specific legislation on local content which clearly defines the criteria for different sectors of the economy to follow in their operations, the current situation shows that sectors such as mining, construction, tourism and manufacturing import almost all their production and processing inputs and it has been difficult to compel them to procure a certain percentage of their inputs locally.

For instance, the International Council on Mining and Metals (2014) reveal weak backward linkages from mining to manufacturing in Zambia. They focus on six mining firms and assess the contribution of mining to Zambia's socioeconomic development and highlight that of about the US\$ 1.8 billion annual expenditure on manufacturing related inputs going into the mining supply chain, only about US\$ 100 million (about 6%) was directed to the local manufacturing industry. The rest were imported with mining firms directly importing US\$ 600 (33%) and the remainder of US\$ 1.1 billion representing about 61% being sourced from local traders and agencies of international companies including original equipment manufacturers.

Equally, the situation with all leading supermarkets is that there is no domestic law that compels them to procure a specified proportion of domestic products. As a result, it has been difficult to spur industrialisation, job and wealth creation in Zambia.

2.1 INTERNATIONAL BEST PRACTICES

There are many countries that have successfully implemented local content and include, Nigeria, South Africa and Australia, among others.

2.1.1 Nigeria

The Nigerian Government has set a minimum local content target of 75% for all works and contracts to be undertaken in or on behalf of all oil and gas companies operating in the Nigerian oil and gas industry. This target is fully supported by the oil & gas companies operating in Nigeria. To meet this target, a number of processes have been put in place including a contract evaluation and award criteria which favours bids which meet or exceed the minimum local content target.

2.1.2 South Africa

Following the amendment of the Preferential Procurement Policy Framework Act (PPPFA), the Department of Trade and Industry in South Africa is mandated to designate specific industries where tenders prescribe that only locally manufactured products with a prescribed minimum threshold for local production and content are considered. The minimum threshold is 30% but goes as high as 100% for some sectors such as textile, clothing, leather and footwear.

Furthermore, South Africa in 2001, embarked on the "Proudly South African Campaign" aimed at creating and sustaining quality jobs by stimulating local production and the consumption of locally produced products and services.

2.1.3 Australia

Australia has put in place local content requirements in its legal framework, through legislation, regulations, contracts, and bidding practices. Important to note is the local content policies in the mining sector that are defined at the national as well as the State levels. The key principle in Australian policies is to offer 'full, fair and reasonable' access to employment and tendering opportunities to Australian firms and individuals. Alongside this is a relatively soft requirement for firms to implement the "fair, full and reasonable" principles for procurement and employment, there is a strong reporting requirement on the measures taken to recruit and procure locally.

2.2 SWOT ANALYSIS

The following is the analysis of the growth sectors in the application of local content:

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Abundant natural and human resources • Existence of conducive policies; • Existence of legal frameworks e.g. CEE Act; ZPPA Act, Mines and Mineral Development Act; • Stable business environment; • Youthful educated population; • Political will on the development of local content and value addition; • Attractiveness of the country as FDI destination 	<ul style="list-style-type: none"> • Weak institutional capacities to implement existing policies e.g. preferential procurement and reservation schemes; • Limited knowledge of procurement entities in the application of preferential procurement; • Weak capacity by local contractors and SMEs • Tendencies of multinational companies to procure from their subsidiaries or sister companies; • Inadequate Research and development; • Non-compliance to existing regulations; • Inadequate technical skills and innovation development programmes; • Weak intra- governmental coordination • Poor skills and development
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Abundant natural resources endowments; • International / Regional agreements i.e. WTO, COMESA, SADC; • Stable political environment. • Ease of technology/ knowledge Transfer • Goodwill from cooperating partners 	<ul style="list-style-type: none"> • Environmental degradation; • Infiltration of substandard goods into the local market; • International / Regional agreements i.e. WTO, COMESA, SADC may be detrimental the local industries. • Anti-competitive practices by both local and foreign firms

3.0 RATIONALE FOR STRATEGY

This strategy will foster business linkages in growth sectors as well as promote commercial bonds between Micro, Small and Medium enterprises with large enterprises. Additionally, the strategy will promote business linkages between local enterprises and transnational corporations. By setting specific performance requirements, the Government aims to ensure that the benefits that Zambia seek to obtain from FDI including improved technology and managerial skills are integrated into the domestic market and distribution networks. Further, entrenching business linkages in growth sectors will spur the industrialisation and economic diversification.

By ensuring linkages between local enterprises and transnational corporations, micro, small and medium enterprises will improve their competitiveness and economic performance as there is transfer of knowledge and skills to local enterprises.

As the economy continues to grow and develop, the Local Content strategy will facilitate the transfer of knowledge and information which can be acquired through enhanced interaction with the transnational corporations which have more advanced production methods. Local enterprises in the service industry including legal, insurance and banking also need to be integrated into the investment processes and business development in order to grow and acquire better expertise to enhance competitiveness in the service sector.

Due to the limited information available to the private sector, the strategy will provide mechanisms that will enable the private sector to access and take advantage of opportunities in the market.

Finally, the strategy will provide a benchmark for negotiations of investment agreements which will be guided by the stipulations in the strategy and apply not only to large domestic firms and transnational corporations but also to their affiliates such as operators, contractors, subcontractors, and other entities involved in any business venture, operation, activity or transaction in the local market including locally sourced products.

4.0 SCOPE

The scope of the Strategy will include the following:

- (i) Increase the use of locally sourced goods and services in the growth sectors;
- (ii) Business linkage creation in order to promote the micro, small and medium enterprises;
- (iii) Increase local ownership and control of firms through employing a stipulated number of locals at various levels of the labour force; and
- (iv) Promote transfer of technology and skills from foreign investors to the locals.

5.0 GUIDING PRINCIPLES

The strategy will be administered by the following principles which shall be adhered to by all stakeholders in its implementation:

- (i) **Promotion of a Friendly Investment Climate**

The strategy will be implemented with a view to improving the investment climate of Zambia. The interests of investors shall be considered when implementing the strategy to ensure that there are no impediments created to doing business in Zambia. The provisions of the strategy will therefore endeavour to strike a balance between the interests of investors to ensure that they are not excessively affected while facilitating benefits for the domestic SMEs.

(ii) Strengthening of the Domestic Private Sector

The development of the domestic private sector is the fundamental goal of this strategy which will ensure that domestic SMEs are integrated with foreign enterprises and are able to participate in the economic development. The strategy will be specially designed to strengthen the domestic private sector to enable them take advantage of investment opportunities in the market by creating linkages with large investments.

(iii) Transparency

The Strategy recognizes the need for transparency in implementing various strategies and policy measures for instance, monitoring procurement, assessing the amount of local content and review of employment of Zambians. Transparency will be vital to gathering the support of all stakeholders in the successful implementation of the Strategy.

(iv) Capacity and Institutional Building

Considering the limited skilled labour in many sectors of the economy, this Strategy will operate with a view to building up a skilled work force in Zambia. The Strategy is also mindful of the need to build the capacity of trade support institutions such as Universities, Government Institutions as well as the private sector.

(v) Adherence to International and Regional Obligations

This Strategy will adhere to Zambia's international and regional obligations especially those arising from membership to the World Trade Organization (WTO), the COMESA and SADC. In regard to the WTO, this Policy will conform to the provisions of the WTO's Agreement on Trade Related Investment Measures (TRIMS). This Strategy will also conform to obligations within the regional agreements on promoting trade.

(vi) Mutual Cooperation

The successful realization of the goals of this strategy shall be determined by the level of cooperation and transfer of technology between Government and the private sector actors. The strategy will therefore promote coordination between the different stakeholders in a manner that encourages mutual cooperation and transfer of technology.

6.0 Guideline for the Calculation of Local Content

This guideline provides sectors with a detailed description of how to calculate local content of products (goods, services and works) by components/material/services and enables them to keep an updated record for verification requirements as per Local Content Act once enacted into law.

6.1 Categories: Imported and Local Content

The producer must differentiate between imported content and local content. Imported content of a product by components/material/services is separated into two categories, namely:

- Products imported directly by the producer; and
- Products imported by a third party and supplied to the producer.

6.2 Local Content

Identify and calculate the local content, by value for products by components/materials/services to be used in the manufacture of the total quantity of the products.

$$\text{Local Content \%} = \frac{(\text{Total Value of Produce} - \text{imported content})}{\text{Total Value Produce}} * 100$$

This calculation will be based on products (goods, services and works) by components/material/services where the country has the comparative advantage and a minimum of 35% is the threshold of the local content requirements.

Note: Sectors which are below 35% will be given two years for progression and the new companies will adopt 35% threshold immediately they are operationalised as per Local Content Act. Sanctions such as license withdraw or tariffs will be imposed on companies that fail to comply with the local content requirements as contained in the Local Content Act.

6.3 Sector Specific

Sector specific calculations will be defined in the Local Content Act once the Local Content Strategy is approved.

7. GENERAL OBJECTIVE

To promote inclusive growth and sustainable development through value addition by increased utilization of locally available goods and services in growth sectors.

7.1 Specific Objectives

- (i) To promote utilization of local products and services in growth sectors;
- (ii) To create sustainable linkages for MSMEs with large domestic and foreign companies;
- (iii) To promote the development of both human and institutional capacity of domestic private sector through skills and technology transfer from foreign companies;
- (iv) To promote MSMEs and cluster development through targeted Government procurement;
- (v) To promote employment of Zambian citizens;
- (vi) To promote a culture of local ownership and control of firms in aspects of productive economic activity;
- (vii) To promote competitiveness to facilitate competitive behavior during utilisation of local content; and
- (viii) To promote formalization of informal industries/businesses

Activities

7.2 Specific Objectives and Activities

- (i) To promote utilisation of local products and services in growth sectors.

Activities

- Develop and enact the local content law;
- Ensure that 35% of inputs in growth sectors are locally procured;
- Harmonise the different pieces of relevant legislation in the application of the Local Content Strategy;
- Develop guidelines on local content which are to be incorporated in all business linkages;
- Develop certification of the proudly Zambian mark;
- Undertake national awareness campaign of products with the Proudly Zambian mark.

- (ii) To create sustainable linkages for MSMEs with large domestic and foreign companies.

Activities

- Enhance capacity of MSME's through training;
- Steer product development through innovation;
- Enhance capacity of labelling, packaging and branding;
- Facilitate access to affordable business financing;
- Facilitate access to affordable business financing for citizen owned enterprises;
- Facilitate out-grower and cooperative schemes for agricultural products to supply large firms and manufacturers; and

- To facilitate participation of MSME's in supply chains and value chains.

(iii) To promote the development of both human and institutional capacity of domestic private sector through skills and technology transfer from foreign companies.

Activities

- To facilitate the development of training programmes for Zambians to ensure transfer of knowledge, technology and expertise by large domestic and foreign industrial enterprises;
- Review the IPPA framework to include the development of training programmes for Zambians to ensure transfer of knowledge, technology, skills and expertise;
- Develop a comprehensive national skills development program according to the skills requirements of the industrial sector;
- Scale up commercialization of local innovations and establishment of a functional innovation fund;
- Set up centres of excellence for the growth sectors; and
- To facilitate partnerships between institutions that deliver top quality education and industry to allow practical skills development.

(iv) To promote employment of Zambian citizens

Activities

- Ensure the enforcement of the Employment Act where skills are available; and
- Ensure the enforcement of employment schedules in the signed IPPAs.

(v) To promote MSMEs and cluster development through targeted public and private procurement.

Activities

- 35% of Government procurement shall be reserved for MSMEs according to the public procurement act;
- Facilitate the establishment of MSMEs industrial yards in order to enhance productivity and value addition; and
- Promote establishment of joint ventures between MSMEs and large corporations in order to for MSMEs to meet targeted Government procurement.

(vi) To promote a culture of local ownership and control of firms in aspects of productive economic activity

Activities

- Promote joint ventures between local owned firms and foreign investors;
 - Encourage foreign investors to establish their manufacturing plants locally; and
- (vii) To promote competitive behavior during the utilisation of local content

Activities

- Promote fair competition
 - Monitor business operations
 - Conduct sensitisation programmes and advocacy activities
 - Promote innovation, price competition, better quality products
 - Promote consumer welfare
- (viii) To promote formalisation of informal industries/business

Activities

- Facilitate business Registration
- Increase ability to establish property rights over investment and seek legal protection
- Reduce legal barriers to formalisation
- Aid testing, standardisation and quality assurance services to improve products and market development capacity
- Aid access to bank credit

8.0 CONCLUSION

The implementation of the National Local Content Strategy will institutionalise Local Content requirements in the entire economy thereby spurring industrialisation, innovation, technology and skills transfer.

It is further expected that the implementation of this Strategy will bring about efficient utilisation of all production factors and facilitate the creation of sustainable jobs, wealth and poverty reduction in line with the Seventh National Development Plan and vision 2030.

9.0 IMPLEMENTATION FRAMEWORK

9.1 Implementation Plan and Timeframe

The National Local Content Strategy will be operationalised through the Local Content Implementation Plan over a period of five years, subject to a mid-term review. The Government will work towards achieving the goals spelled out in the

document. Implementation of this strategy will also be closely aligned with other Government initiatives in the Medium Term Expenditure Framework (MTEF), the National Development Plan (NDP), as well as other donor-supported programs.

9.2 Institutional and Implementation Framework

The Ministry of Commerce, Trade and Industry will be the primary Government institution responsible for the implementation of the Local Content Strategy which will be done through its statutory bodies and in collaboration with other line ministries and agencies.

Among key implementing agencies with whom the Ministry will collaborate include the following:

The Zambia Development Agency (ZDA): The mandate of ZDA is to promote and facilitate investment; Provide support to micro and small business enterprises; Promote exports and market development; Provide market intelligence to the business community; and Promote and encourage education and skills training so as to increase productivity in business enterprises.

The Patents and Companies Registration Agency (PACRA): The mandate of PACRA is to implement the legal and regulatory framework for business registration, protection and use of intellectual property rights through which businesses can be established and be able to conduct their commercial transactions

The Competition and Consumer Protection Commission (CCPC): The mandate of CCPC is to enforce competition and consumer protection legislation; and Initiate and support relevant research within the field of competition and consumer welfare, among others.

The Zambia Bureau of Standards (ZABS): The mandate of ZABS is to promote quality product assurance in industry and commerce; and development of Zambian standards and promote their use.

The Citizens Economic Empowerment Commission (CEEC): The mandate of CEEC is to promote access to affordable finance to targeted citizens; encourage effective and meaningful participation of targeted citizens in the economy in order to contribute to sustainable economic growth; mobilize resources for economic empowerment programs; and Monitor and evaluate economic empowerment initiatives, among others.

9.3 Sector Policy coordination with other Government Ministries and Agencies

The effective implementation of the Strategy requires other complementary policies and programmes. Therefore, there will be need to promote the creation of policy coordination and synergies across all line ministries and agencies.

9.4 Other key Partners

The following will also be key partners in the implementation of the Policy:

a) Private Sector: The private Sector, through its umbrella associations, will be encouraged to mobilise its members to actively participate in the deliberation of Sector Working Groups and other consultative fora.

b) Academia and Research Institutions: Representatives from academia and research institutions will be encouraged to undertake research in local product and market development.

c) Cooperating Partners: Cooperating partners will work in collaboration with the Government at bilateral, regional and multilateral levels to support implementation of the Strategy by way of providing both technical and financial support.

9.5 Resource Mobilization and Financing

The Government is committed to fund the implementation of the Policy and will also secure additional resources from cooperating partners and the private sector.

10.0 MONITORING AND EVALUATION

Through a strengthened institutional coordination and implementation framework, the Ministry in collaboration with its statutory bodies, cooperating partners and other stakeholders, will be required to conduct periodical monitoring and evaluation of the implementation of the National Local Content Strategy. Sanctions will be imposed on companies that fail to comply with the local content requirements as contained in the Local Content Act.

11.0 IMPLEMENTATION PLAN

Specific Objectives	Activities	Implementing Agency	Cost Estimates	Year 1				Year 2				Year 3				Year 4				Year 5			
To promote utilisation of local products and services in growth sectors	Develop and enact the local content law	MCTI, CEEC, MOJ																					
	Ensure that 35% of inputs in growth sectors are locally procured	CEEC																					
	Harmonise the different pieces of relevant legislation in the application of the Local Content Strategy	MCTI, MoHI, MoA, MTA, MoM, ZPPA, CEEC																					
	Develop software to calculate local content	MCTI, Statutory Bodies																					
	Develop guidelines on local content which are to be incorporated in all business linkages	MCTI, ZDA, CEEC,																					
	Develop and maintain up to date standards for inputs and products used in the context of local content	ZABS, ZAM, ZDA																					

