# COMMENTS ON THE 2027 NATIONAL BUDGET

# HEAD 45 – MINISTRY OF COMMUNITY DEVELOPMENT AND SOCIAL SERVICES

## SUBMITTED TO THE COMMITTEE ON HEALTH, COMMUNITY DEVELOPMENT AND SOCIAL SERVICES OF THE NATIONAL ASSEMBLY OF ZAMBIA

## BY

## JESUIT CENTRE FOR THEOLOGICAL REFLECTION

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## 1. PREAMBLE

On Friday, 6th November 2026, the Minister of Finance and National Planning, Hon. Dr Situmbeko Musokotwane, MP, presented the proposed 2027 National Budget to Parliament under the theme "Grow Zambia: From Stabilisation to Unlocking Opportunities, Creating Jobs and Improving Livelihoods for All". The Estimates of Revenue and Expenditure for the financial year 1st January to 31st December 2027 total K284.8 billion and include Head 45, the Ministry of Community Development and Social Services.

By letter reference NAS/11/19/13 Conf of 7th November 2026, the Office of the Clerk of the National Assembly invited the Jesuit Centre for Theological Reflection (JCTR) to comment on the 2027 allocation to Head 45. This memorandum covers (i) an overview of the allocation, (ii) its adequacy and ramifications for vulnerable households, (iii) its alignment with national and international commitments, and (iv) recommended variations. It draws on the 2027 Estimates (Yellow Book), the 2027-2029 Green Paper, JCTR's 2025 submission on Head 45, its June 2026 budget proposals and October 2026 submission on the Green Paper, the monthly Basic Needs and Nutrition Basket (BNNB), and JCTR's public expenditure tracking, social audits and community score cards.

## 2. SUMMARY

Head 45 receives **K10.74 billion** in 2027, up 10.8 percent on 2026, or about 4 percent in real terms. Almost all of the increase goes to the Social Cash Transfer (SCT), which rises 35.5 percent to K10.36 billion and will reach 1,639,034 households, up from 1,555,840. Government now funds K10.23 billion of the SCT itself, against K6.74 billion in 2026, as donor funding falls away. JCTR welcomes both changes.

Part of the SCT increase has been paid for by closing the support that helps poor households produce their own food. The Food Security Pack (FSP), which received K1.51 billion in 2026 and reached 265,000 farming households by June, has no allocation in 2027, although the Green Paper planned K1.81 billion for it. The women's livelihood scheme is also cut by 45.7 percent. Spending on these livelihood programmes falls from K1.84 billion to K0.18 billion, going into a season for which the Green Paper itself forecasts El Niño. JCTR recommends restoring the FSP at K1.51 billion, funded from the sources JCTR identified in its October 2026 submission.

## 3. CONTEXT

Social protection is the most direct means the State has of keeping poor households out of destitution. Three conditions shape the 2027 allocation.

The first is climate risk. The Green Paper warns of El Niño conditions in the 2026/2027 farming season and lists climate change as the first risk to the Budget. Most poor rural households depend on rain-fed farming. The 2023/2024 drought showed how quickly they fall into food insecurity when rains fail, and it was the FSP and emergency cash transfers that carried many of them through.

The second is the cost of living. JCTR's Basic Needs and Nutrition Basket for a family of five in Lusaka stood at K12,253.72 in October 2026. The PAYE exempt threshold has stayed at K5,100 a month since 2024. Inflation has fallen to 6.3 percent, but prices remain far above what low-income households earn.

The third is how the money reaches people. Several social welfare functions, including the Public Welfare Assistance Scheme (PWAS) and care for older persons, have moved from Head 45 to the new Head 20, Intergovernmental Transfers, as part of devolution. Whether councils receive and spend these funds on time will decide whether devolution helps or hurts the people who rely on them.

In its submission on the 2025 Budget, JCTR asked Government to raise the FSP, which had been held at about K1.2 billion since 2023 and below the K1.8 billion planned in the Eighth National Development Plan, and to increase the PWAS. The 2027 Estimates go the other way on both.

## 4. OVERVIEW OF THE 2027 ALLOCATION

Table 1 shows Head 45 by programme. Social Assistance, which is now the SCT alone, takes 96.5 percent of the Head. The Community Development programme falls by 89.3 percent because the FSP has been removed and the women's livelihood scheme halved.

***Table 1: Head 45 by programme and selected sub-programme, 2025-2027 (K million)***

| Programme / sub-programme | 2025 | 2026 | 2027 | Change 2026-27 |
|---|---|---|---|---|
| **5451 Social Assistance** | **8,289.2** | **7,667.9** | **10,363.1** | **+35.1%** |
| Social Cash Transfer | 8,270.0 | 7,649.9 | 10,363.1 | +35.5% |
| of which Government-funded | 4,852.2 | 6,739.9 | 10,234.1 | +51.8% |
| Public Welfare Assistance Scheme | 7.2 | 7.0 | – | Moved to Head 20 |
| Care for Older Persons | 12.0 | 11.0 | – | Moved to Head 20 |
| **5452 Social Welfare** | **83.3** | **85.6** | **80.7** | **−5.7%** |
| **5453 Community Development** | **1,443.7** | **1,865.8** | **199.1** | **−89.3%** |
| Food Security Pack | 1,206.9 | 1,512.7 | – | −100% |
| Livelihood and Empowerment Support (SWL) | 212.2 | 326.0 | 177.1 | −45.7% |
| **5454, 5456, 5599 Other programmes** | **73.4** | **79.4** | **100.3** | **+26.2%** |
| **Head total** | **9,889.6** | **9,698.7** | **10,743.2** | **+10.8%** |

*Source: Yellow Book 2027, Head 45, Tables 1-5. Other programmes are NGO Regulation and Standards, Child Development, and Management and Support Services. Real change of about +4.2 percent uses inflation of 6.3 percent (October 2026). In 2025 a further K1,874.9 million went to the Emergency Social Cash Transfer. Of the 2027 SCT, K129.0 million is a World Bank grant; of the SWL, K165.6 million is a World Bank grant.*

At the level of the whole Budget, the Budget Address puts social protection at K16.18 billion, or 5.7 percent of spending. Once public service pensions of K5.25 billion are excluded, social protection for poor households is K10.93 billion, or 3.8 percent of the Budget.

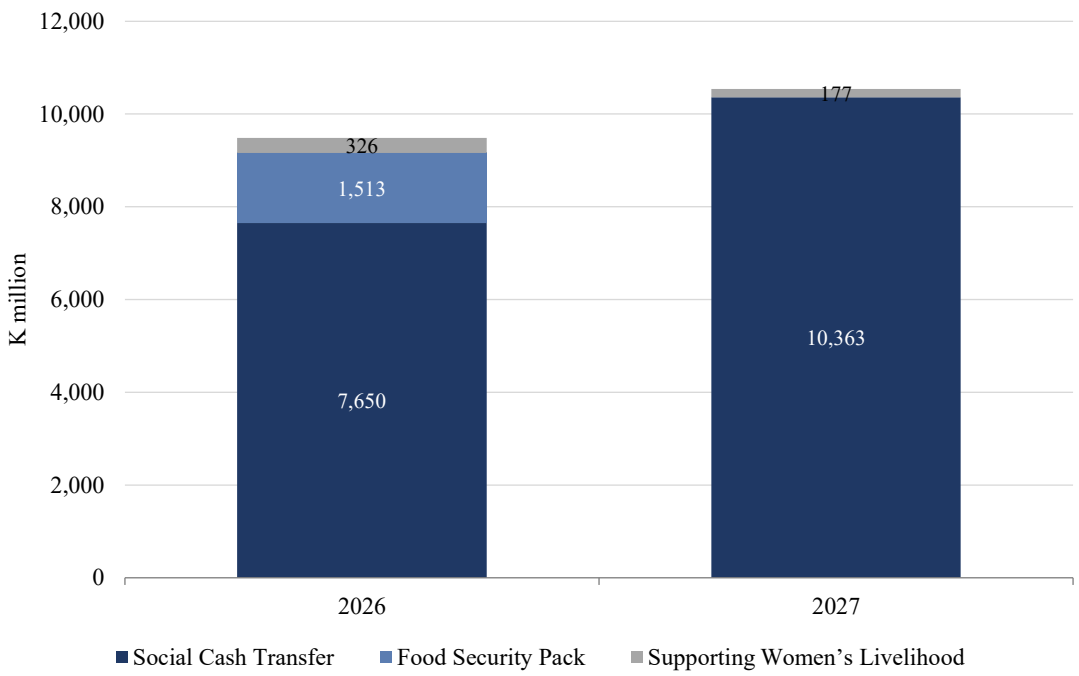



***Figure 1: Social Cash Transfer and livelihood programmes in Head 45, 2026 and 2027 (K million)***

*Source: Yellow Book 2027, Head 45.*

Figure 1 shows the effect. The SCT rises by K2.71 billion, but K1.66 billion of that is offset by closing the FSP and cutting the women's livelihood scheme. Support for poor households who can work, rather than for those who cannot, falls by 90 percent.

## 5. ADEQUACY AND RAMIFICATIONS FOR VULNERABLE HOUSEHOLDS

***Table 2: Selected Head 45 outputs, 2025-2027***

| Output | 2025 target | 2025 actual | 2026 target | 2026 actual (June) | 2027 target |
|---|---|---|---|---|---|
| Households receiving the Social Cash Transfer | 2,268,672 | 1,311,101 | 1,500,000 | 1,555,840 | 1,639,034 |
| FSP beneficiaries (rain-fed) | 200,000 | 200,000 | 200,000 | 145,000 | – |
| FSP beneficiaries (wetland) | 42,000 | 40,000 | 120,000 | 120,000 | – |
| Households assisted with in-kind support (PWAS) | 30,000 | 9,500 | 40,000 | 144,452 | – |
| Women's groups supported under SWL | 13,000 | 12,350 | 18,000 | 39,000 | 35,395 |
| Social register developed | – | – | 1 | – | 1 |

*Source: Yellow Book 2027, Head 45, programme output tables. A dash means no target or result was reported. PWAS targets for 2027 sit with councils under Head 20.*

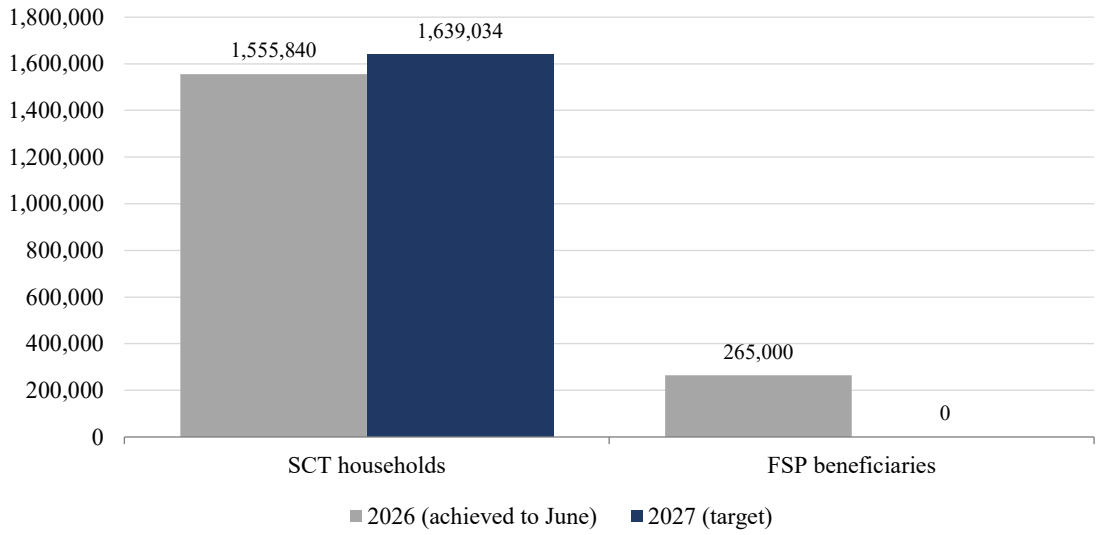



***Figure 2: Households reached by the SCT and the FSP, 2026 and 2027***

*Source: Yellow Book 2027, Head 45. FSP beneficiaries combine rain-fed and wetland packs achieved by June 2026.*

### 5.1 The Food Security Pack

The FSP gives seed, fertiliser and livelihood support to households that are poor but able to farm. By June 2026 it had reached 265,000 of them. The 2027 Estimates set no FSP targets and no allocation, and the Yellow Book offers no explanation.

The SCT and the FSP do different jobs. The SCT supports households that cannot work. The FSP helps those who can to grow their own food. Some FSP households may also receive the SCT, but most do not qualify for it, so for many of the 265,000 there is nothing to replace what they lose. The Green Paper planned K1.81 billion for the FSP in 2027 and lists it among the social spending Government commits to protect.

### 5.2 The end of Cash for Work

Cash for Work, a K1.03 billion drought response under Head 29 in 2026, does not appear in the 2027 Estimates. JCTR welcomes this as an improvement in public finance management. JCTR's social audit of the programme under the Citizens' Voice Expanded project raised serious concerns about how it was implemented (case study 2), and citizens in Chipata named it among their main

concerns. A programme whose spending communities cannot follow should not continue in its current form.

Ending the programme does not end the need it was meant to meet. If Government responds to El Niño with public works, the design should be different: beneficiary lists and works published at ward level, payments made electronically, and an audit by the Auditor General before any second phase. The FSP, which reached 200,000 rain-fed and 40,000 wetland households in 2025 against targets of 200,000 and 42,000, is the better tool for helping poor farmers through a drought, which is why JCTR asks for it to be restored.

### 5.3 Fewer households protected on the eve of El Niño

The SCT will reach 83,194 more households. The FSP will reach 265,000 fewer. Spending on the SCT, the FSP and the women's livelihood scheme together rises by 11.1 percent, but the number of households these programmes reach falls. The Green Paper expects El Niño in the 2026/2027 season, and the Budget removes the one programme in Head 45 that helps poor farmers prepare for it.

### 5.4 Transfer values and the cost of living

The SCT budget works out at an average of about K527 per household a month. The Budget Address sets transfer values at K450 for standard households and K650 for households with persons with disabilities. Against a basket of K12,253.72 for a family of five in Lusaka, a standard transfer covers about 3.7 percent of basic needs. There is no rule for adjusting transfer values when prices rise, and the PAYE exempt threshold of K5,100 has not moved since 2024.

### 5.5 Devolved welfare and the social register

The PWAS reached 144,452 households with in-kind support by June 2026, well above its target of 40,000. In 2027 it moves to councils under Head 20 with K12.3 million, alongside K13.9 million for care of older persons and K7.9 million for district welfare and counselling. These are small sums for the demand the scheme is meeting, and they now depend on councils receiving their transfers on time.

The social register that is meant to link the SCT, the PWAS and other benefits was due in 2026 and was not completed. It is re-targeted for 2027 with K3.0 million. JCTR supports the register,

but the Committee should ask whether K3.0 million is enough to build it and keep it current at ward level.

## 6. EVIDENCE FROM JCTR'S WORK

### Case study 1: Tracking social protection funds in Lufwanyama and Kalulushi

JCTR has combined Public Expenditure Tracking Surveys (PETS), which follow funds from national allocations to district social welfare offices, with community-led social audits in Lufwanyama, a rural district exposed to drought, and Kalulushi, a mining district with high peri-urban and rural poverty.

Communities in both districts told JCTR that the SCT alone does not carry households through the lean season. Farming households relied on the FSP for seed and fertiliser to get through the next season. The tracking found that district social welfare offices and Community Welfare Assistance Committees work with little operational funding and late releases, which slows beneficiary verification, grievance handling and payment. Social audits recorded eligible older persons, persons with disabilities and child-headed households still waiting to be enrolled, and beneficiary lists for the SCT, the FSP and Keeping Girls in School held separately. Where JCTR brought audit findings to district officers, they responded, but communities asked that releases, quotas and payment schedules be published so they do not have to ask each time.

### Case study 2: Social audit of Cash for Work

Under the Citizens' Voice Expanded project with BBC Media Action, a community journalist with Parliament Radio in Lusaka led a social audit of the Cash for Work programme with a community listening group. **[Insert the audit's main findings here: for example, how participants were selected, whether payments matched the work done, and what duty bearers said when the findings were presented.]**

Concerns about the programme were not confined to Lusaka. In JCTR's July 2026 community score card round, Cash for Work and the CDF were the issues most often raised by citizens in Chipata. These findings are why JCTR does not ask for Cash for Work to be restored in its 2026 form.

### Case study 3: Drought and water in Sinazongwe

Under the LIFT programme supported by Norwegian Church Aid and DanChurchAid, JCTR has worked in Sinazongwe and Nkandabwe wards in Sinazongwe District since July 2025. Community monitors trained by JCTR used score cards on water and sanitation and recorded severe water scarcity linked to drought, and inconsistent supply in high-density areas. At the time of reporting, duty bearers had not

acted on their findings. These are the conditions in which the FSP has mattered most, and in which an El Niño season will hit hardest.

**Case study 4: What the basket shows**

JCTR publishes the Basic Needs and Nutrition Basket every month. In October 2026 it stood at K12,253.72 for a family of five in Lusaka. A standard SCT transfer of K450 covers about 3.7 percent of that, and the higher K650 transfer about 5.3 percent. The transfer is not meant to cover a family's needs on its own, but the gap shows why poor households also depend on producing their own food, which is what the FSP supports.

## 7. ALIGNMENT WITH NATIONAL AND INTERNATIONAL COMMITMENTS

Table 3 assesses the 2027 allocation against the commitments that frame social protection in Zambia.

***Table 3: Alignment of the 2027 allocation with national and international commitments***

| Commitment | What it requires | What the 2027 Budget does | Assessment |
|---|---|---|---|
| 2027-2029 Green Paper, paragraphs on social protection and expenditure strategy | Continue the SCT, the FSP and the PWAS to protect vulnerable groups | Expands the SCT; removes the FSP | Not aligned |
| National Development Plan: Reduced Poverty, Vulnerability and Inequalities | Better coordinated social protection and improved livelihoods for poor households | Funds the social register, but cuts the livelihood programmes by 89% | Partly aligned |
| SDG targets 1.3, 1.5 and 2.3 | Social protection for all; resilience of the poor to climate shocks; support for small-scale food producers | Reaches more SCT households, but removes support for 265,000 farming households before El Niño | Partly aligned |
| ICESCR Articles 9 and 11 | Right to social security and to an adequate standard of living, including freedom from hunger | Livelihood support for poor households who can work falls by 90% | Partly aligned |
| Convention on the Rights of Persons with Disabilities, Article 28 | Access to social protection and poverty-reduction programmes for persons with disabilities | Higher SCT value for households with disabilities; plans to register 12,000 persons with disabilities; disability affairs flat | Partly aligned |

*Source: JCTR analysis of Yellow Book 2027, Head 45, and the 2027-2029 Green Paper.*

## 8. RECOMMENDATIONS FOR VARIATIONS

JCTR proposes restoring the FSP within Head 45. In its October 2026 submission JCTR showed that holding growth in the Constituency Development Fund to 7 percent would free about K2.37 billion. The CDF rises by K2.80 billion in 2027, well above the K1.51 billion needed here.

***Table 4: Proposed variation to Head 45 (K million)***

| Line | 2027 Estimate | Proposed | Variation | Purpose |
|---|---|---|---|---|
| Food Security Pack (Head 45) | – | 1,512.7 | +1,512.7 | Restore the 2026 allocation and targets for rain-fed and wetland packs ahead of El Niño |
| **Total** | | | **+1,512.7** | **Funded by holding CDF growth to 7%** |

*Source: JCTR proposals; JCTR Submission on the 2027-2029 Medium Term Budget Plan and Green Paper, October 2026.*

In addition, JCTR recommends that the Committee:

1. Ask the Ministry to explain why the FSP was removed after the Green Paper planned K1.81 billion for it, and to publish FSP targets for the 2026/2027 season if it is restored.
2. Require a published timetable for the social register, with a cost estimate, and ask whether the K3.0 million provided is enough to complete it in 2027.
3. Recommend that, if Government introduces a public works response to El Niño, it publish beneficiary lists and works at ward level, pay participants electronically, and submit the programme to audit by the Auditor General before any extension.
4. Recommend a rule for reviewing SCT transfer values each year against inflation and the BNNB, so that the value of the transfer does not fall as prices rise.
5. Recommend to the Expanded Planning and Budgeting Committee that the PAYE exempt threshold be raised, as JCTR proposed in June 2026, with a zero-rate band to K5,300 and annual indexation thereafter.
6. Require quarterly releases to district social welfare offices and Community Welfare Assistance Committees, and publication of beneficiary lists, quotas and payment schedules at ward level.
7. Ask the Ministry of Local Government and Rural Development to report on releases to councils for the devolved PWAS, care for older persons and district welfare services, so that devolution does not leave these functions without money.
8. Ask why Government funding for the Supporting Women's Livelihood programme has fallen to about K11.6 million, with the rest of its K177.1 million coming from a World Bank grant, and how the programme will continue when the grant ends.

## 9. CONCLUSION

The 2027 Budget does something JCTR has long asked for: it puts more of Government's own money into the Social Cash Transfer and reaches more households. But it pays for part of this by closing the Food Security Pack, which poor farming households used during the last drought, in a year when another is expected. Fewer households will be reached by Head 45's programmes in 2027 than in 2026. Restoring the Food Security Pack would cost K1.51 billion, a little over half of the increase in the Constituency Development Fund. JCTR commends these proposals to the Committee.