

# **2026 WASH Budget Analysis Brief**

## **The Price of Progress: Financing WASH for All**

An Analysis of the 2026 National Budget and Implications for WASH and Local Governance

Everyone, Everywhere



# Introduction

WaterAid Zambia, in collaboration with the Local Government Association of Zambia (LGAZ), analysed the 2026 National Budget presented by the Minister of Finance and National Planning on Friday, 26th September 2025. Delivered under the theme **“Consolidating Economic and Social Gains Towards a Prosperous, Resilient and Equitable Zambia,”** the budget reflects a strategic commitment to safeguarding and advancing the developmental progress achieved in recent years.

This theme underscores the government’s intent to foster inclusive growth, strengthen national resilience, and promote equitable access to opportunities and services particularly as Zambia prepares to transition from the Eighth National Development Plan (8NDP), which concludes this year, to the Ninth National Development Plan (9NDP) set to launch in 2026. The timing presents a critical juncture for aligning fiscal priorities with long-term development goals, ensuring that economic and social gains are not only preserved but expanded to benefit all Zambians.

Drawing from key allocations outlined in the 2026 Yellow Book and supplemented by historical spending trends across selected budget heads, this analysis offers a data-driven perspective on fiscal commitments to the WASH sector.

The 2026 budget is particularly significant for two reasons:

- ➔ It represents the final fiscal year under the Eighth National Development Plan (8NDP), marking the end of a strategic planning cycle.
- ➔ It comes just four years before the culmination of Zambia’s Vision 2030, a national blueprint for inclusive and sustainable development.



Against this backdrop, the analysis zeroes in on WASH sector budgetary aspirations and interrogates the local governance architecture to evaluate sector performance. It further explores how the 2026 fiscal framework aligns with Zambia’s long-term development goals as articulated in Vision 2030, the 8NDP, and various sectoral policy directives. Ultimately, the review seeks to determine whether the current budgetary trajectory is sufficient to elevate the profile and effectiveness of WASH service provision across the country.

This analysis provides a focused

review of Zambia’s 2026 National Budget, with particular emphasis on its implications for the Water, Sanitation and Hygiene (WASH) sub-sector. It adopts a local governance lens to assess the extent to which the budget facilitates strengthened oversight and improved service delivery at the local level. Given that local government serves as the primary delivery mechanism for basic services, its role is central to the realisation of WASH outcomes, an approach that aligns with Zambia’s Decentralisation Policy and its Implementation Plan.







"If I met our president, I would tell him about the trouble we have of lack of water at a healthcare facility. I will tell him of how much women are suffering, how they walk a distance to access water and how they sleep on the cold floor. I will ask him to immediately do something about about it."

A portrait of Elizabeth at Sikachapa in Kazungula District, Zambia.

From the 2026 budget presentation, we highlight the following salient issues.



### WASH Budget Allocations

Lowest in 6 years: 0.71%

WASH Budget Allocation as a share of Total Budget (ZMW Billion)

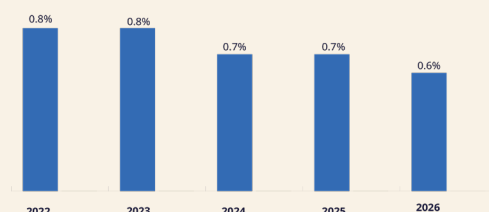


This downward trend threatens progress on health, education, and SDG 6.

### Local Government Equalization Fund (LGEF) Budget Allocations

Lowest allocation in 5 years: 0.6% (2026)

Local Government Equalization Fund (LGEF) Budget Allocations:



With allocations falling to 0.6%, local authorities are left with fewer resources to deliver essential services.

### 8NDP Commitments

2026 Allocation

K 1.5 Billion

8NDP Planned Annual Average

K 3.5 Billion

0.0 0.5 1.0 1.5 2.0 2.5 3.0 3.5

2026 WASH allocation is almost HALF of the 8NDP commitment

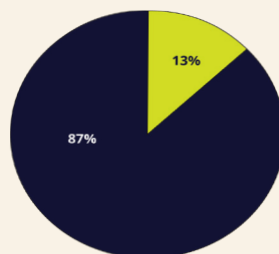
### WASH in Healthcare Facilities

# 10.3%

Zambia's 2026 Health Budget (K26.1bn) remains below the Abuja 15% target."

Health budget continues to fall short of Abuja Declaration 15% target

### WASH in Healthcare Facilities



Education Other Sectors

Only 13% of the national budget is allocated to education in 2026.



# The Socio-Political and Economic Context of the 2026 Budget

While the Government of the Republic of Zambia (GRZ) has clearly articulated access to quality water and sanitation services as a priority issue for economic development and poverty reduction. This feature prominently in Zambia's 2030 vision, the Eighth National Development Plan (8NDP) explicitly recognizes the economic and social case for improving water and sanitation and presents improved access to water supply and sanitation (WSS) as development outcome three under Enhancing Human Development pillar. It is important to paint a socio-economic and political picture to contextualize the prevailing circumstances under which the 2026 budget was developed.

In 2024 and coming to 2025, Zambia's economy displayed remarkable resilience despite a historic drought and frequent power outages. Preliminary estimates show the economy expanded by 4 %, driven by a strong recovery in the mining sector and significant expansion in services. Although agriculture—the mainstay of Zambian employment and heavily reliant on rainfed farming—suffered during the drought, its minimal contribution to GDP meant it did not hinder overall economic growth.

Despite the economic growth, per capita incomes have stagnated, and poverty remains

widespread in Zambia. GDP per capita grew by 2.5 % in 2022 and 2023 but slowed to 1.2 % in 2024/25 due to the drought. The population below the US\$2.15/ day poverty line slightly decreased, from 64.3 % in 2022 to 63.1 % in 2024/5. Rural poverty persists due to under-investment, ineffective policies, and recurrent disproportionate impacts of the climate whiplash. High inequality means poverty levels are higher than expected for the country's GDP per capita. This has led to minimal poverty reduction despite economic growth. The outlook remains optimistic, driven by robust momentum in the mining sector, a rebound in agriculture, and improvements in tourism; however significant risks persist. Real GDP is anticipated to increase by 5.8 % by end of 2025, with an average growth rate of 6.5 % projected for 2026-27. The expansion in 2025 is partly attributable to some base effects as the economy recovers from the severe drought, supported by adequate rainfall in the current rainy season. Significant risks persist due to lower global growth, emerging uncertainties in trade policies, and frequent climatic events. Still, over the medium term, growth is expected to benefit from broad-based momentum across various sectors, with the mining sector presenting a distinct opportunity to leverage economic transformation to benefit all Zambians.

Against the above positive growth, Zambia's debt restructuring negotiations under the G20 Common Framework have taken considerably longer than the speedy process initially envisioned when the Common Framework was initiated, creating uncertainty in the international market for Zambia. Thus, Zambia's experience with debt restructuring underscores the urgent need for reforms and transformation of the global financial architecture. Additionally with the rising inward-looking policies in the global north leading to reduced ODA, Zambia has not been spared thereby negatively impacting foreign aid into the economy.

With exactly one year to go before the 2026 general elections, the country has already entered a pre-election period in which all political actors are trying to secure political space and ensure positive results in the coming elections. Whereas Zambia is regarded as peaceful country devoid of political violence, caution is key lest the promised budget commitments for WASH sector remains unrealised due to heightened political activities.

## Zambia's WASH Landscape

### Access to Drinking Water



Zambia continues to make incremental progress in expanding access to drinking water, particularly in urban areas. The 2024 WHO/UNICEF Joint Monitoring Programme (JMP) report on Zambia shows that access to basic water stands at 74.4% (90.33% urban and 58.46% rural). Challenges such as intermittent supply, aging infrastructure, and water quality concerns continue to hinder the full realization of safe water access. In rural areas, many communities continued to rely on unprotected wells, boreholes, and surface water, exposing them to health risks. Climate variability, including droughts and floods, further strain rural water supply systems, especially in regions like the Copperbelt and Southern Province. With 2030 looming, progress seems to be slow and requires transformative and deliberate interventions and political commitment to drive the change.

### WASH in Institutions – Schools and Healthcare facilities



Institutional WASH access in Zambia remains a pressing concern, with significant implications for public health and education outcomes. According to JMP data (2024), 13% of healthcare facilities across the country lack any form of water service, severely compromising infection prevention control and the delivery of safe, dignified care. Many facilities also operate without reliable sanitation and hygiene infrastructure, further exacerbating risks for patients and health workers alike.

The situation in schools is equally troubling. 21% of educational institutions lack access to basic water services, while 17% are without basic sanitation facilities, undermining the learning environment and contributing to absenteeism particularly among girls during menstruation. These deficits are most acute in rural districts, where infrastructure challenges and limited investment have left institutions unable to meet even minimum WASH standards.

Compounding the issue is the persistent lack of comprehensive and disaggregated data on institutional WASH access. This data gap hinders effective planning, resource allocation, and accountability, making it difficult to track progress or identify priority areas for intervention.

### Access to Sanitation



Sanitation access continues to show persistent disparities between urban and rural Zambia. The 2024 JMP report shows that access to basic and safely managed sanitation stands at 37.29% (43.30% urban and 31.28% rural). In urban settings, while basic sanitation coverage is relatively higher, safely managed sanitation facilities remain low. In informal settlements face challenges, with many households sharing unimproved latrines or lacking access altogether. In rural areas, the situation is more severe. Open defecation is still the norm in some communities, especially where latrine coverage is poor or facilities are not maintained.

### Access to Hygiene



Hygiene access, particularly handwashing facilities with soap and water, remains low. The 2024 JMP report on Zambia highlight that only 29% of residents across the country have access to basic hygiene. In urban areas, around half of households have basic hygiene facilities, but availability is inconsistent, especially in schools and healthcare facilities. In rural areas, the situation is dire, as many households do not have access to basic hygiene services. Many lack soap or water at designated handwashing stations, undermining efforts to prevent disease transmission.





# The 2026 WASH Budget

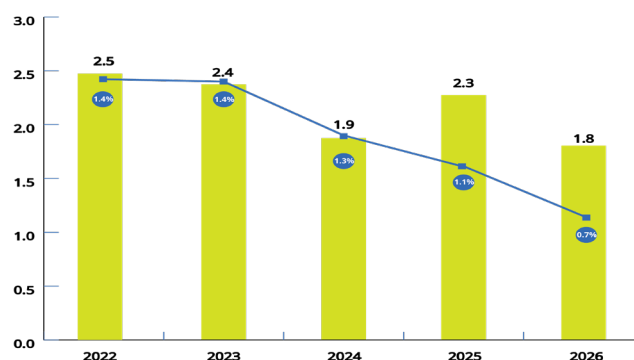
## Overview

The 2026 budget has made a K1.8 billion commitment to the WASH sector representing 0.71% of total budget or 0.36% of GDP. The budget clearly acknowledges the critical role of the Water, Sanitation and Hygiene (WASH) sector in Zambia's development, especially in the context of the ongoing drought crisis, flooding and water resources pollution. The budget highlights the importance of clean and safe water in safeguarding public health, preventing waterborne diseases, and upholding the right to water. The budget also recognizes the human rights dimension of WASH: Every Zambian is entitled to safe, sufficient, accessible, and affordable water for personal and domestic use. Access to adequate, safe, and dignified sanitation is affirmed as a right, essential to health, privacy, and human dignity. The right to hygiene is implicitly supported through investments in sanitation infrastructure and public health systems.

This section provides an overview of the actual resources allocated to WASH in the 2026 budget. The section looks at the size of the national budget in relation to the WASH allocation, it also looks at the WASH allocation trends especially for the past 5 years. To provide a clear understanding of amounts committed per head, the section presents the WASH budget in per capita terms and later demonstrates past performance execution of WASH budgets to give a sense of resource utilization.

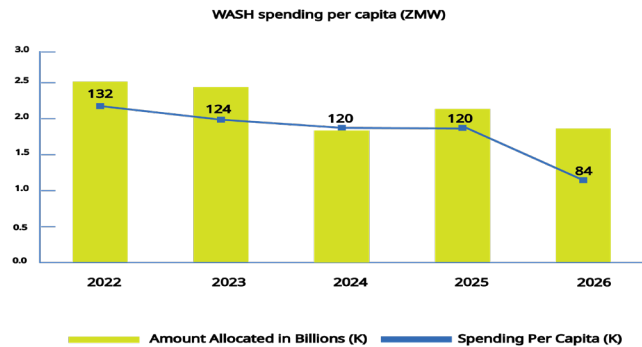
The allocation to the Water Supply and Sanitation sub sector has increased from K1.6 billion in 2025 to K1.8 billion in 2026. However, the WASH share of the budget has continued to steadily decline from a high of 2.5% of the national budget in 2020 to 0.71% in 2026. Within the water supply and sanitation sub sector; the sanitation allocation has also increased from K714million in 2025 to K735million in 2026. The allocation of K1.094billion for water supply while an increase from 2024, is still far less than the K1.3billion allocated in 2023. There is a decline in the allocation to Water Resources development despite the challenge of surface and ground water pollution moving from K813million in 2025 to K805million in 2026. This is despite the need for greater catchment protection, pollution control from the extractive industries, droughts and the need to support economic development through productive utilization of water resources. The nonfunctional Water Development Trust Fund has continued to receive K12million per annum since 2023 which has been increase to K12.42million in 2026 despite the entity not being operational.

WASH Budget Allocation as a share of Total Budget (ZMW Billion)



## WASH Per capita resources

The 2026 budget translates to approximately K84 or US\$3.57 per capita. Compared to the World Bank benchmarks, which requires that countries like Zambia spend at least US\$25 annually per person from 2022 until 2030 to attain WASH related SDGs, the current budget allocation is low to achieve this objective. This means Zambia needs to spend an additional US\$18.6 per person in 2026 and the backlog from previous years to attain SDG targets.



## WASH as a share of GDP

Zambia is a signatory to the eThekweni declaration of 2008 where 32 African heads of states and delegation leaders committed to spend at least 0.5% of their GDP on water and sanitation to extend access to every citizen. The 2026 Budget is standing at 0.36% of GDP a drop from 0.5% in 2025. This continues to undermine efforts towards achieving the 8NDP aspirations and raises questions on the country's ability to achieve universal access by 2030 where no one is left behind.

## WASH Budget Performance

Budget allocations to WASH provide an indication of the priorities of the Government regarding water supply and sanitation. Budget performance is a key indicator in ascertaining not only the prioritization of WASH in government resource allocation, but also the actualization of the Improved Water Supply and Sanitation development outcome. For 2024 the budget performance as measured by disbursed funding compared to approved allocation, stands at 2.07 % of the approved budget. This is a significant drop from the 37 % recorded in the 2023 Annual Progress Report on the 8NDP. This is a retrogression to past budget performance averages. The large and persistent deviations between the budget authorized and actual expenditure indicate weaknesses in the public sector's ability to implement programs.

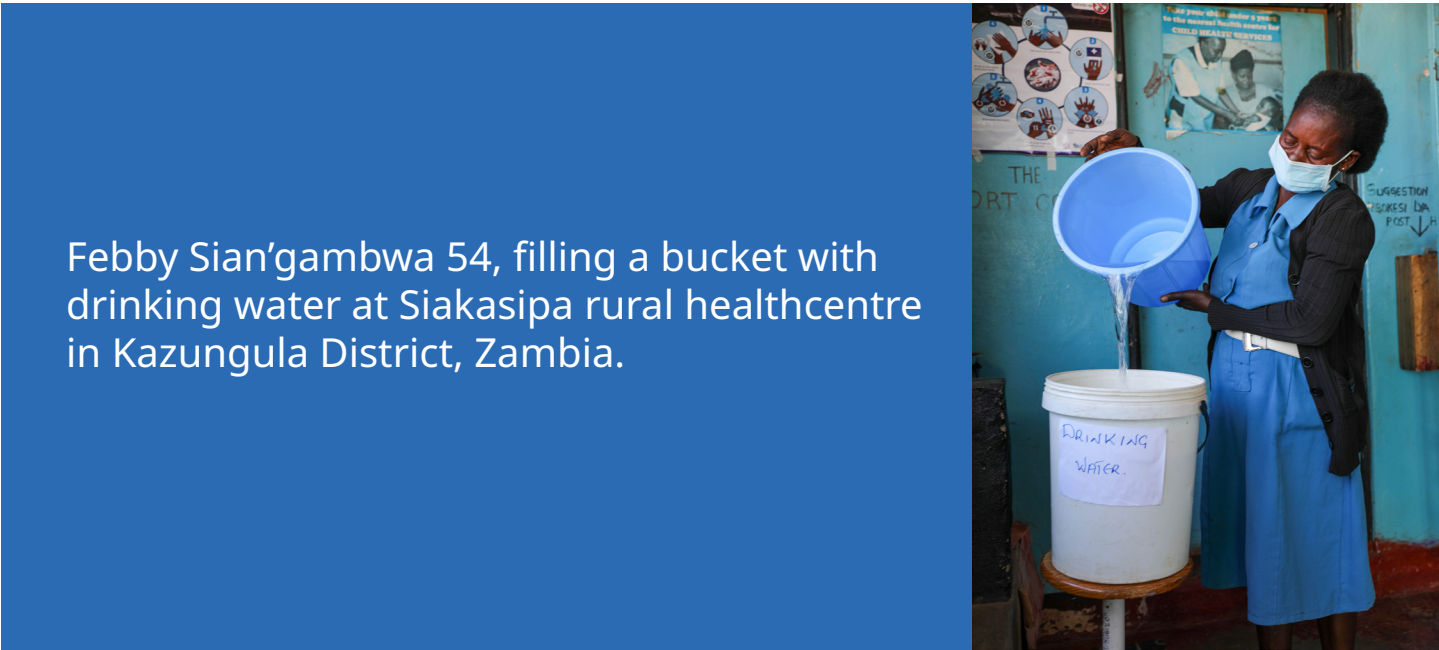
The table below shows a comparison of budget approvals and releases for 2023 to provide an indication of persisting challenges in this regard.

2024 Budget Performance under Human and Social Development SDA

Development Outcome	8NDP Planned Budget For 2024	2024 Annual Budget (K)	Amount Released (K)	Expenditure (K)
Improved Education and Skills Development	30,036,320,000	24,206,623,720	23,225,692,563	23,225,692,563
Improved Health Food and Nutrition	9,454,005,000	6,565,553,298	1,965,854,142	1,965,854,142
Improved Water Supply and Sanitation	3,507,200,000	1,544,660,253	31,985,380	31,985,380
Reduced Poverty, Vulnerability and inequality	13,786,603,082	1,897,558,684	1,823,391,854	1,823,391,854
SDA Total	56,784,128,082	34,214,395,955	27,047,530,809	27,047,530,809

Source: Ministry of Finance and National

In 2024, the approved GRZ funding to water, sanitation and hygiene stood at K1.544billion, a drop from K1.879 billion proposed budget allocation for 2023. In 2024, the amount released out of the approved budget allocation stood at K31.985 million representing a partly 2.07% while expenditure on the released amount was 99.8%. This disparity between allocation and released vs the expected investment leaves a lot of questions in the aspirations to achieving universal access to water and sanitation by 2030. It is estimated that the country needs 200 million USD per year till 2030 to meet its goals (World Bank, NUWSSP plus NRWSSP). The Zambia Water Investment Programme Resource Mobilization Strategy (ZAIP RMS) notes that financing for WASH will need to increase by 10times if the funding gap is to be closed. However, Zambia has been failing over the years to meet these set targets.





# Local Government Equalisation Fund (LGEF)

To guarantee that Local Authorities can consistently provide quality municipal services to their respective communities, the Government of the Republic of Zambia established the Local Government Equalisation Fund (LGEF) in 2014 through the enactment of the Local Government (Amendment) Act No. 12 of 2014. The Fund replaced several grants that were previously provided under section 45 of the repealed Local Government Act. Parliamentary appropriation to the LGEF was initially set at not less than five percent (5%) of projected income tax revenues in a fiscal year. However, this threshold was subsequently removed following the enactment of the Local Government Act No. 2 of 2019. Since 2021, budgetary allocations to the LGEF have been inconsistent and generally declining. In 2021, the Fund accounted for about 1.0% of the national budget, before dropping to a constant 0.8% in 2022, 2023, and 2024. In 2025, the allocation further declined to 0.7%, and in the 2026 National Budget, it has been reduced again to 0.6% of the total budget. The table below illustrates the trend in budgetary allocations to the LGEF during the period 2021–2026.

Period	National Budget (K)	Local Government Equalisation Fund (LGEF) Allocations (K)	Proportion of National Budget
2021	119,616,011,615	1,164,567,612	1.0%
2022	172,989,077,535	1,339,252,754	0.8%
2023	167,321,733,563	1,339,252,754	0.8%
2024	177,891,868,893	1,449,071,480	0.8%
2025	217,105,378,661	1,449,071,480	0.7%
2026	253,089,454,320	1,449,071,480	0.6%

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The LGEF is designed to strengthen the financial capacity of local authorities and promote equitable service delivery across districts. Its core purpose is to ensure that all local governments, especially those with limited revenue-generating capacity, receive adequate funding to deliver basic services. The stagnation of the LGEF despite the constant calls for increase by local authorities continues to present formidable challenges particularly for local authorities in rural parts of Zambia to remain viable and provide equitable services to communities.

# Constituency Development Fund (CDF)

Since 2022, the Government has demonstrated strong commitment to fiscal decentralisation by significantly scaling up the Constituency Development Fund (CDF) allocations to districts. As a financing mechanism, CDF provides a unique opportunity to directly address the diverse socioeconomic needs of communities across the country through grassroots-driven projects.

In the 2026 National Budget, the allocation to CDF has been increased to K6.2 billion from K5.6 billion in 2025. This translates into an increase per constituency from K36.1 million in 2025 to K40.0 million in 2026, representing a growth of about 11%.

Over the period 2022–2026, CDF allocations have recorded both unprecedented growth and sustained expansion:

In 2022, CDF experienced a historic rise of 1,509% compared to 2021.

Period	National Budget (K)	CDF Allocations (K)	Proportion of National Budget	CDF Per Constituency (K)	Growth (K)	CDF Growth Rate
2021	119,616,011,615	249,600,000	0.2%	1,600,000		0%
2022	172,989,077,535	4,015,426,103	2.3%	25,739,911	24,139,911	1509%
2023	167,321,733,563	4,416,968,713	2.6%	28,313,902	2,573,991	10%
2024	177,891,868,893	4,779,160,147	2.7%	30,635,642	2,321,740	8%
2025	217,105,378,661	5,625,071,493	2.6%	36,058,151	5,422,509	10%
2026	253,089,454,320	6,245,077,784	2%	40,032,550	3,974,399	11%

In reflecting on the 2026 National Budget, it is evident that CDF has made a significant contribution to improving the living conditions of communities across the country. The enhanced CDF has not only expanded the scope of service delivery but also empowered citizens to actively participate in shaping the development agenda. Communities are now more engaged in project identification, formulation, and implementation, while also benefitting along the value chain as employees, contractors, and suppliers of goods and services. The Minister of MoFNP, in the 2026 Budget Address, highlighted tangible achievements made possible through CDF since 2022, including: Education: Procurement of 1.6 million school desks, of which 42% (670,000 desks) were supplied by local suppliers within constituencies and districts; and the construction of 2,800 classroom blocks, ensuring more children can learn in dignity. Health: Construction of 131 health posts, establishment of 195 new maternity annexes, and rehabilitation of 11 existing annexes, all aimed at improving access to quality healthcare. Water and Sanitation: Drilling of 1,941 boreholes and installation of 531 water schemes across communities, significantly improving access to clean and safe water. Additionally, 228 waterborne ablution blocks were constructed in schools and public facilities, strengthening sanitation coverage and public health outcomes.

While there are significant gains and milestones recorded, utilisation remains low. With the requisite capacity built among Ward Development Committees (WDCs) and local authorities the CDF presents a good opportunity for promoting investment in WASH particularly in schools and healthcare facilities with merited social and economic benefits.



# Key WASH Sector Priority Issues

**This section discusses the 2026 WASH budget and highlights critical areas for consideration to strengthen the performance of the WASH sector amidst the recovery from impacts**

## Inadequate Financing for WASH Sector

The continued impact of public health emergencies and pandemics such as the COVID 19 pandemic in 2020/2021, the Cholera Outbreak in 2023 and devastating impact of drought in 2024. These have WASH at the core underscoring in the long-term outlook that investing in essential services, such as water and sanitation, is key to preventing pandemic outbreaks.

Despite this, Zambia's water and sanitation sector continues to face significant financing challenges which has been a major barrier to the sector meeting its targets and thereby unlocking the water supply and sanitation (WSS) sectors' critical role in Zambia's economy. The downward trend in WASH budget allocation over the past five years is concerning, with allocations dropping from 2.5% in 2020 to 0.71% in 2026 of the total budgets. This situation is worsened by poor releases of allocated funds which stood at 2.07% in 2024.

The country's 8NDP projects a minimum annual investment of K 3.5 billion annually to achieve this goal, but the current funding is a far cry when measured against the unmet needs and budget allocation required. The 2026 budget has committed K1.8billion far below the expected investment articulated by the 8NDP. The decline in allocation compounded by poor utilisation presented formidable challenges in realising the vision 2030 goal of 100% access to water and at least 90% for sanitation.

## Boreholes, Piped Water Schemes and Dams

The 2026 budget statement noted that since 2021, Government has drilled 2,189 boreholes, rehabilitated 671 nationwide and built 491 piped water schemes, benefiting over 687,000 people in rural areas. Further, the number of people served with water supply increased by 517,000 while sanitation services increased by 739,000 people in urban areas. Also, the government announced plans to construct 9 new dams, complete 7 existing ones hence a total of 16 dams in for 2026 fiscal year and maintain 300 more across the country and drill 200 boreholes to improve climate resilience. The government under the 2026 budget will also drill and rehabilitate water facilities under the following departments: office of the vice president, install 5 water reticulation systems and drill 20 boreholes, under the provincial administration, the government intends to drill 80 and rehabilitate 127 boreholes, install 42 water schemes, construct 16 sanitation facilities and certify 42 villages as being ODF in various provinces. It is commendable that the government consistently focuses on water access and therefore likely improve access to water and sanitation especially for rural and peri urban communities, however, comparative analysis for the last 3 years indicates consistent decline in numbers of the boreholes under construction and an increase in number for boreholes under rehabilitation. The high number to be rehabilitated means three things; (i) that more boreholes will become functional and improve overall water supply, (ii) an indicator of the poor maintenance of existing infrastructure and (iii) a concern given the corrosion of galvanised iron pipes and fittings in selected agro-ecological zones highlighting the urgency of policy direction on the use of GI in selected parts of Zambia.

The 2026 budget has indicated that a total of 491 piped water schemes has been constructed since 2021 this is significant boost to the sector. Specifically, in 2026 Government intends to construct 37 piped water schemes. We hasten to note this is significant reduction from the 2025 budget which had a target of 100 piped water schemes where 80 was achieved. There is need to address key bottlenecks that hinder the achievement of targets especially given the need to achieve universal access by 2030.

The benefits of this intervention include time savings associated with better access to water and sanitation facilities. The gain in productive time due to less time spent on fetching water, health sector and patients' costs saved due to less treatment of diarrhoeal diseases, and the value of prevented deaths. The main contributor to benefits is the saving of time associated with better access to water supply and sanitation services. In addition, improved water supply services will contribute significantly on reduction to households and the Government spending on water borne diseases.

The 2026 budget targets to construct 9 new dams while completing the construction of 7 dams hence a total of 16 dams. Whereas the positive cue from the government is welcome, it is noteworthy, this is a decline from 28dams in 2025 and 16 for 2024 respectively. This is not in tandem with the Government recognition that effective development of the Nation's water resources is fundamental to its economic growth and poverty reduction.







## Sanitation

Of the K1,829,919,600 billion allocated to the Water Supply and Sanitation programme, K735,041,624 million is designated for the Sanitation Sub-programme. For the 2026 budget, the Number of water-borne sanitation facilities to be constructed at public institutions has reduced from 100 in 2025 to 50 in 2026. We note the government surpassed its target in 2025 by constructing 44 more Water-borne sanitation facilities. Governments number of open defecation free (ODF) status villages remains 1000 as it were in 2025. We also note the Government overachieved its target by 168 in 2025. The Number of household connections to sewer network faces a significant reduction from 6,000 to 1,000 in 2026.

Overall, we note the positive shift in sanitation programming to promote hygiene and sanitation through initiatives such as Community Led Total Sanitation (CLTS) in rural areas aimed at attaining Open Defecation Free (ODF) status and supporting the construction of sanitation facilities in public institutions, including schools, health centers, markets, and bus stations. While commendable, this allocation is insufficient to address Zambia's broader sanitation challenges, including the reliance on non-sewered sanitation (e.g., pit latrines); 85% of the population relies on non-sewered sanitation (On site Sanitation), which can contaminate water sources and lead to diseases like cholera, typhoid, and diarrhoea if facilities are not constructed to standard. Recent experiences in public health emergencies response have shown that complementing CLTS approach with Hygiene Behaviour Change yields more positive impact. Consequently, augmenting these efforts in line with implementing the Hand Hygiene for All Roadmap will be a step in the right direction. Overall, a more comprehensive strategy is crucial to address persistent health threats and climate vulnerabilities. There is need to operationalize a statutory instrument for regulation of on-site sanitation (OSS) and faecal sludge management (FSM), as this will advance the quality of infrastructure but also most critically, the service provision throughout the sanitation service chain.

## WASH in Healthcare facilities

We applaud the Government efforts in accelerating the construction of the HCFs including the maternity annexes followed by the Presidential pronouncement asserting Government objective to ensure all HCFs are equipped and have continuous water supply. It is important to emphasize that fully functioning WASH services are a crucial aspect of preventing infections, reducing Antimicrobial resistance (AMR), ending preventable maternal and newborn deaths, and responding to outbreaks and emergencies.

Zambia 2026 budget reveals a significant omission over the years related to dedicated budget vault head for Infection Prevention and Control (IPC) measures in healthcare facilities. Key aspects of IPC include hygiene, water, sanitation, waste management, and environmental cleaning. As already stated, the positive public health outcomes cannot be gainsaid. To put this dire situation in context, according to WaterAid Zambia Research (2022) on the number of healthcare associated infections (HCAIs) was conservatively estimated at 242,000 cases, with 25,100 excess deaths in a year. The total economic costs of HAIs were US\$ 674 million. This equates with 2.3% of GDP in 2022. The financial costs of providing healthcare to treat HAIs was US\$ 115 million in 2022, or 6.9% of total health expenditure

The government's goal to achieve 70% coverage of healthcare facilities with Water, Sanitation, and Hygiene (WASH) services by 2026 is highly unlikely if this trend continues.

## WASH in School (WINs)

The Education Budget allocation is K33billion, 13% of the national budget. Allocations to the education sector have continued to decline gradually (15.4% in 2024 to 14.5% in 2025 and now 13% in 2026). The WASH component in the education sector remains relegated to the periphery. We acknowledge the enhanced momentum to ensure more classrooms are built to cater for the increased number of pupils and students due to free education policy in 2022, contrastingly accompanying investments for WASH in schools has been meagre and many a



times missing completely. Therefore, eroding the gains under the free education policy.

Available evidence highlights the critical contribution of WASH to development outcomes for children, specifically, in reducing child diseases, undernutrition and school attendance, lack of safe drinking water and sanitation contribute to students missing or dropping out of school. Malnutrition and disease burden are directly related to unsafe water and sanitation and poor hygiene practices.

Additionally Menstrual Health and Hygiene (MHH) is essential, a key objective of the SDGs. Goal 6.2 very few schools have covered bins for disposal of menstrual hygiene waste, while only a fraction of schools has water available in girls' cubicles for menstrual hygiene management. By strengthening self-efficacy and creating an enabling environment, MHH programmes can help girls build the skills to overcome obstacles to their health, learning and development, and contribute to Zambia's goals for improving girls' health and well-being.

Moreover, the actualisation of the increased budget for WASH in schools will ultimately result in full implementation of the National Standards and Guidelines on WASH in schools.

## Performance of Commercial Utilities

The 2026 budget, stated major water supply projects completed in the past four years included the Kafulafuta Water Supply System, benefiting over one million residents on the Copperbelt Province and the Kazungula Water Supply and Sanitation Project, benefiting over 20,000 people in Southern Province. There is a declining trend of MoFNP budget allocation to the WSS sector. A similar pattern is seen in the NDPs' budget allocations, beginning with the year 2014.

According to the National Water Supply and Sanitation Council (NWC) Sector Report 2024, the sector has continued to face financial challenges threatening the sustainability of service delivery. The macro-economic indicators were generally not favourable with inflation, exchange and interest rates on the increase. The last multi-year tariff approval was in 2016 which covered a period of 3 years from 2017 to 2019. As such, the Commercial Utilities (CUs) are facing an annual financing gap of K583.5million because it costs an average of K18.19/m<sup>3</sup> to provide the services which are sold at an average of K7.19/m<sup>3</sup>. In addition, the CUs have accumulated an unsustainable debt to statutory bodies and suppliers which stood at K2.5billion in December 2024.

Zambia's WSS reform program, which has been the envy of many countries in Africa, has yet to deliver on its promise. The critical issue remains the incomplete implementation of the reforms. There is a broad consensus on the key areas in which greater emphasis is needed: cost-reflective tariffs and unlocking sector finance models.

## Anticipatory Actions for Public Health Emergencies Response

The 2026 budget missed an opportunity to budget for continued preparedness for public health emergencies. The glaring gap reveals a failure to acknowledge the need for anticipatory actions while consolidating the lessons learnt from past epidemics

Also, the Cholera outbreak and the COVID-19 pandemic further amplified the need to look beyond climate and weather-related hazards to include epidemics and to consider the compounding and exacerbating impacts on vulnerabilities when multiple hazards coincide.

Shockingly, no resources have been set aside for the fight against public health emergencies. To date, the National Budgets has remained silent on financing the Multi-Sectoral Cholera Control Plan that was launched in 2019.

## Decentralisation and Service Delivery Mandates

The 2026 National Budget continues to affirm Government's commitment to decentralisation as a key pillar for strengthening local governance and enhancing service delivery. Through increased fiscal transfers such as the CDF and the Rural Development Programme, more resources are being channelled directly to the subnational level, thereby empowering communities to take charge of their own development priorities.

However, the decentralisation agenda goes beyond the transfer of funds. It entails the transfer of functions, authority, and resources from the centre to local authorities in a manner that allows local authorities to effectively discharge their constitutional mandates. With the ongoing devolution of key sectors—such as district health services and agricultural services - local authorities now carry greater responsibilities to ensure inclusive service delivery that is responsive to the diverse needs of citizens.

Despite these positive strides, the 2026 National Budget raises critical concerns:

**Mismatch between mandates and financing:** While the mandates of local authorities have expanded, recurrent financing under the Local Government Equalisation Fund (LGEF) has remained static, placing pressure on local authorities to meet rising staffing and service delivery costs.

**Capacity gaps:** CDF and Rural Development allocations continue to grow, yet there is no corresponding budget line dedicated to strengthening the technical, human resource, and institutional capacities of councils to manage these funds effectively.

**Equity in resource distribution:** Current allocation models apply flat-rate transfers across constituencies and local authorities, overlooking differences in population size, economic activity, landmass, poverty levels, and infrastructure deficits.

To fully realise the vision of decentralisation by devolution, there is a need for formula-based resource allocation that incorporates these parameters, ensuring fairness and adequacy. Moreover, a deliberate investment in the institutional capacity of local authorities through staff recruitment, training, ICT systems, and operations & maintenance (O&M) frameworks is critical if local authorities are to sustain service delivery gains.

In this context, decentralisation must be viewed not merely as a transfer of resources, but as a comprehensive strategy for empowering local governments to become engines of development, capable of delivering quality services, promoting accountability, and fostering citizen participation in decision-making.





# Recommendations

As Zambia transitions from the Eighth National Development Plan (8NDP) and prepares to launch a new development era in 2026, this analysis presents a set of strategic policy recommendations aimed at elevating the Water, Sanitation and Hygiene (WASH) sector to a central position within the national political and fiscal agenda. While notable progress has been made in expanding WASH access, persistent underfinancing and low fund utilization continue to undermine the sector's potential. These gaps pose a serious threat to Zambia's ability to achieve universal access to WASH services by 2030, as outlined in the Country's Vision 2030 and committed under SDG 6.

Considering these challenges, and drawing from sector performance trends and budgetary allocations, we advance the following policy pointers to strengthen WASH governance, financing, and delivery:

**Increase and ring-fence WASH financing** across both health and education budgets, ensuring that institutional WASH particularly in schools and healthcare facilities is treated as a core cost.

**Strengthen local government capacity and accountability** through targeted support and enhanced utilization of the Local Government Equalisation Fund (LGEF) for WASH service delivery.

**High-level political commitment to implement Cost reflective tariffs in the water sector:** Government to resolve the matter of tariffs for Commercial Utilities. The tariff model should seek to serve the poor while maintaining the cost recovery aspects. Work with sector ministers and regulators, to establish equitable tariff structures that seek cost recovery while maintaining affordability for the poor and avoiding subsidized services for the rich.

**Implement and streamline accountability mechanisms to enhance utilisation and sector performance:** Improve budget performance by releasing 100% of the allocated budgets for WASH. Utilisation at Ministerial or government department level should be enhanced by putting in place an accountability mechanism.

The continued increase in **CDF can be leveraged and streamlined to support WASH** at community level. Attention should focus on enhancing utilisation of the fund which remains low. Targeted capacity building interventions should be introduced for Ward Development committees and local authorities to position WASH as a critical development issue and deliberately develop proposals that address WASH comprehensively.

**Political commitments on WASH should translate into investment programmes:** Zambia's participation in the Heads of State Initiative HOSI presents an opportunity to articulate the country's WASH aspirations by developing a presidential compact within the framework of the Zambia Water Investment Programme. The time is now to actualize a presidential compact for the WASH sector.

**Provide incentives to attract Private sector participation:** The private sector brings innovation, efficiency, and scalable solutions that can complement public investment and accelerate progress toward universal access. However, current market conditions and regulatory frameworks often deter meaningful participation. We recommend the introduction of fiscal and regulatory incentives such as tax breaks, accelerating public-private partnership (PPP), and streamlined licensing processes to attract investment in water infrastructure, sanitation technologies, and hygiene product distribution. Additionally, performance-based subsidies and risk-sharing mechanisms can help de-risk investments in underserved areas, where commercial returns may be limited but social impact is high.

**Increased budget Investments in School WASH infrastructure:** This includes both rehabilitation/retrofitting of existing facilities in schools and kindergartens, as well as ensuring that new educational buildings are fitted with improved facilities accessible for children with disabilities. The facilities should be aligned with the requirements of the SDGs, always including handwashing stations with water and soap, separate toilet facilities that take into consideration the needs of girls and children with disabilities, and facilities and supplies to enable girls to manage their menstruation with dignity in school.

**Innovative Funding Models for Water Commercial Utilities:** A credible sector financing strategy and funding mechanism is urgently needed to address the funding shortfalls, especially on the rural areas. Such a strategy may include, for instance, mobilizing donor grants to fund the utilities, blending donor grants with concessional and non-concessional financing.

**WASH Accounts** - to improve transparency, efficiency, and impact in Zambia's water sector, we recommend the urgent establishment and implementation of WASH accounts - a structured financial and performance tracking system dedicated to Water, Sanitation and Hygiene investments and outcomes. WASH accounts will transform Zambia's water sector from reactive spending to strategic investment enabling the country to track progress toward SDG 6, Vision 2030, and the 9NDP with precision and confidence.

## About WaterAid



WaterAid is an international not-for-profit organization registered in the UK as a charity, with additional legal entities, known as 'federation members' registered in Australia, Canada, India, Japan, Sweden and the United States. WaterAid is dedicated to transforming lives by improving access to safe water, sanitation, and hygiene (WASH).

In Zambia, WaterAid has provided essential WASH services to over 3 million people since 1981, focusing on the hardest to reach and most marginalized communities. Our operations started in Southern province and over the years expanded to Luapula, Western, Copperbelt and Lusaka provinces.

By 2028, WaterAid Zambia's strategy aims to improve the health and well-being of communities, especially women and girls, through better access to resilient, inclusive and sustainably financed WASH services. WaterAid Zambia is therefore focusing its programming on: Contributing to a Health Sector that prioritizes WASH and institutionalizes Hygiene as key social determinant of public health for sustained hygiene behavior change & improved health outcomes of communities especially women and girls, Mobilizing adequate, efficient and transparent public financing and increased investment from diverse sources for gender responsive and inclusive WASH services.

In realizing our vision, we act as the catalyst for driving changes that makes it possible for Zambia to become a country where Everyone, everywhere, irrespective of geographical location, gender, disability and socioeconomic status has access to clean water, decent toilets and good hygiene

## About WaterAid



The Local Government Association of Zambia (LGAZ), established in 1947 as the successor to the Local Government Association of Northern Rhodesia, serves as the collective voice of local government authorities in Zambia. Its mission is to promote and protect the interests and autonomy of councils while fostering decentralization, sustainable development, and local democracy.

Through evidence-based research and advocacy, LGAZ influences policies and legislation that affect local authorities. The Association mobilizes resources to sustain its programmes, builds the capacity of its staff and members in areas such as climate change, gender, and HIV/AIDS, and ensures knowledge sharing through publications, meetings, and peer learning platforms. It also strengthens networks and alliances to expand influence and collaboration, while continuously improving its institutional systems, staff skills, and management tools.

Ultimately, LGAZ strives to ensure that local authorities are effective, responsive, and equipped to serve citizens and drive equitable, sustainable development across the country.





# Investing in WASH, Investing in Our Future

**This budget brief, co-created by WaterAid Zambia and the Local Government Association of Zambia (LGAZ), highlights how national and local resources are being allocated to WASH, and why increased investment is critical for building healthier, more resilient communities.**

Together, we can ensure that every child, family, and community enjoys the dignity and opportunity that clean water brings.