

# ZAMBIA

## A GIANT AWAKES

p. 03  
INTERVIEW WITH PRESIDENT LUNGU

Zambia's charismatic leader has bold plans for delivering economic prosperity for his nation

p. 04  
CONNECTING SOUTHERN AFRICA

Sharing a border with eight countries, Zambia's investments in transportation infrastructure are enhancing national and regional trade

p. 05  
ZAMBIA'S GREEN REVOLUTION

Zambia has always had vast stretches of fertile land, but the promotion of modern technology and value-addition is turning agriculture into a key sector

p. 07  
TOURISM

With scenery fit for angels, abundant wildlife and a rich cultural heritage, Zambia has the potential to become one of the world's top tourism destinations



### In brief

ECONOMY  
**S&P Global upgrades Zambia's sovereign bond ratings to stable**

Zambia's growth prospects and the greater liquidity in its banking system were the key reasons that S&P Global upgraded the country's sovereign rating to "stable" in August 2017. The rise in copper prices, a bumper harvest and more energy generation account for much of the accelerated economic growth, while the government's moves to improve the country's fiscal financial position were also noted positively by the international credit rating agency.

See ECONOMY page 2

AGRICULTURE  
**Bees and Miombo trees boost rural prosperity**

Zambians have a long tradition of harvesting honey in the remote Miombo woodlands, but advances in the industry are generating a new buzz for local producers and international consumers alike. After a push to obtain international quality certifications, several Zambian honey companies are now exporting the nutritious and organic honey to the global market. This means more rural prosperity in Zambia and improved access in the UK to the unique honey derived from the pollen of the Miombo trees.

See AGRICULTURE page 5

TOURISM  
**Remembering the real end of World War One**

In 2018, the world will commemorate 100 years since the end of the devastating First World War. And although Remembrance Day is celebrated on November 11 to recall the formal end of the war's hostilities, the final cessation didn't occur until three days later in Zambia. With communications much slower a century ago, news of the armistice didn't reach German forces in Zambia until November 14, when the German military commander finally announced the withdrawal of troops from East Africa.

See TOURISM page 7



Victoria Falls, also known by its Tonga name Mosi-oa-Tunya, which in English means "the smoke that thunders". Photo: ZTA

### OVERVIEW

## Towards a brighter future

**Zambia is on the cusp of a new era. A platform of political stability means the country is ready to unleash its economic potential and spread prosperity among the population**

Home to the inspiring sight that is Victoria Falls, Zambia has now embarked on its Vision 2030, under which the country has set itself the objective of achieving middle-income status by the end of the next decade.

A dip in commodity prices coupled with a drought affecting hydroelectricity in 2015 and 2016 convinced the government led by President Edgar Chagwa Lungu that radical action was required to turn a crisis into an opportunity. Badly performing public sector bodies were reformed, subsidies were removed, and greater transparency was introduced into Zambia's leading industrial sectors.

The country plans to harness its extensive land and water resources to diversify the economy while also boosting its powerful mineral sector, which has received an influx of investment in recent years. Now Zambia

has its eyes on overtaking the Democratic Republic of the Congo as the number-one copper producer in Africa, while surging ahead in other minerals, such as emeralds, and continuing promising exploration efforts for oil and gas.

"We are a country on the march to a better and brighter future, and we invite investors to come and be part of this epic journey," says President Lungu.

Of interest to investors is the way Zambia stands out in sub-Saharan Africa as a beacon of peace and stability. The World Economic Forum's 2017 Global Peace Index saw Zambia ranked equal 41st alongside the UK. Peter Jones, the chairman of Zambia Tourism Agency, believes the country is "on the cusp of a new era".

"Every 50 years there is a big shift. Northern Rhodesia was created in 1911. Fifty years

later we became Zambia, and 50 years later we are the first country in Africa to peacefully change presidents three times."

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**We are a country on the march to a better and brighter future**

President Edgar Chagwa Lungu

Zambia's population is among the world's fastest growing, with the UN projecting that it will triple by 2050. But a population density that remains lower than Sweden or Chile's means this will not make for a lack of room.

And with Zambia's vast and fertile spaces, agriculture is moving into the economic

spotlight, with modernisation promising to help increase land use, enhance productivity and add value to raw products.

Infrastructure is also being modernised to make Zambia, a country bordered by eight others, a regional hub, while diversification plans in energy aim to see the country become a net exporter. In tourism, Zambia's natural heritage and leading efforts in wildlife conservation mean its potential for growth is exponential, aided by greater global connectivity at Lusaka's Kenneth Kaunda International Airport, where a new terminal is being built to triple capacity to six million passengers a year.

Boosted ICT under the "Smart Zambia" initiative and a focus on developing industrialisation and finished goods complete a vision aimed at spreading the benefits from the country's ample natural resources.

### FAST FACTS

Population	<b>16 million</b> (2017)
Median age	<b>16.8 years</b>
Urban population	<b>42%</b>
Capital city	<b>Lusaka</b>
Country area	<b>753,000 km²</b>
Achieved independence	<b>1964</b>
Currency	<b>Zambian kwacha (ZMK)</b>
Literacy rate	<b>63%</b>
Source: CIA World Factbook	



**Muyeba Shichapwa Chikonde**  
High Commissioner for the Republic of Zambia to the United Kingdom

Q & A

**The high commissioner for Zambia says that this Commonwealth country's arms are wide open to British investors**

**What should British investors know about Zambia as a business destination?**  
This administration has created an investor-friendly business environment for the private sector, as well as investing heavily in transport, communication and energy infrastructure. We also have double tax-

ation agreements with a number of European, North American, African and Asian countries, including the UK.

**What expectations do you have for the Commonwealth Heads of Government Meeting (CHOGM 2018) summit in London in April?**  
We need to focus on strengthening trade and investment relations in order to leverage the 'Commonwealth advantage', which means that transactional costs when

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**We need to strengthen trade and investment relations to leverage the 'Commonwealth advantage'**

Commonwealth member countries trade among themselves are 19 per cent lower. It is also key to strengthen the framework for Commonwealth citizens to engage and interact more closely.



1. King Mwanawina III of Barotseland with the late Queen Elizabeth the Queen Mother. 2. Queen Elizabeth on the Nalikwanda Royal Barge on the Zambezi River in 1960.

### BILATERAL RELATIONS

## Commonwealth connection

**Zambia's ties with Britain go back to the age of European exploration, maintained by friendship, aid and trade**

As a member of the Commonwealth family of nations, Zambia's history is closely entwined with British activity in Africa. From the charting of the Zambezi by David Livingstone, through the world wars, and beyond independence, the two countries have had an undeniable influence upon each other.

Today English-speaking Zambia's political and legal systems are closely based on the British models, and historical links are cemented by continued UK involvement in the country. For instance, the UK development finance group CDC invested \$65 million in the agricultural company Zambeef in 2016, and Zambia

Sugar, the country's largest sugar company, is mostly owned by British Associated Foods' subsidiary Illovo Sugar.

The UK and Zambia are boosting partnerships in both aid and trade. A 2017 visit by Britain's then Minister for Africa, Rory Stewart, saw the UK pledge to improve nutrition for over two million women and children, provide better access to sanitation to three million people, support 56,000 children in education and create 23,000 jobs by 2020. British Prime Minister Theresa May has also praised President Edgar Lungu's human rights campaigns to eradicate human trafficking, forced labour and child marriages.

Overall trade between the UK and Zambia hit a high of more than \$500 million in 2012 on sky-high commodity prices. Now broader investment connections are spreading across a range of

sectors, aided by the establishment in Zambia of the British Chamber of Commerce in 2014 and recent contacts with the Lord Mayor of London and British trade delegations.

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**We are connecting. The UK's appetite for looking at Zambia has been elevated**

Felix Mutati,  
Former Finance Minister

"All this means we are connecting a lot better. Britain is a major investor in this country and the UK's appetite for looking at Zambia has been elevated," notes former Finance Minister Felix Mutati, who became Minister of Works and Supply in February 2018.



President Lungu (right) with former British Minister for Africa Rory Stewart. Photo: Selim Henry



FINANCE AND ECONOMY

# An outward-facing economy

After steering the country back from the brink of a near-crisis, Zambia’s government is now centred on boosting international investment and trade



Lusaka, Zambia's political and financial capital. Photo: ZTA

Zambia's economy has returned to the path of strong growth after the country was forced to negotiate some tricky financial curves during 2015 and 2016. In fact, the end result has been greater international respect for Zambia's economic management capacity, exemplified by Standard & Poor's decision to change its country outlook from negative to stable in August 2017. The ratings agency Moody's has recently followed suit.

With the combined impact of a copper price slump, low rainfall causing power shortages and a surge in inflation, which was successfully brought under control, Zambia closed 2016 with respectable annual GDP growth of 3.6 per cent, according to the World Bank, with an improved figure expected for the close of

2017. Looking ahead, favourable winds are blowing in the form of higher copper prices and the first fruits of Zambia's investment in diversifying energy sources and better infrastructure.

In such a scenario of hope, Zambia's vision of becoming a middle-income country by 2030 returns to the horizon of possibilities.

"In 2017 we have turned the corner, and we can only grow faster in 2018," says former Finance Minister Felix Mutati. He identifies Zambia's four key challenges as bringing public debt under control, guaranteeing a cheap power supply, boosting competitiveness, and economic diversification. "While the strength in the mining sector can continue to grow, we need to use the opportunity of that growth to enhance

agriculture, industrialisation and tourism." Mr Mutati became Minister of Works and Supply after a February 14 cabinet reshuffle.

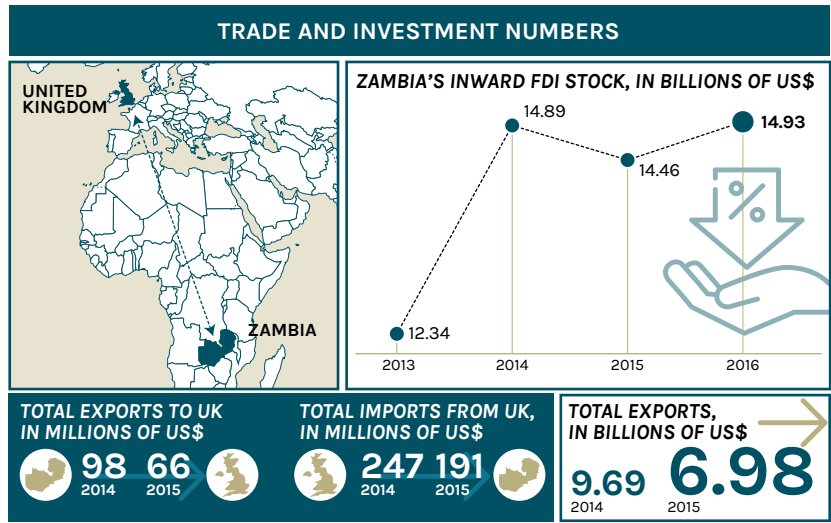
**In 2017 we have turned the corner, and we can only grow faster in 2018**

Felix Mutati, Former Finance Minister

Zambia's authorities are working hard to improve conditions for investment inflows. Margaret Mwanakatwe, for-

mer Minister of Commerce, Trade and Industry, and now Minister of Finance, highlights the creation of the Zambia Development Agency, Multi-Facility Economic Zones (MFEZs), new industrial parks "and the promotion of value-chain programmes countrywide", as concrete policy steps taken to boost Zambia's business fabric.

"Most of the portfolio investors – the ones buying government bonds and government securities – are UK investors who have confidence in the market because they do a risk profile and say that with a stable exchange rate and an interest rate to their taste, they are better off taking a chance on Zambia," says Mr Mutati. "I say: 'Don't worry about Brexit, come and enter Zambia'."



Sources: UNCTAD, WITS

Q & A



Dr Denny H Kalyalya  
Governor, Bank of Zambia

**After a long career in the finance industry, including a period at the World Bank, Dr Denny Kalyalya had to bring all of his experience to bear to steer Zambia's finances into calmer waters after taking up his post in 2015**

**What is the current financial situation in Zambia and how is it perceived in international markets?**

When I came in, it was necessary to tighten monetary policy strongly, meaning that inflation peaked in February 2016 at 22.9 per cent. Now we have reached and consolidated our medium-term target of keeping inflation steady between 6 and 8 per cent. We are quite integrated into the international economy now, partly because we have gone in to tap the financial markets globally. We have had three issuances of government eurobonds and we are going to the annual meetings of the IMF and World Bank. In short, we are no longer a peripheral country. The ratings agencies are also here, issuing reports that are closely studied. Perception is important, and the risks that are attributed to Zambia often have to do with perception. If one was to assess what the perceived risk is and what the actual risk is, the gap is huge. For

**We are integrated into the international economy and are no longer a peripheral country**

those looking at the medium to long term, there are big opportunities because we have unexploited potential in all key areas: mining, agriculture, energy and tourism.

**How important a role could British investment play in Zambia?**

There is one little-known fact about our relationship: the Department for International Development (DFID) was the entity that sponsored our first sovereign ratings. The oldest bank here has British origins – Standard Chartered, which started in 1906. The roots are very deep. The UK has helped the country in a number of ways, and more can be done to strengthen this relationship. There's a lot that can be harnessed and now there's the question of whether the British will engage more following Brexit.

**How much is Zambia focusing on innovating within its financial services industry?**

We are stepping up our financial sector reforms and we really want to move up a level in fintech. Already, we have digitised many of our services. Financial inclusion is one of our strategic objectives, so linking up with those who have the knowhow is something we are always seeking to do.

INVESTMENT

## Hopes Brexit will broaden connection

As the UK works through the complex process of exiting the European Union, potential partners in Zambia wonder how a Brexited Britain could become a bonus

The Commonwealth connection creates optimism that some of the inward investment Zambia needs to develop its economy to the next level could be on its way from a UK in search of new trade and investment associates.

"We have been good friends with the British for a long time and quite a number of British companies operate here. But I think we need to strengthen that linkage," says Mary Ncube, board chairperson at Zambia Development Agency.

Ms Ncube envisions more Zambia-UK tie-ups in the rural sector, including agro-processing, irrigation, mechanisation of farming methods and the live-

stock trade, as well as solar energy and technology. She also assures would-be investors that their capital would be safe under Zambia's business-friendly laws thanks to the country's Investor Promotion and Protection Agreement (IPPA).

"British investments have continued to grow in Zambia's key sectors," noted Margaret Mwanakatwe while she was Commerce, Trade and Industry Minister, adding that Zambia also offers duty-free access to regional, wider African and US markets as a participant in the Southern African Development Community (SADC), Common Market for Eastern and Southern Africa (COMESA)

**We have been good friends with the British for a long time, but I think we need to strengthen that linkage**

Mary Ncube, Board Chairperson, Zambia Development Agency

SA) and AGOA (African Growth and Opportunity Act), respectively.

Q & A



Henk G Mulder  
CEO, Zanaco

**Nearly half a century old, the Zambia National Commercial Bank (Zanaco) is the country's largest financial services provider**

**How would you describe the financial services sector in Zambia at the moment?**

We have come from a period where we had very high interest rates and they have now come down, though they are still relatively high. Another change has been the creation of a new credit guarantee scheme, which the Ministry of Finance is backing, to provide partial guarantees to banks for SME financing. If that's run effectively, it could be very successful.

**What is your evaluation of Zambia's greater economic situation?**

We have a healthy economy, with nice growth – 5 per cent is projected for 2018. But we have to look at the future. That's why I'm stressing the creation of more value-added industries in this country. If it can do that, especially around the mining sectors and agriculture, we can grow even more. The energy situation has improved but we still have a huge opportunity with solar energy.

**If we can create more value-added industries in this country, we can grow even more**

**Why is digitisation of financial services important in Zambia?**

Zambia is a very big country with a relatively small population, which means that to reach everyone in the countryside, we need to have a lot of branches. There are about 19 commercial banks here, but we are present in nearly every community. Yet to further reach out, we started a mobile banking platform called Xapit. And in 2018 customers will be able to open accounts by tablet within minutes. With this we can service our clients even better.

## Towards a cashless society

**More Zambians will be able to join the country's economic transformation by using mobile banking on their phones**

The majority of Zambians live in a rural environment, where mobile technology constitutes a revolution in terms of how they can engage with the rest of society. One key breakthrough is the increasing use of mobile payments, heralding a future in which all transactions will take place without any need for time-con-


suming journeys to bank branches.

"If you go to literally any village in Zambia, you will find someone with a cell phone," says Dr Denny H Kalyalya, governor of the Bank of Zambia, adding that he is working to bring down the costs of e-banking.

"Over time this will become a cashless society – there's no doubt about it," says Henk G Mulder, CEO of Zanaco, Zambia's biggest financial services provider, which has been offering mobile banking to its customers for the past eight years.



Mobile payments have been gaining popularity in Zambia. Photo: Shutterstock





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INTERVIEW EDGAR CHAGWA LUNGU, PRESIDENT OF ZAMBIA

# Focusing on a diverse and resilient economy

Since coming to power in 2015 and being re-elected for a full term in 2016, Zambia's charismatic president has made delivering economic prosperity his priority

## What plans do you have for the transformation of Zambia's economy?

The main focus is to move away from dependence on copper to a more diversified economy that will be resilient enough to withstand both external shocks and unfavourable weather. To achieve this, we have set very clear goals. First, we want to prioritise the development of agriculture, livestock and fisheries, plus the value chains that come with them. Second, we will focus on infrastructure development to make Zambia a regional hub, build market linkages and open the country up to new opportunities. Third, we want to build a more robust energy sector with a healthy mix of sources, including hydro, solar, wind, biomass and even nuclear plants. Fourth, we want to grow not only our tourism industry, but the range of products we offer as a country. And lastly, we want to accelerate industrialisation and the use of ICT. To succeed in all of these, we need strategic and long-term investment in the key sectors of our economy.

## What is the government's strategy to attract more foreign investment?

The investment volumes that are coming into Zambia are unprecedented. And we know that those who invest do so for a purpose: to get a return. So, part of our strategy is to listen to prospective investors and seek win-win situations in terms of policies. As a government, we provide a progressive legal framework and investor-friendly policies, and we consider Public Private Partnerships (PPPs) as important instruments for bridging the infrastructure gap across all sectors of the economy.

## What are the opportunities for Zambia now that Britain is exiting the European Union?

Brexit offers the two countries an opportunity to explore new frontiers of cooperation, while also strengthening existing ones. We believe there is a lot we can do with Great Britain in terms of focusing on development issues. Our presence



Zambian President Edgar Lungu takes part in a discussion at the World Economic Forum on Africa 2017 meeting in Durban. Photo: Cordon Press/Reuters/Rogan Ward

in the Commonwealth will assist with the new approach because I have the impression that Britain will probably start paying more attention to the Commonwealth in the post-Brexit era. If it does, we will hear it. We consider the United Kingdom as an import ally and Zambia's entry point to the rest of Europe. At the same time, Zambia's geographical position offers the UK a unique opportunity to advance its economic interests in this part of Africa.

## Where do you see the biggest potential to boost economic cooperation between the UK and Zambia?

We want British investment to take a lead in sectors that have the greatest potential to improve the lives of our people and help in diversification. Agriculture is a salient example of what the UK development finance group CDC is doing in Zambia through its partnership with

the agribusiness Zambeef. In energy, we recently launched a gas and oil exploration project in the northern part of Zambia with British company Tullow Oil. In finance, leading British institutions such as Barclays and Standard Chartered Bank are playing a critical role in our economy, and there is more potential to get involved. There are also opportunities in infrastructure and tourism, among other sectors. Like all things in life, the opportunities available are not infinite and are quickly being taken up by investors. Therefore, I urge investors from the UK to partner with their Zambian business counterparts and complement our efforts to develop Zambia on a win-win basis.

## What is the driving philosophy behind your administration?

Our priority is the mandate of the people – to positively transform their lives.

**"We want British investment to take a lead in sectors that have the greatest potential"**

We have been forced to make certain decisions that might not appear to be in the people's interest, but ultimately the benefits will accrue. For example, I've been daring in removing certain mechanisms such as electricity subsidies because I know that in the end we will be able to attract enough investment in that area, meaning our economy will grow and more jobs will be created. This is the generation that will transform the lives of Zambian people for good. We are not scared of biting the bullet in order to bring common good to our people.

## When your current mandate as president expires in 2021, what would you like to have achieved?

I would like to be remembered as having improved living standards in these five years, which means good healthcare, affordable food, education, as well as overall economic prosperity. Zambians

have been dependent on copper, and things have stagnated over time. Even though copper mining is on the up and other activities are doing well, we need to be thinking about what else we can do. We are a mining country, for sure, but now we can also be an agricultural country and we can export energy across the region.



President Lungu took office in January 2015.

## Beacon of peace

Zambia celebrates its own diversity and plays a responsible leadership role within the African community of nations



Photo: Francoise D'Elbee

Just as Zambia has opened its doors to investors and new ideas from around the world, so does this politically stable country stand out as an oasis of peace and a safe haven for people in need. In Zambia, it is the very diversity of its local ethnicities and cultures that form the basis for this philosophy of tolerance and understanding.

"Zambia is proud to have more than 70 tribes living in harmony, guided by our motto of 'One Zambia, One Nation'," says President Edgar Chagwa Lungu. "Zambia is a haven of peace, where refugees and those fleeing from civil strife elsewhere can find shelter. We were also home to the liberation movements of southern Africa. Many people around the world still regard Zambia as their home away from home."

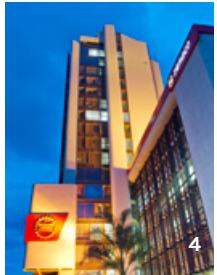
**"Zambia is proud to have more than 70 tribes under our motto of 'One Zambia, One Nation'"**

Edgar Chagwa Lungu, President of Zambia

Zambia is a country that takes its moral responsibilities seriously, playing a leading role in the African Union continental organisation and in brokering diplomatic solutions to regional conflicts. Zambia hosts more than 65,000 refugees, including more than 12,000 who have recently been displaced from the Congo, according to United Nations figures. To help accommodate the new arrivals and ease congestion in transit centres, Zambia has partnered with the UN Refugee Agency, opening a new permanent settlement in Mantapala in January 2018.

## ECONOMIC DIVERSIFICATION

# Making state companies work for Zambia



1. Zanco bank is part-owned by IDC. Its HQ stands in front of one of Lusaka's most iconic buildings, the Findeco House tower.
  2. A plantation run by the forestry corporation ZAFFICO.
  3. Mulungushi Village Complex provides short- and long-stay accommodation, including conference facilities.
  4. Zanco HQ.
- Photos: ZTA, ZAFFICO, IDC

In 2014 Zambia's government took a bold step to accelerate the country's economic diversification, bringing public firms under a new investment arm

The Industrial Development Corporation (IDC) is a tool Zambia's government believes will draw vastly increased levels of investment into the country, creating wealth and jobs to further stimulate the national economy. The original idea was simple but innovative, and followed similar examples of creating non-government investment bodies in economically forward-thinking countries such as Singapore, Malaysia, South Korea and South Africa. State-owned enterprises that were languishing because of lack of investment were placed under the IDC's wing to partner in the search for new funding, greater vision and, ultimately, increased profitability.

This is no divestment of public concerns for short-term gain, but rather a platform to create conditions for future success. The IDC has been set stringent targets for job creation to demonstrate that it can help transform the Zambian economy.

## 1 million

New jobs in agriculture, tourism, infrastructure and manufacturing under IDC's five-year plan

The IDC's CEO, Mateyo C Kaluba, has a blunt take on the corporation's mission: "The fact that a company is owned

**"IDC is a great avenue through which to enhance domestic capital formation, employment and wealth creation"**

Dr Pius C Kasolo, CEO, ZCCM-IH

by the state should not be an excuse for poor performance. The people, as shareholders through their government, deserve a return on investment just like any other shareholder in the world. We've told companies in the IDC Group that the era of loss-making and lack of accountability has to come to an end."

There are 34 companies in the IDC's investment portfolio, comprising 12 economic sectors, from agriculture to ICT. Zambia Railways is working with the IDC to attract the billion-dollar investment it needs to modernise its network, while the ZAFFICO forestry corporation is another partner seeking to boost the rural economy.

IDC has already made hugely encouraging strides in the energy sector. Power company ZESCO, an IDC partner, announced in 2017 that Zambia's national output had been increased by almost 20 per cent thanks to the opening of two new power plants. Next, the ground-breaking Scaling Solar project will add a further 100 megawatts to the national grid, but the IDC is looking further ahead in terms of diversification.

"At the IDC we have done our job in demonstrating that solar energy is viable in this country. Now we are working with various partners to demonstrate that wind energy is also viable," explains Mr Kaluba.

"Apart from overseeing all state-owned enterprises, I believe IDC is a great avenue through which to enhance domestic capital formation, employment and wealth creation through focusing on exploiting our country's advantages in natural resources," says Dr Pius C Kasolo, CEO of ZCCM-IH mining company.



**Established in 2014, Zambia's IDC is the government's investment arm and a major driving force behind the country's expanding economy**

## What is the IDC's role in terms of attracting investment?

The IDC is an investment company. Therefore, we are looking for the same thing investors are looking for: a return on investment. The only difference is that we have a strategic role as we look for that return. We ask: "Which of Zambia's vast natural resources can we add value to and therefore create jobs for Zambians?" In return, IDC gives investors a partner that understands the local market. We have more leverage with the public institutions that investors have to deal with. But we are not an investment facilitation agency. We only take on projects in which we are co-investors.

## How would you describe the culture change under Zambia's current government?

The change is reflected in how the government is seeking to position the country. If you look at the energy sector, the government is saying we want to be the energy hub of the region. In the aviation sector, it wants to be the aviation hub. Suddenly, we are not just a mining country. We are a country with a future in agriculture, tourism, manufacturing and other sectors. The government has implemented business reforms and as the infrastructure has

rolled out, areas that were previously inaccessible are now accessible. This has really changed the dynamics for the private sector.

**"Suddenly, we are not just a mining country. We have a future in agriculture, tourism and manufacturing"**

## The IDC's goal is to create one million jobs in five years. How do you see that happening?

When we open up an area to tourism, if we can set up a project that has an anchor hotel, you will see lots of other hotels spring up thanks to IDC's investment. We will account for one million jobs by considering the direct and indirect positions created as a result of our investment activity

## What is your core message to overseas investors?

My appeal to people is: don't read about Africa, learn about Africa. I'm asking people to learn about the Zambia we live in and the opportunities it offers – 753,000 square kilometres of land, some of the world's best tourism destinations, and where young people make up 70 per cent of the population. That's the Zambia they should be learning about.



Q&A



**Robinson Misitala**  
Managing Director,  
Zambia Airports Corporation

**The country’s airports chief discusses the changes and opportunities ahead**

**The second quarter of 2017 saw a 7.4 per cent increase in passenger movement. What accounts for this?**

The economic performance of the country. Some new airlines are doing well in terms of passenger movement. We’ve also seen some of the airlines changing the way they have been operating, such as Kenya Airways and South African Airways.

**What benefits will the renovation of Kenneth Kaunda airport bring?**

The work is due to be completed by October 2019. Apart from the terminal building, we are also going to have air bridges, two hotels, a cargo terminal, a presidential pavilion, shopping mall, office complex and fire and rescue facility. We have also extended the taxiway to allow aircraft to land and take off simultaneously. Now we have hotels, malls and cargo terminals as ways of raising resources, as opposed to increasing airport-related fees, which airlines are struggling to pay.

**Companies are welcome to put up infrastructure and develop other airport-related businesses at Kenneth Kaunda**

**Are there opportunities for British investors?**

We’re sitting on 3,000 hectares of land at Kenneth Kaunda. Companies are welcome to come and put up first-class infrastructure in terms of hotels and even work together with us to develop other airport-related businesses. There are opportunities in ground handling, inflight catering, and even running lounges and other aviation-related facilities.

**Is there room for foreign investors to get involved in the new Copperbelt airport?**

There are a lot of mining activities. The idea is to make it a cargo hub. Companies can come and invest in cold or dry cargo warehousing and infrastructure related to mining.

INFRASTRUCTURE

# Connecting Southern Africa

**To maximise its potential as a Southern African hub, a massive infrastructure development drive is connecting Zambia up by land, air and even water like never before**

When President Edgar Lungu’s government asked itself what was the biggest constraint to growing exports and building a more diverse and sustainable economy, there was one clear answer: infrastructure.

So it went about fixing it. Bordered by eight countries, Zambia’s location is enviable. The quest to leverage it and establish the country as a regional hub has led the government to undertake huge, focused infrastructure development. “Zambia is no longer landlocked, it is land-linked,” says Minister of Housing and Infrastructure Development, Ronald Kaoma Chitotela.

The work of the Road Development Agency (RDA) exemplifies the government’s targeted approach. Established in 2012, the Link Zambia 8000 programme zeroes in on 8,000 kilometres of the country’s 40,454km core road network. Under the current government, its rollout has been further refined to prioritise the most economically viable projects.

Completed stretches include the 171.9km Mbala-Nakonde road, which is now easing travel and trade near the Tanzanian border. Internationally focused links are a key part of the RDA’s strategy. Also in the works are the \$200 million Kazungula Bridge Project at the Botswana border and the \$1.2 billion Chinese-backed Lusaka-Ndola dual carriageway to connect the capital with the Copperbelt mining region and the Democratic Republic of the Congo.

Such foreign collaborations are key for tapping into global knowhow and financing these mega-projects, says the RDA’s CEO, Elias Mwape. “UK companies are very good at providing professional services such as road design, construction and supervision,” he adds.

State-owned company Zambia Rail-



ways could prove another target for British firms as it seeks \$1.2 billion to recapitalise and upgrade its infrastructure. It’s already in conversation with several prospective investors, says MD Christopher Musonda.

## \$1.2 billion

**Being injected into Zambia’s four international airports**

Great change is already underway in the aviation sector. Kenneth Kaunda International Airport in Lusaka is undergoing a \$360 million upgrade to increase capacity to six million a year and turn it into a passenger hub for flights between Asia and the Americas, while over \$400 million has been invested in the new Copperbelt airport.

“We are living at the best time in history in terms of aviation in this country,” says Robinson Misitala, MD of Zambia Airports Corporation.

With the nation’s sole port, Mpulungu Harbour on Lake Tanganyika, also scheduled for a major upgrade, Zambia’s reach is expanding – and with it, opportunities for citizens and investors.



1-3. The environmentally resilient Mongu-Kalabo Road, opened in 2016, has 26 bridges and has changed the face of Zambia’s Western Province. Photos: RDA  
4. Men at work on the construction of Mufuchani Bridge across the Kafue River in Kitwe. Photo: RDA  
5. Rendering of the new terminal at Lusaka’s Kenneth Kaunda International Airport.  
6. Workers at Kenneth Kaunda. Photos: ZACL



Q&A



**Elias Mwape**  
Director and CEO,  
Road Development Agency (RDA)

**New highway projects are optimising international links and paving the way to a more prosperous future**

**What is your vision for the future of Zambia’s roads?**  
To assure we deliver a good road

network across the country to support socio-economic diversification and reduce poverty. Roads facilitate agricultural, manufacturing, and other economic activities. Moreover, we can’t further develop our tourism industry or start industrialisation without improved roads.

**What are some of your key projects that connect Zambia internationally?**

Zambia is in the heart of Africa, surrounded by eight neighbours, so having a good road network is especially strategic. Currently, we are focusing on the Kazungula Bridge Project because traffic is being held up by the ferry that operates between Zambia and Botswana. This slows down trade, so we are going to construct a bridge over the Zambezi River and add a one-stop border facility. Another major project will create a

shorter route to the Port of Mtwara in Tanzania. This is already the best route from Lusaka to Malawi, and will eventually connect to Mozambique. The government is also looking to improve the connection to Walvis Bay in Namibia to facilitate trade.

**Zambia is surrounded by eight neighbours, so having a good road network is especially strategic**

**What has been your most significant accomplishment?**

At the top of the list is the Mongu-Kalabo Road. It cost around \$286 million, and it’s only 34 kilometres. The flood plain posed a challenge to previous attempts at starting a road there, and we are the first to do so successfully. It’s a masterpiece of a road.

TELECOMMUNICATIONS

## Making Zambia smarter

**The government’s commitment to building a “Smart Zambia” is generating an abundance of new digital communications infrastructure and services that aim to make life easier for ordinary Zambians, investors and public administration alike**

From mobile transfers to e-vouchers for farmers, an explosion of digital services is transforming Zambians’ lives.

Introduced in 2015, President Edgar Chagwa Lungu’s vision to create a “Smart Zambia” sees ICT as a key driver of socio-economic development. Nowhere is this support for technology stronger than in e-government, where emerging online services are aiming to improve efficiency, transparency and ease of doing business.

**At Hai Telecommunications, we’re contributing to the enrichment of Zambian people’s lifestyles**

**Samson Longwe, MD,**  
Hai Telecommunications

The Zambia Public Procurement Authority’s decision to allow firms to submit tenders online is creating a fairer system, says its director general Danies K Chisenda. “Foreign companies wishing to participate will see that the new system does not favour any particular company.”

Elsewhere, the Zambia Revenue Authority’s online tax filing service has aided revenue collection, while moving from paper to digital has increased transparency in mineral extraction and distribution of subsidy vouchers for farmers.

In the private sector, growing take-up of mobile phones has given rise to a uniquely Zambian ecosystem of mobile payment services that are boosting financial inclusion. “You really don’t have to have a bank account to transact,” says Patrick Mutimushi, director general of telecoms regulator ZICTA.

But none of this would be possible without the government’s commitment to infrastructure. A \$280 million project to add 1,009 communication towers to the hundreds already built and boost mobile penetration rates to 94 per cent is now getting underway – great news for major operators like Hai Telecommunications. “They will make it easier for us to roll out services in rural areas,” says MD Samson Longwe.

In 17 years, Hai has grown from small family firm to ambitious telecoms player, using its local expertise to extend its extensive fibre network – the first in Zambia – into businesses and homes. The aim, says Mr Longwe, is to provide all Zambians with the fast, reliable and secure connections they need to achieve as much as possible in e-commerce, e-learning and more. “We are contributing to the enrichment of Zambian people’s lifestyles,” he says.

“We’re in an interesting era, and our group will help Africa grow and perhaps catch up with the Western world. We’re helping globalisation become a reality.”



New ICT infrastructure commitments aim to increase digital services in rural areas of Zambia. Photo: ZPPA

VIEWPOINTS



**Through ICT, we will bridge the gap between the developed and developing world**

**Samson Longwe, MD,**  
Hai Telecommunications

Begun as a small ICT business in 2001, Hai Telecommunications is now one of Zambia’s leading telecoms providers, offering quality, superfast internet and interoffice connectivity and leading-edge solutions that meet the business and social needs of a wide range of home and corporate customers.



**With the new e-procurement system, any firm can participate in public tendering from the comfort of its offices**

**Danies K Chisenda, Director General,**  
Zambia Public Procurement Authority

ROAD DEVELOPMENT AGENCY

FROM LANDLOCKED TO LAND-LINKED

Zambia is in the heart of southern Africa, and the Road Development Agency is working to provide a world-class road network that will take connectivity within Zambia and the entire region to a whole new level. Good roads are the backbone of sustainable development.

Senanga Sesheke Road

Sioma Bridge

Mongu Kalabo bridge

Mongu Kalabo Road

[www.rda.org.zm](http://www.rda.org.zm)

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HQ, Government Road  
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AGRICULTURE

# Zambia’s green revolution

The mindset around Zambian agriculture has radically shifted. Once viewed as secondary to mining and the domain of humble subsistence farmers, the sector is now understood as having the potential to lift millions out of poverty, add billions to the economy, and feed the world’s growing population

By European standards, Zambia is massive. Of its total area of more than 750,000 square kilometres, approximately one-third of it is suitable for farming, according to UNESCO. That means Zambia’s arable land mass is bigger than the whole of the United Kingdom combined. At the moment, only one-sixth of it is under cultivation and only 3 per cent of that is irrigated. But the government’s ambitious plans for the sector mean that is all about to change.

Zambia’s green revolution aims to seize on the country’s massive untapped

potential. Although nearly 70 per cent of the labour force is already employed in the sector, through modernisation, expansion and value-chain addition, the government hopes agriculture will become an attractive career that has the potential to bring strong financial returns to workers and investors.

“Unless we change the majority of our farmers from using the rudimentary hoe and bending their backs for a lifetime, especially women farmers, we are not going to achieve the green revolution,” says Dora Siliya, Zambia’s former Minister of Agriculture who has recently taken up the portfolio of infor-

mation and broadcasting.

Mechanisation is one key element, and besides public support, Zambia is offering significant incentives to foreign partners who can provide productivity-boosting machinery. Likewise, major investments are planned and sought after to boost irrigation, improve the sector’s resilience to climate change, increase storage and enhance seed production. The government has also set aside one million hectares of farmland for investment, open to both Zambian and foreign investors.

“The African Development Bank says agribusiness in Africa will be

worth \$1 trillion in the next 30 years. What we are selling in Zambia is the opportunity to be a part of that \$1 trillion,” adds Ms Siliya.

Diversification is another pillar of the revolution. Zambia is already one of the world’s leading producers of non-GMO maize, but it is also encouraging farmers to boost the production of cotton, livestock, tobacco, wheat, sugar, coffee, cassava, sorghum, stevia, millet and many more new crops.

“We have the water, a good climate and huge pieces of fertile land that have not been developed and in many cases do not even require fertilizer. We are as



1. Tobacco crops.  
2. ZAFFICO workers at the Shiwang’andu Forest plantation, Zambia’s first commercial exotic forest plantation.  
3. Modern machinery adds efficiency to the 9,000 hectares of land at the plantation.  
4. President Lungu waters a tree during Shiwang’andu’s inauguration.  
Photos: ZAFFICO, Tobacco Board of Zambia

## When life gives you veggies, make biofuel

Biofuel in Zambia is a great example of how adding value to the country’s agricultural products can create a virtuous cycle of benefits

Although Zambia is stepping up efforts to secure new sources of energy, it remains an energy-importing nation. In 2015 and 2016, the country’s main energy company reported spending in excess of \$250 million on emergency power imports. At the same time, much of Zambia’s rural population does not have access to electricity, which is imperative for the country to modernise its agricultural sector. To help solve those problems, the Zambian government has revised its National Energy Policy to include biofuels.

“I realised that if I did something the world needs, I’d put myself in a stable financial position

Mutoba Ngoma, Founder, Tapera Industries

Biofuels can be made from agricultural leftovers or crops like soya beans, maize, jatropha and cassava, all of which are grown in Zambia. “Biofuels could ensure security of supply of fuel and contribute towards poverty alleviation,” states a UN report by agro-scientist Bernadette Lubozhya.

Investment opportunities are now being promoted abroad as a win-win solution for Zambian agriculture, and local entrepreneurs are already hard at work. One example is Mutoba Ngoma, who started a successful business by collecting leftover vegetable oil from local households and restaurants, turning it into thousands of litres of biodiesel, and then using the by-products to make organic glycerine soaps.

“I realised that if I did something the world needs, I’d put myself in a stable financial position,” he explained to local media.



1. Elevated honey production in a Zambian Miombo forest.  
2. Zambian honey is rich in flavonoids and free from chemicals and pollution due to the pristine condition of the forests.  
3. Kabule women’s beekeeping group in 2015.  
Photos: Ministry of Trade

## Zambian honey hits European shelves

High up the Miombo trees in the remote forests of north-western Zambia, bees are producing some of the world’s best organic honey. And now, its unique properties can be sampled in the UK

Zambian honey, which comes from the pollen of Miombo trees, has long been treasured locally for its medicinal properties. Today, it is also cherished as a powerful engine for local development.

“You can see a lot of passion from the government all the way down to

individual households about honey – it is Zambia’s gold,” explains Albert Halwampa, exports development director at the Zambia Development Agency (ZDA).

In 2014, the ZDA partnered with Finland to invest \$2 million in the sector. That funding was used to develop capacity and help companies comply with international standards. As a result, several businesses qualified for HACCP certification in 2016, which allowed them to start exporting honey to markets all over the world.

Critical to the enthusiasm surrounding honey are its financial returns for local populations. “Honey is a

“You can see the passion from the government and individual households about honey – it is Zambia’s gold

Albert Halwampa, Director, Exports Development, Zambia Development Agency

low-hanging fruit in terms of reducing poverty. If we increase investment in the honey subsector, we can improve the lives of many,” says Mr Halwampa.

INDUSTRY VOICES

## Sowing the seeds of change



“The current environment is very conducive to investment in the tobacco industry

Humphrey Elekani, Operations Manager, Tobacco Board of Zambia

The government’s encouragement of the green revolution is already being felt throughout the agricultural sector. The goals to boost production, modernise, and add value through processing mean entities ranging from equipment companies to industry regulators are simultaneously transforming to keep up with demand. Likewise, sights are now set beyond Zambia, as organisations forge new relationships with foreign investors and markets

### The Tobacco Board of Zambia

Tobacco is one of Zambia’s most profitable crops, and has become an integral part of the lives of the approximately 450,000 people employed in the sector. In 2017 Zambia produced upwards of 23,000 tonnes, only around 25 per cent less than the famous tobacco-producing country of Cuba. However, the Tobacco Board of Zambia, the industry’s regulator, has set an ambitious goal to roughly double production to between 50,000 and 60,000 tonnes

by 2020. This, says the Tobacco Board, would comprise an important step forward in the government’s agricultural diversification plans. At the same time, the Tobacco Board seeks to further add value to the crop by processing the tobacco nationally. To help these goals come to fruition, new investors and players are invited to get involved in the burgeoning sector, which has already secured its export market for 2018’s crop.



“Africa’s population is expected to double by 2050. Zambia has all the natural resources required to contribute to that increased food production

Ashok Oza, Managing Director, Saro Agro Industrial Ltd

### Saro Agro Industrial Ltd

Saro Agro Industrial manufactures farm equipment that echoes the growth and evolution of the Zambian agricultural industry. The company began in the mid-1980s, initially manufacturing small-scale agricultural devices, specialising in hammer mills for grinding maize. Later, it branched out into small-scale irrigation and then to importing commercial-scale farm equipment. Today, with over 300 employees, the family-run business has entered the next phase of manufacturing – creat-

ing and distributing pioneering conservation farming equipment in both Zambia and abroad. As the country ramps up for an agricultural boom while simultaneously aiming to mitigate the effects of climate change, the Ministry of Agriculture identified Saro Agro as a partner to develop farming techniques that conserve as much water and land as possible. “We were with them from the word ‘go’ and have developed equipment to meet those targets,” says Ashok Oza, the company’s managing director.

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## Sustaining rural livelihoods.

Tobacco is Zambia’s most profitable crop and a cornerstone of the country’s economic diversification. Already providing employment for around 450,000 Zambians, investors are invited to explore opportunities in the burgeoning sector as the country plans to double production by 2020.

Tobacco Board Zambia





ENERGY

# Changing climate triggers shift in Zambia’s energy strategy

Zambia’s energy sector is going through a period of electrifying transformation as the country aims to mitigate the effects of drought and become a regional energy hub

The great rivers flowing through Zambia, whose power is on display in the country’s stunning waterfalls, have long made hydroelectricity Zambia’s energy source of choice. Today, it accounts for nearly 97 per cent of the country’s energy. However, a lack of rainfall in 2015 and 2016 saw generation capacity fall by almost 50 per cent, a wakeup call that caused Zambia’s decision-makers to fundamentally rethink the country’s energy policy.

Today, the country is focused on diversifying and increasing its energy supply, not only to guarantee national energy security, but also to reach its goals of becoming the biggest exporter in the region.

“Eight countries surround us, and many of them face power deficits. It is a huge potential market,” says David Mabumba, Zambia’s former Energy Minister and now Minister of Education.

As the country revised its energy strategy, the first major move came in 2016, when the government made the



President Edgar Chagwa Lungu (centre) and ZESCO MD Victor Mundende during the river diversion ceremony at Kafue Gorge. Photo: Selim Henry

politically problematic decision to remove certain energy subsidies. Months later, the government formed a consensus to raise domestic and mining electricity tariffs. Prior to that, electricity in Zambia had been among the cheapest in the region.

“For us to create appetite for further investment in this sector, we needed a tariff that allowed all industry players to recover the cost of doing business

while making an attractive return on the investment,” says Victor Mundende, managing director of ZESCO, Zambia’s state-owned energy company.

In the wake of the new regulations, investments have started pouring in. Projects are now underway that will add renewable energy, thermal energy and more hydroelectricity to the grid. Nuclear energy is also being studied, and oil and gas exploration has begun,

after hydrocarbons were proven to be present in Zambia.

Solar has been dubbed particularly apt, and Zambia’s Scaling Solar project even set historically low cost benchmarks when France’s Neoen and US-based First Solar bid at \$0.06 per kilowatt hour in 2016. This became the lowest price for producing solar in Africa, and among the lowest in the world, according to the World Bank.

“Eight countries surround us, and many of them face power deficits. It is a huge potential market

David Mabumba, former Minister of Energy

Q & A

Victor Mundende  
MD, ZESCO

**ZESCO is Zambia’s state-owned power company, producing and distributing the majority of the country’s electricity.**

**What is your vision for improving Zambia’s power supply?**  
My desire is for us to become the regional hub by 2025 and consequently the biggest supplier and exporter of electricity in the region. The idea is to foster the integration of African utilities by building interconnecting lines that will encourage the sharing of valuable energy resources, while increasing electricity connection levels in Zambia and across the entire continent. This would reduce the potential risks caused by climatic factors, while increasing market share matched by increased revenues that would allow us to accelerate the pace of infrastructure development in the electricity industry.

“My desire is for us to become the regional hub by 2025 and the biggest supplier and exporter of electricity in the region

**What is the state of the Zambian electricity market?**

Zambia is going through a very rapid transformation, and energy is going to be a big part of the social-economic equation to facilitate this transformation. The economy is growing rapidly; we have a lot of new infrastructure projects; and new mines are also coming on board while production at old ones continues to grow. At the same time, we are also connecting close to 100,000 new domestic customers annually.

**What benefits can Zambia’s energy sector offer investors?**

Zambia offers a multitude of opportunities to invest in clean, renewable electricity and is part of the major economic blocs, SADC and COMESA. With more than half a billion people in Africa still without access to electricity, many opportunities exist.



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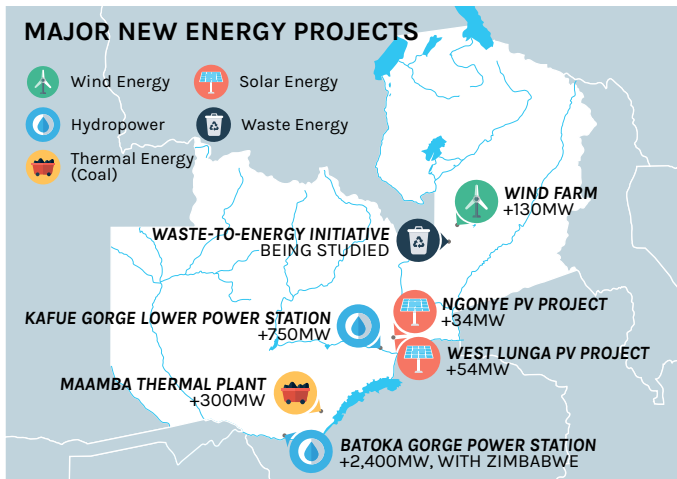
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MINING

## How to surf the waves of commodity prices



Top: Lubambe Copper Mine's operation on the Zambian Copperbelt. Bottom: A Mopani Copper Mines worker. Photos: ZCCM-IH

**A major dip in copper prices triggered a sea change in Zambia’s mining sector. Now rates have bounced back and the cornerstone of the Zambian economy has become more resilient than ever**

Zambia is Africa’s second largest producer of copper, with output expected to reach between 800,000 and 850,000 tonnes in 2017. But when copper prices experienced a sharp drop in 2015 and 2016, it hit Zambia’s economy hard – inflation grew, mining companies began to reduce cost structures, and the foreign exchange rate of the kwacha plummeted.

In response, the government engaged with the country’s large mining companies such as First Quantum, KCM and Mopani to devise win-win regulations, as well as tightening fiscal policy, mapping out further resources and crafting the Mineral Value Chain Monitoring Project to boost transparency.

Then in 2017, global events such as US infrastructure announcements, boosted Chinese economic growth, and the rise of the electric car helped the price of copper to soar from a low of below \$4,500 per tonne in 2016 to the February 2018 price of more than \$6,910. This meant a major boost for Zambia’s mining industry, which accounts for approximately 12 per cent of GDP. Today, copper production is reinforced, and Zambia is aiming to overtake the Democratic Republic of the Congo to become Africa’s largest producer.

But the lessons learned from the years of low copper prices also served to diversify the industry.

“The overdependence on copper mining resulted in vast unexplored and unexploited mineral wealth,” says Dr Pius C Kasolo, CEO of ZCCM Investments Holdings, a major mine investment holdings firm. “Considering the cyclical nature of the commodities market, the shift is now towards promoting exploration and exploitation of gemstones and other minerals.”

“The overdependence on copper mining resulted in vast unexplored and unexploited mineral wealth

Dr Pius C Kasolo, CEO, ZCCM Investments Holdings

New companies have started mining Zambian tin and manganese, and British firm Consolidated Nickel Mines has invested to reopen the Munal mine. Zambia is already a leading producer of cobalt, a by-product of copper and nickel mining, and the sector has seen significant new interest from the private sector as its prices skyrocket. The government is also promoting investment opportunities in precious metals, coal, hydrocarbons and uranium, as well as throughout the supply chain.

“It took First Quantum just four years from the time it entered in 2012 to become the biggest mine. The new investors coming are confident about what is going on in the country and the resources we are sitting on,” says Christopher Bwalya Yaluma, former Minister of Mines and Minerals Development and now Minister of Commerce.

Zambia has vast reserves of gemstones like tourmaline and aquamarine, and new licences have recently been granted. But emeralds are truly the country’s crown jewel. Zambian emeralds are of particularly high quality, due to high levels of chromium, and they account for around 40 per cent of the world’s supply. New methods of “paternity testing” for the gems have been developed so buyers can be sure that the emeralds they purchase are Zambian.



Gold processing at the Kansanshi mine. Photo: ZCCM-IH



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TOURISM

# Scenery fit for angels

**Marvelled upon by Dr Livingstone and now a 21st-century hub for adventure tourism, Zambia offers the wonders of Victoria Falls, majestic wildlife and a fascinating historical legacy**

When hearing that a friend or colleague is heading off for an unforgettable adventure holiday, one day people around the world will utter the words “Zambia, I presume”.

This is the wish of Zambia’s tourism authorities, who see enormous potential for growth without any need to compromise the country’s outstanding natural attributes. Chief among these are the Victoria Falls themselves, with the lion’s share of the 1.7-kilometre span falling on the Zambian side of the border with Zimbabwe.

David Livingstone, the Scottish explorer who, in 1855, became the first white man to see the falls, said that “scenes so lovely must have been gazed on by angels in their flight”. Now modern-day travellers can base themselves in the charming colonial city of Livingstone and view the Victoria Falls from a helicopter. “These rides have been nicknamed ‘flights of the angels,’” says Felix Chaila, CEO of Zambia Tourism Agency (ZTA).

Zambia still offers the traveller wondrous, timeless sights, but is now considerably easier to access than in Livingstone’s day thanks to its user-friendly e-Visa system and a major upgrade to the country’s main airports.

Zambia is a safe and welcoming country, explains Tourism Minister Charles Banda, where visitors can have the adventure of a lifetime, whether it be spotting elephants and lions on a

safari, bungee jumping or white-water rafting on the Zambezi. There are several other spectacular waterfalls in Zambia, including Lumangwe and Kundalila, the latter near the place where Dr Livingstone died.

Another demonstration of the historical links between Zambia and Europe is the surprising fact that World War One ended in Mbala, Zambia, on the shores of Lake Chila. “News of the Armistice did not reach the African front until November 14, when the Germans laid down their arms,” explains Peter Jones, ZTA’s chairman. Visitors can learn more about this history at Chambeshi Monument in northern Zambia, with 2018 marking exactly 100 years since the hostilities came to their end.

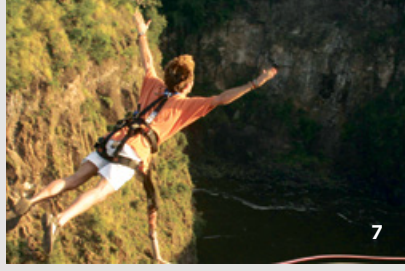
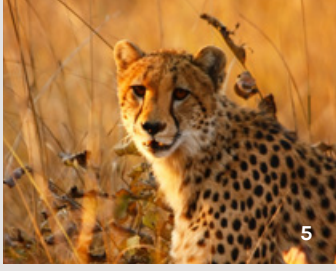
## Zambia has the potential to become one of the five top destinations in the world

Charles Banda,  
Minister of Tourism and Arts

History, wildlife and adventure are complemented by a growing specialisation in business tourism, according to Banda. “Zambia has the potential to become one of the five top destinations in the world,” he concludes.



1. Victoria Falls, the world’s largest curtain of falling water, is mostly in Zambia.  
2. The amazing Kuomboka ceremony.  
3. The luxurious Royal Zambezi Lodge.  
4. Devil’s Pool, Victoria Falls.  
5. A cheetah.  
6. Zambia offers an array of adventure holiday options, including white-water rafting.  
7. Bungee jumping.  
Photos: Francoise D’Elbee, Mukambi Safaris, Zambia Tourism Agency (ZTA)

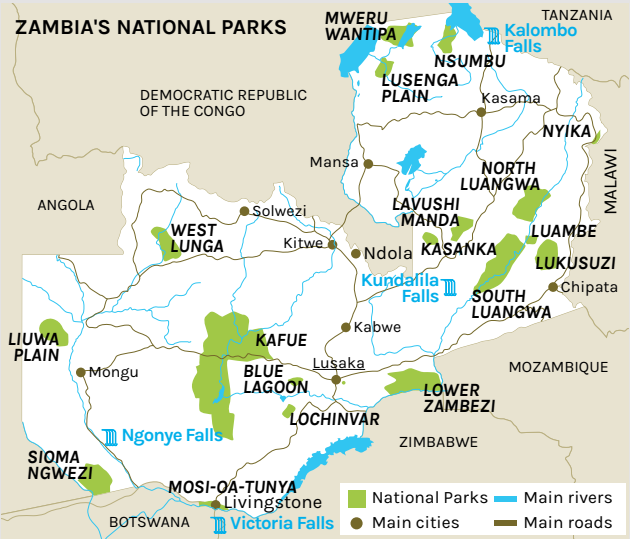


## Celebrating diversity

Zambia’s incredible amalgam of 72 tribes provides a dazzling array of ceremonies and celebration. The dance of the Nyau brotherhood features masks and costumes representing wild animals and spirits in a tradition known as Gule Wamkulu, recognised by UNESCO as part of humanity’s cultural heritage. Another event with UNESCO status is the Makishi masquerade, the initiation ritual of the Vaka Chiyama Cha Mukwamayayi communities in Zambia’s northwestern and western provinces. The spectacular Kuomboka ceremony comes at the end of the rainy season, celebrating the transfer of the Lozi people’s king from his compound in the Zambezi floodplain on to higher ground using vividly painted and decorated barges.



1. Likumbi Lya Mize ceremony.  
2. Gule Wamkulu.  
3. The Chakwela Makumbi ceremony.  
Photos: Francoise D’Elbee, ZTA



Clockwise from top left: Lower Zambezi NP. Kafue NP. Hippo watching with Shenton Safaris in South Luangwa NP. Checking up on some lion cubs. Photos: ZTA, Mukambi Safaris



## Game-changing conservation

**Thanks to conservation in its 20 national parks and 34 reserve areas, sparse human population and ample freshwater reserves, Zambia is teeming with stunning wildlife in wide-open wilderness**

The great news for safari lovers is that Zambia’s fabulous wildlife reserves are so extensive that tourists are not such a common species, making for a pure and unspoilt pursuit of the big five – lion, leopard, rhinoceros, elephant and Cape buffalo – and other magnificent animals like the cheetah.

Ecologist James Milanzi, regional operations manager-Anglophone of African Parks, points out that, at 22,400 square kilometres, Zambia’s Kafue National Park is slightly larger than South Africa’s renowned Kruger, and yet the former has 23 tour operators while the latter has 2,000. “Kaf-

ue is a sleeping giant. Eventually, it will be the park to go to; it’s a must-see,” he says.

While South Luangwa National Park remains Zambia’s jewel in the crown due to the density of its wildlife populations, Edjan van der Heide, director of Mukambi Safaris, also believes that in Kafue, Zambia offers “the real deal”. The reason is that there are no fences, the animals move freely and you can go all day on safari without seeing another vehicle. “We could triple the number of lodges here and you would not notice any difference.”

“The animals are relaxed and un-

disturbed in the presence of humans because of the good-quality guiding, which is a staple of Zambian tourism. We have very strict standards for training in Zambia and nearly all guides are indigenous,” explains Grant Cumings, owner of Chiawa Camp and Old Mondoro, two lodges located in the world’s first carbon-neutral national park, the Lower Zambezi.

30%

Proportion of Zambia’s territory reserved for wildlife

The true nature of the wilderness and absence of visitor saturation means tour operators can offer a tremendous variety of authentic experiences. “On the banks of the Zambezi River you can see the animals from a canoe, from a boat, a game ride vehicle, by foot, or while you are catch-

and-release fishing for tigerfish,” says Mr Cumings. “This country has something for everyone, from the very basic backpacker to air-conditioned safari lodges that serve champagne for breakfast.”

A successful fight against poaching now means Zambian parks again host both black and white rhinos, 20 years after the animals were declared extinct in the country. African Parks, which operates Bangweulu Wetlands and Liuwa Plain National Park, teaches local communities to run reserves for a sustainable future.

Thanks to this focus on conservation, the Liuwa Plain is again hosting Africa’s second-largest wildebeest migration after that of the Serengeti. But the largest migration of mammals on Earth is centred over Kasanka National Park, which between October and December each year is visited by 10 million giant straw-coloured fruit bats descending from forests in the Congo.

Q & A



**Felix Chaila**  
CEO, Zambia Tourism Agency (ZTA)

**ZTA is the Zambian government agency created to promote tourism, a key part of the government’s plan to diversify the country’s economy**

### Why choose Zambia as a tourism destination?

Zambia has many attributes and unique selling points that distinguish it from the rest of Africa. First of all, it is a peaceful country and Zambians have been dubbed the friendliest people in Africa. Then, of course, we have some of the most spectacular wildlife sanctuaries on Earth, which are mostly undisturbed and not over-commercialised, and we are home to the mighty Victoria Falls.

### Business tourism has been growing by leaps and bounds

#### How would you describe the state of Zambian tourism today?

This is a defining time because the government has come to realise the great opportunity tourism offers. It creates more jobs and gives investors a faster return on investment than any other sector. Tourism is an important opportunity to create employment for the most vulnerable rural populations because it is consumed where it’s produced. In this global tourism sector, where people are hungry to discover new destinations, we offer Zambia as the newly packaged destination in southern Africa.

#### Which niche tourism markets does Zambia target?

Business tourism has been growing by leaps and bounds since Zambia hosted the General Assembly of the UN World Tourism Organisation (UNWTO) in 2013. I call upon all conference organisers to consider Zambia because after business is wrapped up, there is so much for conference participants to do, from world-class shopping malls, city tourism and culture to sampling our touristic products such as safaris. Sport is another potential area for tourism. Zambia is a great football nation and has set up some excellent infrastructure for athletics.

## British traditions



The memorial to Livingstone at the place of his death: Chief Chitambo’s Village, Zambia.

**As a member of the Commonwealth, Zambia celebrates its British legacy and continuing connections between the nations**

The relationship between Zambia and Britain starts with explorer David Livingstone – perhaps best known for the “Dr Livingstone, I presume” greeting he was said to have received from fellow explorer Henry Morton Stanley when the two met before Stanley made his name on a mission to explore the Congo, partly funded by *The Daily Telegraph*.

### Our educational, political and legal systems mirror the British structure

Felix Chaila,  
CEO of Zambia Tourism Agency

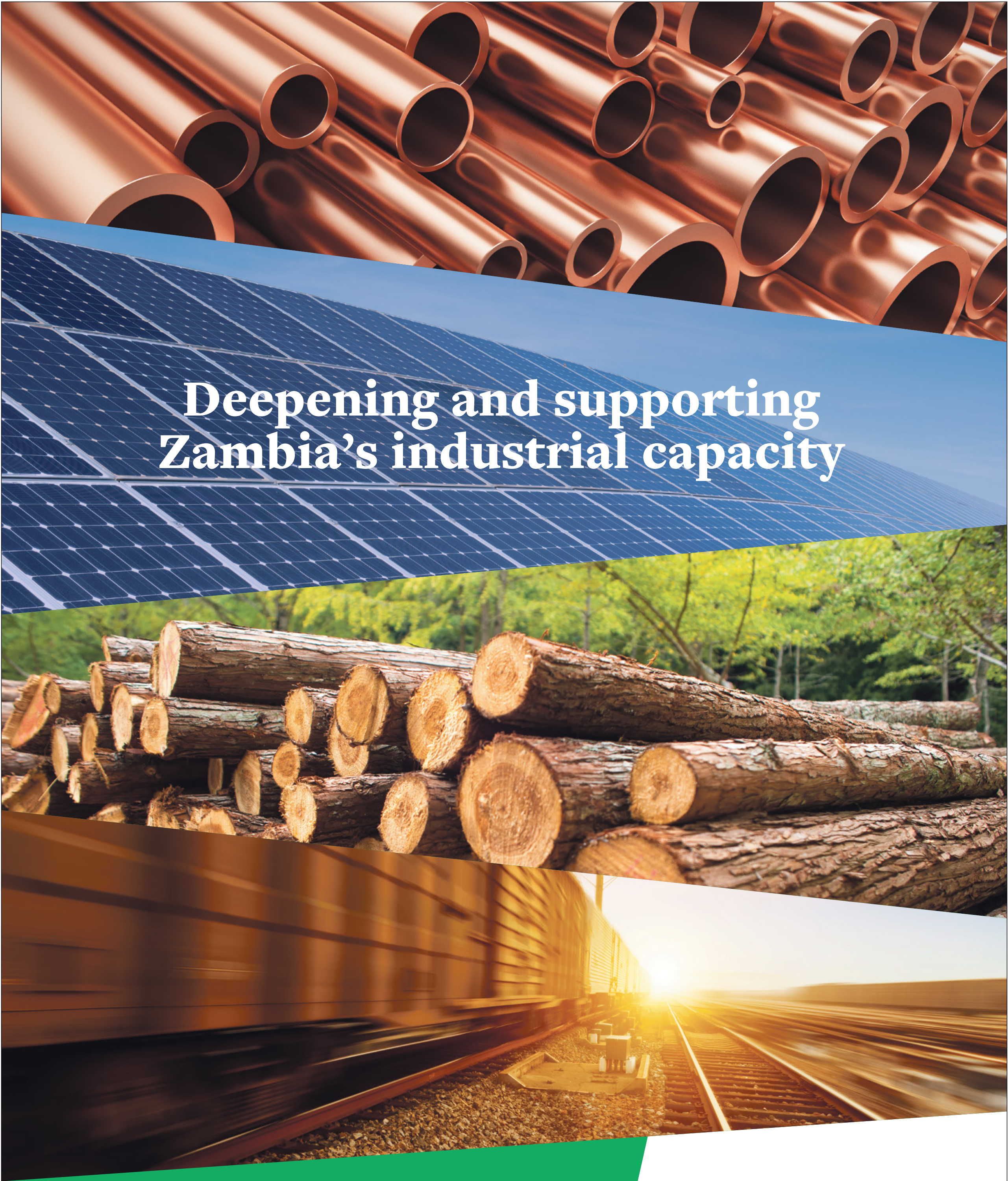
Following Livingstone’s explorations came colonists, and the future Zambia first took shape as Northern Rhodesia in 1911 before independence in 1964. The links remain strong. “Every Zambian speaks English because the education system was set up by the British. Our dress, our food, our houses and our traditions share similarities, and our political and legal systems mirror the British structure,” explains Felix Chaila, CEO of Zambia Tourism Agency. Some 60,000 UK tourists visit each year, some staying at safari lodges still run by British families.

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# Deepening and supporting Zambia’s industrial capacity

The Industrial Development Corporation (IDC) is a state-owned investment company with a mandate to strengthen Zambia’s industrialisation. It serves its role through evaluation, pricing and lowering the investment risk profile by acting as a co-investor alongside private sector investors. The IDC also facilitates long-term finance for projects while simultaneously serving as an investment holding company. It works in a broad range of sectors including agriculture, forestry, manufacturing, financial services, mining, energy, telecommunications, logistics, medical, education, tourism, real estate and media.

[www.idc.co.zm](http://www.idc.co.zm)



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