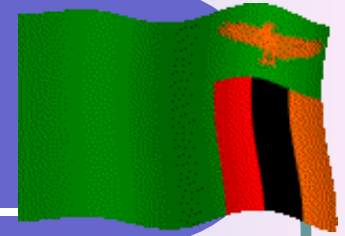




Bank Of Zambia



# **ZAMBIA: THE NEW ECONOMIC HUB IN SOUTHERN AFRICA**

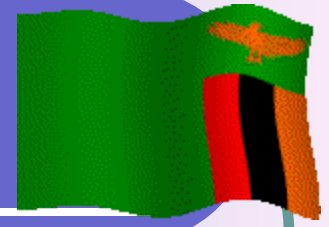
**by**

**CALEB M. FUNDANGA  
GOVERNOR  
BANK OF ZAMBIA**

**Kuala Lumpur, Malaysia  
February 2011**



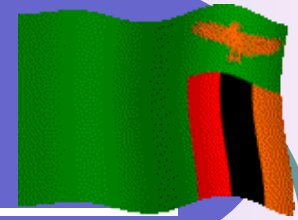
# Outline



- I. Introduction
- II. Current Macroeconomic Conditions
- III. Financial System
- IV. Investments Opportunities



# I. Introduction: ZAMBIA –The Geographical Hub of SADC

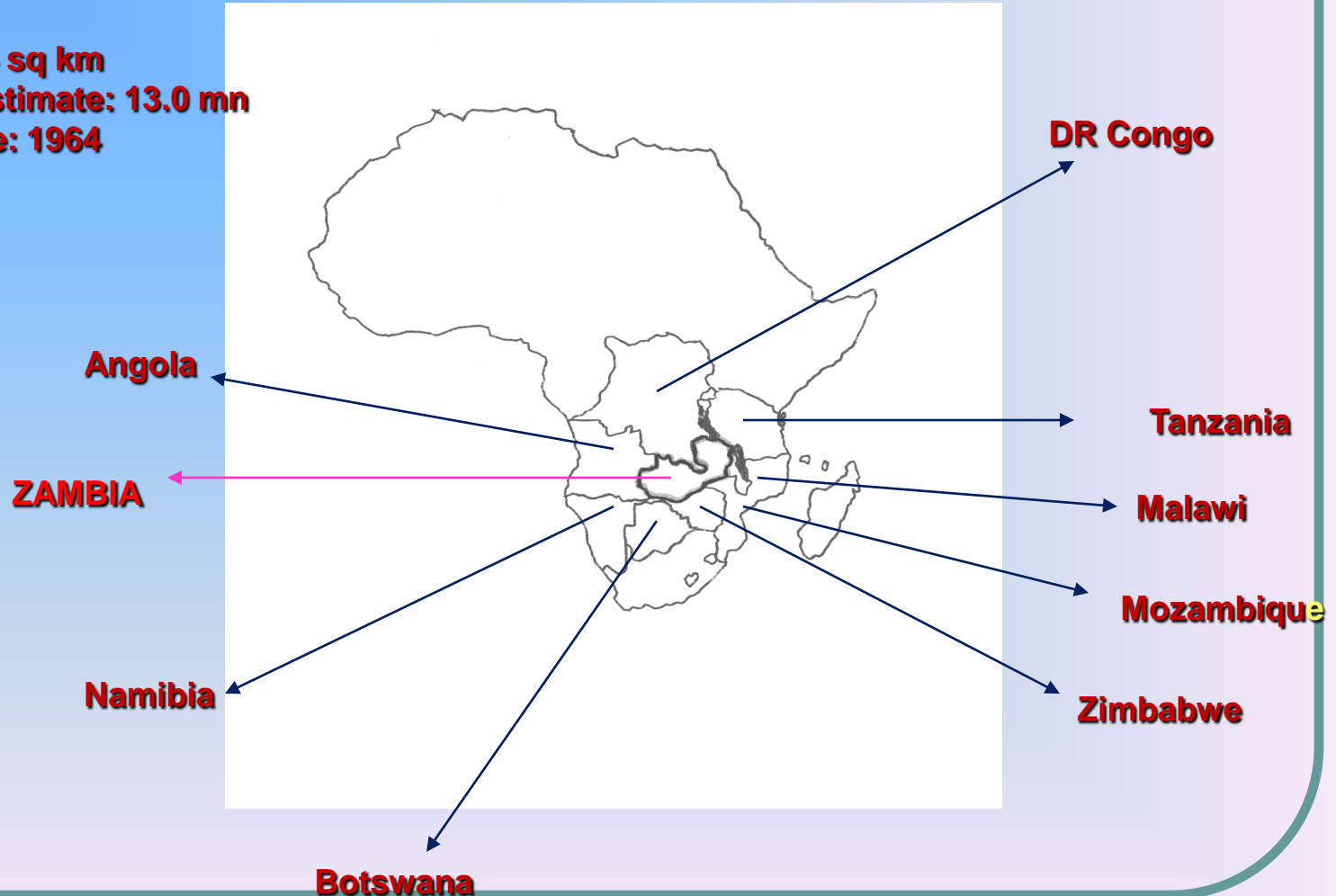


## ZAMBIA

Area: 752,614 sq km

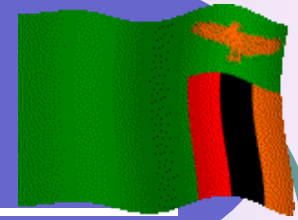
Population Estimate: 13.0 mn

Independence: 1964



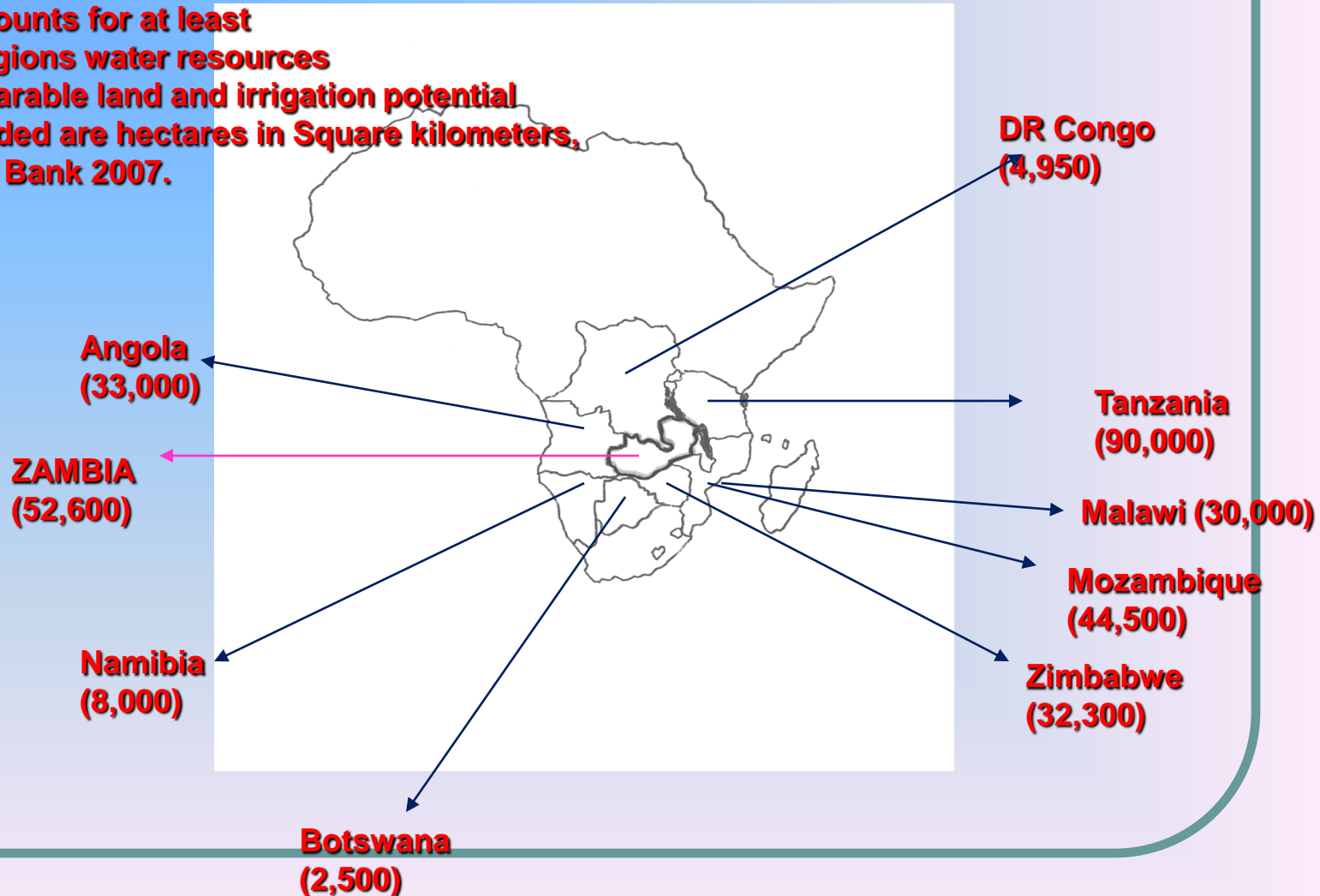


# Introduction: ZAMBIA –The Agriculture Hub OF SADC



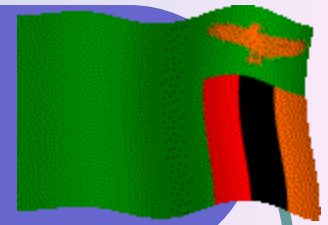
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**ZAMBIA: Accounts for at least 40% of the regions water resources and has vast arable land and irrigation potential**  
**Figures provided are hectares in Square kilometers, source World Bank 2007.**





## II. Current Macroeconomic Conditions



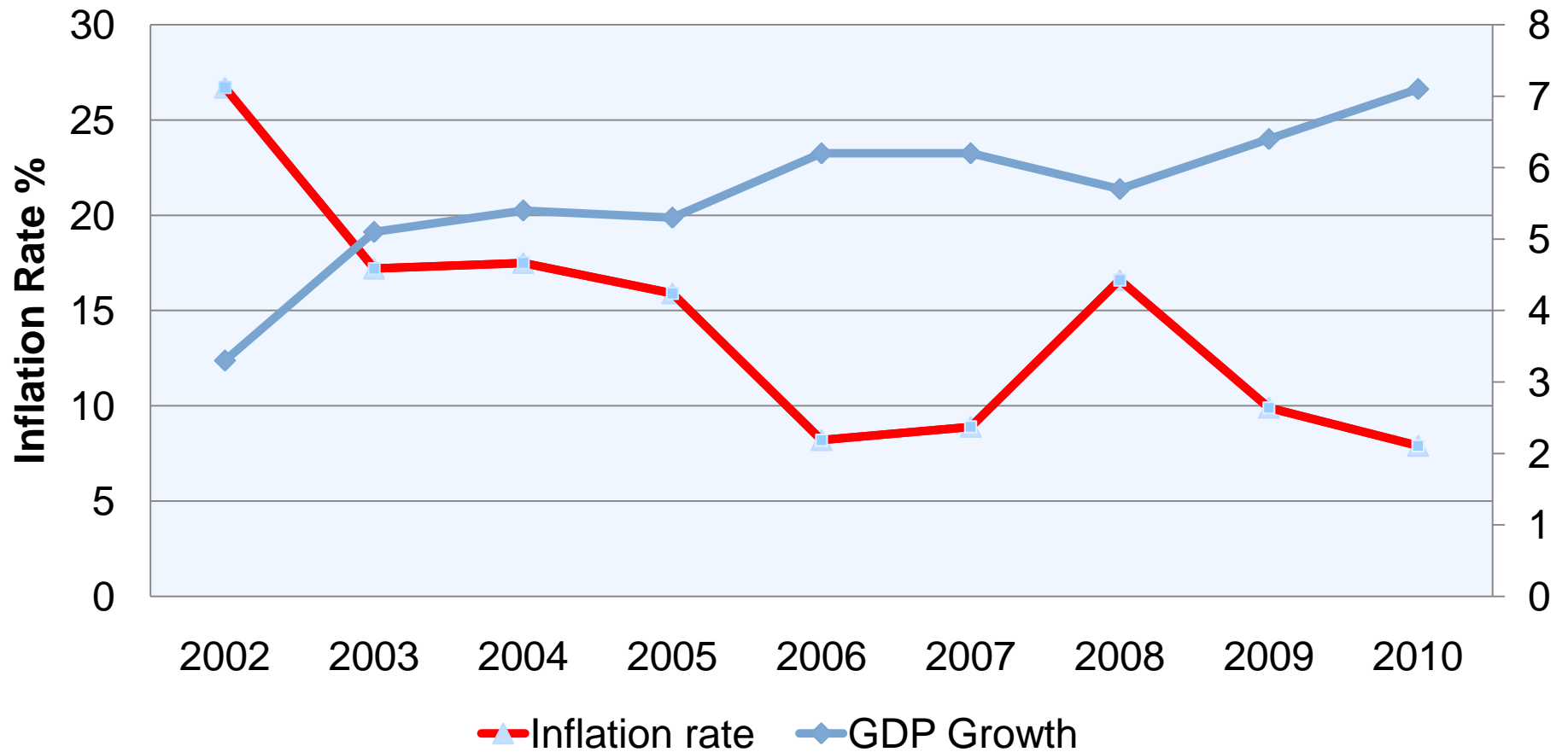
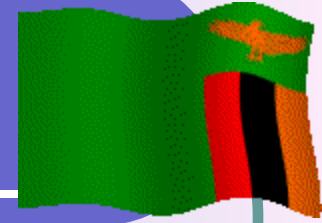
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**Table 1: Major Macroeconomic Indicators, 2005-2010**

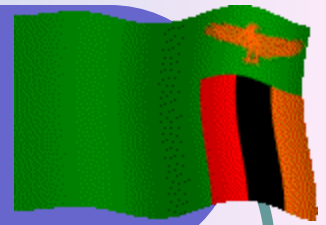
	2005	2006	2007	2008	2009	2010 (est)
Real GDP growth (end-year%)	5.3	6.2	6.2	5.7	6.4	7.1
Annual Inflation end-period (%)	15.9	8.2	8.9	16.6	9.9	7.9
Total Exports (US \$' mn)	2,208.2	3,890.7	4,448.5	4,880.2	4,242.82	7,278.9
Metal Exports (US \$' mn)	1,673.8	3,175.4	3,667.7	4,004.0	3,343.15	6,071.7
Non-Traditional Exports (US \$' mn)	534.4	715.3	780.8	876.2	899.67	1,207.2



## II. Current Macroeconomic Conditions

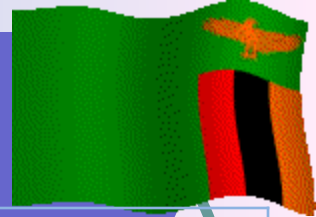


## III. Financial System



- Institutions under BOZ supervisory Ambit:
  - 18 banks,
  - 11 leasing finance companies,
  - 3 building societies,
  - 50 bureaux de change,
  - 1 savings and credit bank,
  - 1 development finance institution,
  - 24 microfinance institutions and
  - 1 credit reference bureau.
- Banks dominate financial system accounting for about 80% of total assets

# Commercial Banks in Zambia

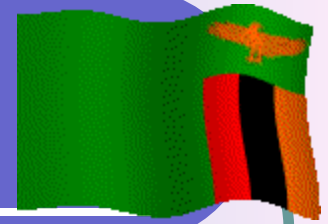


	<b>Foreign Owned Banks</b>	<b>63.7%</b>
1	African Banking Corporation Zambia Limited	1.6
2	Bank of China Zambia Limited	8.4
3	Barclays Bank Zambia Plc	18.3
4	Citibank Zambia Limited	6.9
5	Intermarket Banking Corporation Zambia Limited	0.9
6	Stanbic Bank Zambia Limited	12.2
7	Standard Chartered Bank Zambia Plc	15.6
	<b>Locally Owned Banks</b>	<b>11.6%</b>
8	First Alliance Bank Zambia Limited	1.2
9	Investrust Bank Plc	2.9
10	Finance Bank Zambia Limited	6.5
11	Cavmont Capital Bank Zambia Limited	1.0
	<b>Joint Venture with GRZ</b>	<b>20.1%</b>
12	Indo-Zambia Bank Limited	4.8
13	Zambia National Commercial Bank Plc	15.3
	<b>Newly Licensed Banks(All foreign Owned)</b>	<b>4.6%</b>
14	Access Bank Zambia Limited	1.8
15	Ecobank Zambia Limited	0.6
16	First National Bank Zambia Limited	1.4
17	International Commercial Bank Zambia Limited	0.2
18	United Bank for Africa Zambia Limited	0.6



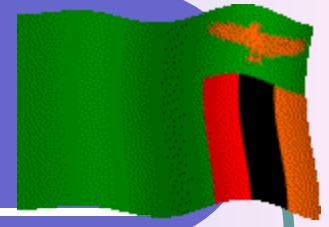


## IV. Prospects for Investments



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- ❑ Investment opportunities are abundant and cut across sectors in Zambia. Among them are in:
  - **Financial Sector:** booming banking sector, need for financial inclusion and development of the payments system;
  - **Agriculture:** increased investments in farm blocks and livestock can play a role in meeting the global food deficit;
  - **Tourism:** key investment opportunities at Kasaba Bay in the Northern Circuit Tourism zone;
  - **Mining:** copper mining, gold, nickel, iron ore, Uranium, gemstones and industrial minerals, exploration of oil and gas;
  - **Manufacturing:** Opportunities in food processing, fertiliser, spare parts and industrial chemicals through MFEZs.
  - **Utilities and services:** Opportunities in energy, transportation (Railways), and construction.



# THANK YOU

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