



SECURITIES AND EXCHANGE COMMISSION
Protecting Investors in the Capital Markets

CIRCULAR NO. 5/2023/SEC

TO : CAPITAL MARKETS OPERATORS AND STAKEHOLDERS
SUBJECT : CALL FOR EXPRESSIONS OF INTEREST TO JOIN THE
CAPITAL MARKETS MASTER (CMMP) ACTION TEAMS
DATE : 7th DECEMBER 2023

1. INTRODUCTION

The Government of the Republic of Zambia approved the 10-year Capital Markets Master Plan (CMMP) which was launched by the Republican President, Mr. Hakainde Hichilema on 23rd February 2023. The CMMP is envisaged to provide a unified and clear roadmap to reposition the Zambian capital markets as an important conduit for domestic and foreign investments and that will enable it to fulfil its function of bolstering Zambia's economy.

In this regard, the Ministry of Finance and National Planning (MoFNP) in collaboration with the Securities and Exchange Commission (SEC) initiated steps towards implementing the CMMP, which includes among other things, the establishment of CMMP Governance and Implementation structures namely; the Steering Committee, Implementation Committee, five (5) Working Groups and five (5) Action Teams. It is envisaged that the successful implementation of the CMMP shall rely on concerted efforts by various capital markets stakeholders that shall constitute the aforementioned structures.

2. OBJECTIVES OF THE CAPITAL MARKETS MASTER PLAN

By Implementing the CMMP, Zambia should achieve the following aspirations among others:

- A classification of Zambia as a frontier market by 2027;
- A market capitalisation of 27% of Gross Domestic Product by 2024;
- Double listings by 2031 (from 23 to 40 or more); and
- A broadened product landscape by introducing products such as Green Bonds, Exchange Traded Funds, Real Estate Investment Trusts, Derivatives, etc.

The broad objectives for the CMMP are listed as follows:

- i) To transform Zambia into a choice market for domestic issuers and investors;
- ii) Enable the Zambian capital markets to play a greater role in acting as a source of funds to the real sector of the economy;
- iii) Develop deeper and more liquid capital markets based on strengthening financial markets infrastructure;
- iv) Actively promote Zambia's attractiveness as an investment destination for financial services; and
- v) Implement capacity building programmes to strengthen various stakeholders.

3. SCOPE AND OBJECTIVES OF CMMP ACTION TEAMS.

To support activity and ensure stakeholder involvement in the implementation of the CMMP, five (5) Action Teams have been formed. These private sector driven action teams will formulate and propose specific actions to ensure successful delivery of the CMMP objectives. Further, the action teams will also consider requests from the Steering Committee, Working Groups and devise proposed solutions for adoption of implementation by the Working Groups mainly through dialogue and policy recommendations around the following areas:

- **Action Team 1 – Fiscal Policies:** Address the crowding-out effect of government borrowing and enhance government policies to support the development of local capital markets.
- **Action Team 2 – Choice International Destination:** Secure conditions to ensure Zambia attains a frontier market rating i.e. Morgan Stanley Capital International (MSCI) rating and position the country as a preferred global green investment hub.
- **Action Team 3 – Regulatory Funding model:** Develop sustainable funding model for the SEC and capital markets operators.
- **Action Team 4 – Product Development:** Development of new and innovative products/markets.
- **Action Team 5 – Capacity Building:** Enhancing capacity across the capital markets i.e. for regulators, market players, practitioners, investors and other stakeholders.

4. SUBMISSION OF EXPRESSIONS OF INTEREST


Considering the aforementioned and in the spirit of making the development of our capital markets inclusive, we hereby invite all capital markets stakeholders to participate in the implementation of the CMMP by volunteering to serve in one or more of the above-listed CMMP Action Teams. Interested persons can submit their expression of interests (EOI) using the following link <https://www.surveymonkey.com/r/6M9ZSPC> or in writing to the following.

NOTE: electronic submissions are encouraged.

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Dated this 7th day of December 2023



Phillip K Chitalu
CHIEF EXECUTIVE OFFICER