



Budget Analysis – Office of the Auditor General

1. INTRODUCTION

The Zambia Institute of Chartered Accountants is a professional membership body whose function among others is to advise government on matters of economic and national development. As requested, the Institute wishes to submit its comments on the 2026 National Budget presented to the Parliament on Friday, 26th September 2025 by the Minister of Finance, *Hon. Dr. Situmbeko Musokotwane, MP*, under the theme “***Consolidating Economic and Social Gains Towards a Prosperous, Resilient and Equitable Zambia***”. As directed by the Clerk of the National Assembly, the thrust of our comments is on the allocation to the Auditor General’s Office. What we are presenting are our views on the proposed allocation to the Auditor General’s Office.

1.1 We are privileged to be invited to make oral and written submissions to the Committee on Parastatal Bodies on the allocation to the Auditor General’s Office.

2. MANDATE

The mandate of the Office of the Auditor General is to Audit the accounts of State Organs, State Institutions, Provincial Administrations, Local Authorities and Institutions financed from public funds as outlined in Article 250 of the Constitution of Zambia.

3. SUMMARY

The Office of the Auditor General will embark on pursuing the objectives and targets set out in the Eighth National Development Plan (8NDP). The 2026 Budget estimate for The Office of the Auditor General is K248.1 million. This allocation will go towards the fulfillment of its mandate through the implementation of two Programmes namely; External Audit and Assurance programme and Management and Support Services Programme.

COMMENTS

In 2026, Government proposes to spend K253.1 billion and the budget allocation towards the Office of the Auditor General is K248.1 million representing 0.098% of the proposed expenditure.

Adequate budget allocation is important for the Office to enable it provide effective oversight through comprehensive and timely audits. However, with the inadequate budget allocation, the Office operations are negatively affected.

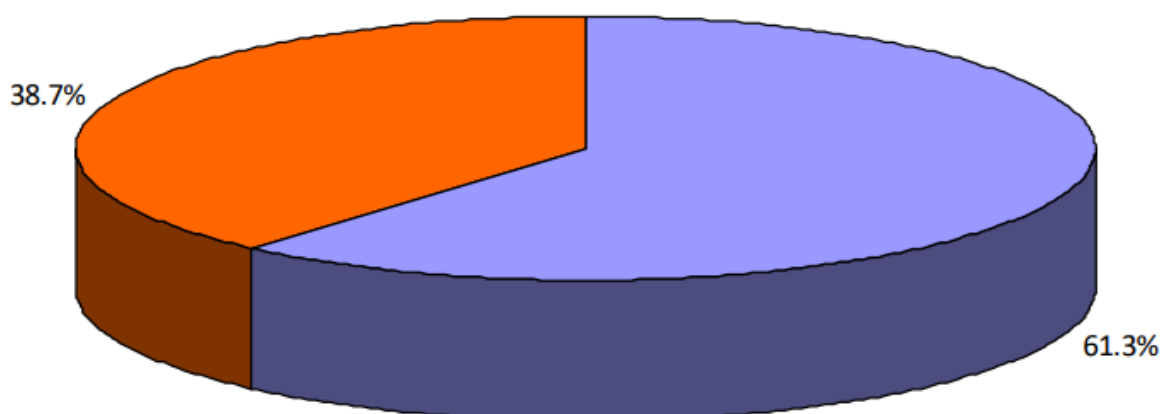
3.1 Allocation by Economic Classification

No	ECONOMIC CLASSIFICATION	2024 APPROVED BUDGET (K)	2025 APPROVED BUDGET (K)	2026 BUDGET ESTIMATE (K)
21	Personal Emoluments	110,052,464	119,021,195	130,051,878
22	Goods and Services	70,188,910	92,007,671	92,374,185
26	Transfers	-	-	17,400,000
31	Assets	87,462,695	41,236,009	8,293,633
	Head Total	267,704,069	252,264,875	248,119,696

The budget allocation by economic classification indicates that K130.1 million (52.4 percent) has been allocated to Personal Emoluments whereas K92.4 million (37.2 percent) is allocated towards Goods and Services, K17.4 million (7.0 percent) has been allocated to the establishment of the State Audit Commission and K8.3 million (3.4 percent) has been allocated to the acquisition of capital assets.

3.2 Allocation by Programme

Code	Programme	2024 Approved Budget(K)	2025 Approved Budget(K)	2026 Budget Estimates(K)
3406	External Audit and Assurance	152,317,805	163,584,676	152,070,658
3499	Management and Support Services	115,386,264	88,680,199	96,049,038
	Head Total	267,704,069	252,264,875	248,119,696



PROGRAMME/SUB-PROGRAMME	2024 BUDGET	2025 BUDGET	2026 BUDGET
	Approved	Approved	Estimate
3406 External Audit and Assurance	152,317,805	163,584,676	152,070,658
001 Public Debt and Investment Audit	7,985,763	8,716,512	8,864,638
002 Specialised Audit	9,330,940	5,956,026	6,170,778
004 Local Authorities Audit	16,488,357	2,854,304	3,033,928
009 Provincial Appropriation Audit	58,130,714	74,496,348	82,990,483
010 Quality Assurance	11,523,570	9,431,010	12,753,488
011 Restructure for Institutional Development Programme (RIDP) - (1)	27,839,205	33,000,000	9,324,138
012 Revenue Audit	6,141,207	6,766,557	6,686,214
013 Ministerial Appropriation Audit	14,878,049	17,322,073	15,607,784
014 Performance and Environmental Audit	-	5,041,846	6,639,208
3499 Management and Support Services	115,386,264	88,680,199	96,049,038
002 Human Resource Management and Administration	51,150,135	63,618,763	59,433,704
003 Financial Management - Accounting	28,403,560	6,209,864	7,750,610
004 Financial Management - Internal Audit	516,365	1,007,545	2,256,114
005 Procurement Management	665,017	1,175,016	1,970,650
006 Planning, Policy Coordination and Information Management	34,651,187	16,669,011	24,637,960
Head Total	267,704,069	252,264,875	248,119,696

The allocation by Programme and Sub-programme table shows that K152.1 million (61.3 percent) has been allocated to the External Audit and Assurance Programme and K96.0 million (38.7 percent) has been allocated to the Management and Support Services Programme.

3.3 Management and Support Services

ECONOMIC CLASSIFICATION	2024 BUDGET	2025 BUDGET	2026 BUDGET
	Approved	Approved	Estimates
01 Personal Emoluments	22,925,931	25,946,465	28,447,558
01 Salaries	22,925,931	24,877,244	25,897,521
02 Other Emoluments	-	1,069,221	2,550,037
02 Use of Goods and Services	13,528,123	27,063,752	42,966,513
02 General Operations	13,528,123	27,063,752	42,966,513
03 Transfers	-	-	17,400,000
01 Transfers	-	-	17,400,000
04 Assets	78,932,210	35,669,982	7,234,967
01 Non-Financial Assets (Capital Expenditure)	78,932,210	35,669,982	7,234,967
Programme Total	115,386,264	88,680,199	96,049,038

The summary estimates by economic classification shows that K28.4 million of the total Management and Support Services budget is allocated to Personal Emoluments and K43.0 million has been allocated to Use of Goods and Services , K17.4 million

is allocated to establishment of the State Audit Commission whereas K7.2 million has been allocated to acquisition of Capital Assets.

COMMENTS

The budget line on capital expenditure has been reduced drastically in the 2026 proposed budget. The budget line affected include the procurement of motor vehicles. From the interactions with the Auditor General's Office, the Office planned to procure motor vehicles in 2026 to ensure increased audit coverage and smooth audit operations.

It is worth noting that the audit operations of the Office are heavily dependent on motor vehicles to enable physical verifications on implementation of national programmes, activities and projects. The audit sites include far flung areas across the country and this requires good-conditioned and adequate motor vehicles.

However, the Office has been grappling with the challenge of inadequate motor vehicles to ensure implementation of timely and comprehensive audit coverage.

Further, we commend government for allocating K17.4 million for the establishment of the State Audit Commission. This is the correct step towards enhancing the financial and administrative autonomy of the Office as the office was recently operationalised.

The independence of the Office is crucial to the effective operation of the Office and this is a requirement in line with the international principles on auditing for Supreme Audit Institutions.

4. CONCLUSION

We believe that the Budget is a necessary fiscal tool to create positive contribution to economic growth and poverty eradication.

Finally, we would like to thank the government for listening to the submissions from ZICA on different issues.