

Macro-economics of Zambia (February 2020)

Embassy of Japan in the Republic of Zambia
Economic Cooperation/Affairs Section

1. Monthly News (Economics)

<p>1. "Coronavirus slows down border trade" (Daily Nation, Monday 3rd) The Coronavirus outbreak has drastically slowed down cross border trade for Zambian business persons because of restrictions imposed in several countries in the region, Southern Cross Border Traders Association general secretary Jacob Makambwe has said. He said many countries in the region had introduced restrictive measures to outsiders since the virus that had claimed many lives in China broke out.</p>
<p>2. "ZRA, TRA in trade facilitation deal" (Times of Zambia, Monday 3rd) The Tanzanian Revenue Authority (TRA) has signed an agreement with the Zambia Revenue Authority (ZRA) to improve trade facilitation and contain smuggling between the two countries. The collaboration between the two authorities will help increase revenue collection, enhance trade facilitation and reduce risks related to smuggling because information will be shared with ZRA from the port of Dar es Salaam.</p>
<p>3. "Gone with the rain" (Times of Zambia, Tuesday 4th) The Road Development Agency (RDA) says 85 bridges countrywide have been washed away by heavy rain this season, with K12 million being spent on the remedial works. RDA says another 131 crossing points in rural areas have been damaged by the above-normal rainfall recorded in some parts of Zambia.</p>
<p>4. "Donors to support 2020 census" (Daily Mail, Thursday 6th) Donors have pledged to support Zambia to enable it conduct a successful 2020 census of population and housing which will start in August. United Nations (UN) resident coordinator Coumba Gadioi has assured Government that cooperating partners will do their best to help the country mobilize resources to meet requirements for the census.</p>
<p>5. "Zambia gest \$12bn investments" (Daily Nation, Friday, 14th) Zambia last year recorded 390 investment projects worth US\$12.6 billion with the energy sector share topping the chart. Out of the US\$12.6 billion, new export deals worth US\$80.75 million were facilitated by the Zambia Development Agency (ZDA). In a statement, ZDA said the energy sector recorded the highest value at US\$5.50 billion, representing 44 percent.</p>
<p>6. "State ponders raising sub-contracting rate" (Daily Nation, Monday 17th) The 20 percent sub-contraction policy will have to be revised upwards as local contractors have developed enough capacity to undertake high projects, Finance Minister Bwalya Ng'andu has said. Dr. Ng'andu said enough capacity building had been conducted in the last five years which qualified Zambian contractors to undertake huge projects in the construction sector.</p>
<p>7. "Golden East!" (Times of Zambia, Friday 21th) Half of Eastern Province is covered in gold, Eastern Province Permanent Secretary Buleti Nsemukila has revealed. Dr. Nsemukila said yesterday gold was heavily traceable in Nyimba, Lusangazi, Petauke, Sinda, Katete, Lundazi and Vubwi. There were also strong pointers to deposits in the rest of the districts in Chadiza, Chipata, Kasenengwa, Chasefu, Chipangali, Mambwe and Lumezi.</p>
<p>8. "Japan ready to help Zambia transform economy" (Times of Zambia, Saturday 22nd) Japanese Ambassador to Zambia MIZUUCHI Ryuta said he was prepared to adjust the Japanese policy to meet the demands of the Zambian Government and the people. Mr. Mizuuchi said this on Wednesday evening at his residence in Lusaka at a reception to celebrate the 60th birthday of the Emperor of Japan, who celebrated his birthday for the first time as Emperor. The Ambassador said Zambia and Japan had achieved a lot, but there was still much more to be done.</p>

2. Main Economic Statistical Indexes

Economic Index	2018	2019
1. Population (millions)	17.9 (est)	18.4 (est)
2. Population growth rate (%)	2.87 (est)	2.79 (est)
3. Unemployment rate (%)	11.4 (est)	11.4 (est)
4. Life expectancy (age, M/F)	-	-
5. GDP (million USD)*1	25,246 (est)	24,362 (est)
6. GDP growth rate (%)	2.0	-
7. GNI per capita (USD)	-	-
8. Inflation rate (%)	11.7 (Dec)	13.9 (Feb)
9. Consumer Price Index (year 2009 =100)	242.42 (Dec)	-
10. Balance of trade (million USD)	74.30	163.32 *2
11. Balance of trade against Japan (million USD)	96.51	-19.62 *3
12. Export (million USD)	7,280.42	581.60 *2
13. Export against Japan (million USD)	140.87	10.96 *3
14. Import (million USD)	7,206.12	418.28 *2
15. Import against Japan (million USD)	44.36 *3	30.28 *3
16. Balance of current account (million USD)	170 (est)	-604 (est)
17. Outward direct investment (million USD)	-	-
18. Inward direct investment (million USD)	-	-
19. Gold, Foreign currency reserve (million USD)	1,376 (Nov)	-
20. External debt (million USD)	10,560 (Sep)	-
21. Exchange rate (Kwacha/USD, average)	12.91ZMW	14.69ZMW (Feb)
22. Main policy interest rate (annual rate, %)	11.50	11.50 (Feb)

*1 GDP at market prices (Current USD)

*2 Accumulated average rate: January-January 2020. 1USD = 14.40ZMW (Bank of Zambia)

*3 Accumulated average rate: January-January 2020. 1USD = 109YEN (Bank of Japan)

<Source> 1, 2, 5, 16, 19: EIU Country Report/4: The World Factbook (CIA) /3, 8, 9, 10, 12, 14: Monthly Bulletin (CSO)/6, 20: Ministry of Finance/ 7: World Bank/11, 13, 15: Trade Statistics of Japan (Ministry of Finance Japan) /17, 18: IMF/21, 22: Bank of Zambia

3. Trade Statistics

• Export

1. Export destination (January 2020)

- 1st: Switzerland 42.7%
- 2nd: China 22.7%
- 3rd: Congo DR 10.5%
- 4th: Singapore 10.1%
- 5th: South Africa 2.5%
- Other destination 11.5%

2. Export products

Copper anodes for electrolytic refining; Copper blister; Rubbies, Sapphires and emeralds, worked but not set; Electro-won copper cathodes; Bullion semi-manufactured forms; and Sulphur of all kinds.

• Import

1. Import destination (January 2020)

- 1st: South Africa 30.0%
- 2nd: China 16.5%
- 3rd: UAE 9.6%
- 4th: India 5.6%
- 5th: Seychelles 3.6%
- Other destination 34.7%

2. Import products

Petroleum oils and oils obtained from bituminous minerals, Crude; Gas Oils; Sulphur of all kinds (excl. sublimed, precipitated and colloidal sulphur); Motor Spirit; and, Road Tractors for semi-trailers.