



ZAMBIA ECONOMIC DEVELOPMENT FACT SHEET

USAID BUSINESS ENABLING PROJECT

BACKGROUND

The USAID Business Enabling Project aims to catalyze inclusive private sector investment in agriculture, trade, tourism, and energy. The Project works with and through local actors in the government, private sector, and cooperating partners to identify and facilitate the necessary reform and public private dialogue processes to open pathways to investment and growth across the country. The Business Enabling Project takes an adaptive, systems-based approach to identify champions and work with them to address private sector reform concerns sustainably and with evidence to support reforms. The Project team has built and strengthened relationships with stakeholders across sectors, leading to increasing momentum from public and private sector players on reforms aligned with Presidential priorities for economic growth in the country.

The 2023 Ease and Cost of Doing Business Study highlighted the need to eliminate multiple and duplicative regulatory requirements, and the time consuming travel they entail. Other barriers to doing business include a lack of visibility around fees and licenses at the sub-national level and duplicity and multiplicity of licenses particularly in the tourism sector.

Tourism sector licenses are not proportionate to business size, which disproportionately impacts smaller, rural businesses (which are often women-led). A recent statutory instrument's passage opened up the mini-grid sector to increased investment: the project will support stakeholders to advocate for adequate regulation.

GOALS

GOAL ONE

Improve processes and policies that catalyze gender-equitable private investment in agriculture, trade, energy, and natural resources, eco-tourism.

GOAL TWO

Strengthen decision-making for the Government of the Republic of Zambia policy implementation and formulation through linkages with strengthened civil society organizations and the private sector where women's interests are equally represented. This enhances investment for inclusive Zambian-led economic growth and development.

KEY RESULTS FOR 2023

Four enabling environment policies analyzed, consulted on, drafted, or revised, proposed, approved, or implemented with United States Government assistance:

- reviewed the Tourism and Hospitality Act of 2015 to reduce the number of licenses and mandate the use of the tourism levy for marketing under a new Zambia Tourism Agency bill;
- completed a study on the competitiveness of the aviation sub-sector in Zambia as an enabler of growth both in the agriculture and tourism sectors; and
- reviewed studies and developed a road map for an open access regime for the energy sector in Zambia.

As a result of the above, 50 percent of businesses indicate improved ability to navigate the policy and regulatory framework for operating or growing their business in target sectors.

- **Life of Project:** February 2022 - January 2027
- **Geographic Focus:** National
- **Implementing Partner:** Cardno Emerging Markets, LTD.
- **Total USAID Funding:** \$14.2 million.
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