

**2016 BUDGET ADDRESS BY HON. ALEXANDER B. CHIKWANDA M.P,
MINISTER OF FINANCE
DELIVERED TO THE NATIONAL ASSEMBLY ON FRIDAY,
9TH OCTOBER, 2015**

1. Mr. Speaker, I beg to move that the House do now resolve into Committee of Supply on the Estimates of Revenue and Expenditure for the year 1st January, 2016 to 31st December, 2016, presented to the National Assembly in October, 2015.

2. Sir, I am the bearer of a message from His Excellency the President, recommending favourable consideration of the motion that I now lay on the Table.

3. Mr. Speaker, shortly after I presented the 2015 Budget to this august House, the nation lost the Republican President, His Excellency, Mr. Michael Chilufya Sata on 28th October, 2014. He was a leader who tenaciously fought for the wellbeing of all Zambians and will forever hold a place of honour and distinction in the hearts of our people. We will do well to perpetuate his vision of making Zambia a better place for all.

4. Sir, the loss of our President was a devastating blow to us all, but, as a nation, we showed our political maturity in the way we responded to our loss. On 20th January, 2015 we peacefully elected a new President, His Excellency, Mr. Edgar Chagwa Lungu, who has fittingly taken over the mantle of leadership and who, like his predecessor, is also driven by a passionate commitment to uplift the lives of all Zambians.

5. Mr. Speaker, the year 2015 has been economically challenging. The slowdown in the Eurozone and in the

Chinese economy has lowered the demand for, and the price of copper. With copper being the main source of our foreign exchange earnings, the fall in price has put pressure on the value of the Kwacha and lowered our tax receipts from the mining sector. Further, climate change has become a reality and is affecting our day-to-day lives. It affected the timing, distribution and amounts of rainfall last season that adversely affected our agricultural sector and weakened our capacity to generate sufficient electric power.

6. Sir, with the development of a strong El Nino, a weather pattern which generally results in lower rains in Southern Africa, and continued economic restructuring in China, these challenges are expected to remain with us as we enter 2016. Indeed, new challenges are anticipated, such as higher interest rates on dollar denominated loans as the United States Federal Reserve Bank System ends its cheap money programme known as quantitative easing.

7. Mr. Speaker, I want to assure the nation, through this august House, that the Patriotic Front Government is fully committed and resolved to meet these challenges. Over the last four years, we have built a firm foundation to sustain broad based and inclusive growth, diversify and deepen the resilience of our economy and further entrench social justice so that all Zambians, of every age and gender, and