

Delays to announce Urea suppliers causing anxiety

The Association for Small Holder Farmers has challenged the Government to give an update on how far they have gone with sourcing Urea Fertilizer for the 2023/2024 Farmer Input Support Program – FISP...

...PAGE 13

Mopani loses \$25 million

The failure to source an investor to take over Mopani has caused a delay in recapitalizing the mine, resulting in a significant impact on the income and a loss of over \$12.9 million...

...PAGE 2

2023 national budget collapses

Editorial - When we asked the Finance Minister Dr. Situmbeko Musokotwane if he had a plan B to jumpstart Zambia's economy, he was emphatic that there is no need for another contingency plan. He and his team of mostly yes men and women insisted that getting an IMF Extended Credit Facility...

...PAGE 6

Gold reserves build up drags

The Gold reserve build-up has dragged following the Government's indecision to reopen the Kasenseli gold mine and some Challenges to purchasing gold from the Kansanshi mines. Zambia's cumulative refined gold reserves in monetary form as of July 2023, stand at...

...PAGE 10

15% FUEL HIKE SHOCKS ECONOMY



The continued increase in fuel prices has sent shockwaves through the economy, leaving many people struggling to adjust to the sudden rise in costs. The recent 15 percent fuel price hike is expected to further have a significant impact on low-income households, who may struggle to afford the increased costs of transportation and other goods that rely on fuel...

...PAGE 16

Inflationary pressure to persist - BOZ

The Bank of Zambia - BOZ - has projected that inflationary pressures are expected to persist over the forecast horizon with inflation projected to average 10.2 percent in 2023 and 9.3 percent in both 2024 and the first half of 2025 which is above the 6.8 percent target band...

...PAGE 14

Drop in copper production to hurt Kwacha

The copper production cut will result in a significant loss in export revenues given that Zambia relies on copper for about 75 percent of its export revenues.

Zambia's Copper production during the first half of 2023 declined by about 15 percent to 321, 778 metric tons from over 365, 042 metric...

...PAGE 8

Inflation hits 11%

The Annual inflation for August 2023 has enlarged to about 11 percent (10.8 percent) from 10.3 percent recorded in July 2023. The 10.8 rise in inflation is 2.8 percent above the top limit of the central bank's 6%-8% target range...

...PAGE 14

UPND risks serving one term

The Annual inflation for August 2023 has enlarged to 10.8 percent from 10.3 percent recorded in July 2023. The 10.8 rise in inflation is 2.8 percent above the top limit of the central bank's 6%-8% target range...

...PAGE 19

Zamstats inflation data questioned

Economist Yusuf Dodia has questioned the Zambia Statistics Agency ZAMSTATS on what parameters it is using to calculate the country's inflation rate as the current inflation does not equate to what is happening on the ground.

In an exclusive interview with the Zambian Business Times, Dodia expressed concern about the gap between the monetary policy rate and interest...

...PAGE 2

External influence tilted ZEMA decision to halt Lower Zambezi mining

Zambia Environmental Management Agency - ZEMA's decision to cancel the mining licenses in the lower Zambezi was not an independent one.

There are allegations that external pressure influenced the decision and that ZEMA did not have the full autonomy to make a fair and just decision...

...PAGE 9

ZBT

ZAMBIAN BUSINESS TIMES

ISSN 2523-2150

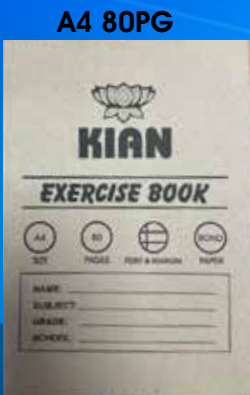
9 772523 216008



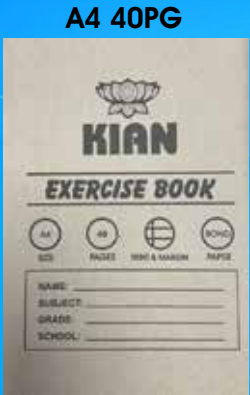
Stationery • Printing • Office Furniture



Wholesalers of Exercise Books



ST0331: A4 EXERCISE BOOK 80PG LINED (PURE WHITE BOND)
K10.00 EACH or **K250.00** (Pkt of 25 Books)



ST0330: A4 EXERCISE BOOK 40PG LINED (PURE WHITE BOND)
K5.00 EACH or **K250.00** (Pkt of 50 Books)



ST0342: A5 EXERCISE BOOKS 80PG LINED (PURE WHITE BOND)
K5.00 EACH or **K250.00** (Pkt of 50 Books)



ST0343: A5 EXERCISE BOOK 40PG LINED (PURE WHITE BOND)
K2.50 EACH or **K250.00** (Pkt of 100 Books)

Discounts Available On Bulk Purchases

South African firm contracted to export mealie meal

The Zambia National Service – ZNS - has contracted Pride Milling, a South African company to work with to export mealie meals to the Democratic Republic of Congo - DRC.

In a statement, Defence Minister Ambrose Lufuma said ZNS operating as Eagles Holdings, a registered company is working with a South African firm in exporting mealie meal to the DRC using South African maize.

Speaking to the *Zambian Business Times* – ZBT, ZNS Public Relations Officer Colonel Mulenga Nyoni, reiterated that the importation of mealie meals from South Africa was allowed to avoid jeopardizing the country’s food security.

Nyoni said it would make business safe to get maize from South Africa and perhaps have it milled there to get mealie meal straight from South Africa into the targeted country.

“If maize comes in from South Africa you will still insinuate that it is *Zambian* maize; so it is South African grain being milled in South Africa, and we are just importing from there straight on to DRC,” said Nyoni.

She noted that ZNS has private companies and that it is a company under ZNS that is trading in the exportation of mealie meals to DRC.

Nyoni said at the moment there are no such plans to supply the local market with the South African mealie meal, but the *Zambian* market under ZNS is being supplied using local mills.

“As you know we now have three plants where we are milling from, we have our plant in Monze with a capacity of 240 tons per day, we have a milling plant in Mpika with the same capacity, we have a milling plant here in Lusaka Silver-Rest area with a capacity of 40 tons,” said Nyoni. She added that recently ZNS started producing mealie meals in Chingola which makes 4 plants of producing mealie meals for the local market using *Zambian* maize.

When asked how much is being realized from the collaboration with Pride Milling Nyoni could not disclose saying she was in no capacity to do so.



Exciting News!!
The EIZ call Centre is now operational



Call us on 3333
MTN Toll Free You can also use Zamtel or Airtel

Terms and Conditions apply



ZAMSTATS inflation data questioned

Economist Yusuf Dodia has questioned the Zambia Statistics Agency ZAMSTATS on what parameters it is using to calculate the country’s inflation rate as the current inflation does not equate to what is happening on the ground.

In an exclusive interview with the *Zambian Business Times*, Dodia expressed concern about the gap between the monetary policy rate and interest rates. He said the monetary policy rate is at 10 percent and inflation is at 10.3 percent and yet interest rates at the banks are ranging from 24 to 25 percent. He said the inflation rate is not giving the true picture of what is prevailing on the ground. “Now what that this is telling you is

that the banks are very greedy by charging so much money, such high-interest rates for borrowing from them,” said Dodia.

Dodia noted that in many other countries, the parameters used to calculate inflation is the consumer pricing index which is the price of commodities bought every day such as sugar, cooking oil, bread, mealie meals, transport, and electricity among others. He said this is not been used in Zambia hence the need for ZAMSTAS to explain what it is using to determine the country’s inflation. Dodia said the inflation rate being mentioned of 10.3 percent is not the correct inflation, but that the actual inflation rate ranges from 20 to 23 percent which is why banks are

charging at 25 percent interest.

He noted that the value of the Monetary Policy Rate is to stabilise the banking sector which is a sector where all banks support each other. “So when one bank runs out of cash, it borrows from another bank, it is interbank lending, and the interbank lending is governed by the monetary policy rate, so when one bank borrows from another bank, they use the monetary policy rate as the interest they pay, they borrow, and they use that money to pay their customers,” said Dodia.

He explained that if a bank does not have cash, they will borrow from the other bank and the other bank needs to be very open

to assisting. He however noted that for a neighbouring bank to do so, they need assurance that when they lend it to a competitor, the rate is good enough for them. “So when it went up from 9.5 to 10 percent, it is just a cry from the banking sector to say it is too low, we need it to go up because the inflation rate in the country is not making it sensible for us to lend to each other at 9.5 percent,” said Dodia.

Dodia said the increase has an impact on the lending rates the banks have towards their customers, and borrowing money will result in an increased interest rate in addition to other monetary transactions due to the rise in the monetary policy rate. He said the overall impact is that it

becomes more expensive to do business as the consumer is the one to feel the adverse effects.

Dodia reiterated that it is not known what the inflation rate is because numbers are not adding up. “The parameters that are being used to gauge the inflation rate are not in line with what is going on the ground. You cannot say inflation is at 11 percent, and yet mealie meal has moved from K130 per bag two years ago to K270 today, That is a 100 percent increase in mealie meal, Your inflation rate should be 100 percent, not 11 percent” said Dodia. He is of the view that something is not right in the calculations.

BUY A PLOT



Take advantage of our exclusive promotion, secure your piece of land and enjoy huge savings
Limited 5 Acre Plots Available

5 Acre Plot Cash Sale

\$80,000
or Kwacha Equivalent

5 Acre Plot 12 Months
Payment Plan 20% Deposit

\$90,000
or Kwacha Equivalent

5 Acre Plot 15 Months
Payment Plan 25% Deposit

\$100,000
or Kwacha Equivalent

5 Acre Plot 18 Months
Payment Plan 30% Deposit

\$115,000
or Kwacha Equivalent

5 Acre Plot 24 Months
Payment Plan 35% Deposit

\$135,000
or Kwacha Equivalent

ABOUT US

Amavel Estate is a gated housing project being developed by the proprietors of **East Park Mall**.

It is located off Ngwerere road in Lusaka and is approximately 3 kilometers away from Bonanza Estate, 2 kilometers from Trident Prep School, 11 kilometers from Chaminuka Wildlife Estate and 10 Kilometers from Kenneth Kaunda International Airport.

ESTATE FEATURES

- Estate Club House with a beautiful water feature
- Green park area & sports facilities such as a tennis court & gymnasium
- Electricity provision in place
- Main estate gate & access road

Contact Us

Head Office
East Park Mall Centre Management

0776164284



AVIC fails to reveal the amount allocated to the 2.5km stretch in Ndola

Lusaka – Ndola Dual Carriage Way concessionaire has declined to state the amount that will be used on the 2.5-kilometer stretch reconstruction works from Jacaranda Mall to Skyways ZESCO Substation in Ndola.

On 28th February 2023, the Government Republic of Zambia (GRZ) signed a US\$650m, 25-year Public Private Partnership (PPP) Concession Agreement with Macro Oceans Investment Consortium (MOIC) to construct a 327km dual-carriageway between Lusaka and Ndola, one of the most important economic roads in the country. The PPP includes rehabilitation of the 45km Luanshya-Fisenge-Masangano road. Both roads have been in a deplorable state for years.

While the actual commencement of the reconstruction works of the Lusaka – Ndola Dual Carriage has been postponed to the next year 2024 and only some stretches are being done this

year, concerned citizens are questioning the amount that has been allocated to reconstruct this particular stretch (2.5-kilometer stretch reconstruction works from Jacaranda Mall to Skyways ZESCO Substation in Ndola) as no amount has been made public.

When contacted for a comment by the *Zambian Business Times-ZBT*, Macro Oceans Investment Consortium - MOIC said, declined to reveal the amount of money and the sources for this particular project.

“We don’t think it would be easy for us to give out that information I feel that’s confidential information for our company. They are just certain information we don’t give out easily.”

When told that the project is public, MOIC said, “Yes it’s a public road but that is why MOIC is working with the government, and if MOIC commu-

nicates with the government you as the media can get information from the government.”

Others have however alleged that the allocated amount is not being made public owing to the fact that the project has been overpriced as no amount has been declared even from the government and efforts to get these figures have proved futile.

When asked about these allegations, MOIC, however, said we are looking at it from the Zambian side, our Company cannot give any information pertaining to that, What I feel you want to hear is from the horse’s mouth but we as the horse can’t give that information and that is why we are saying work with what the Government has given you. Meanwhile, efforts to get the figures from both the Ministry of Housing and Urban Development and the Road Development Agency – RDA, have also proved difficult by press time.

Decision on fuel subsidies lies with Govt - ERB

The Energy Regulation Board ERB has said that subsidizing petroleum products will not serve the country well evidenced by the previous experience which resulted in the owing lots of money by government to petroleum companies.

Responding to a *Zambian Business Times –ZBT*, Query during the monthly fuel pump price review, on whether the board is considering subsidizing the petroleum product following complaints from the transportation sector and the general public at large following high prices, ERB Board Chairperson Reynolds Bowa stated that the Energy

Regulation Board ERB does not decide whether or not there will be a subsidy on petroleum products, but is the preview of the government.

He did however mention that the country has travelled that route before and it did not serve the country very well. “As we speak now there are still amounts in the hundreds of millions of dollars owing to suppliers of petroleum products arising from previous subsidy arrangements. It will not serve us well to take that road again” said Bowa.

He therefore noted that as a people it is accepted that the full and

fair price of petroleum products should be paid.

“What we should do however is to ensure that the procurement of these products is done in as efficient a manner as possible so that the people are not paying anything more than is necessary to deliver that product,” said Bowa.

He said this is the path that is currently being followed and expressed security that the government consistently reviews this position to ensure that the people are served as well as they can.



Ex-NAPSA Director dies in a car crash

One of the directors who was recently separated from Zambia’s pension behemoth NAPSA has died in unclear circumstances in a car crash.

Mwewa Kyamulanda who was Director of Investments at NAPSA is reported to have been involved in a fatal car crash, a person close to the deceased told the *Zambian Business Times - ZBT*. He was recently separated from

NAPSA which was in the news and another five directors were recently separated in the last one month.

Kyamulanda joined NAPSA from Zambia State Insurance Corporation - Life (ZSIC - Life) where he worked as Director of Investments. Prior to that, he held various positions within the Banking sector at Investrust Bank, First Alliance Bank, and

Access Bank in Zambia.

He was a holder of a Master of Science Degree in Economics and Finance from the University of Lusaka, a Bachelor of Arts Degree in Economics (with a minor in Statistics) from the University of Zambia, and a range of professional certifications including the ACI Dealing Certificate.

Zambia post trade surplus

The Zambia Statistical Agency – ZamStats – has disclosed that Zambia recorded a trade surplus of K2.3 billion in July 2023 compared to a surplus of K0.9 billion in June 2023 on account of increased export earnings.

Speaking in Lusaka during the monthly bulletin dissemination attended by the *Zambian Business Times – ZBT*, Statistician-General Mulenga Musepa explained that exports mainly comprising domestically produced goods, increased by 5.0 percent to K17.5 billion in July 2023 from K16.6 billion in June 2023.

He said this was mainly on account of 5.0 and 40.8 percent in-

creases in export earnings from Intermediate goods and Capital goods, respectively

A trade surplus indicates that the country is exporting more goods than it is importing, which can boost the country’s economy by increasing domestic production and employment. A trade surplus is a positive development for a country’s economy as it can help to improve a country’s trade balance and reduce its dependence on foreign aid.

Statistician-General Mulenga Musepa said imports decreased by 3.8 percent to K15.1 billion in July 2023 from K15.7 billion in June 2023. “This was mainly a result of 6.9, 0.5, 8.4, and 0.4 percent decreases in import bills

of Raw materials, Intermediate goods, Consumer goods, and Capital goods, respectively”

He added that “Traditional Exports (TE’s) earnings increased by 5.3 percent to K11.3 billion in July 2023 from K10.7 billion in June 2023. In terms of share in total exports, TEs accounted for 64.6 percent during the month under review.”

“Non-Traditional Exports (NTEs) earnings increased by 4.6 percent to K6.2 billion in July 2023 from K5.9 billion in June 2023. In terms of share in total exports, NTEs accounted for 35.4 percent in July 2023.” Meanwhile, Export earnings from refined copper in July 2023 increased by 5.4 percent to

K11.2 billion from K10.6 billion in June 2023. Copper export volumes during the month of July 2023 increased by 11.1 percent to 73.6 thousand metric tons from 66.3 thousand metric tons in June 2023.

Further, copper prices on the London Metal Exchange – LME - market for the corresponding months increased by 0.7 percent to US\$8,445.3 per metric ton in July 2023 from US\$8,386.2 per metric ton in June 2023

The cumulative volume of refined copper exported from January to July 2023 was 457.9 thousand metric tons while that of 2022 for the same period was 522.6 thousand metric tons representing a 12.4 percent decrease





**ZAMBEZI
STEEL**

Strength. Quality. Integrity.

ZAMDeK[®]™

COMPOSITE DECKING

The versatility and wide-ranging functions of this unique formwork system are a result of using the highest strength grades of steel and thicknesses for the permanent decking and an advanced design that lets ZamDeck[®]™ panels be supplied in any lengths up to 13m. When produced with the web indentation configuration, the concrete volume and slab weight can be significantly reduced. Also, shear studs can be installed during the fabrication of the structural steel to reduce site costs and installation time.

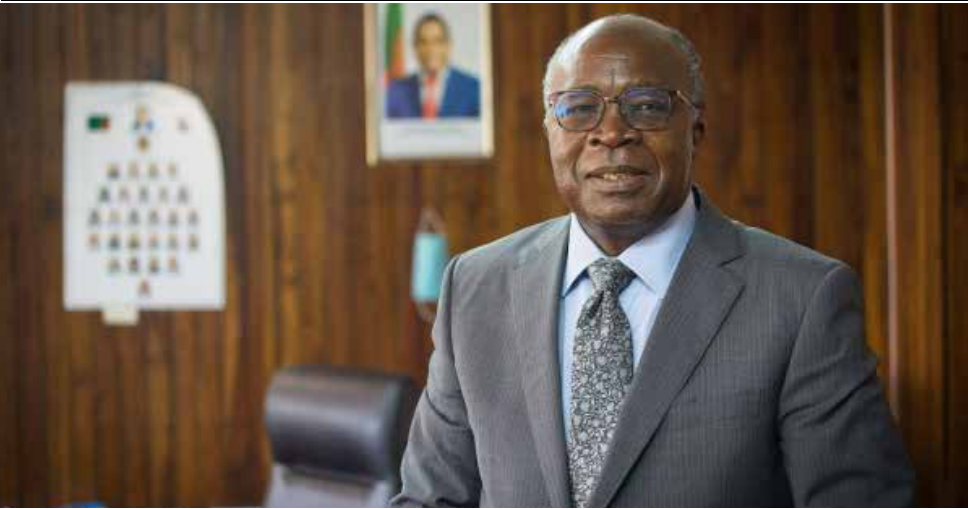
CONTACT:

0764 752 020 / 0964 291 989
0769 939 396 / 0769939 387
0769 393 388 / 0769 939 398

LOCATION

Plot 7438
Katanga Road
Light Industrial Area
Lusaka

Sales@zambezi-roofing.com



Musokotwane’s 2023 budget collapses - GDP growth target slashed from 4.8% to 2.7%

Editorial - When we asked the Finance Minister Dr. Situmbeko Musokotwane if he had a plan B to jumpstart Zambia’s economy, he was emphatic that there is no need for another contingency plan.

He and his team of mostly yes men and women insisted that getting an IMF Extended Credit Facility - ECF as well as getting the debt restructured would be a silver bullet that would immediately turn around the fortunes of the Zambian economy and its youthful population.

For those who physically attended or even virtually followed the 2023 first half or midyear economic review, the body language of even the IMF and World Bank country representatives, let alone the Zambian economic management authorities was sober, there was less optimism with an atmosphere almost akin those attending a funeral.

Later on, it was clear why the mood was sober, the combined local economic management team and their preferred financiers in IMF and the World Bank delivered perhaps the biggest blow to Zambians, that they have now slashed the GDP growth target from the modest 4.8% to 2.7% for 2023.

This is under the well-known backdrop that Zambia needs an annual GDP growth rate of at least 7% to deliver some meaningful development to the expectant population.

Anyone who understands the Gross Domestic Product - GDP growth rate and its relationship to the population growth rate appreciates that if the GDP growth rate is less than the population growth rate (in Zambia population growth rate is about 3.3%), the overall economy at both national and household level (per Capita GDP) is actually contracting.

For the Zambian Business Times - ZBT, our last headline in the

20 August 2023 newspaper edition, we informed the nation that Zambia’s copper production had shrunk by a further 15% for the first half of 2023. This decline is as significant as copper accounts for over 70% of total national exports. Of course, we are cognizant that there is a strong possibility of both production and export under-declarations as well as low enforcement to explain this drop.

It was rather surprising to later hear Dr. Musokotwane blame the failure to hit his initially set GDP growth target of 4.8% for 2023 on reduced copper production for the first half. This is the same minister who had announced that Zambia was aiming to expand production to 3 million tons by 2031.

But the Minister of Finance should take full responsibility that copper production and in turn government revenue kept dropping for the last two years even from the existing mines partly because of the hefty incentives and tax breaks in mineral royalty tax deduction he extended even for the few mines (FQM & Lumwana) that were paying the much needed mine taxes.

Moreover, it’s the government’s own appointed negotiating teams, their own ministers of mines, and finance that are responsible for driving the pace and way forward for both Mopani and KCM. So, they have to take the blame themselves because it’s now two years of endless negotiations, with no time limits or resolutions being set.

One would ask why we are saying that the 2023 budget has collapsed, it’s simply because the GDP growth target is the overarching target that encompasses all the fiscal and monetary endeavors. And what budget credibility can you talk about if you slash your GDP target by almost half in a single year?

And the reasons advanced for this failure could have been

acceptable if it was due to unforeseen and earth-shaking pandemics like COVID, but no, the blaming of reduced copper production which is also under their control is nothing but an excuse for incompetent economic management and an attempt to keep their jobs even when time is running out. At this rate, Zambia will reach 2026 and as we have seen with his predecessors, President Hakainde Hichilema as Head of State, who is subjected to electoral assessment will end up taking the blame.

From what we can glean from the markets, the complaints of “no money in circulation” have returned with more potency exacerbated by increased mealie-meal prices. It seems the NAPSA 20% partial withdrawal by pensioners and its injection into the local economy is slowly drying up.

If nothing is done to inject in some new blood and fresh ideas in the current economic management team, with the current failure to come up with plan B’s to support the growth and sustainability of local businesses, if nothing urgent is done to create jobs for majority youths whose desperation is on the upswing, we can project that the country risks crashing it’s economy.

It may not be news you want to hear, but the bottom line is that the cost of living is now beyond the majority of Zambian citizens, The cost of mealie meals has reached levels that low-income earners - who are the majority - cannot afford, and local business are not being adequately supported.

The above combination of economic challenges calls for sober reflection and a transformational approach, otherwise, the IMF and Worldbank who have loaded serious “concessional” loans to the Zambian government in the past two years will be the only ones smiling while the population contends with harsh economic realities on the ground.

ERB explains why diesel price is still high despite the use of the pipeline

The Energy Regulation Board (ERB), has explained why the price of diesel is still almost the same as of petrol even when diesel is transported via the pipeline, which makes it cheaper to transport.

There have been some public concerns indicating that despite the use of the pipeline to transport diesel, prices are still almost the same as those of petrol which is transported by the road.

The expectation is that diesel prices could be much lower than that of petrol as it is cheaper to transport the commodity by the pipeline than the road.

Responding to the Zambian Business Times on why diesel has resisted to reduce further despite the use of the pipeline, ERB Board Chairperson, Reynolds Bowa, explained that this is because the price of diesel is higher

than petrol at the source.

Bowa also disclosed that although the international price for petrol is cheaper than diesel, diesel on the international market is much more expensive than petrol by about an order of 10 to 15 percent difference in price. “Despite the fact that diesel is much more expensive at source, it is significantly cheaper here than petrol due to pipeline transportation.”



Youths defrauded of millions through non refundable application fee ‘scam’

It’s debatable but it has all the hallmarks of a scam, the way tertiary institutions, even government owned ones are taking advantage of youths desperation to demand for non-refundable application fees are on the rise. Watching the national public TV main news, its amazing to observe the increasing number of tertiary learning institutions advertising on prime time soliciting or inviting youths to apply for certificate, diploma and degree courses but require an upfront non-refundable application fee.

The application forms are being printed on two A4 size papers, an exercise that at most costs about K10, but the forms are being sold to youths and school leavers at K200 or more. Even the argument that it’s cost of reviewing these applications simply fails to justify the aggressive encouragement for more people who don’t qualify to apply.

One of the recurring themes that is accompanying these prime time adverts from mostly nursing, teaching and the like institutions is the requirements to deposit K200 application fees to unsuspecting youths before they can obtain an application form. The other indication that unsuspecting youths are being lured and made to pay for application forms for courses that they don’t stand a chance to get in is that the qualification criteria being advertised seems to have

been massively lowered to an extent that almost anyone who has completed secondary school with 5 O-level meets the criteria to apply.

There is definitely something wrong in asking almost all youths at a national level that are desperate for getting tertiary training to apply when the respective institutions have an idea of the numbers and historically established entry levels in terms of grades required.

Imagine that Zambia is today having over 200,000 completing grade 12 on an annual basis, so if these institution that are advertised aggressively get even 50,000 application @K200, they rake in about K10 million even before offering any educational service. Some can argue that no law is being broken, that institutions are free to charge for job and college or university applications upfront and the fees paid are non refundable

But the issue here is not only the legality, but that of good governance and social responsibility that these institutions have to the wider Zambian citizens. Is it good corporate governance or morally right in times like these with a high cost of livings for these institutions to deliberately lower qualification requirements just to drive up the number of payments and use this as a major fundraising venture or “scam”? Is it right not to refund these

application fees for prospective students from poor families, some of whom go to great lengths to fundraise and only for them to lose out and require more funds to apply to other colleges or tertiary institutions?

How about the Ministries of Education and Health, which are the mostly mass trained professions, shouldn’t they provide guidance on advertising, fees charged for application forms etc to avoid defrauding unsuspecting youths who are desperate especially with the current high cost of living and steep unemployment levels?

How about consumer protection laws, are they not being simply ignored with impunity? should we as a society not protect the poor and vulnerable from being exploited or made to lose their meager resources from such a vicious system that does not offer refunds?

PS What is shocking is that even government departments and agencies have gotten in into this “scam” through requiring an upfront non-refundable tender fee, let alone some well known private companies.

What is happening to boards that are ignoring these environmental, Social and Governance issues? These are serious contingent liabilities that can take down an entire institution or company...

Inflation hits 11%

The Annual inflation for August 2023 has enlarged to about 11 percent (10.8 percent) from 10.3 percent recorded in July 2023. The 10.8 rise in inflation is 2.8 percent above the top limit of the central bank’s 6%-8% target range

Zambia’s 10.8% inflation increase has been attributed to several factors. One of the major factors is the depreciation of the Zambian currency, which has led to an increase in the cost of imported goods and also to the continued increase in pricing of essential goods such as mealie meals among others.

The country’s high debt levels and the government’s fiscal policies have also played a huge role in the inflation increase.

According to official statistics however, the upward pressure came from both food 12.6% from 12.1% in July while non-food products quickened to 8.5% compared to 7.8% in July 2023.

Speaking in Lusaka during the

monthly bulletin dissemination attended by the Zambian Business Times – ZBT, Zambia Statistics Agency - ZAMSTAT Statistician-General Mulenga Musepa disclosed that of the overall 10.8 percent annual inflation, the Food and Non-alcoholic beverages group contributed 7.2 percentage points, while the Non-food group accounted for 3.6 percentage points.

“This means that on average, prices of goods and services increased by 10.8 percent between August 2022 and August 2023. This development was mainly attributed to price movements of selected food and non-food items. Annual food inflation for August 2023 was 12.6 percent compared to 12.1 percent in the previous month. This means on average prices of food items increased by 12.6 percent between August 2022 and August 2023. This outturn was mainly attributed to price movements in Cereals such as (Breakfast and roller meal, Maize grain, Cassava meal); Meat, Milk, Cheese, and Eggs.” Remarkd Musepa.

The acceleration of Zambia’s inflation rate to 10.8% will have several negative effects on the already struggling economy as it is likely to lead to a decrease in purchasing power as prices of goods and services increase which would in turn lead to a decrease in consumer spending and a slowdown in economic activity. This will be particularly challenging for low-income households who may struggle to afford basic necessities

The high inflation rate may also affect foreign investment which is likely to decrease as investors become wary of investing in a country with a volatile economy, as they may be concerned about the stability of the country’s economy.

It is important for the Zambian government to take steps to address inflation and ensure that the economy is stable and sustainable over the long term as the 10.8 percent increase is hitting hard on low-income households.



Cost of doing business to increase

Economist Naylor Kopakopa said that the increase in the monetary policy rate will only raise the cost of doing business, especially for Small and Medium Enterprises SMEs as half a percentage increase will is not enough to discourage borrowing.

Speaking to the Zambian Business Times – ZBT – in an exclusive interview, Kopakopa said it will be difficult for Small and Medium Enterprises SMEs to thrive because there is not much cash flow in the economy and the rate of half a percent is not high enough to discourage borrowers in a developing economy, but all it does is increase the cost of business because borrowers will increase the price of goods and services that they will be producing using the borrowed funds.

He said to discourage borrowing in developing economies, the in-

crease should be at least 10 percent. He said increasing by a half percentage will not discourage borrowing, but the cost of money will be taken to the consumers. “If they are manufacturing, they will increase the prices of the things they sell, defeating the whole purpose of trying to reduce the inflation because the money that is being used to produce the services and goods is expensive,” said Kopakopa.

He said the Bank of Zambia has limited tools in which to intervene and is trying to do what banks in Europe do, but noted that people in countries like Europe and America are sensitive to financial information hence when the policy rate is increased by a half percent, they stop borrowing. He however noted that this is difficult in developing countries. “You have a choice to stop borrowing because there is

an increase of 10 percent in interest rates or have your business die because the sources of funds are not there. So clearly this increase in the rate is not helping them achieve what they want to achieve” said Kopakopa.

Kopakopa further added that “if you follow the Bank of Zambia Governor in his announcement, this quarter he would say ‘we want to suck the money out of the economy by increasing the monetary policy rate’. Next time when he announces he will tell you that the amount of credit has increased even when in the previous quarter the monetary policy”.

He said increasing the monetary policy is not sucking money out of the economy, but all that is been done is increasing the cost of doing business which increases the inflation rate.



Even Interest rates to shoot up

The Association of Micro Institutions in Zambia – AMIZ - has said that it is likely that interest rates will increase following the rise in the monetary policy rate by the Central Bank.

Speaking to the Zambian Business Times, AMIZ Executive Director Webster Mate said the increase in interest rates will depend on how each institution in the market will respond current policy rate.

He said the objective is to dampen demand for goods and services so that the inflationary

spiral that was beginning to rise according to the central bank may be slowed down.

“Even when it comes to money as a commodity, when the interest rate goes up and somebody wanted to borrow 5,000, what is going to happen is maybe they will borrow three thousand,” said Mate.

Mate explained that when the cost of input has gone up, businesses will also adjust the price of their products because the input cost will have gone up hence raising the price of their products

as they supply the market to cover up the increase in cost.

He noted that the financial service providers in this case are the financial institutions who raise their interest rates. ‘Yes the sentiment or the perception is that rates are high in this market, but unfortunately, that is what tends to happen in markets, when the input cost goes up, the price of the product or the service also goes up” said Mate.

He noted that from the political side, the government through President Hakainde Hichilema

has on numerous occasions been calling on banks and other financial service providers to begin to lower their rates because the current rates are quite high. “But there are several factors here because if the Bank of Zambia does not make the decision that they have made, or if they delay I, the impact on the economy could be worse. Most of these are short-term measures because their long-term goal is to keep in what they call their band of 6 to 8 percent, that is the end objective which may be achieved in 12 months, 18 months, or even 24 months from now” said Mate.

Mate gave a scenario from the Western world saying that when there were claims that the reserve bank in the US was delaying hiking interest rates, it came to a point when they were continuously hiking interest rates until they got hold of the inflation spiral. He said the Central Bank would also not want to delay because the impact on the economy could be worse.

Mate noted that there is an appeal that rates have been high too long and should begin to come down, but said that there needs to be a workable solution. “We had

an interest rate cap from 2013 to 2015 when rates were low and that did not help because those who were providing the service could not cover their cost, they were choked and some of them closed down. Others opted to surrender their Bank of Zambia licenses and operate as money lenders to void the capped interest rates” said Mate.

He said it is a debate that needs to be seriously addressed and find solutions that will be helpful to the economy going forward.

High cost of lending a result of increased monetary policy - BAZ

Bankers Association of Zambia (BAZ) has said the banking industry is aware of the views of the general public regarding the high cost of lending. BAZ president Leonard Mwanza said there is a need to understand that interest rates are a mirror of the economy and all the macroeconomic issues. “For instance when you have double-digit inflation as we are now in, you have a double-digit monetary policy rate that affects generally the pricing in terms of the ultimate cost of lending to a customer. Yes we do understand that there is general complaint around interest rates, and we are hopeful that in the long term, there will be re-pricing of these loans to reflect what the economy will look like shortly” said Mwanza.

Mwanza said the banks are merely reacting to a decision that was made by the Central Bank, and that lending rates in Zambia are directly linked to the monetary policy rate. He said with the upward adjustment, there is an automatic adjustment in interest

rates. He noted that interest rates were averaging around 25.7 percent across the industry, and with the upward adjustment they are expected to average above 26 percent. “The discussion around the high cost of interest rates is a long story, the monetary policy rate is just one leg of it, perhaps what we should be focussing on for now is that the market lending rates are tied to the monetary policy rate and whenever there is an adjustment you expect that there is an equal adjustment in lending rates,” said Mwanza.

He said as the economy unwinds there should be reflections of the ideal cost of funds in the market. “I know the language is that it is high, but sometimes we should also be mindful and a bit cautious that how low we want to go when we say interest rates are low,” said Mwanza.

He said there are debates about board rates being around 4 to 6 percent and lending rates being

at 25 percent hence Banks have a huge spread around what they pay clients and what they earn. “We have a structural issue here. If we are to interrogate the way our market is structured in terms of the deposit structure, you will realize that the deposit structure where interest rates are lower are those deposits which are usually below K20, 000, and when you sum up those savings in that band, you find that they only contribute 10 percent of the total deposits in the market,” said Mwanza.

He said comparing 10 percent of the savings in interest rates given out against a loan book which is far much higher than the quantum of the deposits attracting those rates that the market tends to refer to. He also mentioned the other cost of funds which is the money coming from pension houses that do not come to Banks at a cheaper price, but come benchmarked with the Treasury bill rates.



Drop in Copper production to hurt Kwacha

The copper production cut will result in a significant loss in export revenues given that Zambia relies on copper for about 75 percent of its export revenues.

Zambia’s Copper production during the first half of 2023 declined by about 15 percent to 321, 778 metric tons from over 365, 042 metric tons produced within the same period in the previous year of 2022. According to a consolidated copper production report obtained by the *Zambian Business Times –ZBT*, copper production folf-year stood at 365, 042 metric tonnes which has now dropped to 321, 778 metric tonnes in the year 2023.

Copper production under the New Dawn government has continued to decrease a situation that calls for urgent attention to address the issue and get produc-

tion back up to previous levels as soon as possible as the decrease has had serious implications on the economy, as copper is such an important commodity.

Economist Trevor Hambayi notes that the country is still in a position where 70 percent of its export revenue is being generated from the export of copper, hence any particular reduction in the production of copper reduces that revenue. He added that that a lot of the revenue generated from the mining sector is not coming back into the country which has put pressure on the exchange market.

Hambayi said this may result in an exchange rate deficit as more products are being imported than what is being exported.

“There is no sufficient hard currency to meet the imports thereby needing more revenue to

import than the revenue being generated from exports leading to an exchange rate deficit.”

“When we have this exchange rate deficit, then there is a higher demand on the exchange rate on the hard currency which increases the exchange rate because there is more demand than supply so the price goes up for the exchange rate,” said Hambayi.

He said the increase in the exchange rate will also reflect in the price of goods and services resulting in a high cost of living. Hambayi said the only factor that deals with this situation in the exchange rate is Gross Domestic Product GDP growth reaching a point where the country is producing to a level of starting to export more than importing which has to be diversified outside the mining sector.



Delays to announce Urea suppliers causing anxiety

The Association for Small Holder Farmers has challenged the Government to give an update on how far they have gone with sourcing Urea Fertilizer for the 2023/2024 Farmer Input Support Program – FISP.

Speaking to the *Zambian Business Times Newspaper*, Association President Dr. Frank Kayula said further delays in sourcing for the commodity are likely to further affect production for the coming farming season as distributions to farmers will also be delayed.

Dr. Kayula said no farmer has received Both D Compound and Urea Fertilizer under the Farmer Input Support Programmer

FISP. “I have not heard of a farmer who has received D yet, how will they receive Urea when we hear only one company has confessed that the Urea is at the seaport,” said Kayula. It is not yet in Zambia except for others who may be buying directly from locals noting that the government is supplying through the national suppliers.

He explained that in FISP, D compound will be supplied as basal dressing and that as far as they know, it has not been distributed as it has not been heard from farmers. “When it comes to Urea which is top dressing, as far as we know, the first consignment is that for Alpha which

is now at some ports in Africa according to what they are saying’ said Kayula. He noted that it may take approximately two weeks to be in Zambia.

Kayula also mentioned that after the cancellation of the tender on Urea, it has not been heard as to whether Alpha is one of those who will receive it. “We do not know who is on the tender right now, I am not aware, I could have given you what I know, and what I know is that it is not yet announced who is on tender, but we know that Alpha may be one of them as usual,” said Kayula. He said Alpha is likely to be the first to bring Urea which is at the ports where Zambia gets it. He added that

United Capital Fertilizer may start producing Urea which may not have started already.

Kayula said Urea is still in the pipeline and still a dream to be with the farmers. He said it is not quite late for farmers to receive the commodity, but would prefer that all the fertilizers be in the hands of the farmers by the end of September so that they have the fertilizer by October. “So far we can say Urea we are not late, D is already in the districts, it is a matter of calling farmers those that have successfully applied to go and collect from the depot, but Urea is not yet in,” said Kayula.



Delays to recapitalize Mopani cost \$25m in H1

The failure to source an investor to take over Mopani has caused a delay in recapitalizing the mine, resulting in a significant impact on the income and a loss of over \$25 million. Copper Production output at Mopani Copper Mines Plc a multi-faceted mining investment with operations in Kitwe and Mufulira districts of the Copperbelt Province, has continued dropping due to operational challenges caused by lack of investment.

According to the consolidated 2023 half-year mineral report obtained by the *Zambian Business Times – ZBT*, copper output at Mopani has decreased by about 15 percent from about 20,000 metric tons produced in the first half-year of 2022 to about 17,000 in the first half of 2023.

At a time when copper prices are at about \$8,359 per ton, the mine has lost over \$25 million in the first half-year of 2023. This is troubling for the local economy and the workers who depend on the mine for their livelihoods. Stakeholders are hopeful that the company will find a way to turn things around

and continue providing valuable resources to the world while supporting its employees and the communities they operate in. The decrease in Mopani copper output has been a cause for concern in the copper mining industry. Many experts attribute the decline to a combination of factors, including delay in recapitalizing the mine, declining ore quality, aging infrastructure, and labor disputes.

The hope is that with suitable investments and strategies, Mopani copper output can once again reach its former levels and contribute to the growth of the Zambian economy.

It has been reported that Mopani Copper Mines needs \$300 million to recapitalize the company. This news has caused concern among employees and stakeholders alike, as the future of the company remains uncertain. It is hoped that a solution can be found quickly to ensure the stability and success of Mopani going forward.

Although so many pledges have been made by the current Mines

and Minerals Development Minister Paul Kabuswe to timely source for an investor who will take over operations of Mopani, no conclusive statement has been made with regards to the way forward of the Mine.

Although the Minister’s promises have been welcomed by many in the community and the country, who see Mopani as a vital source of jobs and economic growth, stakeholders have been eagerly waiting for such promises to be implemented which they feel has taken longer than expected.

The delay to recapitalize the mine has also led to a decrease in government revenue, which has further strained the already struggling economy. It is a difficult situation, and many are hoping that a solution can be found soon to help alleviate the economic challenges facing the country.

The delay in recapitalizing the mine has decreased government revenue, further straining the struggling economy. An urgent solution is however needed to alleviate economic challenges.



External influence tilted ZEMA’s decision to halt Lower Zambezi mining – MP

Zambia Environmental Management Agency - ZEMA’s decision to cancel the mining licenses in the lower Zambezi was not an independent one.

There are allegations that external pressure influenced the decision and that ZEMA did not have the full autonomy to make a fair and just decision.

The cancellation of the mining licenses has caused a stir, with many questioning the motives behind the decision.

Feira Member of Parliament Emmanuel Tembo said there seems to be a lot of pressure coming from outside sources to halt mining in that area, and I worry that ZEMA may have caved to that pressure without fully considering the economic and social impacts of the decision. Of course, it’s important to protect the environment, but we also need to make sure that we’re not putting people out of work or damaging the local economy in the process. Hopefully, ZEMA will take a closer look at this issue and make a more informed decision moving forward.

Speaking in an exclusive interview with the *Zambian Business Times – ZBT*, Tembo said clearly, we feel doomed as the people of Luangwa because there is no form of industrialization and our hope was that the mine could start so that there could be a lot of activities.

“We feel that the decision has not been made independently by ZEMA because looking

at the people who have been pushing hard against the mining are mostly foreigners with economic muscle. We know for sure that ZEMA does not stop development it only regulates development in view of developmental issues. So you can’t say stop mining but you can say as you mine do the following so we are not happy about that and the chiefs and headmen are not happy about that.”

Tembo said ZEMA’s decision is more of an economic giant influencing the government because there is no acceptable reason that has been given and we know that those that have been interested specifically the foreign entities have been exposed. He added that it is worrying that developmental projects for locals are stopped at the expense of foreigners who do not even allow Zambians to benefit from their dealings.

“If the tour operators were not allowed the mining in the lower Zambezi could not be cancelled.” Earlier the area lawmaker had disclosed that the tour operators are failing to develop the area as they only contribute about K49,000 (about \$2,500) per year to the council when other areas like Kalumbila get about K15 million for the same period from mines as land rates.”

“It is unfortunate that it has come to this but we are not sitting back we are following it up and we will pursue it with all that we can. There have been a lot of things going on that are not public so that decision was not just

made without and we can rule out the exchange of money as the many factors influencing it.” He said.

Tembo said Zema’s decision to cancel the mining license in Lower Zambezi will definitely have a significant impact on the economy. The mining industry has been a major contributor to the country’s GDP and has provided employment opportunities to many people.

The Zambia Environmental Management Agency (ZEMA) has issued a Notice of Cancellation of Decision Letter No. ZEMA/EIA/EIS/726 issued to Mwembeshi Resources Limited with respect to the Large-Scale mining activities in the Lower Zambezi National Park under Licence No. 15547-HQ-LML in Luangwa District.

In May 2023, ZEMA issued Mwembeshi Resources Limited with a Compliance Order for breach of the Conditions of their Decision Letter. The said Compliance order suspended the Decision Letter and further required the developer to comply in full with the conditions of the Decision Letter.

According to ZEMA, the Notice of cancellation follows Mwembeshi Resources Limited’s failure to take satisfactory measures to remedy observed breaches to the Decision Letter. Therefore, ZEMA has proceeded to cancel the Decision Letter in line with the Environmental Management Act No. 12 of 2011 (“the Act”).

Handing of nolle to gold scandal architects will soil the hands of the DPP, Justice Minister & the New Dawn Govt

Now that Director of Public Prosecutions - DPP Gilbert Phiri, Justice Minister Mulambo Haimbe and the New Dawn Administration has reportedly handed a questionable nolle to gold scandal architects without proper explanation, let them brace for loss of more and more credibility to lead the country.

You see, people allow for leaders to superintend over their national and public affairs, to handle the appropriation of their national cake and treasury because of trust, because of the belief that the leaders are better placed to solve the collective challenges and harness the opportunities for the majority.

From what we are seeing over the re-

ported nolle or release of the KKIA gold scandal suspects caught at the crime scene, this act alone looks set to irreparably damage the reputation of the new dawn government. It has raised more questions than answers. Below are the top 5 questions that immediately come to mind:

1. What moral right does the DPP, Justice Minister and their connected current crop of leaders have to continue holding on to their offices meant for high integrity individuals?
2. What justice can they assure for the majority poor and middle class Zambians who are detained and jailed for many years on petty misdemeanors, crimes or thefts when illegal gold dealers are being set free?
3. What moral right does the Min-

istry of Justice and its leadership team retain to lead the much needed anti-corruption fight?

4. Does the new dawn government think majority Zambians are morons and will just forget about this gold scandal, do they think that the follow up DEC statement would pacify the situation without full explanations?
5. What answers do they have for Zambian families with relatives that have been jailed or remain in detention for lesser misdemeanors in Foreign countries - Egypt included?

Dear ZBT reader - What other questions do you have for the new dawn administration?



Gold reserves build up drags

The Gold reserve build-up has dragged following the Government’s indecision to reopen the Kasenseli gold mine and some Challenges to purchasing gold from the Kansanshi mines. Zambia’s cumulative refined gold reserves in monetary form as of July 2023, stand at United States Dollars USD \$114 million when it is expected to be above \$200 million.

The Central Bank, the Bank of Zambia - BoZ which holds Zambia’s reserves, disclosed to the *Zambian Business Times* – ZBT – that the bank has this year bought only about US\$25 million up to July 2023. Deputy Governor for Operations Dr. Francis Chipimo noted that regarding gold, there is a need to diversify sources of reserves. Dr Chipimo said,

“The bank has already been buying gold and has this year bought about US\$25 million up to July and are around US\$114 million in terms of the cost. He said the gold prices have improved since then so the market

value is a little higher. “This also I think has been recognized across governments, so I know that on the government side, they are looking at, how can we better organize critical minerals which are there, and how can we set up a system in which we can bring in the small scale producers in an organized way,” said Chipimo. He re-emphasized that hat for the central bank to hold gold, it must be a bullion standard, and must demonstrate that it was mined in the right way.

He said this is important purely on the liquidity side because the gold bought now is stored in London and can be traded, and is a strong asset in the country’s reserve. “So how we mine it, the way that we can show that it has been mined properly will be important, but the government is certainly working on that, we are part of those efforts that have been going on, and hopefully we will be able to structure a way in which can purchase gold.” He remarked.

The Central Bank was speaking when responding to a question by the *Zambian Business Times* on what the Central Bank is doing to revive the alternative gold reserve following the recent gold scandal at the KKIA Airport.

The Bank of Zambia BoZ act, BoZ is permitted to hold Gold as part of the country’s international services. In this regard, the Bank purchases Gold to help to build the level of international reserves. Bank of Zambia Governor Dr. Denny Kalyalya had earlier been challenged to use the current opportunity of locally existing gold to stockpile gold reserves to a size-able value of over \$1 billion to have an alternative lever to fall back on in the event of a steep drop in global commodity prices with Zambia still dependent on copper exports accounting for over 70% of total exports.

The Central Bank purchases gold from First Quantum Minerals - FQM’s Kansanshi Mine where the highest amount of gold is expected to be purchased.



Coal production increase by over 60%

Zambia’s Coal production has risen in the second Quarter of 2023 to 385, 108.18 tons from 237, 354.94 produced in the first quarter of the same.

Zambia’s increase in coal production has been attributed to several factors, including the government’s efforts to promote the mining sector and attract foreign investment and the country’s abundant natural resources which have made it an attractive destination for companies looking to expand their operations. The 60 percent increase in Coal production came from Mamba Collieries 200, 631 tons, Collum 81, 334 tons, Sezic Resources 13, 000 tons, and African power coal with the contribution of 90, 142 tons.

Coal is commonly used as a source of energy in Zambia. It is burned to produce heat that is used for cooking and heating homes. It is also used to generate electricity in power plants. Coal is an important resource in Zambia because it helps to meet the country’s energy needs and

supports economic development. Additionally, coal is used in the production of cement and other industrial processes. Overall, coal plays a critical role in Zambia’s economy and daily life.

Experts have hinted that the increased coal production in Zambia will have a positive impact on the country’s economy. Speaking in an exclusive interview with the *Zambian Business Times* – ZBT, Energy expert Engineer Bornface Zulu said the higher output will also lead to the creation of jobs, both directly in the coal mining industry and indirectly in support industries.

Engineer Zulu however said Zambia should advantage of this and ensure that there is availability of affordable and reliable energy to help power businesses and homes, driving economic growth and improving the standard of living for many Zambians. He said the increase in coal production can have a significant positive impact on the country’s

development and prosperity if strategic measures are taken by the Government.

He added that this increase in coal production can be used to make Zambia more self-sufficient and decrease in reliance on Hydropower which takes about 85% and has proved to have seasonal challenges.

The *Zambian* energy sector is struggling in terms of production because we are producing only about 3, 600 megawatts of energy which is only supplying 31 percent of the general population.

“Zambia has been blessed with natural resources in terms of developing the energy sector but of course, the European countries and the Western countries are telling us that we should not go in that direction because it is going to be destructive but they also built their economy using the same coal so it is important for the *Zambian* country utilize this coal in the long run.”



Illegal mining engulfs Luena farm block

Luapula Province Permanent Secretary Mighty said the Luena Farm Block in Luapula Province is being protected from the illegal mining of manganese to avoid degrading the land as agriculture is a more sustainable option for the area.

Speaking in an exclusive interview with *Zambian Business Times*, Mumba disclosed that there was illegal mining of manganese in the farm block area which was threatening the intended purpose of the area.

Located in Luapula Province, Luena farm block is one of the

three listed farm blocks that are to be developed in the 2023 National Budget.

According to the 2023 National Budget, the government secured \$300 million from the World Bank for the development of farm blocks which include Nansanga farm block in Central Province, Lusiwishi in Copperbelt Province, and Luena farm block in Luapula province.

Luapula Province Permanent Secretary said the province is however working hand in hand with the Ministry Of Mines and Minerals Development, and the

Ministry of Agriculture to deal with the matter.

He said using the security personnel in the district where the farm block is sitting, there are random patrols have been done, a number of the illegal minors have been clamped down and some of the licenses have been suspended with some in the process of being suspended.

Mumba said others have prospect licenses that do not allow for mining on a commercial basis, but that certain entities are using the prospective licenses to carry out the actual mining

which is illegal. “Some of them that are mining have got the papers, but not papers to allow them to mine, but to prospect” said Mumba.

He noted that for one to mine the due processes have to be in place and abide by the conditions of the *Zambia* Environmental Management Agency ZEMA. He said there have to be certain measures put in place in terms of safety among others. “When I talk about safety, they have to employ competent personnel, there should be mining engineers, and there should be environmentalists”. Said Mumba.

“They were just given prospective licenses, but as indicated earlier on, they started mining, carrying out the actual mining instead of prospecting, getting samples to find out how rich this ore is, they went past that and started mining quantities that are for said,” said Mumba. He however noted that the farm block is currently protected from mining adding that mining cannot be allowed in the area because the land will be degraded.

When asked if the manganese will be left without being put to use, Mumba said minerals are a wasting asset that will allow

mining for a certain period and later there will be no minerals, but that farming is more sustainable.

“So as a government, we have picked one which is more sustainable because we will continue farming for years, ages and ages. Once you mine and exalt the minerals, the ore is not there, you move to another site, you leave ditches, land degraded, you cannot carry out mining” said Mumba.

He said a more sustainable option has to be considered which in this case agriculture is.



UPTO
K100,000
FUNERAL
COVER EACH

*Terms and Conditions apply

COVER YOUR FAMILY
FROM AS LOW AS **K250**
PER MONTH

175 YEARS
Celebrating Life



ACSZ WOULD LIKE TO CONGRATULATE THE FOLLOWING WINNERS AT THE JUST ENDED 95TH AGRICULTURAL AND COMMERCIAL SHOW.



PRESS RELEASE

On behalf of the Agricultural and Commercial Cooperative Society of Zambia Ltd, we would like to convey our deep appreciation to all exhibitors, visitors, sponsors and stakeholders for the support in the just ended 95th Zambia Agricultural and Commercial Show.

The six (6) days of the Show brought insightful meaning and value in line with the theme Inclusive Economic Transformation. This is the second consecutive time that participants surpassed pre-covid participation.

The Show Society has started planning for the 96th Zambia Agricultural and Commercial Show, to be held under the theme: “Creating a Competitive Future”

ACSZ WOULD LIKE TO CONGRATULATE THE FOLLOWING WINNERS AT THE JUST ENDED 95TH AGRICULTURAL AND COMMERCIAL SHOW.

A. ART, ESSAY, AND POETRY CATEGORY			
1. ART PRIMARY CATEGORY			
i. 1 ST PRIZE	-	KAPILIKISHA KANYANTA	- RHODES PARK
ii. 2 ND PRIZE	-	KAUNA DHAVLE	- CHINIKA
iii. 3 RD PRIZE	-	KONAR HARISH	- LICEF
2. ART JUNIOR CATEGORY			
i. 1 ST PRIZE	-	HANNAH NAKANYIKA	- OUR LADY OF ASSUMPTION
ii. 2 ND PRIZE	-	NKHATA S PENJANI	- OUR LADY OF ASSUMPTION
iii. 3 RD PRIZE	-	MULENGA TAMANDANI	- MARY QUEEN
3. ART SENIOR CATEGORY			
i. 1 ST PRIZE	-	PETER KANGOMBE	- NORTHMEAD
ii. 2 ND PRIZE	-	JOSEPH KABWE	- KAMWALA
iii. 3 RD PRIZE	-	BANDA ABIGAIL	- NORTHMEAD
4. ESSAY PRIMARY CATEGORY			
i. 1 ST PRIZE	-	SIAMPWIZI TONSE	- MARY QUEEN
ii. 2 ND PRIZE	-	SHAWA STHOKOZILE	- MARY QUEEN
iii. 3 RD PRIZE	-	JILOWA Z BUTEMWE	- RHODES PARK
5. ESSAY JUNIOR CATEGORY			
i. 1 ST PRIZE	-	CHANDA BEATRICE	- MARY QUEEN
ii. 2 ND PRIZE	-	CHASAYA CHIMWEMWE	- MARY QUEEN
iii. 3 RD PRIZE	-	PATEL AAMINAH	- LICEF
6. ESSAY SENIOR CATEGORY			
i. 1 ST PRIZE	-	CHIYOWA ELLEN	- MARY QUEEN
ii. 2 ND PRIZE	-	NDAFOKA ENOSH	- LICEF
iii. 3 RD PRIZE	-	MATALA BLESSINGS	- MARY QUEEN
7. POETRY PRIMARY CATEGORY			
i. 1 ST PRIZE	-	SIAMPWIZI LUMBA	- MARY QUEEN
ii. 2 ND PRIZE	-	NAWA IN'GUTU RUTH	- MARY QUEEN
iii. 3 RD PRIZE	-	CHAKRABORTY RITISHA	- RHODES PARK
8. POETRY JUNIOR CATEGORY			
i. 1 ST PRIZE	-	RUSHDA NAVSHAD	- LICEF
ii. 2 ND PRIZE	-	ESTHER CHANGALA	- OUR LADY OF ASSUMPTION
iii. 3 RD PRIZE	-	CHINDABULE ALINE	- NORTHMEAD
9. POETRY SENIOR CATEGORY			
i. 1 ST PRIZE	-	NDAFOKA ENOSH	- LICEF
ii. 2 ND PRIZE	-	SUMEYA SABERA	- LICEF
iii. 3 RD PRIZE	-	GIFT MUHAU	- CHINIKA
B. CATERING CATEGORIES			
1. BEST CATERING EXHIBIT			
i. 1 ST PRIZE	-	MEAL ROCKET	
ii. 2 ND PRIZE	-	TSUNGU RESTAURANT	
iii. 2 ND PRIZE	-	CHIMWEMWE	
iv. 3 RD PRIZE	-	MUMS KITCHEN	
C. FLOWER CATEGORIES			
1. BEST FLOWER EXHIBIT			
i. 1 ST PRIZE	-	RUIKAYA JINWALA	
ii. 2 ND PRIZE	-	SARAH MFULA	
iii. 2 ND PRIZE	-	MWICHE NGULUBE HORNE	
D. ARENA			
1. WOMEN FOOTBALL			
i. 1 ST PRIZE	-	FOOTBALL CHANCE FOUNDATION	
ii. 2 ND PRIZE	-	SHINING LISO GIRLS	
2. NETBALL			
i. 1 ST PRIZE	-	GREEN BUFFALOES NETBALL	
ii. 2 ND PRIZE	-	NAPSA NETBALL	
3. BOXING			
BEST MALE BOXING	-	ALBERT NGULUBE	
BEST FEMALE BOXING	-	MARGARET TEMBO	
E. COMMERCIAL CATEGORIES			
1. BEST COMMERCIAL EXHIBIT			
i. CHILANGA CEMENT PLC			
ii. STANBIC BANK			
iii. ZAMBIA DAILY MAIL			
2. BEST EDUCATIONAL INSTITUTION EXHIBIT			
i. ENGINEERING INSTITUTION OF ZAMBIA (EIZ)			
ii. MINISTRY OF EDUCATION			
iii. KWAME NKRUMAH UNIVERSITY			
3. BEST ENVIRONMENTAL AWARENESS EXHIBIT			
i. CHILANGA CEMENT PLC			
ii. ZAMBIA ENVIRONMENTAL MANAGEMENT AGENCY (ZEMA)			
iii. SECURITIES AND EXCHANGE COMMISSION			
4. BEST EXHIBIT IN COMMERCIAL HALL			
i. FIRST QUANTUM MINERALS			
ii. BARRICK LUMWANA MINE			
iii. GREAT NORTH ROAD ACADEMY GROUP OF COMPANIES			
5. BEST EXPORT PROMOTION EXHIBIT			
i. TRADE KINGS GROUP			
ii. SAVENDA ELECTRIC/ELECTRONICS			
iii. ZIMTRADE			
6. BEST BANKING EXHIBIT			
i. ZAMBIA NATIONAL COMMERCIAL BANK PLC			
ii. ABSA BANK ZAMBIA			
iii. ATLAS MARA BANK			
7. BEST GOVERNMENT EXHIBIT			
i. ZAMBIA REVENUE AUTHORITY			
ii. ROAD DEVELOPMENT AGENCY			
iii. LUSAKA SOUTH MULTI FACILITY ECONOMIC ZONE			
8. BEST I.C.T EXHIBIT			
i. ZAMBIA INFORMATION COMMUNICATIONS TECHNOLOGY AUTHORITY (ZICTA)			
ii. INDUSTRIAL DEVELOPMENT COMPANY (IDC)			
iii. FIBRECOM LIMITED			
9. BEST INDUSTRIAL EXHIBIT			
i. INDENI ENERGY CO. LTD			
ii. ZAMBIA FORESTRY AND FOREST INDUSTRIES CORPORATION			
iii. ZCCM INVESTMENTS HOLDINGS PLC			
10. BEST INTERNATIONAL EXHIBIT			
i. DYNALAB INTERNATIONAL			
ii. BARRICK LUMWANA MINE			
iii. JICA			
11. BEST LUSE LISTED COMPANY EXHIBIT			
i. ZCCM INVESTMENT HOLDINGS PLC			
ii. ZAMBIA NATIONAL COMMERCIAL BANK			
iii. ZAMBEEF PRODUCTS PLC			
12. BEST MADE IN ZAMBIA EXHIBIT			
i. TRADE KINGS GROUP			
11. BEST SCHOOL AWARD (AGRICULTURE) AWARD			
i. 1 ST PRIZE	-	CHIPEMBI GIRLS (CENTRAL)	
ii. 2 ND PRIZE	-	KENNETH KAUNDA BOARDING (MUCHINGA)	
iii. 3 RD PRIZE	-	ST. MONICA'S GIRLS SCHOOL (EASTERN)	
HIGHLY COMMENDED	-	MWEMBESHI (LUSAKA)	
12. BEST WOMEN ENTERPRISE IN AGRICULTURE AWARD			
i. 1 ST PRIZE	-	RURAL WOMEN ASSEMBLIES	
ii. 2 ND PRIZE	-	COMMUNITY TECHNOLOGY DEVELOPMENT TRUST	
iii. 3 RD PRIZE	-	GRANDMA'S WAYS	
13. AGRO YOUTH INNOVATORS AWARD			
i. 1 ST PRIZE	-	JUNIOR AGRIPRENEUR HUB AFRICA	
ii. 2 ND PRIZE	-	EMSICA	
14. BEST CLIMATE SMART INITIATIVE AWARD			
i. 1 ST PRIZE	-	SNV ZAMBIA	
ii. 2 ND PRIZE	-	COMMUNITY TECHNOLOGY DEVELOPMENT TRUST	
iii. 3 RD PRIZE	-	JUNIOR AGRIPRENEUR HUB AFRICA	
HIGHLY COMMENDED	-	LWANUEL ENTERPRISE LTD	
15. BEST SEED EXHIBIT WARD			
i. 1 ST PRIZE	-	CORTEVA AGRISCIENCE	
ii. 2 ND PRIZE	-	ZAMSEED	
iii. 3 RD PRIZE	-	SYNERGY	
HIGHLY COMMENDED	-	SEEDCO	
16. BEST FERTILIZER EXHIBIT AWARD			
i. 1 ST PRIZE	-	E.T.G	
ii. 2 ND PRIZE	-	NITROGEN CHEMICALS OF ZAMBIA	
iii. 3 RD PRIZE	-	F.S.G	
HIGHLY COMMENDED	-	YARA FERTILIZER	
17. BEST AGRO CHEMICALS EXHIBITS			
i. 1 ST PRIZE	-	RAINBOW AGROSCIENCE	
ii. 2 ND PRIZE	-	ETS INPUTS ZAMBIA	
iii. 3 RD PRIZE	-	DYNALAB INTERNATIONAL ZAMBIA	
HIGHLY COMMENDED	-	SYNERGY	
18. BEST AGRO EQUIPMENT AWARD			
i. 1 ST PRIZE	-	SARO AGRO INDUSTRIAL LIMITED	
ii. 2 ND PRIZE	-	GROWMORE TECHNOLOGIES	
iii. 3 RD PRIZE	-	CAMCO	
HIGHLY COMMENDED	-	AGRICON ZAMBIA LIMITED	
19. BEST AGRO SERVICE PROVIDER AWARD			
i. 1 ST PRIZE	-	LIVESTOCK SERVICES	
ii. 2 ND PRIZE	-	IBAN AQUA FISH	
iii. 3 RD PRIZE	-	JUNIOR AGRIPRENEUR HUB AFRICA	
HIGHLY COMMENDED	-	GLORY LAND	
20. BEST DEMONSTRATION PLOTS AWARD			
i. 1 ST PRIZE	-	ZAMBIA NATIONAL SERVICE (ZNS)	
ii. 2 ND PRIZE	-	SEEDCO	
21. BEST AGRO VALUE ADDITION AWARD			
i. 1 ST PRIZE	-	SNV	
ii. 2 ND PRIZE	-	YAM ORANGE ZAMBIA	
iii. 3 RD PRIZE	-	GROWMORE	
HIGHLY COMMENDED	-	INDUSTRIAL DEVELOPMENT CORPORATION	
22. BEST THEME INTERPRETATION IN AGRICULTURE			
i. 1 ST PRIZE	-	ZAMBIA NATIONAL SERVICE	
ii. 2 ND PRIZE	-	CORTEVA SCIENCE	
iii. 3 RD PRIZE	-	INDUSTRIAL DEVELOPMENT CORPORATION	
HIGHLY COMMENDED	-	SOLIDARIDAD	
23. NATIONAL PRODUCTIVITY AWARD - ANDREW HAMAAMBA HALL			
i. 1 ST PRIZE	-	EASTERN PROVINCE	
ii. 2 ND PRIZE	-	NORTHWESTERN PROVINCE	
iii. 3 RD PRIZE	-	LUSAKA PROVINCE	
HIGHLY COMMENDED	-	WESTERN PROVINCE	
24. INDIVIDUAL PRODUCTIVITY AWARD - ANDREW HAMAAMBA HALL			
i. 1 ST PRIZE	-	JOHN KAMBOLE (LUSAKA)	
ii. 2 ND PRIZE	-	CHRISTINE TEMBO (LUSAKA)	
iii. 3 RD PRIZE	-	LLOYD MICHELO (LUSAKA)	
HIGHLY COMMENDED	-	MULENGA SHULA (LUSAKA)	
25. NATIONAL EFFICIENCY AWARD – YOUNG FARMERS HALL			
i. 1 ST PRIZE	-	LUSAKA PROVINCE	
ii. 2 ND PRIZE	-	COPPERBELT PROVINCE	
iii. 3 RD PRIZE	-	WESTERN PROVINCE	
HIGHLY COMMENDED	-	CENTRAL PROVINCE	
26. INDIVIDUAL EFFICIENCY AWARD – YOUNG FARMERS HALL			
i. 1 ST PRIZE	-	FELIX MWANSA	
ii. 2 ND PRIZE	-	CHRISTINE KATWIZA	
iii. 3 RD PRIZE	-	LAINFORD CHANSHIKA	
HIGHLY COMMENDED	-	SHERPHAD CHANSHIKA	
27. CONSOLATION PRIZES - ANDREW HAMAAMBA HALL			
i. JOSEPH BANDA	(EASTERN PROVINCE)		
ii. HATHAN PHIRI	(EASTERN PROVINCE)		
iii. JOYCE KAKOMA	(COPPERBELT PROVINCE)		
iv. AGNESS CHONGO	(LUAPULA PROVINCE)		
v. DORIS CHISAMBWE	(COPPERBELT PROVINCE)		
vi. PRISCA LIKEZO LUBASI	(WESTERN PROVINCE)		
vii. EVEN MOONGA			
viii. BIBIAN MWEWA			
ix. FLORENCE YOTAMU			
x. NAOMI MALWEYA			
CONSOLATION PRIZE – YOUNG FARMERS HALL			
i. MONICA MBALA			
ii. IANDU MUMBA			
iii. SIMBEYE LENDERS			
28. LONGEST PARTICIPATING FARMER - ELIZABETH PHIRI			
iv. PHOEBBY LUPANDULA			
v. ROYDAH KAYOMBO			
vi. BARRON MUSONDA			
vii. BRENDA NACHIDZE			
viii. AGNESS MWANSA			
ix. MENIA HIMBOKOLA			
x. GETRUDE MUNALULA			
G. FISHERIES AND LIVESTOCK CATEGORIES			
1. OVERAL CHAMPION BEEF CATEGORY			
A. BREEDING BULLS			
i. 1 ST PRIZE	-	CHIPEMBI GIRLS SECONDARY SCHOOL	
ii. 2 ND PRIZE	-	KANAKANTAPA COOPERATIVE	
B. JOUNIOR BULLS			
i. 1 ST PRIZE	-	ZAMBIA AIR FORCE	
ii. 2 ND PRIZE	-	ZAMBIA AIR FORCE	
C. BREEDING COWS			
i. 1 ST PRIZE	-	NAIS	
ii. 2 ND PRIZE	-	NAIS	
D. HEIFERS			
i. 1 ST PRIZE	-	CHIPEMBI GIRLS SECONDARY SCHOOL	
ii. 2 ND PRIZE	-	ZAMBIA NATIONAL SERVICE (ZNS)	
E. JUNIOR BULL COOPERATIVES			
i. 1 ST PRIZE	-	LIKILI COOPERATIVE	
ii. 2 ND PRIZE	-	MWAMFWE COOPERATIVE	
OVERAL CHAMPION BEEF CATEGORY - CHIPEMBE GIRLS SECONDARY SCHOOL			
2. OVERAL CHAMPION DAIRY			
A. BREEDING BULLS			
i. 1 ST PRIZE	-	BC&S FARM	
ii. 2 ND PRIZE	-	TEMWA FARM	
B. JUNIOR BULLS			
i. 1 ST PRIZE	-	BC&S FARM	
C. BREEDING COWS			
i. 1 ST PRIZE	-	BC&S FARM	
ii. 2 ND PRIZE	-	PALABANA LDT	
iii. 3 RD PRIZE	-	TEMWA FARM	
D. HEIFERS			
i. 1 ST PRIZE	-	BC&S FARM	
ii. 2 ND PRIZE	-	PALABANA LDT	
iii. 3 RD PRIZE	-	BC&S FARM	
OVERAL CHAMPION DAIRY CATEGORY - BC&S FARM			
3. OVERAL CHAMPION GOATS			

**ACSZ WOULD LIKE TO CONGRATULATE THE
FOLLOWING WINNERS AT THE JUST ENDED 95TH
AGRICULTURAL AND COMMERCIAL SHOW.**

IDENT

zanaco

ENERGY REGULATION BOARD

Ministry of Agriculture (NA/S)

znbs

Stanbic Bank

BOOKWORLD

ZICB

TRACCKINGS

MADISON GENERAL

Ministry of Fisheries and Livestock

NATSAVE

Bimeda

BARRICK

ERB assures the nation of pipeline security.

The Energy Regulation Board ERB has assured the nation that steps have been taken to enhance the security of the Tazama pipeline which is now used to transport finished products (diesel).

There have been some public concerns regarding the security of the product as the pipeline now transports refined products which is of much greater value than the crude oil that was transported before.

When asked by the *Zambian Business Times – ZBT*, during the monthly review of fuel pump prices, how secure it is to transport the commodity via the pipeline now, ERB Board Chairperson Reynolds Bowa, said that in large measure, security for the pipeline was built into the design stating that the pipeline is about 1,702 kilometers long and that by far the bulk of it is below the ground and ordinary citizens

will be walking above the pipeline without knowing that it is there because it is fairly below the ground.

He explained that the pipeline only comes above the surface at the pumping stations which is where the pumps impart to the fuel the energy to travel the distance required. Bowa said the pipeline is something that needs to be protected as it is what delivers the fuel supply for the nation hence needs to be kept safe and secure. He said the pumping stations are managed by government security 24 hours a day both in Zambia and Tanzania.

Bowa further disclosed that there has been a change that has been introduced by virtual of the fact that the pipeline now handles refined products which is of much greater value than the crude oil before and in much greater de-

mand. He said the government has in this regard taken steps to enhance the security of the pipeline.

“You will appreciate that in a public meeting like this, I cannot discuss the security steps that the government has taken to protect the infrastructure and the product that is carried in it. But suffice to say that the government is cognizant of the challenge and has taken steps to adequately address it” said Bowa.

When asked about the security cost of the pipeline, Bowa said he cannot disclose that information as it is confidential. He said such are matters of state security and hence cannot be discussed in any great detail in a public forum, and that one of the matters of great interest will be how much it costs.

Digital Piracy after Covid-19 Lockdowns

When coronavirus was at its peak, countries globally imposed lockdowns to contain the spread of the Covid-19 pandemic. In many parts of the world, country lockdowns were effective in trying to contain the coronavirus.

However, apart from lockdowns triggering health problems for people, the enforced measures resulted in a spike in digital piracy cases due to illegal streaming.

Agency France Press (AFP) notes that nearly six out of every 10 people around the world were forced or urged to stay at home to help prevent the spread of COVID-19 in 2020. This routine forced people to download content illegally since stay-at-home lockdown measures transformed the way of life for most people. It was during this period that digital content piracy is reported to have skyrocketed in many parts of the world. In 2020, media watchdog Ofcom observed that lockdown measures enforced due to the Covid-19 pandemic brought about a surge in TV watching and online streaming.

As coronavirus has eased around the world due to vaccination and coronavirus restrictions, most people have gone back to work from the offices. This means people are now spending less time at home, and with this development, expectations were that people would reduce on illegal streaming. However, the opposite was happening, there are even more people involved in illegal streaming.

In 2022, when people officially started going back to working from the offices in different parts of the world,

digital piracy levels were higher on a global scale. An article by The Variety, an entertainment business news indicates that Global Content Piracy soared 18% in 2022 with data measuring 215 billion global visits to piracy websites in the same year. The article predicts that piracy will expand to new heights in one of the most popular forms of entertainment consumption — streaming services.

This prediction means business and individuals are in for more trouble. Piracy is harmful in all ways. Digital content piracy results in significant losses to the country’s economy, harming businesses ranging from content production firms to the innovative technology companies that are driving the digital distribution revolution. Illegal streaming continues to affect every area of development.

Yes, streaming has provided a new opportunity for revenue in the form of licensing, for production houses which pay a separate production company for the license to stream a particular film on their platform. However, illegal streaming by individuals and companies remains a danger to society because it annihilates sources of revenue.

Furthermore, illegal streaming affects creators and distributors of content because it robs them of their deserved income. It affects government revenue sources and takes away food from the creator’s table. Mr Fred Phiri, an Executive Producer of ZUBA once noted, “Piracy does not only limit investment opportunities but also takes the food off our tables and impacts our very lives. It is one of the greatest threats to development

in general”.

Again, illegal streaming also causes reputational risk for intellectual property owners because in most cases, illegal streaming sites are often used as a vehicle for installing malware on devices and for the theft of personal data.

As the fight against digital piracy continues, one thing is becoming clear, the post-coronavirus world will not be different in many ways in terms of illegal streaming, we are likely to see piracy spiking unless something is done to stop this vice.

I believe that the time has come that relevant bodies and owners of broadcast rights should seriously invest more in monitoring illegal streaming and consider the options they have for enforcing their rights against infringers in the context of their commercial and profit objectives.

In addition, they need to increase awareness about piracy because people need to be educated on the need to pay for content. It has been said oftentimes that when there are things to pay for, there will always be people looking for ways to get them for nothing. The question now is, should we continue watching people getting things for free that they have not labored for? An Indian Social Media Influencer Simply Vedant once said, “Nothing is free in this world and when it seems to be free then remember ‘you are the cost.’” - - - - - The author is Sam Phiri – Journalist.



Inflationary pressures expected to persist – BOZ

The Bank of Zambia - BOZ - has projected that inflationary pressures are expected to persist over the forecast horizon with inflation projected to average 10.2 percent in 2023 and 9.3 percent in both 2024 and the first half of 2025 which is above the 6.8 percent target band.

Speaking during the announcement of the monetary policy rate attended by the *Zambian Business Times - ZBT*, BOZ Governor Denny Kalyalya attributed this to elevated maize grain prices and tight global financial conditions which are key drivers of the current inflation outlook. He noted that “this path inflation is broadly higher than that of the May 2023 forecast.

“The foregoing factors as well as higher global food and energy prices due to the prolonged Russia-Ukraine war remain key upside risks”. Said Kalyalya.

Dr. Kalyalya announced that at its August 21-22 2023 meeting, the Monetary Policy Committee decided to raise the monetary policy rate by 50 basis points to 10.0 percent.

He said the decision was informed by the movement of current and projected inflation away from the 6 to 8 percent target band and the need to contain inflation expectations.

“In July, inflation accelerated to 10.3 percent from 9.8 percent in June, moving further away from the target band as some of the upside risks identified in the May MPC meeting materialized during the second quarter”

Dr. Kalyalya added that while the Kwacha appreciated by 4.8 percent against the US dollar in the second quarter, it depreciated by 11.0 percent to K19.48 between the end of June and August 22, 2023.

He said the positive market sentiments related to the external debt restructuring agreement reached with official creditors to Zambia under the G20 Common Framework for debt restructuring notwithstanding, the market has continued to be characterized by a low supply of foreign exchange amid rising demand as the economy recovers post COVID-19 pandemic.

He said to moderate exchange rate volatility and support critical imports, the Bank continued to provide liquidity to the market. He disclosed that US\$300 million was provided to the market in the second quarter, largely from mining sector tax receipts.

“This coupled with government uses of foreign exchange and external debt servicing led to the decline in gross international reserves to US\$2.7 billion (equivalent to 2.9 months of import cover) in June 2023 from US\$ 2.9 billion (equivalent to 3.3 months of import cover) at end-March 2023,” said Kalyalya.

About interest rates, credit growth, and money slows, Dr. Kalyalya noted that during the second quarter, interest rates rose broadly in line with the upward adjustment in the Monetary Policy Rate in May 2023.

He said the overnight interbank rate marginally increased to 9.39 percent at the end of June from 9.26 percent at the end of March. Dr. Kalyalya noted that it was during the same period that the lending rates for commercial banks edged upwards to 25.7 percent from 25.5 percent.

“Growth in domestic credit and monetary supply slowed down to 9.1 percent and 17.5 percent year on year, in June from 12.1 percent and 30.0 percent in March respectively,” said Kalyalya. He said this largely reflected the

lower kwacha value of foreign currency deposits following the appreciation of the exchange rate of the kwacha against the US dollar.

Dr. Kalyalya further said GDP growth in 2023 is projected to be lower due to a further contraction in the mining sector as well as a slowdown in the education and electricity sectors. He however mentioned that growth is expected to pick up over the medium term (2024-2025), underpinned by the projected recovery in the mining sector and sustained growth in the information and communications, financial and insurance as well as wholesale and retail trade sectors.

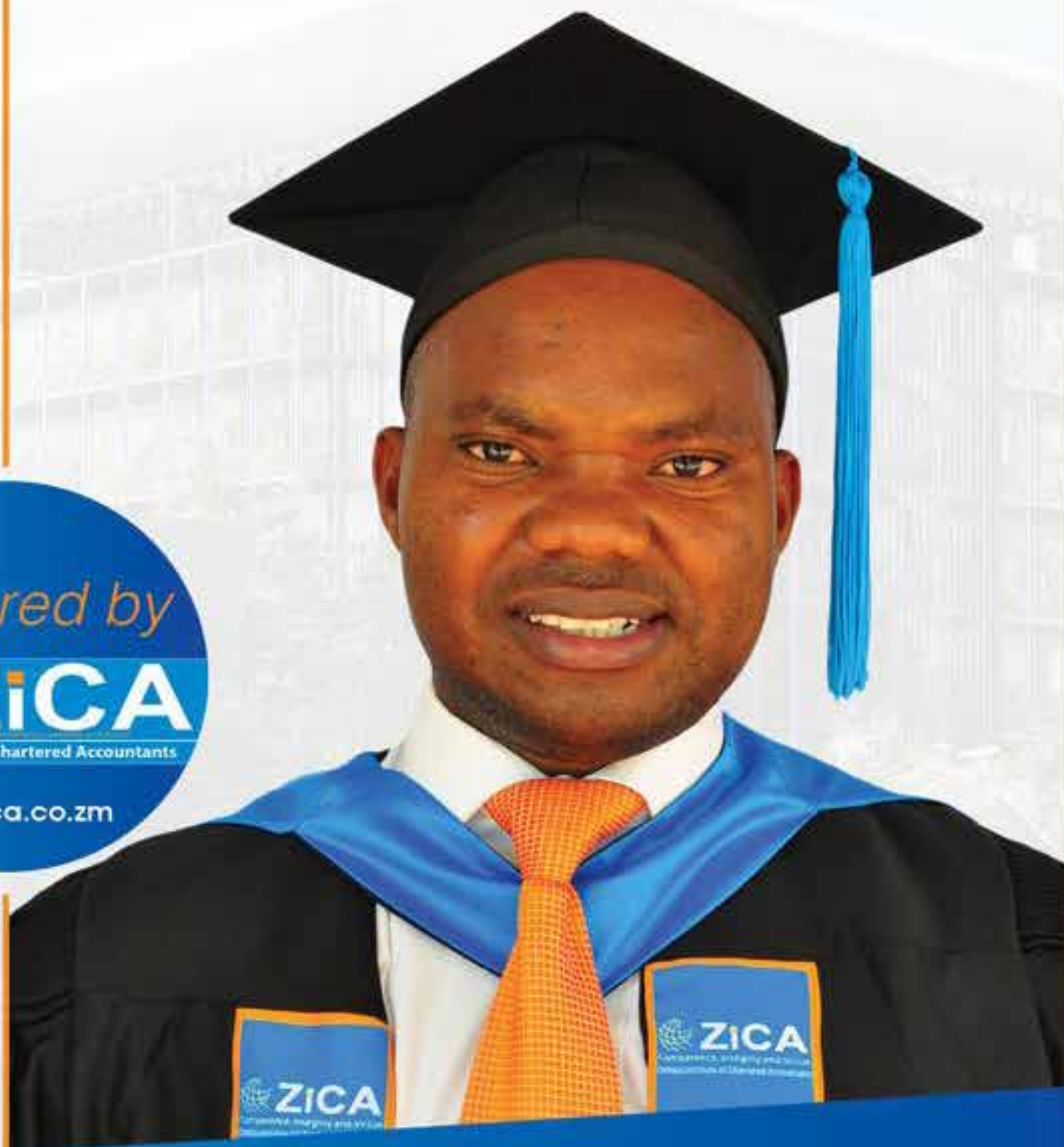
Speaking on the current account deficit, Dr. Kalyalya noted that the current account deficit widened to US\$198.1 million in the second quarter from US\$188.7 million in the first quarter.

He said this was largely driven by the rise in imports as exports declined and credit on income attributable to financial corporations, non-financial corporations, and households also reduced.

Dr. Kalyalya said the current account for the year 2023 is projected to record a deficit of US\$0.9 billion, mostly due to a sharp decline in export earnings while imports continue to recover post-COVID-19 pandemic. He however noted that in the medium term, the current account is projected to recover as net exports rebound.

Dr. Kalyalya said the decision to raise the policy rate was in recognition that inflation not only persisted above the 6 to 8 percent target band during the second quarter but moved further away from the target in July 2023. He said if left unchecked, it would undermine the gains already made in restoring the

Diploma in Public Sector Financial Management



ENTRY REQUIREMENTS:

The minimum entry requirement to the Diploma in Public Sector Financial Management is the ZICA Accountancy Technician Qualification or Equivalent

Register Now!

IFC Issues Second Bond to Support Zambia’s Capital Markets

IFC Issues Second Bond to Support Zambia’s Capital Markets IFC today announced that it has issued a K193 million bond — equivalent to approximately \$10 million—to support the development of Zambia’s domestic capital markets and increase access to local currency finance.

In a statement seen by the Zambian Business Times - ZBT, the five-year, amortizing “Zambezi” bond—which was oversubscribed—was issued as a floating rate note, paying a coupon based on the 182-day Zambian Treasury bill yield minus 50 basis points. Proceeds will support IFC’s local currency investment program in Zambia.

This is IFC’s second kwacha-denominated bond after the corporation placed the first bond

issued by a non-resident issuer in Zambia’s domestic capital markets in 2013. The issuance is the corporation’s first floating rate note in Zambian kwacha and forms part of IFC’s registered Medium Term Note program in Zambia as well as IFC’s Pan-African Domestic Medium-Term Note Program (PADMTN). IFC will be exploring additional issuances in the currency in the future to raise funding for its investment projects in the country. “Deep and liquid domestic capital markets are essential to expanding access to much-needed local currency finance for key sectors in the economy,” said John Gandolfo, IFC Vice President and Treasurer, Treasury & Mobilization. “Scaling up local currency financing is a key priority for IFC and we’re delighted to be back in the Zambian mar-

ket.” First National Bank limited was the co-arranger for this issuance together with ABSA Bank as the lead arranger.

To date, IFC has issued bonds in 59 currencies, including in emerging market currencies such as Azerbaijan manat, Uzbek som, and Jamaican dollars. The corporation has often been among the first non-domestic issuers to borrow in these markets. IFC’s work in Zambia is focused on promoting sustainable private sector development by improving the investment climate, supporting small businesses and proactively engaging in the development of key sectors such as infrastructure, agribusiness, and financial services.



15% fuel hike shocks economy

The continued increase in fuel prices has sent shockwaves through the economy, leaving many people struggling to adjust to the sudden rise in costs. The recent 15 percent fuel price hike is expected to further have a significant impact on low-income households, who may struggle to afford the increased costs of transportation and other goods that rely on fuel.

The rise in the cost of transportation, as well as goods and services, may make it even more difficult for low-income households causing them to cut back on other essential expenses just for them to afford basic necessities.

This sudden increase in fuel costs is also likely to have a ripple effect on other areas of the economy, such as transportation and manufacturing, which rely heavily on fuel to operate.

Many are now bracing themselves for the potential impact this will have on their budgets and overall financial well-being. Effective 1st September 2023, the Energy Regulation Board ERB has increased the price of petrol, diesel, and Jet A - 1, while the price of kerosene has been maintained. Petrol has been increased by K3.85 per litre, Diesel K3.52 per litre, and Jet A-1 by 3.86 per litre respectively, while the price of kerosene has been suspended and hence will be sold at the last set price for the month of August 2023 of K20.44 per litre.

Speaking during the monthly review press briefing, ERB Board Chairperson Reynolds Bowa said the main drivers for the changes in petroleum prices are the movement in international oil prices and the exchange rate.

Bowa explained that the price of oil on the international market between August 2023 and the current price review for September 2023 has increased, specifically the average prices of Petrol, Diesel, and Kerosene increased by 12 percent, 20 percent and 20 percent respectively.

He said in the August 2023 price review, Petrol, Diesel and Kerosene were US\$86.59/barrel, US\$93.49/barrel, and US\$92.02/barrel respectively as compared to US\$97.27/barrel, US\$112.79/barrel and US\$110.53/barrel respectively for September 2023 fuel price review. Bowa said the increase in the international prices is attributed to tight oil supply on the market as the world’s biggest exporters have announced an extension to production cuts to October 2023.

He added that there was reduced crude oil supply from production areas in the Gulf of Mexico due to tropical storms and expected hurricanes in the region. Bowa also mentioned that in August the monthly average exchange rate of the kwacha to the United States dollar depreciated from K18.42/US\$ to K19.42/US\$ representing 5 percent. He noted that the depreciation of

the kwacha was mainly driven by the low supply of foreign exchange.

Bowa said the two key fundamentals that affect the price of fuel in Zambia moved in the same adverse direction that is prices of oil increased while the exchange rate depreciated against the United States dollar, a situation which has put upward pressure on domestic prices of fuel.

He said based on this, the ERB has made changes to the national uniform pump prices for September 2023. Petrol is now selling at K29.42 per litre from K25.57 per litre an absolute variant of K3.85 per litre representing a 15 percent change.

Low Sulphur Diesel is now selling at K26.88 per litre from K23.36 per litre, an absolute variant of 3.52 per litre representing 15.07 percent. Kerosene will continue to sell at K20.44, while Jet A 1 at the Kenneth Kaunda International Airport KKIA is now selling at K26.42 per litre from 22.56 per litre, an absolute variant of 3.86 per litre representing a 17.11 change.

Bowa said the price of Jet A 1 for major airports has been determined as follows: KKIA Airport in Lusaka K26.42 per litre, Mfuwe Airport K27.63 per litre, HMNIA airport in Livingstone K27.23 per litre, and SMKIA in Ndola K26.42 per litre.



Choma youth advocate breaks it down on high cost of living

A Choma youth advocate breaks it down on how the cost of living has gone beyond the reach of the majority and is crashing down on humble families across the country.

One home cooked meal of the staple food Nshima with vegetables, no protein and before onion and tomato has now hit K35 per meal even in a well know Agro zone of Southern Province. Now multiply K35 per meal X 2 meals = K70 per day. K70 per day X 30 days in

a month = K2,100 just on those families with whose meals. Forget about the other two basic needs for survival such shelter and clothing. This K2,100 is before transport and any other home, living and educational requirements. The question is, how many even in Lusaka are paying their house helps, maids, guards or general workers over K2,100? How about those citizens working in the informal sector at markets, small shops, Tuntembas etc which are actually in the majority? How about

those families with whose members all have no jobs, where will they get the K2,100 just for food? As a country, this issue about the high cost of living, now being exacerbated by 15% increase in fuel for September, a further increases in mealie-meal price and bus fare is on the horizon on the back of increased fuel prices, a Kwacha that depreciated by 11% in August alone, there is urgent need for immediate solutions before economic collapse and social disorder set in. Dont say you were not warned



24/7 operationalization of the Katimamulilo border post elates cross-border traders – Zambia

The transition to operate around the clock, seven days a week at Katima Mulilo border post, an important crossing between Namibia and Zambia, has elated the Southern Africa Cross Border Traders Association who have for so long been calling for the 24/7 operationalization of the border post among many others that still need urgent attention.

Speaking in an exclusive interview with the *Zambian Business Times – ZBT*, Association General Secretary Jacob Makambwe said border management is a very critical part of the trade facilitation which goes with how quick the border is to clear goods and services that are passing through that particular point.

This strategic move positions the border post as one of the busiest in the country, streamlining transportation and trade between various destinations, primarily Zambia, Botswana, Zimbabwe, and Malawi.

The development aims to benefit truckers, who will now have continuous access to the border post, reducing delays and allowing for smoother cross-border journeys. The transition to 24/7 operations has required significant preparation, including logistical arrangements and coordination between stakeholders.

Makambwe said the implementation of that particular border for 24/7 its intent that needs to improve in terms of trade facility and we believe that Katima Mulilo is also one linkage of the border that links Zambia to other countries like Angola on the other side and also South Africa,

the operation hours must be increased to 24/7 because people now are going to clear goods without knowing that the border is going to close.

“Having Limited in terms of operation hours had adversely affected the movement of goods and also clearing of goods, especially with those people that would want to cross the border. also because of the limited in terms of time that the border operates, most of the trackers and Motorists would always want to cruise so that they can catch up with time before the border closes and now that also was a risk in terms of how people must drive.”

He noted that this is also going to improve the trade flow, and increase the business between Zambia and Namibia, and especially the small-scale traders that usually operate at any other time they would want to cross the border as they can now travel any time.

“The other thing that we want to try to urge the Government, when they are meeting in terms of bilateral agreements they must also think that the borders must operate seamlessly without any limitation to time so what we need to advocate for is that the border must also be a one-stop border post.”

“That should also facilitate the improvement and also the automation and improvement of technology in terms of clearing goods and services.

Talking about that particular border is so coupled infrastruc-

ture, and the improvement of the Tshe Tsheke road could play a very critical role in making sure that that particular border becomes as busy as it is supposed to.”

Most of the traffic now passes through Mongu coming through Mumbwa Road meaning the Tshe Tsheke road is still impassable although some indications are there that it will be done but it has to be done quickly.

When you talk about the areas of development in terms of facilitating trade, I think within the SADC, the last ended SADC summit one of the topical issues on the agenda was the feather improvement on how the SADC region can implement the simplified trade regime which is one of the trade facilitation tools that would increase trade within the SADC region.

at the moment we still see that a frame of implementation has been created but we are seeing the implementation itself has not taken route and I think that is why we are saying countries like Zambia can start negotiating with countries like Namibia since a framework has been created to that they start implementing the simplified trade regime with a threshold that they could agree between the two countries. Further Zambia can also do it with Angola, and Botswana having built the Kazungula Bridge and a one-stop border post which is going to be an added advantage by putting the trade information tests that are going to specifically facilitate the movements of small-scale traders within the SADC region.

Bargaining process of Salary hikes for teachers to begin soon

Zambian National Union of Teachers ZANUT has said the bargaining process in regards to salary increments is almost starting as some research is being done, and will later answer the demand paper.

Speaking in an exclusive interview with the *Zambian Business Times – ZBT*, ZANUT president Brian Manyando said they follow the corrective bargain process, and that each year has its own corrective and bargain process.

He disclosed that for civil servants the process will start in November. “We will look at the economic trends for sure, and we will negotiate and see how much we will be given,” said Manyando.

He said if the current state of the economy was so severe, they could have pushed for salary hikes. Manyando said prices are escalating due to the is-

sue of fuel which is proving to be a problem for the current regime.

“The fuel price is the one making the prices on the market go up, it is the issue that we are looking at, so we are trying to advise the government that they should in the meantime try to look at a cheaper source of fuel, for example, we can try the Angolan source probably that can stabilize the prices,” said Manyando.

He also noted that as long as the war between Russia and Ukraine continues the oil prices will be high. He said trying the source of Angola may be better as it will reduce distance, and cut on the middle men which significantly contributes to the higher pricing.



Central Bank challenged to deal with rising inflation

Economist Michelo Maunga has challenged the Central Bank (Bank of Zambia – BoZ) to put intervention measures that will cushion the inflation rate which is on the verge of rising.

Speaking in an exclusive interview with the *Zambian Business Times - ZBT*, Maunga said Central Banks will favor dealing with inflation first over a growing economy because once inflation has been dealt with the economy can then begin to grow with a positive growth rate.

The Annual inflation for August 2023 has enlarged to 10.8 percent from 10.3 percent recorded in July 2023. The 10.8 rise in inflation is 2.8 percent above the top limit of the central bank’s 6%-8% target range.

Reacting to this, economist Maunga said there is a need for the country to take prominence when dealing with inflation if the country is to have real economic growth.

He explained that what takes prominent between economic

growth and inflation is to first deal with inflation. “If your economy is growing at 15 %, but your inflation is at 20 percent, then there is nothing you are doing because effectively you are not growing,” said Maunga.

He said there is what is referred to as real economic growth which is growth that has been adjusted for inflation. He said if the Zambian economy grows by 4%, but inflation is 10 percent, then growth has reduced by 6 percent. He said it is for this reason that Central Banks will favor dealing with inflation first over a growing economy because once inflation has been dealt with the economy can then begin to grow with a positive growth rate.

Maunga said the monetary policy is very effective in dealing with inflation, but noted that it takes a while for results to be realized. He said it may take about 18 months for matters to stabilize.

He notes that inflation is currently at 10.3 percent and the only way to remedy it is by increasing

interest rates. He said an inflation rate of 10.3 percent is high considering the Central Bank’s target of 6 to 8 percent which has not been so as it has been going up since the second quarter.

Maunga notes that when interest rates are increased, business activity will go down, and inflation will hurt consumer’s pockets. “If the inflation is at 10 percent it means next year this time, you will buy fewer goods or your purchasing power will reduce by 10 percent. So what you would buy today for one thousand kwacha, next year you will buy it for one thousand one hundred kwacha” said Maunga. He said it is painful medicine because when interest rates go up, loans go up, and when that happens, businesses do not expand, they do not invest thereby slowing down things like employment creation, and economic growth.

Effective 1st September Banks are set to increase interest rates following the central bank raise in the monetary policy rate by 50 basis points from 9.5 to 10 percent.

Cost of borrowing to collapse significantly - BOZ



The Bank of Zambia - BoZ says it anticipates the cost of capital (cost of borrowing) to come down considering the strong measures taken by the government on the aspect of fiscal policy, with the deficit shrinking.

Responding to a *Zambian Business Times* – ZBT, inquiry during the monetary policy announcement for the second quarter, on what the central Bank (Bank of Zambia) is doing to address the cost of borrowing which has become expensive, the Deputy Governor in charge of operations Dr. Francis Chipimo said, “obviously this is in the context of if we finish the debt restructuring properly and the government continues with its current reforms, we expect to see that will collapse significantly.” Dr. Chipimo said

During the announcement of the third quarter monetary policy rate, the *Zambian Business Times* took an interest in finding out from the governor and his team what they are doing to address the cost of capital which has become expensive. One of the biggest challenges in Zambia is the cost of capital also referred to as the cost of borrowing or the cost of funds has been one of the biggest challenges in Zambia as interest rates for the banking sector range from approximately 24 to 30 percent. The non-banking financial institutions charge about 5 percent per month, while lending groups

in the market are lending at 10 percent which is too high for business.

When asked by the *Zambian Business Times* about the top three measures the central bank is taking to make the cost of borrowing sustainable and affordable, especially for Small and Medium Enterprises SMEs, Dr. Chipimo said, “You can think of the cost of capital perhaps as having three broad things, first there is an opportunity cost, where am I getting the money from to lend you, there is an issue of risk, what do I add on top of that, and obviously for the institution which is lending there is an issue of profit.”

Dr. Chipimo explained that one will have to deal with the fundamentals of the opportunity cost. He said considering the strong measures taken by the government on the aspect of fiscal policy, with the deficit shrinking it should be expected that the cost of government borrowing come down significantly.

“So one pillar in which people can say opportunity cost of capital is high will go away, typically inflation. That is why the governor is saying we need to fight inflation because if we control inflation people are less able to say that this is why my cost of capital is high.”

He added that the opportunity cost of capital can be addressed by strong macro-economic mea-

sures which will have benefits for the overall system.

He noted that the issue of risk also plays a role in the matter adding that if there are credible policies, and if growth is being encouraged, and policies that promote the private sector and are stable, then the issue of risk is being worked on. “But also from our side, from the financial sector side, the issue of financial stability, how well the financial institutions are run also is helping to reduce risk going forward,” said Dr. Chipimo.

Speaking on profitability and financial institutions, Dr. Chipimo Said the fundamental driver is competition. “Can we reform the financial sector so that you the individual can have a choice where you can get your money, but also that you have institutions which are strong and well supervised?” said Chipimo.

He said these are activities in which not only the Bank of Zambia is involved, but other institutions like the Securities Exchange Commission – SEC - considering that there are other sources of funding that clients can get. He said they also sit with EIA who have a tripeptide group with which they meet and discuss adding that all of this work is going on in the background to ensure that the challenge is addressed.

BOZ explains actions being undertaken to stabilize the kwacha

The Bank of Zambia – BoZ defaulted in 2020 it meant the country was not getting any external flows as it fell into arrears and hence had to appeal to the international community through the debt service suspension initiative to avoid any scramble against Zambia by the creditors. He said the reason for the debt restructuring is to give Zambia some relief to be able to meet the needs of development.

Dr. Kalyalya pointed out that the country has had challenges in concluding the key deals in the mining sector such as Mopani and Konkola Copper Mines and that the expectations that it could have been done by now have not been realized.

Dr. Kalyalya said the delay in concluding these deals has hurt the economy as the projections were that they were going to be concluded in the shortest period and they have taken this long.

The Ministry of Mines and Minerals Development failed again to announce the two mining investors to take over Mopani Copper Mines and Konkola Copper Mines – KCM as promised. The Ministry had indicated that the deals would be concluded by the end of July. When a press briefing was called, expectations were that the deals would be announced but instead, the minister promised to start more frequent updates. The continued delay directly affects the economic livelihood of four cities and towns. Mopani is the bedrock company for Zambia’s second largest city Kitwe and Mufulira. KCM anchors economic activities for Chingola and Chililabombwe towns, making the two giant mines critical to the overall national economic recovery.

Speaking when he was responding to a question by the *Zambian Business Times* on what the Central Bank is doing to promote stability of the kwacha and to revive the alternative gold reserve following the recent gold scandal at the KKIA Airport, Dr. Kalyalya firstly noted that debt restructuring was extremely important for the country.

He said that when Zambia

ance to strike because if you overdo one side then you get other adverse problems” said Kalyalya.

He said the more sustainable way to get that stability is to increase exports as they are the ones that will bring the needed foreign exchange. He added that there is also a need to look at mechanisms that can substitute some of the foreign-obtained items. He said local production and local value addition are extremely important because there will be a substitution of the imports by locally produced items.

He emphasized that sourcing locally helps to conserve the foreign exchange that has been externalized. He says debt restructuring is a must if stability is to be brought, but there have to be other measures to augment the supply of foreign exchange.

“We have to augment the debt restructuring with another measure that will enable us to earn foreign exchange and also begin to produce some of the things that we acquire. We have unfortunately a taste for foreign items” said Kalyalya.

About gold, Dr. Kalyalya said the Bank of Zambia are Buyer and the way this benefits the bank is if they buy in local currency because using dollars or euros will only be a substitution.

He said the Bank has a contract with one of the big mining companies, but the amount that comes is not excessively large. “Then when you have these small players, it is very difficult to get that gold in the manner that it can be stored as a reserve set.

He said it has to have about 99 percent purity and getting it in less than that format will mean looking for alternatives as to where it has to be processed which is costly. He disclosed that concerns as to where the gold was obtained are raised, and if got in places of uncertainty, it will not be processed mainly due to the history around gold.

“So indeed we started that process, and as we pointed out we did reach an agreement with the official creditors early this year. First, it was a promise that they were going to do this, we got the ECF in August last year, but you see because of the prolonged restructuring process, it had to take almost another year for us to get the first review concluded this year. Without that we would be vulnerable because the debt over hand is extremely heavy” said Kalyalya.

He noted that when there was a breakthrough in getting the ECF in 2022, there were some positive sentiments as some flows were seen coming in and the kwacha strengthened, but because the other needed part did not come into play immediately, the momentum was lost.

“So we moved and again this year in August we can reach this, you see the kwacha appreciating, but very short period because the other aspects did not come through,” said Kalyalya.

Dr. Kalyalya said their tools as an institution on monetary policy are mostly focused on the demand side. “If demand is perceived to be the cause of the problem, which would be the case because for any trade to happen there is a buyer and a seller, so the buyer has to have kwacha to buy the dollar or the foreign currency. This is why you see that central banks tend to tighten liquidity so that you have less kwacha available to use in the transaction of dollars. But this has to be balanced with other needs of the economy, so it is not a very easy bal-



Cost of living not in line with the current economy – Financial analyst

Financial analyst Bright Chizonde said comparing how the economy was about 4 years ago and now, there is a significant improvement in the macroeconomic stability, and that the economy is performing far better when the cost of living has continued escalating.

Speaking in an exclusive interview with the *Zambian Business Times – ZBT* – Chizonde noted that inflation was over 20%, but is now closer to a single digit which is a significant reduction adding that interest rates are high and hard to reduce.

He explained that this is all because in the past government was borrowing a lot domestically which was pushing interest rates very high. “We are yet to see a change in policy concerning domestic borrowing which can then reduce the interest rates,” said Chizonde.

Chizonde added that the country is coming from a time when it had negative growth in the economy as growth reduced from as high as 10% to less than 0% over the past decade. He said the economy is growing faster, it is in the positives of 2.3 going up to 3%, 4% projection.

“Of course, they could have done a bit better when it comes to economic growth, and the major challenge we see is the fact that there is still instability in the mining sector, and there are several mines that are not fully operational despite the high copper prices which we are not taking full advantage off. But in

terms of the private sector, we see the private sector coming on board to be a bit more resilient and positive in terms of contributing” said Chizonde.

Speaking on the cost of living, Chizonde noted that the cost of living is the interaction of how the economy is performing with the actual income levels of the population and that it has remained very high despite the economic improvements.

He said it takes a bit of time for the positive economic performance to have an impact on the cost of living which is the space that the country is currently in. “In the meantime, we have a high cost of living and it appears that there is no impact because the ordinary person cares about the cost of living and not economic measures, that is why the government needs to take action,” said Chizonde.

He noted that advice has been given to the government in the past critical to addressing the cost of living, such as the policy to continuously revise fuel prices every month which translates into higher inflation. He said the “policy to continuously adjust every month has an impact on the cost of living because inflation is a contribution to this situation”.

Chizonde also noted that this is an issue of increasing the income of people. He said every year when the government is increasing salaries for public workers, they need to think of where the inflation is. He said it

is supposed to be a significant increase such that people can cope with the inflation levels. “So if we give Civil Servants a 5% increase and inflation is at 11% or 10.5% there will be no impact, their real wages remain less than what they were in the past as a result they will incur higher costs,” said Chizonde.

He said if the wages increase in the public sector, the private sector will also be forced to increase wages to attract a certain level of workforce. He said the government is what triggers that increase in pay. “So as we are approaching the end of the year, thinking about the new budget, we should think of how we cushion people’s salaries and wages concerning the higher cost of living,” said Chizonde.

Chizonde however noted that over a longer period, the changes the government is making in terms of the economic situation will then have a positive impact on the cost of living and people will feel the benefits, but will take time. He said things are likely to be a bit hard up to 2026. He said “When government is approaching an election year they have a tendency of trying to be more progressive in terms of the measures they are taking. Right now they are taking the hard-core measures which are necessary, but they are hard on the citizen”. He said when approaching elections they may begin to take populist measures which may not be the best for the economy, but because they are the best for the cost of living dynamics.

UPND risks serving one term

The Annual inflation for August 2023 has enlarged to 10.8 percent from 10.3 percent recorded in July 2023. The 10.8 rise in inflation is 2.8 percent above the top limit of the central bank’s 6%-8% target range.

Zambia’s 10.8% inflation increase has been attributed to several factors. One of the major factors is the depreciation of the Zambian currency, which has led to an increase in the cost of imported goods and also to the continued increase in pricing of essential goods such as mealie meals among others.

Commenting on the increase, economist Notulu Salwindi has projected that Zambia is likely to move into 2024 with high inflation.

Speaking to the *Zambian Business Times –ZBT*, in an exclusive interview, Notulu said that based on the monetary policy rate as agreed by the committee, it has been observed that inflation will be persistent in the long run and will not go out any time soon. He said it is a culmination of many things which include food inflation and non-food inflation.

He noted that the currency which is currently trading at about k20 against the dollar also has implications in the cost of goods and services. “You must take into

consideration that we are an import-based country, which means we import most of our things from outside, so if the cost of importation due to the depreciation of the kwacha persists, it means the cost of doing business will also go up,” said Notulu.

Notulu said there are two sides which are the local or internal causes and the external causes. He said the internal causes deal mostly with the food items especially mealie meal prices which is termed as a political crop due to its influence.

He noted that most regimes lose power if the price of mealie meals escalates. “So I believe if the UPND were in the position to cushion this, they would have cushioned it unless they have other data that we are not preview to as a public, but my take would be that they do not have the means to do so or if they do so now, it will be short term and they have just accepted that they need to let this play out in the market provided it does not go a level where it becomes unsustainable” said Notulu.

When asked if there is any political will by the government to cushion this, Notulu said “personal point of view I do not see any will in dealing with this”. He said if incentives are provided for people to produce, they will produce, but without an incen-

tive for production, there will be no production noting that the agriculture sector has great potential. He noted that in the last farming seasons, there was a massive production of soya beans and the reason why it was massively produced is because the price was high which made farmers run to soya beans as opposed to maize. He said maize was being produced on a subsistent level for consumption and only the excess was sold. “But this year government decided not to buy soya beans, so what do we expect will happen to soya beans in the next farming season? It will go down,” said Notulu. He said farmers showed that if there is an incentive to produce, they are willing to do the production. He said in its two years in office the Ministry of Agriculture has not done anything different from what the other regimes have done because the current policies do not incentivize farmers to do more.

Notulu said recovery from the inflation may take a long considering the many factors at play. Macroeconomic fundamental means each factor and each variable affects the other factors. So provided we do not have stability in these other fundamentals, then we expect that inflation and volatile exchange rates will be with us for quite some time’ said Notulu.



Analyst speaks on match attendance in Zambia

The football season has begun, but the Zambian league still faces the challenge of poor turnout of fans in stadiums which means that not much revenue is realized from a game as the stadiums are barely full.

Sports Analyst Philemon Tembo states that one of the contributing factors to this is the lack of proper facilities and the absence of the will to connect with people in communities to obtain a huge fan base.

Speaking to the Zambian Business Times, Tembo said people in management should change how they manage the teams. ‘We are not in the 80s we are in the modern world, so these days

there are basic mechanisms that you need to put in place to excite supporters. And one of them is proper facilities” said Tembo. He noted that Zambia does not have proper stadiums which makes it hard for people to show up even with their children in a stadium that is not comfortable. He said there is a need to work on facilities and connect with people in the communities to build a huge fan base. He said that football is a tough business to run, hence the need to have modern ways of marketing the game. “People in charge of managing football will need to sit down and re-strategize, We are in a modern world, you need to engage people,” said Tembo.

He added that at some point there is a need to sacrifice to realize money. He notes that it is very hard for someone to access a Nkana jersey or a Zesco United Jersey because the price is too much unlike walking into town and getting a Manchester United Jersey.

Tembo also added that Zambian teams depend too much on sponsorship. He said they need to find other ways how they can realize money for the team. He noted that teams tend to struggle when sponsors exit, hence the need to find a way of earning more revenue.



Televising of the premier league is not a threat to the attention of the local

Football in Africa, specifically Zambia is still growing and has a long way to go to reach the caliber of other developed nations. The Zambian league does not have a big market as other foreign leagues, and this is evident from the fact that even most of the locals seem to know more about other leagues such as the premier league at the expense of their local league. Though not to go good standard and small capacity, stadiums have a hard time being filled.

well as money leaving the country to televise a foreign league. Sports Analyst Yotam Mwanza however noted that Zambians love football and would love to watch foreign football leagues such as the Premiere League, and Laliga among others. Mwanza also noted Zambians equally love their league considering that there are local teams with a large following such as Nkana, Mighty Mufulira Wonderers, Power Dynamos, and Kabwe Warriors.

He said will people be able to divide their time and will be able to watch their local teams and later watch their favorite foreign teams. He said attention will always be there for local football as well as international football, but they will be a division. Mwanza

said the good part about foreign football is that most games are played in the night which gives ample time to watch local games in the afternoon and revert to foreign football in the evening.

He said despite this move which will only be showing one game, the attention will be on watching their local side as opposed to watching the EPL. “The preference really will be to watch local games and thereafter be able to set to international games later in the night,” said Mwanza.

Mwanza said the debate will always be there as it will be looked at as money going out to foreigners as opposed to it being put into the local league. He said the division has always been there and will always be there.

Lack of Govt funding for swimming, affecting the sector

The Zambia Swimming Union ZASU has noted the need for swimming in Zambia to be funded by the Government to develop the sport.

Speaking in an exclusive interview with the Zambian Business Times – ZBT, Guy Phiri said funding has been a challenge for swimming in Zambia to develop as there has been no government support in terms of organized funding programs. “Right from developmental swimming to maintaining swimming pools, and to organizing competitions to travel expense, accommodation expense to send our swimmers around the world and around the region, we have to fund ourselves,” said Phiri. He said they do have some corporations assisting in what they want to achieve, as well as members from the swimming fraternity but not funded in any way by the government. ZASU said the union spends millions of kwacha to run events adding that some of the events like the Common Wealth Youth Games are sponsored by the National Olympic Committee, but that there is little to no access to government resources for swimming. He said they sometimes get grants from the International Swimming Federation World Aquatics.

Phiri said a sport can only be developed to a certain level without government intervention. “All the other countries we compete against, even African countries have significant government funding. Countries like Botswana, South Africa, and even Namibia, get a lot of government funding, and it is very hard to compete without your government being behind you against countries where governments put a lot of money into swimming” said Phiri. Phiri said that the government must decide what they want as not investing in the sport may not see the much-needed results.

“So I think the government has to make a decision, do we invest in this sport, or do we not invest in this sport” said Phiri. He said there have been a lot of pronouncements of no minor sports and that all sports are equal, but that it is just a fallacy. “Football takes all government funding, there is nothing left for the rest of us, and there are just crumbs for the rest of us that is a fact.

So to say there is no minor sport, it is just a fallacy, or we can say it is politicking,” said Phiri. He said it is understandable that there are limited resources, and that endless money cannot be put into all different sports, but noted that if investment is not

put into a joke, results should not be expected. He notes that is hard to put in world-class performance when no investment has been placed in the sport and competing against America, England, Japan, and Germany, who spend hundreds of millions of dollars per year on this sport, and Zambia spends Zero public money on swimming. He said the ministry in charge of sports should be true and not paint a picture that all sports are equal as it is not true. He noted that more money is spent on sports like football, and netball and that compared with other sports it cannot be avoided that there are minor sports. “But our money goes into football which is okay and the government has got the right to expect results from football because they are putting money into football, a lot of money, building stadiums, sending big bonuses to players.

It is fine and that is where you should expect your results from. Do not expect big results from people or areas you have not invested in” said P. It is just a few individuals trying to fly the Zambian flag, we are much respected around the world, we punch a lot higher than we should” said Phiri. He said they have done well with just a few individuals despite a lack of

