

# Macro-economics of Zambia (June 2022)

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

## 1. Monthly News (Economics)

<p><b>1. "Petrol price up!" (Daily Mail; Daily Nation; Times of Zambia, Wednesday 1st)</b> The Energy Regulation Board (ERB) has advised upwardly the pump price for petrol by 80 Ngwee, but maintained the prices of diesel and kerosene for June effective today. The petrol price has been increased from K24.15 to K24.95 per liter but price of Low Sulphur Diesel price remains unchanged at K25.64 per liter while maintaining the kerosene price at K18.76 per liter.</p>
<p><b>2. "6 million Zambians jabbed" (Daily Mail, Friday 10th)</b> Zambia has continued to make strides in getting more people vaccinated against coronavirus. According to latest statistics by Zambia National Public Health Institute, 6,276,399 people have so far received the jabs. Of the 6.3 million who have been immunized, 3.9 million have been fully vaccinated while 2.3 million have gotten their first dose.</p>
<p><b>3. "Japanese firm starts banana paper project" (Daily Mail, Monday 13th)</b> One Planet Café, which has its headquarters in Japan, is setting up a banana paper project in Eastern Province that will be producing high-grade paper from banana stems. The Japanese company is implementing the banana paper project in Mfuwe and expanding to Nyimba. Ministry of Green Economy and Environment Permanent Secretary John Msimuko said the project will be helpful in poverty reduction and economic empowerment, while preserving the environment.</p>
<p><b>4. "Zambia gets seat" (Daily Mail; Daily Nation; Times of Zambia, Wednesday 15th)</b> Zambia will participate virtually at the creditor committee that begins tomorrow in France following the official invitation to be part of the committee, aimed at resolving the country's debt crisis. Minister of Finance and National Planning Situmbeko Musokotwane is confident of a positive outcome, although he had to postpone his ambitious deadline of June 30 to clinch a deal with the IMF.</p>
<p><b>5. "Ukraine war punches K7bn hole in FISP" (Daily Mail, Wednesday 15th)</b> Zambia is about K7 billion short of its Farmer Input Support Program (FISP) budget for the 2022/2023 farming season due to the adverse effects of high fertilizer prices on the international market as a result of the Russian-Ukraine war.</p>
<p><b>6. "Government to extend fuel tax waivers for another 3 months" (Times of Zambia, Friday 17th)</b> Government will extend and maintain the current tax waivers on Value Added Tax (VAT), excise duty and customs (import) duty on petroleum products – which are in line with Statutory Instrument (SI) number 3 of 2022. The current subsidies are scheduled to end on June 30 and will be extended for another three months up to September 30, 2022.</p>
<p><b>7. "Tourism contribution to GDP drops 3%" (Daily Mail, Sunday 19th)</b> Tourism contribution to the country's gross domestic product (GDP) dropped to three percent in 2021 from the yearly contribution of seven percent before COVID-19 pandemic. Minister of Tourism Rodney Sikumba says COVID-19 has greatly ravaged the country's tourism sector and that there is need for private sector players to help in revamping the sector.</p>
<p><b>8. "World Bank commits \$959 million support to Zambia" (Daily Nation, Monday 20th)</b> Finance and National Planning Minister Situmbeko Musokotwane has revealed that the World Bank has committed approximately \$959 million to support Zambia's recovery from the multiple debt and economic crises and help to institute reforms for inclusive growth and poverty reduction. And once the IMF supported programme is approved by IMF Board, it is envisaged that the World Bank will give Zambia \$275 million over the next three years.</p>
<p><b>9. "Hygiene expose" (Daily Mail, Tuesday 21st)</b> The Auditor-General Dr. Dick Sichembe has told the Parliamentary Committee on Energy, Water Development and Tourism that close to 90 districts in Zambia have no sanitation facilities thereby threatening the lives of about 75 percent of the population.</p>
<p><b>10. "Mobile payments hit K170bn" (Daily Nation, Monday 27th)</b> Mobile payments in Zambia translated to a total volume of over 834 million during the first quarter of 2022, which translated to a value of over K169.40 billion. This is a positive indication of a wider shift to using and embracing digital transactions by consumers.</p>

## 2. Main Economic Statistical Indexes

Economic Index	2021	2022
1. Population (millions)	17.89 (2020)	-
2. Population growth rate (%)	2.89 (2020)	-
3. Unemployment rate (%)	13 (est)	13 (est)
4. Life expectancy (age, M/F)	61.1/67.2 (2020)	-
5. GDP (million USD)*1	20,753 (est)	26,665 (est)
6. GDP growth rate (%)	1.6 (est)	-
7. GNI per capita (USD)	1,160 (2020)	-
8. Inflation rate (%)	16.4 (Dec)	9.7 (June)
9. Consumer Price Index (year 2009 =100)	336.31 (Dec)	362.32 (June)
10. Balance of trade (million USD)	4,008.02	1,469.25 *2
11. Balance of trade against Japan (million USD)	-509.99	-268.16 *3
12. Export (million USD)	11,007.01	4,903.19 *2
13. Export against Japan (million USD)	175.73	165.26 *3
14. Import (million USD)	6,998.10	3,433.94 *2
15. Import against Japan (million USD)	685.72	433.42 *3
16. Balance of current account (million USD)	2,319.9 (est, 2020)	-
17. Outward direct investment (million USD)	-453	-
18. Inward direct investment (million USD)	-457	-
19. Gold, Foreign currency reserve (million USD)	2,800 (Dec)	2,900 (Mar)
20. External public debt (million USD)	17,270 (Dec)	-
21. Exchange rate (Kwacha/USD, average)	19.96ZMW	17.01ZMW (June)
22. Main policy interest rate (annual rate, %)	9.0 (Nov)	9.0 (Nov, 2021)

\*1 GDP at market prices (Current USD)

\*2 Accumulated average rate: January-May 2022. 1USD = 17.56ZMW (Bank of Zambia)

\*3 Accumulated average rate: January-May 2022. 1USD = 115.40JPY (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 (May 2022)

1<sup>st</sup>: Switzerland 38.2%  
2<sup>nd</sup>: China 22.9%  
3<sup>rd</sup>: Singapore 13.1%  
4<sup>th</sup>: Congo DR 10.9%  
5<sup>th</sup>: Tanzania 2.7%  
Other destination 12.1%

#### 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 (May 2022)

1<sup>st</sup>: South Africa 35.5%  
2<sup>nd</sup>: China 11.9%  
3<sup>rd</sup>: Congo DR 10.3%  
4<sup>th</sup>: UAE 6.4%  
5<sup>th</sup>: India 5.8%  
Other destination 29.9%

#### 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.