

# Macro-economics of Zambia (August 2022)

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

## 1. Monthly News (Economics)

<p><b>1. "Fuel prices drop" (Daily Mail; Daily Nation; Times of Zambia, Monday 1st)</b> The Energy Regulation Board (ERB) has adjusted downwards the pump prices of petroleum products by K3.56 per litre for petrol, K3.14 per litre for diesel and K2.84 per litre for Kerosene. The petrol price has been increased from K26.75 to K23.19 per liter, price of Low Sulphur Diesel price from K28.01 to K24.87, the kerosene price from K21.27 to K18.43 respectively.</p>
<p><b>2. "Better TAZARA coming" (Daily Mail, Wednesday 3rd)</b> Zambia and Tanzania have agreed yesterday to revamp and recapitalize Tanzania-Zambia Railways (TAZARA) with a view of enhancing trade and business opportunities, as well as expand the Tanzania-Zambia Mafuta (TAZAMA) pipeline with a view to reduce the cost of fuel.</p>
<p><b>3. "Government thanks Japan for supporting Zambia's developmental agenda" (Daily Nation, Friday 5th)</b> Finance Minister Situmbeko Musokotwane said yesterday that Japan remains one of the most significant cooperating partners in Zambia's quest to achieve sustainable development. Dr. Musokotwane was speaking during the Zambia-Japan Bilateral High Level Policy Dialogue on official development assistance in Lusaka yesterday.</p>
<p><b>4. "HH foreign trips yield \$3.8bn investment" (Daily Mail, Monday 8th)</b> President Hakainde Hichilema's foreign trips attracted investment inflows worth US\$3.8 billion in the first half of this year, a 45 percent surge from the US\$2.6 billion recorded last year in the period under review, says Zambia Development Agency.</p>
<p><b>5. "Masebo flags off third polio vaccination exercise" (Times of Zambia, Friday 12th)</b> Zambia yesterday started the third polio vaccination exercise for children under five years, with Health Minister Sylvia Masebo saying the children will only be fully vaccinated after the fourth dose to be administered in due course.</p>
<p><b>6. "Govt. lifts mandatory wearing of COVID-19 masks" (Times of Zambia, Tuesday 16th)</b> The Government has lifted the mandatory wearing of masks in 22 districts that have so far attained Coronavirus (COVID-19) vaccination coverage above 70 percent. Health Minister Sylvia Masebo said that Central and Copperbelt provinces had crossed the 70 percent target for fully vaccinated persons, while the national coverage now stood at 52 percent.</p>
<p><b>7. "BoZ holds interest benchmark at 9p.c." (Daily Mail; Daily Nation; Times of Zambia, Thursday 18th)</b> The Bank of Zambia (BoZ) has held its benchmark interest rate at nine percent for three consecutive quarters due to sharp decline in inflation and positive efforts by the Government in implementing fiscal consolidation measures. The decline in inflation, one of the keys to this decision, is further projected to decelerate towards the target range of six to eight per cent during the first quarter of 2024.</p>
<p><b>8. "Zambia Saves over \$9m banning importation of onion, potatoes" (Daily Nation, Friday 19th)</b> The country has so far saved at least US\$9.9 million for banning the importation of onions and potatoes, the Zambian Fruit and Vegetable Traders Association has disclosed. Before the ban, the country would import about 20 truck-loads of onion on a weekly basis.</p>
<p><b>9. "Procurement for construction of 40 dams in 4 provinces" (Times of Zambia, Monday 22nd)</b> The Ministry of Water Development and Sanitation says it intends to start procurement process in December for the construction of 40 dams in four provinces following a directive by President Hakainde Hichilema. The Dams would be constructed by the Zambia National Service (ZNS).</p>
<p><b>10. "Govt. scores high on TB elimination" (Daily Mail, Saturday 27th)</b> The country has made progress in reducing the tuberculosis (TB) incidence rate from 761 per 100,000 people in 2000 to 307 in 2021, representing a 60 percent reduction. However, about 2,000 people die from the disease every year.</p>

## 2. Main Economic Statistical Indexes

Economic Index	2021	2022
1. Population (millions)	17.89 (2020)	-
2. Population growth rate (%)	2.88	-
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 (%)	3.6 (est)	-
7. GNI per capita (USD)	1,040	-
8. Inflation rate (%)	16.4 (Dec)	9.8 (Aug)
9. Consumer Price Index (year 2009 =100)	336.31 (Dec)	364.87 (Aug)
10. Balance of trade (million USD)	4,008.02	1,836.03 *2
11. Balance of trade against Japan (million USD)	-509.99	-434.29 *3
12. Export (million USD)	11,007.01	6,824.48 *2
13. Export against Japan (million USD)	175.73	184.56 *3
14. Import (million USD)	6,998.10	4,994.23 *2
15. Import against Japan (million USD)	685.72	618.85 *3
16. Balance of current account (million USD)	2,351.7 (est)	-
17. Outward direct investment (million USD)	-453	-
18. Inward direct investment (million USD)	-457	-
19. Gold, Foreign currency reserve (million USD)	2,800 (Dec)	3,000 (Jun)
20. External public debt (million USD)	17,270 (Dec)	-
21. Exchange rate (Kwacha/USD, average)	19.96ZMW	16.08ZMW (Aug)
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-July 2022. 1USD = 17.32ZMW (Bank of Zambia)

\*3 Accumulated average rate: January-July 2022. 1USD = 118.86JPY (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 (July 2022)

1<sup>st</sup>: Switzerland 35.4%  
2<sup>nd</sup>: China 21.9%  
3<sup>rd</sup>: Congo DR 15.3%  
4<sup>th</sup>: Singapore 10.3%  
5<sup>th</sup>: Zimbabwe 2.3%  
Other destination 14.7%

#### 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 (July 2022)

1<sup>st</sup>: South Africa 31.3%  
2<sup>nd</sup>: China 17.1%  
3<sup>rd</sup>: Congo DR 6.9%  
4<sup>th</sup>: India 6.2%  
5<sup>th</sup>: UAE 5.2%  
Other destination 33.3%

#### 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.