

Macro-economics of Zambia (December 2021)

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

1. Monthly News (Economics)

<p>1. “Zambia Airways launches inaugural flights” (Times of Zambia, Thursday 2nd) Zambia airways Limited yesterday launched its inaugural flights between Lusaka, Ndola and Livingstone 30 years after its planes last took to the air. Transport and Logistics Minister Frank Tayali said at the launch that the airline would operate six aircrafts and carry over 700,000 passengers by year 2027.</p>
<p>2. “USD1.4 billion IMF deal close” (Daily Mail; Times of Zambia, Saturday 4th) Zambia has reached a Staff-Level Agreement with the International Monetary Fund (IMF), inching closer to getting a USD1.4 billion three-year bail-out deal under the Extended Credit Facility (ECF).</p>
<p>3. “Japanese Embassy hands over medical masks, suits to Levy Hospital” (Times of Zambia, Wednesday 8th) The Embassy of Japan in Zambia has handed over more than 5,000 medical masks and 2,000 medical protective suits to the Levy Mwanawasa Teaching Hospital (LMTH) in Lusaka. The medical goods were donated by Asahi City, Chiba Prefecture, Japan.</p>
<p>4. “Free education effective January 10, 2022” (Daily Mail, Friday 10th) The provision of free education from early childhood education to secondary school level will take effect on January 10, 2022 with the Government paying tuition fees through a compensatory grant.</p>
<p>5. “Kwacha in dramatic gain” (Daily Mail, Friday 10th) The Kwacha on the forex market yesterday dramatically appreciated to around K15 per US dollar from the range of K18 last week. This is a clear show of the investor endorsement of the USD1.4 billion deal agreed by the Government and IMF last Friday, analysts have said.</p>
<p>6. “Fuel prices go up” (Daily Mail; Daily Nation; Times of Zambia, Friday 17th) Energy Regulation Board (ERB) has increased pump prices of petroleum products by K3.45 for petroleum and K4.56 for diesel effective last midnight. Petrol will now be fetching K21.16 per liter from the current K17.62, while the same quantity diesel will be costing K20.15 from K15.59.</p>
<p>7. “10,000 COVID cases in a week” (Daily Mail, Thursday 23rd) With the fourth wave of Coronavirus gaining ground, Zambia has recorded about 10,000 new cases with 14 deaths over the past one week. Of the 9,602 cases, 2,857 were confirmed yesterday from 12,380 tests conducted in the 24 hours before yesterday.</p>
<p>8. “Kasanda lauds quality Japanese content” (Times of Zambia, Friday 24th) In the Handover Ceremony of Japanese TV Programmes yesterday, Information and Media Minister Chushi Kasanda said that Japan was one of the largest economies in the world and Zambia would learn so much through its television content.</p>
<p>9. “Children above 12 to get jab” (Daily Mail, Friday 24th) Amid surging cases of Coronavirus whose Omicron variant is also prominent in children, the Government has approved booster vaccines for fully immunized citizens, with children aged 12 and above also becoming eligible for vaccination.</p>

2. Main Economic Statistical Indexes

Economic Index	2020	2021
1. Population (millions)	17.89	-
2. Population growth rate (%)	2.89	-
3. Unemployment rate (%)	12.2	-
4. Life expectancy (age, M/F)	60.8/66.9 (2019)	-
5. GDP (million USD)*1	19,319 (est)	21,699 (est)
6. GDP growth rate (%)	-3.0 (est)	1.6 (est)
7. GNI per capita (USD)	1,190	-
8. Inflation rate (%)	19.2 (Dec)	16.4 (Dec)
9. Consumer Price Index (year 2009 =100)	289.04 (Dec)	336.31 (Dec)
10. Balance of trade (million USD)	2629.53	3624.69 *2
11. Balance of trade against Japan (million USD)	-173.71	-438.05 *3
12. Export (million USD)	7920.20	9985.19 *2
13. Export against Japan (million USD)	186.45	173.25 *3
14. Import (million USD)	5290.67	6360.49 *2
15. Import against Japan (million USD)	360.16	611.30 *3
16. Balance of current account (million USD)	2,319.9 (est)	-
17. Outward direct investment (million USD)	133	-
18. Inward direct investment (million USD)	234	-
19. Gold, Foreign currency reserve (million USD)	1,311 (est)	2,900 (Aug)
20. External public debt (million USD)	14,315.15	14,710 (Sep)
21. Exchange rate (Kwacha/USD, average)	18.31ZMW	16.78ZMW (Dec)
22. Main policy interest rate (annual rate, %)	8.0 (Nov)	9.0 (Nov)

*1 GDP at market prices (Current USD)

*2 Accumulated average rate: January-November 2021. 1USD = 20.25ZMW (Bank of Zambia)

*3 Accumulated average rate: January-November 2021. 1USD = 107.46JPY (Bank of Japan)

<Source> 1, 8, 9, 10, 12, 14: Central Statistics Office / 2, 4, 7: World Bank / 3: ILO / 5: IMF / 6, 16, 20: Ministry of Finance / 11, 13, 15: Trade Statistics of Japan (Ministry of Finance Japan) / 17, 18: UNCTAD / 19, 21, 22: Bank of Zambia

3. Trade Statistics

• Export

1. Export destination (November 2021)

1st: Switzerland 46.5%
2nd: China 16.1%
3rd: Singapore 14.9%
4th: Congo DR 9.0%
5th: South Africa 2.1%
Other destination 11.4%

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 (November 2021)

1st: South Africa 31.2%
2nd: China 12.2%
3rd: Congo DR 7.1%
4th: UK 5.5%
5th: UAE 5.0%
Other destination 39.0%

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.