

Zambia Country Commercial Guide

Table of Contents

- Doing Business in Country** _____ **5**
- Market Overview** _____ **5**
- Market Challenges** _____ **5**
- Market Opportunities** _____ **6**
- Market Entry Strategy** _____ **7**
- Political Environment** _____ **7**
- Political Environment** _____ **7**
- Selling U.S. Products & Services** _____ **7**
- Using an Agent to Sell U.S. Products and Services** _____ **7**
- Establishing an Office** _____ **7**
- Franchising** _____ **8**
- Direct Marketing** _____ **8**
- Joint Ventures/Licensing** _____ **9**
- Selling to the Government** _____ **9**
- Distribution & Sales Channels** _____ **9**
- Express Delivery** _____ **9**
- Selling Factors & Techniques** _____ **10**
- E-commerce** _____ **10**
- Overview:** _____ **10**
- Current Market trends:** _____ **11**
- Domestic eCommerce:** _____ **11**
- Cross-Border eCommerce:** _____ **11**
- B2B eCommerce** _____ **11**
- eCommerce Services:** _____ **12**
- eCommerce Intellectual Property Rights (IPR)** _____ **12**
- Popular eCommerce Sites:** _____ **12**
- Online Payment** _____ **12**
- Mobile eCommerce** _____ **13**
- Digital Marketing** _____ **13**

Major Buying Holidays	13
Social Media	13
Trade Promotion & Advertising	14
Electronic Media:	14
Print Media:	15
Pricing	15
Sales Service/Customer Support	15
Protecting Intellectual Property	16
Due Diligence	16
Local Professional Services	16
Principle Business Associations	16
Limitations on Selling U.S. Products and Services	17
Web Resources:	17
Leading Sectors for U.S. Exports & Investments	17
Energy	17
Overview	17
Sub-Sector Best Prospects	18
Power Africa Support	18
Opportunities	18
Key government and regulatory agencies for Solar projects	18
Web Resources	19
Agricultural Sector	19
Sub-Sector Best Prospects	19
Opportunities	19
Key government and regulatory agencies:	20
Web Resources	20
Infrastructure Development	20
Overview	20
Sub-Sector Best Prospects	20
Opportunities	20
Key government and regulatory agencies	21
Web Resources	21
Mining and Minerals	21
Overview	21
Sub-Sector Best Prospects	21
Opportunities	22
Key government and regulatory agencies	22
Web Resources	22
Information Communication Technology	22
Overview	22
Opportunities	23

Medical Equipment	23
Overview	23
Sub-Sector Best Prospects	23
Opportunities	23
Key government and regulatory agencies	24
Web Resources	24
Travel and Tourism	24
Overview	24
Opportunities	24
Web Resources	25
Trade Regulations, Customs, & Standards	25
Import Tariff	25
Import Requirements & Documentation	25
Labeling/Marking Requirements	25
U.S. Export Controls	26
Temporary Entry	26
Labeling/Marking Requirements	26
Prohibited & Restricted Imports	26
Customs Regulations	26
Standards for Trade	27
Overview	27
Standards	28
Contact Information	28
Trade Regulation Web Resources	29
Investment Climate Statement	30
Trade & Project Financing	30
Methods of Payment	30
Banking Systems	30
Foreign Exchange Controls	31
US Banks & Local Correspondent Banks	31
Project Financing	31
Multilateral Development Banks:	32
Web Resources	32
Financing Web Resources	32
Business Travel	32
Business Customs	32
Travel Advisory	32
Visa Requirements	33
Currency	33

Telecommunications/Electric	34
Transportation	34
Language	35
Health	35
Local Time, Business Hours and Holidays	35
Zambian business hours:	35
Zambian Holidays in 2017	35
Temporary Entry of Materials or Personal Belongings	36
Travel Related Web Resources:	36

Doing Business in Country

Market Overview

- Zambia is a politically stable, multi-party democracy, rich in natural resources.
- The economy enjoys liberalized prices on most items, a stable foreign exchange rates, and no currency controls
- Zambia's main export partner is Switzerland (45 percent of total exports, based on Swiss ownership of one of the country's copper mines). Others include: China (20 percent), South Africa, United Kingdom, Zimbabwe and DR Congo. Zambia's main import partner is South Africa followed by DR Congo and China.
- In 2016, Zambia's total imports from the United States were \$81.2 million, compared to \$84.2 million in 2015. These consisted primarily of machinery, rubber, and vehicles.
- In 2016, about \$46.6 million in Zambian exports went to the United States, compared to \$47.1.7 million in 2015. These consisted almost entirely of copper, cobalt, precious stones (primarily emeralds), and cotton.

Market Challenges

- The Zambian economy is heavily dependent on copper mining and rain-fed agricultural production, which exposes the economy to such external vulnerabilities as changes in global copper prices and seasonal weather patterns. Zambia has a relatively small domestic market that is spread across a country roughly the size of Texas. Zambia is a member of the Southern African Development Community (SADC) and the Common Market for Eastern and Southern Africa (COMESA).
- Other challenges include: pervasive corruption, complex permit requirements, insufficient energy supply, inadequate law enforcement capacity, a weak court system, unreliable and expensive communication, and low, but growing, internet connectivity.
- Although hourly wages are low, actual labor costs are considered high for the region — driven up by stringent labor laws and a shortage of skilled labor.
- Tightening of monetary policy by the Bank of Zambia has been effective in stabilizing the exchange rate but current liquidity conditions have contributed to the persistent under-subscription of treasury bills and bonds. Commercial lending rates are still very high, between 35 to 45 per cent.
- Although improvements have been made at key entry points, including the opening of integrated customs services at the Zambia-Zimbabwe border at Chirundu, the DRC-Zambia border at Kasumbalesa, and the Zambia-Tanzania border at Nakonde, the cross-border movement of goods remains slow. This, combined with high fuel prices, translates into steep transportation costs.

- Government policies with respect to business and trade change often without prior consultation and are a challenge. Similarly, market-distorting subsidies in the agricultural sector inhibit the growth of the private enterprise.

Market Opportunities

- There are a number of commercial opportunities in Zambia's emerging economy, including a rising middle class in urban population centers. In general, most sectors are uncompetitive and are dominated by a few large players, leaving plenty of room for new market entrants. Market opportunities abound in the following sectors:
- **Energy:** Demand for electricity has been growing at an annual rate of about 3% and generation development is starting to grow. Investment opportunities include electricity generation, upstream and downstream petroleum, and renewable energies. Demand for renewable energies has grown significantly. Solar projects under private-public partnerships are ripe for development.
- **Infrastructure:** Building and construction is the largest industrial sector. Zambia has a national housing deficit of 1.3 million. Opportunities in the sector are led by demand in the mining industry, infrastructure development, residential buildings and offices.
- **Mining:** Zambia is the second largest copper producer in Africa and seventh largest in the world. Foreign Direct Investment (FDI), since privatization, totals more than \$8 billion. Opportunities exist in exploration, mine services, water management, engineering, construction, and environmental services.
- **Agriculture:** The government is developing new farm block areas in all 10 provinces for large commercial farms. Opportunities exist in large-scale farming, farm input and agro-processing, equipment supply, and commodity storage and trading.
- **Manufacturing:** The government is developing a series of Multi-Facility Economic Zones (MFEZ) and Industrial Parks (industrial areas for both domestic and export orientated industries) to attract domestic and foreign direct investment. Opportunities include agro processing (food and beverages), textiles and leather, secondary processing of minerals, chemical products, electricity construction materials, and wood products. Investment incentives are available for priority sectors or investment in MFEZ.
- **Information & Communication Technology (ICT):** The ICT sector has seen growth as government has embarked on reforms and formation of an ICT policy. Opportunities include provision of retail fiber optic, mobile and internet service providers, software development, and ICT parks.
- **Tourism:** Zambia shares the world famous Victoria Falls, one of the Seven Natural Wonders of the World, with Zimbabwe. Zambia boasts 20 national parks and 34 game management areas. There are opportunities in tourism services and infrastructure as Zambia lacks adequate hotel room capacity, tourism operators, and transportation infrastructure in its tourism and copper producing regions.

Market Entry Strategy

- Relationships are key in finding a good business partner and a company needs to visit Zambia to maximize prospects for successful market entry.
- U.S. companies usually either license through local representatives, or export directly or indirectly through (often South African) intermediaries.
- Whatever market entry strategy is chosen, businesses should bear in mind that entering the market will require local expertise on legal and regulatory issues.

Political Environment

Political Environment

Link to the State Department's website for background on the country's political environment
<http://www.state.gov/r/pa/ei/bgn/2359.html>.

Selling U.S. Products & Services

Using an Agent to Sell U.S. Products and Services

There is generally substantial local interest in representing and/or distributing on behalf of U.S. companies. Financing local inventories is often a problem, especially given high commercial loan rates. Few companies have sales or service networks that meet U.S. standards and expectations.

The U.S. Embassy has the capacity to provide full commercial services when requested through a U.S. Department of Commerce district office, or when contacted directly by a U.S. company.

The commercial services offered by the U.S. Embassy are listed at the link:
<http://zambia.usembassy.gov/business.html>.

Local offices of international accounting and consulting firms can also assist in identifying qualified local business partners.

Establishing an Office

Foreign companies that plan to invest in Zambia can take advantage of the services at the One Stop Shop to obtain an investment license. The procedure is straightforward and licenses are approved or disapproved within three working days. In the same venue, one can access the Electronic Registry for Business Licenses (e-registry), which provides online access to information on all licenses and permits required to establish and operate businesses in Zambia.

E-registry is available on <http://www.businesslicenses.gov.zm>.

The following are the requirements for registering a foreign company in Zambia:

1. At least one and not more than nine local directors must be appointed as directors of a foreign company. At least one local director of the company must be resident in Zambia, and if the company has more than two local directors, more than half of them shall be residents of Zambia.
2. There must be at least one documentary agent (a firm, corporate body registered in Zambia, or an individual who is a resident in Zambia).
3. A certified copy of the Certificate of Incorporation from the country of origin must be attached to Form 46.
4. The charter, statutes, regulations, memorandum and articles, or other instrument relating to a foreign company must be submitted.
5. The Registration Fee of K4, 166 (about \$417.00) must be paid.
6. The issuance and sealing of the Certificate of Registration marks the end of the process for registration.

This information can also be found at the above web address of the Patents and Companies Registration Agency (PACRA).

The Lusaka One Stop Shop
P.O. Box 30819
Kwacha House Annex Building
Cairo Road
Lusaka, Zambia
Tel: +260-211-231104
Fax: +260-211-225270
Email: onestopshop@zda.org.zm

Franchising

Franchise business arrangements in Zambia are based on British contract law rather than more-binding U.S. franchising regulations. There is increased interest in franchising in Zambia generated by publicity and exposure to international franchise trade events. Lack of financing options, however, remains a major obstacle to franchise business development in Zambia.

There may be opportunities for U.S. franchises in the following areas:

- Fast Foods
- Restaurants
- Retail (including pharmaceutical and hardware)
- Clinics (including specialized hospitals)
- Hotels and Lodges
- Internet Service Providers

Direct Marketing

There are no restrictions on conducting direct marketing in Zambia. Advancements in technology have meant that the internet is now a more pronounced medium of communication.

Mobile phones are no longer used only for conventional purposes but for interaction on social networking communities and e-commerce.

Payment systems for electricity tokens, water bills, television channel subscriptions, and sending and receiving money are now available on mobile phones. There is an increase in mobile phone usage and digital marketing activities.

Joint Ventures/Licensing

The Zambian business community has a strong interest in joint ventures and licensing agreements. Local investors actively seek out these arrangements in order to overcome scarcity of domestic capital, technology, and expertise. There are no legal restrictions that define the terms of a joint venture arrangement. A suitable partnership should be established contractually and registered with the Patent and Company Registration Agency (PACRA).

Selling to the Government

The Government of the Republic of Zambia (GRZ) uses the e-procurement system for most government contracts that range from acquisition of goods to works and consultancy services. Some contracts are awarded through single source without following tender procedures. In addition, the government also uses the World Bank Group's public-private-partnership in infrastructure resource center for infrastructure procurements.

More information on public procurement visit <http://www.zppa.org.zm> and <https://ppp.worldbank.org/public-private-partnership/library/zambia-public-procurement-act-2008>.

Distribution & Sales Channels

Wholesale trade and distribution is concentrated in major towns around the country, including Lusaka, Kitwe, Ndola, Livingstone, Kasama and Chipata.

Goods destined for Zambia arrive via South Africa (Durban, Port Elizabeth, and East London), Namibia (Walvis Bay), Mozambique (Beira and Nacala), and Tanzania (Dar es Salaam). Durban, Walvis Bay and Dar es Salaam are the most commonly used sea ports.

Virtually all imports are transported by truck and enter Zambia primarily through Chirundu and Livingstone (on the Zimbabwean border), Kazungula (on the Botswana border), Nakonde (on the Tanzanian border), and Sesheke (on the Namibian border).

The Kasumbalesa border with DR Congo, Nakonde border with Tanzania, and Chanida border with Mozambique see a great deal of mining sector-related traffic.

Imports coming through Durban, Walvis Bay, and Dar es Salaam can take up to two weeks to reach Zambia, due primarily to delays at border crossings.

Express Delivery

Zambia has a few express delivery services which include international companies such as DHL, Mercury Express Logistics, FedEx, and the Express Mail Service (EMS) offered by the Zambia Postal Service Corporation.

EMS has the widest domestic network utilizing the Post Office infrastructure which has 144 postal outlets and a fleet of delivery vehicles. Delivery of letters, documents and parcels within Zambia take a few hours to 48

hours depending on distance. International deliveries can take between 1-4 days and 3-5 days to the United States and Canada.

In case of export, a customs declaration form and commercial invoice quoted in any convertible currency would be needed for clearance. The Customer Service Centers and Sales clerks would advise on proper packaging. The minimum weight for a single parcel is 30 kilograms but this is negotiable depending on the nature of the parcel. In case of dutiable items, expected recipients would be invited to collect items or parcels which would be subjected to customs examination.

Parcels and documents are examined by sales clerks to ensure that prohibited items are not sent through the service.

EMS delivery charges would range from \$1- \$5 while FedEx, DHL and Mercury delivery charges range from \$10-\$30 per mail. Any mail costing \$300 would be assessed by customs officials who would also charge a certain percentage for the package.

Selling Factors & Techniques

Selling is normally done on a cash basis due to scarce and expensive credit. Companies that can offer credit, or an extended payment schedule, have an edge even if their prices are higher.

After-sales service is an important factor for technical products. Imported food products must have English-language labels that detail ingredients and shelf life. Any food products failing to meet this requirement are confiscated by local authorities and destroyed without compensation.

Goods and services are advertised through flyers in the main daily newspapers such as The Mast, Times of Zambia, and Daily Mail for wider circulation at a fee.

There are five private television stations and two public channels operated by the state-run Zambia National Broadcasting Corporation. The television channels and community radio stations provide advertising services.

E-commerce

Overview:

The Zambia telecommunications sector has achieved significant development over the last decade. Building on the 1994 reforms, which opened the telecommunication market to new entrants, the sector has experienced rapid growth. Market penetration is still low while prevailing prices are high indicating that the market is still largely underdeveloped with room for considerably more competition. In 2009, Zambia established the national Information Communication Technology (ICT) policy for regulating the telecommunication sector in the country. The Zambia National Information and Communications Technology ICT policy was developed based on thirteen pillars and three core thematic areas namely capacity building, effective regulatory and legal framework, and competitive ICT sector. To regulate the information and communication sector, the government established the Zambia Information and Communications Authority (ZICTA).

E-commerce is a growing market in Zambia. There is a different growth rate for different channels and mobile commerce is by far the fastest growing. The 2016 ZICTA report indicates that Zambia's internet subscriber base

fell from 6.1 million to 5.2 million in 2016. The drop in 2016 is attributed to the high cost of data services resulting in users turning to basic handsets instead of data-enabled phones. Notable industries exploiting e-commerce space include banks and telecommunication companies.

Current Market trends:

Information and Communication Technologies Act Number 15 of 2009 guides ICT operations in Zambia. ZICTA provides for the regulation of information and communication technology; facilitates access to information and communication technologies; protects the right and interests of service providers and consumers; repealed the Telecommunications Act 1994 and the Radio Communications Act 1994; and provides for matters connected with or incidentals to the foregoing.

Most purchase in Zambia is through the mobile commerce channels namely:

- a) Credit Cards
- b) Debit Cards
- c) Automated Teller Machine (ATM) bill payments
- d) Kiosks
- e) Mobile devices

The major m-commerce channel is the mobile platform because of the coverage of mobile data networks. The government is building more communication towers to house base stations, enabling increased coverage for data access.

Domestic eCommerce:

eCommerce business to the consumer market is still developing. There is not much discussion on domestic eCommerce but most Zambians are comfortable with purchase of electricity tokens, digital TV purchase, water bill payment, and cardless transactions like eWallet.

Cross-Border eCommerce:

The top countries from where Zambians make online purchases include:

- a) USA (eBay)
- b) United Kingdom (eBay)
- c) China (Alibaba)

Products range from electronics, footwear, clothing, accessories, motor vehicle spare parts and motor vehicles. Some challenges of online purchases are purchasing defective, poor quality gadgets or products and the supply of false information. Other challenges include the lack of information by the service provider such as contact details, right to withdrawal, non-receipt of the item purchased, terms and conditions, costs such as customs duty, value added tax and import declaration fee.

B2B eCommerce:

Zambia is developing a B2B portal which is developing a database of suppliers and buyers and providing electronic tools to enable buyers submit tender information and receive bids from suppliers. This will increase trade between local small and medium enterprises and large companies.

Other entities take advantage of the B2B concept. For example the national pensions fund (NAPSA) has partnered with several banks to enable payments of pension contributions. Other partnerships include:

- a) Zambia Electricity Supply Company is integrating with IT companies for purchase and payment of electricity tokens
- b) Banks partnering with private companies in providing payment platforms to enable bank accounts to be debited for online transactions
- c) Water utility companies partnering with system integrators to allow for online payments of bills
- d) Pay television and many more services and products can be paid via the following channels:
 - 1) Mobile banking
 - 2) SMS Banking
 - 3) ATM
 - 4) Kiosk
 - 5) Website
 - 6) Credit Cards
 - 7) Debit cards

eCommerce Services:

The main service providers that help key industries are:

- a) Mobile Telecoms operators in providing
 - 1) Unstructured Supplementary Service Data services
 - 2) Data Services
 - 3) Short Messaging Services
- b) Banks in providing access to accounts for purchases
- c) Service providers such as:
 - 1) Tax Organizations
 - 2) Pensions
 - 3) Electricity
 - 4) Water
 - 5) Television

eCommerce Intellectual Property Rights (IPR)

There is no proper safeguarding of IPR in Zambia although the Patent and Company Registration Office has a small unit that attempts to enforce this. This unit has not offered any proper procedures or guidelines on IPR.

Popular eCommerce Sites:

The most commonly consumed platforms include:

- a) Zambia Revenue Authority, used for paying domestic taxes and customs services.
- b) National Pension Scheme Authority
- c) Patent and Company Registration Office
- d) Zoono – an electronic transfer service that enables consumers to send or receive money within Zambia. The company offers services through a distribution network of cash agents and retailers countrywide. Through Zoono, consumers can pay bills, make loan repayments, and buy electronic vouchers.
- e) Dot Com Zambia – is a shopping platform that allows users to shop online from in-country (Zambia) and from international retailers located in the United Kingdom, the United States, and China. The company also offers a digital bus ticketing system for sub-Saharan Africa.

Online Payment

The most common payment methods for online e-commerce transactions in Zambia include:

- a) Mobile based
 - 1) Mobile money

- 2) eWallet
- 3) Mobile banking
- b) Credit cards
- c) Debit Cards
- d) ATM
- e) Kiosk
- f) Web sites
- g) Paybills.co.zm (a payment service that allows customers in Zambia to pay utility bills, pay television subscriptions, and buy air time using VISA or MasterCard)

Mobile eCommerce

U.S. businesses can leverage the following vehicles for eCommerce that have become more widely available:

- a) Mobile Apps for
 - 1) Agri-business
 - 2) Match making
 - 3) Payments
 - 4) Insurance
 - 5) Banking
- b) System integration that enable systems to communicate among each other
- c) Toll gates and pre-paid systems
- d) Point of Sale for various business houses

Digital Marketing

There are very few digital marketing houses in Zambia. Several websites offer free space for advertising on their websites but oftentimes does not guarantee much traffic. Large, energy-intensive digital screens located at major intersections are a popular form of advertising used by many companies.

There is no single portal to register for online advertising. Below are a few that offer advertising opportunities:

<http://www.zambiausachamber.org/>

<https://infozambia.com/advertise>

<http://www.zambiatourism.com/destinations/waterfalls/victoria-falls>

<http://www.livingstonetourism.com/the-victoria-falls/>

Major Buying Holidays

The major consumer ‘buying holidays’ and most popular shopping days on eCommerce in Zambia include:

- a) Christmas
- b) Agriculture and Commercial Show
- c) Trade Fairs
- d) Easter
- e) New Year

Social Media

There is a surge in social media usage, especially in the urban areas where there is mobile data coverage.

The following are trending:

- Facebook – attracts a younger audience
- WhatsApp is very popular among all age groups
 - a) Business networking
 - b) Socializing
 - c) Groups for collaboration
- Voice and video calls
- Twitter is not very popular in Zambia

Trade Promotion & Advertising

Zambia holds annual trade fairs. The main trade events are:

- Agritech Expo Zambia annually –
A premier agriculture expo held annually in April
www.agritech-expo.com
- CCPC, Copperbelt Mining, Agriculture, and Commercial Show
Held during the last week of May in Kitwe (Copperbelt Province)
<https://www.ccpc.org.zm/index.php/component/jem/event/2>–
- Zambia International Mining and Energy Conference & Exhibition --
Mid-June
<http://ametrade.org/zimeczambia/>
- Zambia International Trade Fair
During the last week of June in Ndola (Copperbelt Province)
<http://www.zitf.org.zm>
- Zambia Agriculture and Commercial Show
First week of August in Lusaka
<http://www.acsz.co.zm>
- Zambia International Building, Construction and Interiors Exhibition –
Mid-June
<http://10times.com/zambia/tradeshows>
- Zambia International Property Expo
Takes place annually in May in Lusaka
<http://www.zipexpo.com/>

Electronic Media: Zambia has two government-owned national channels, five private television stations and over 60 community radio stations. Radio broadcasts are in English as well as local languages and tend to reach a wider audience than television broadcasts.

Contacts for the dominant television and radio broadcasters are:

Zambia National Broadcasting Company (ZNBC) TV1 and TV2

Email: znbz@zamtel.zm

Website: www.znbz.co.zm

MUVI Television

Email: muvi@iconnect.zm

Website: www.muivitv.com

Radio Phoenix

Email: rphoenix@zamnet.zm
Website: www.radiophoenix.co.zm

Print Media: The Times of Zambia and the Zambia Daily Mail are state-owned daily newspapers. The two independent daily newspapers are The Mast and The Nation. Monthly business publications include the Zambia National Farmers Union's *Zambian Farmer* and the *Farmers Gazette*.

Contacts for print media are:

Times of Zambia
Email: times@zamtel.zm
Website: www.times.co.zm

Zambia Daily Mail
Email: zadama@zamnet.zm;
Website: www.daily-mail.co.zm

Daily Nation Newspapers
Email: sales@zambiadailynation.com
Website: <https://www.dailynation.news/>

The Mast Newspaper
Email: info@themastonline.com
Website: <https://www.themastonline.com/>

The U.S. advertising firm Young & Rubicam has offices in Zambia and may be contacted at the following address:

Young & Rubicam (Zambia) Limited
Email: yubicam@coppernet.zm

Pricing

Local pricing are typically high as they usually account for international and domestic transportation charges, customs duty, and value added tax (16%).

In general, Zambian consumers are price conscious and place greater emphasis on price than quality. However, in many sectors Zambians still see the value in U.S. products and services compared to products and services from other countries.

Sales Service/Customer Support

After-sales service and customer support are important factors to business, particularly for technical products such as computers and equipment. Most business houses now provide customary sales and customer support especially for electronics and equipment.

Protecting Intellectual Property

In any foreign market companies should consider several general principles for effective management and protection of their intellectual property. The following articles provide additional background on these principles:

Protecting Intellectual Property and Corruption

<https://www.export.gov/article?id=Protecting-Intellectual-Property>

<https://www.export.gov/article?id=Corruption>

Due Diligence

All U.S. companies are advised to exercise due diligence before doing business in Zambia. The Embassy has the capacity to provide information about local companies when requested through a U.S. Department of Commerce district office, or when contacted directly by a U.S. company through an International Company Profile. The International Company Profile (ICP) is the Department of Commerce's background check on the reliability of potential trading partners. An ICP report includes information on a prospective client, including: principal owners, year established, size, sales, financial information, trade references, general reputation, type of organization and territory covered, and a personal visit by an officer in order to give a professional opinion on the company. A U.S. exporter can obtain this information, as well as detailed answers to specific questions about the prospective partner, in a confidential report. In addition, the U.S. Embassy will provide a recommendation on the suitability of the profiled company as a business partner.

Also, local attorneys or business consultants can provide comprehensive assistance in determining the bona fides of a prospective business partner.

Local Professional Services

A number of professional service providers are available to U.S. companies. A list of attorneys can be found on the Embassy website:

<http://zm.usembassy.gov> or through the Law Association of Zambia at: www.laz.org.zm.

Other resources include:

Zambia Institute of Chartered Accountants: <http://www.zica.co.zm>

Zambia Institute of Marketing: <http://zambiainstituteofmarketing.co.zm/>

National Construction Council of Zambia: <http://www.ncc.org.zm/>

The Engineering Institute of Zambia: <http://www.eiz.org.zm/>

Association of Professional Immigration Consultants: <http://www.apiczambia.org.zm/>

Zambia Institute of Human Resource Management: <http://www.zihrm.org.zm/>

Principle Business Associations

Zambia Chamber of Commerce and Industry (ZACCI): ZACCI is a national body representing the interests of the private business sector in Zambia focusing on the promotion and development of trade, commerce, and industry. Through its membership, ZACCI represents several thousand businesses in Zambia and a huge network of companies of all sizes and sectors. ZACCI offers a range of services to its members and represents private sector interests towards the government for the benefit of Zambia's private sector as a whole.

Zambia Chamber of Mines (ZCM): The ZCM was established for the purposes of promoting the interests of its members, and encouraging, protecting and fostering the mining industry in Zambia. The Chamber is a representative of all the major operating mines in Zambia both large and small. The main role of the Chamber is advocacy in creating synergies. The ZCM aims to influence policy in the mining sector to reflect the vision and goals of its members as well as to promote economic growth in Zambia.

Association of Zambian Exploration Companies (AZMEC): AZMEC provides a discussion forum and dedicated lobby group for mineral exploration companies and mining companies as well as government representatives, service providers, academic institutions and other interested parties in Zambia with the view to contributing to the growth, promotion, and sustainable development of the sector in Zambia.

Zambia Association of Manufacturers (ZAM): ZAM is the voice of industry, representing the interest of the entire manufacturing sector and other related economic sectors in Zambia. ZAM was established to foster dialogue and relations between the manufacturers and government so as to increase industrial intensity in Zambia. ZAM's major objective is to promote the manufacturing sector through policy advocacy, dialogue, lobbying and technology upgrading of the production process as a way of improving productivity and competitiveness in the industry.

American Chamber of Commerce in Zambia (AmCham): Founded in 2012, AmCham today has nearly 100 members from various multinational corporations and local Zambian businesses. The organization hosts several annual events and is working to increase its efforts, particularly in advocating with the government on issues critical to local business.

Limitations on Selling U.S. Products and Services

Zambia exhibits a policy of economic openness and as such no sector or industry is reserved for citizens. All sectors are open to both local and foreign businesses and investors.

Web Resources:

Dot Com Zambia: www.dczambia.com

Times of Zambia: www.times.co.zm

Zambia Daily Mail: www.daily-mail.co.zm

Pa-Zed.Com: <http://www.pa-zed.com/>

Leading Sectors for U.S. Exports & Investments

There are commercial opportunities in Zambia's emerging economy, including a rising middle class in urban population centers. In general, most sectors are uncompetitive and are dominated by a few large players, leaving plenty of room for new market entrants. Market opportunities abound in the following sectors:

Energy

Overview

There are five electricity companies in Zambia: the state-owned Zambia Electricity Supply Corporation (ZESCO) Limited; Copperbelt Energy Corporation (CEC); North-Western Energy Corporation (NVEC); Lusufwa Hydro Power Company (LHPC); and Maamba Collieries Limited. Currently, ZESCO is the largest electricity company in the country, running and operating power stations, transmission lines, and distribution networks.

Zambia's installed capacity stands at 2,347 Megawatts (MW). The main hydro power stations include Kariba North Bank Power Station, Kafue Gorge Power Station, Victoria Falls Power Station and Itezhi Tezhi Hydro Power Station. One coal-fired plant, Maamba Collieries, was commissioned towards the end of 2016 and is currently generating 300 MW of power purchased by ZESCO for distribution on the national grid.

Demand for power in the various sectors of the economy has grown rapidly over the years and continues to grow. The Zambia Development Agency (ZDA) states that the demand for electricity in Zambia has been growing at an average 3% or between 150MW-200MW each year. Zambia is a member of the Southern Africa Power Pool and is therefore able to sell or buy excess electricity generated in the region.

Zambia is implementing the Second Scaling Solar project by the Industrial Development Corporation (IDC), and in close coordination with the Ministry of Energy. This second mandate for Scaling Solar was signed in February 2017 with the World Bank under the IFC program that is helping developing countries procure low cost, privately financed, solar power. The First Scaling Solar project was auctioned in May 2016 for two solar PV plants of 50 MW each and were awarded to international energy developers.

Sub-Sector Best Prospects

Solar resources: Zambia has abundant renewable energy resources spread out throughout the country. Zambia enjoys long and intense hours of annual sunlight to support solar energy generations, and averages about 2,000-3,000 hours of sunshine per year. The solar power or photovoltaic (PV) market remains dominated by government, NGO and donor funded projects. U.S. products are well received among competition from China, South Africa, and India. The government intends to generate 600 MW through solar by 2020.

Power Africa Support: Power Africa supports a number of energy initiatives in Zambia, including technical assistance to the government institutions to develop a renewable energy feed-in tariff (REFIT) and a standardized power purchase agreement (PPA). As with many developing countries, the establishment of REFIT has spurred the on-boarding of new, small, private-sector driven renewable energy power generation partners. Power Africa also supported the introduction of IFC's *Scaling Solar* program in Zambia, which has been key in financing critical costs necessary for a transparent, competitive bidding process to attract project developers, build institutional capacity, and catalyze market growth. In accelerating off-grid energy growth, the Power Africa Off-Grid Energy Challenge has provided small grants for innovative, entrepreneurial developers seeking to expand rural access. Learn more about how Power Africa is partnering to address key challenges in Zambia's electricity sector and supporting private sector investment in energy at:

<https://www.usaid.gov/powerafrica/zambia>.

Opportunities

There are opportunities in electricity generation and transmission, refineries, storage facilities and pipelines for petroleum and gas, renewable energy facilities and transport facilities for coal distribution and exports.

Opportunities for solar energy include residential, schools, hospitals, health centers, commercial, utility, off-grid and agricultural sector.

Key government and regulatory agencies for Solar projects:

Industrial Development Corporation

Lusaka South Multi-Facility Economic Zone
F10723 Chifwema Road, Off Leopards Hill Road
P. O. Box 3732, New Kasama
Lusaka, Zambia
Tel: +260-211 843568/ +260-211 234648
www.idc.co.zm

Ministry of Energy
Mulungushi House
P.O. Box 50069
Lusaka, Zambia
Tel: +260-211 252666 / +260-211 252698

Energy Regulation Board
Plot No 9330,
Off Alick Nkhata Road
P.O Box 37631,
Lusaka, Zambia
Tel: 260-211 258844/49
Fax: 260-211 258852

Web Resources

<http://www.idc.co.zm/>
<http://www.zesco.co.zm/>
<http://www.erb.org.zm/viewpage.php?page=news>

Agricultural Sector

The Zambian agriculture sector comprises crops, livestock, and fisheries. There are three broad categories of farmers: small-scale, medium, and large-scale. Small-scale farmers are generally subsistence producers of staple foods with occasional marketable surplus. Medium-scale farmers produce maize and a few other cash crops for the market. Large-scale farmers produce various crops for the local and export markets. Most Zambians are subsistence farmers. Agriculture contributes about 19% to GDP and employs three quarters of the population. Domestic production is comprised of crops such as maize, sorghum, millet, and cassava while exports are driven by sugar, soyabeans, coffee, groundnuts, rice, and cotton as well as horticultural produce. The Zambia territory is 75 million hectares (752,000 km²) large, out of which 58% (42 million hectares) is classified as medium to high potential for agriculture production. However, only 15% of this land is currently under cultivation. Zambia enjoys 40% of sub-Saharan water resources. Despite this, there is very little mechanical irrigation. The majority of farms are dependent on rain-fed growing cycles.

Sub-Sector Best Prospects

Government is promoting agriculture as a way to diversify the economy from copper with the development of farm blocks in all 10 provinces for large and medium commercial farming, fish farming and livestock. Private equity and other investors are active in this sector.

Opportunities

Agricultural cultivation in Zambia is mostly traditional, by hoe in particular, and the sector is rain-fed. Opportunities include large-scale farming, farm inputs and equipment supply, agro-processing and commodity trading. The sector is in dire need of mechanization.

Key government and regulatory agencies:

Ministry of Agriculture
Mulungushi House, Independence Avenue
P. O. Box 50197
Lusaka, Zambia
Tel: +260-211 251719

Ministry of Livestock and Fisheries
Mulungushi House, Independence Avenue
P. O. Box 35301
Lusaka, Zambia
Tel: +260-211 224648

Web Resources

<http://www.zda.org.zm>
<http://www.agriculture.gov.zm/>

Infrastructure Development

Overview

Infrastructure development still remains a major challenge to growth, economic diversification, and human development in Zambia. Major areas in this sector include investment in health, education, and water and sanitation; increase power generation capacity through up-grading and construction of new hydropower stations, and use of alternative energy sources; improving and expanding the rail network to reduce the burden placed on road infrastructure; and constructing additional inter provincial and inter district roads to open up the country through the Link Zambia 8000 project.

It is estimated that the backlog of housing units in Zambia is about 1.3 million and that 110,000 units per year will be required to clear the backlog for next ten years.

Sub-Sector Best Prospects

Zambia is implementing the Link Zambia 8000 project which is aimed at transforming the country from land-locked to land-linked. The project involves upgrading roads to bituminous standards of 8,201 km at an estimated cost of \$5.6 billion; National Road Tolling also aims to keep the core road network in maintainable condition and broaden financing options for road infrastructure development; the Pave Zambia 2000 which is aimed at rehabilitation of 2000 km of urban roads; and the L400 which entails construction of 400 km of Lusaka Urban roads at \$348 million.

Opportunities

Providing finance for the housing and other infrastructure projects is another opportunity for U.S. investors. Zambia has a critical shortage of housing estimated to be about 1.3 million units countrywide and government recommends an annual delivery rate of 110,000 units per year to meet demand in the next 10 years. Other areas include the mining industry, shopping centers, real estate development and offices,; rail, and other transport networks.

Key government and regulatory agencies

Ministry of Works and Supply
P.O. Box 50236,
Lusaka, Zambia
Tel: +260-211 252366/ +260-211 254108
Email: info@mws.gov.zm

Road Development Agency
HQ, Government Road
P.O. Box 50003
Lusaka, Zambia
Tel: +260 211 253088/ +260-211 253801
Fax: +260 211 253404

Zambia Environmental Management Authority (ZEMA)
P.O. Box 35131,
Lusaka, Zambia
Tel: +260-211 254130/ + 260-211 254164
Email: ecz@necz.org.zm

National Construction Council
P.O. Box 39548,
Lusaka, Zambia
Tel: +260-211 247185/ +260-211 240386
260-211-243115
Email: info@ncc.org.zm
Website: www.ncc.org.zm

Web Resources

www.ncc.org.zm
www.rda.org.zm/
<http://www.zda.org.zm/>

Mining and Minerals

Overview

Zambia possesses the world's highest-grade deposits of copper and is ranked 7th largest copper producer in the world. Copper contributes over 70% of the country's national foreign earnings. Zambia produces about 20% of the world's emeralds. The mining sector is governed and regulated by the Mines and Minerals Development Act No. 7 of 2008 which covers types of mining rights, acquisition of mining rights, rights/obligations conferred on the mining right holder, transferability of mining rights, safety, health and environment and provides for the environmental protection fund, mineral royalties, fees and charges, and export of minerals.

Sub-Sector Best Prospects

There are prospects in uranium, coal mining, and gas exploration.

Opportunities

Opportunities exist in exploration, mine services, water management, engineering, construction, and environmental services.

Key government and regulatory agencies

Ministry of Mines and Mineral Development

P.O. Box 31969

Lusaka, Zambia

Tel: +260-211 235306/ +260-211 237307

Zambia Development Agency

P.O Box 30819

Lusaka, Zambia

Tel: +260-211 220177/ +260-211 225270

Email: zda@zda.org.zm

Website: www.zda.org.zm

Zambia Chamber of Mines

Mpile Office park

Cathedral Hill

74 Independence avenue

P.O.Box 51393 RW

Lusaka, Zambia

Telephone: +260 211 258383/4

Fax: +260 211 258383/4

Email: info@mines.org.zm

Web: www.mines.org.zm

Web Resources

www.mines.org.zm/

<http://www.zda.org.zm/>

Information Communication Technology

Overview

The ICT sector has seen growth following the establishment of a National ICT policy for regulating the telecom sector in Zambia. The telecom sector comprises public switched telephone network (PSTN), international voice, local loop, national voice, mobile, private data networks and internet operators. All these subsectors are liberalized. PSTN and international voice are monopolistic sub-sectors, however the national voice, local loop, mobile internet and private data networks are competitive sectors. Government supports and encourages networking of services and applications through promoting e-commerce, e-agriculture, e-health and e-education and trade promotion programmes for goods and services. The government is working towards establishing e-government online services.

Opportunities

Opportunities include provision of retail fiber optic, mobile and internet service providers, software development, and ICT parks.

Key government and regulatory agencies
Ministry of Communications and Transport
Fairley Road, Ridgeway
P. O. Box 50065
Lusaka, Zambia
Tel:+260 1-256363/2
Fax: 260 1-256363

Zambia Information and Communications Technology Authority
Independence Avenue
p. O. Box 36871
Lusaka, Zambia
Tel: +260 211 24 6702 / +260-211 244424/27
Toll Free : 7070
Email : info@zicta.zm Phone
Web : www.zicta.zm

Web Resources

www.zicta.zm/
<http://www.zda.org.zm/>

Medical Equipment

Overview

Zambia has a developing private and public health care system which provides diagnostic and curative medical services. Zambia benefits from USAID's assistance, primarily through the United States President's Emergency Plan for AIDS Relief (PEPFAR), to scale-up integrated prevention, care, and treatment programs, and to lessen the impact of HIV/ AIDS. Under PEPFAR, more than 720,000 Zambians receive life-saving antiretroviral treatment as compared to 3,500 in 2004, the HIV incidence rate has been cut in half in the last decade, and the infection rate for children born to HIV-infected mothers has dropped from 45 percent to less than 5 percent in 2017.

Sub-Sector Best Prospects

Zambia, along with all neighboring countries save for South Africa, do not have hospital centers of excellence to treat cases requiring specialized treatment, and lack specialist diagnostic and treatment centers to treat cardiovascular, liver, renal, and cancer diseases.

Opportunities

Opportunities for investment in specialist medical diagnostic and treatment in the following areas:
Cardiology; Radiotherapy; Neurology; Urology; Traumatology; Nephrology & Dialysis; Diabetology;
Dermatology; Physiotherapy; Key hole surgery; Stem Cell Therapy; and other surgical interventions.

Key government and regulatory agencies

Ministry of Health
Ndeke House
Haile Selassie Avenue
P.O. Box, 30205
Lusaka, Zambia
Tel: +260-211 251404

Zambia Medicines Regulatory Authority
Plot 6903, Tuleteka Road, Off Makishi Road
P. O. Box 31890
Lusaka, Zambia
Tel: +260-211 220429
Website: www.zamra.co.zm

Medical Stores Limited
Plot 6446, Mukwa Road
PO Box 30207
Lusaka, Zambia
Tel: +260 211 242768
Email: medstore@zamnet.zm

Web Resources

<http://www.moh.gov.zm>
<http://www.zamra.co.zm>

Travel and Tourism

Overview

Zambia stands out as one of the prime tourism destinations in Africa offering a wealth of natural tourism assets. Attractions include the Victoria Falls, one of the Seven Natural Wonders of the World and UNESCO Heritage site, lakes and rivers, wildlife protected areas' occupying about 10% of the country's total land area. Endowed with a rich and diverse culture resulting in the occurrence of more than 30 colorful traditional ceremonies annually, it also has 20 national parks and 34 game management areas. However, this sector continues to be underutilized with opportunities for improvement. Eco-tourism is still under-exploited in Zambia. With abundant nature and wilderness, this segment of tourism offers exciting investment opportunities.

Opportunities

There are opportunities in tourism services and infrastructure. Zambia lacks adequate hotel room capacity in its tourism and copper producing regions. Other areas include safaris canoeing, game drives, nature walks, bungee jumping, micro light flights, sport fishing, rock-climbing and orienteering.

Zambia Tourism Board
1st Floor Petroda House
Great East Road,
Box 30017, Lusaka, Zambia

Tel: +260-211 229087/ 90.

Email: info@zambia.travel

Website: <http://www.zambiatourism.com/zambia-tourism-agency>

Web Resources

www.zambiatourism.com

www.zda.org.zm

Trade Regulations, Customs, & Standards

Import Tariff

Customs valuation is ad valorem on a Cost Insurance and Freight (CIF) basis. A small number of goods may be imported duty-free. These include medicines, pharmaceuticals, veterinary supplies, medical equipment, computer parts, and chemicals in bulk, fertilizers, and seeds. Most goods fall into one of three tariff bands: 0-5% (Capital Equipment and Raw Materials); 15% (Intermediate Goods); or 25% (Finished Goods). Duty on productive machinery for agriculture, aquaculture, solar energy and mining is zero percent.

Import Value Added Tax (VAT) is collected on behalf of the VAT Division and taxed on imported goods that attract VAT. VAT is charged on the Taxable Value, i.e. Customs Value + Customs Duty (+ Excise Duty, where applicable) at the rate of 16% while Carbon Emission Surtax is charged on all motor vehicles being imported as well as those visiting and transiting. The Carbon Emission Surtax is an annual charge for those vehicles already in the country based on the engine capacity of the vehicle.

<http://www.zra.org.zm/>

Import Requirements & Documentation

Commercial documents such as a bill of lading, airway bill, and commercial invoice are required to clear goods with customs. The Import Declaration Form is used for statistical purposes, and no fee is required. Zambia Revenue Authority (ZRA) has implemented the automated system for customs data (ASYCUDA) world system which provides a platform that leads to a paperless customs clearance and domestic tax processes, enhancing opportunities for stakeholders involved in trade logistics to integrate their workflows and systems.

ZRA form CE 20, the standard form for entry and exit, is used for clearance at border posts. Certification is required to import meat (certification available from the Veterinary Department), plants and seeds and fruits (phytosanitary certification from Mount Makulu Research Station), food and drugs (Ministry of Health and Zambia Medicines Regulatory Authority), firearms and ammunition (Zambia Police), and gemstones and scrap metal export (Ministry of Mines).

www.zra.org.zm/commonHomePage.htm?viewName=GoodsExportationImportation

Labeling/Marking Requirements

Imported food products must have English-language labels that detail ingredients and shelf life of products. If inadequately labeled, these products may be confiscated and destroyed without compensation. Pharmaceutical

products must also be labeled in English, detailing ingredients, recommended dosage, shelf life, and any cautionary notes.

<http://www.zabs.org.zm/>

U.S. Export Controls

There are no sanctions against Zambia. The U.S. government requires export licenses for products related to national security, particularly dual-use technology that has commercial and military or proliferation application. Other items that the U.S. government regulates for export include defense articles, nuclear materials, and controlled substances. The U.S. government controls exports on a case-by-case basis, examining the following factors: the destination, the end-user, the product, and its end-use. The majority of exports which do require a license are either controlled on the Commerce Control List (CCL), administered by the Commerce Department, or the U.S. Munitions List (USML), administered by the State Department.

For more information on export controls, please visit the following sites:

<http://www.bis.doc.gov/licensing/exportingbasics.htm>

http://www.access.gpo.gov/bis/ear/ear_data.html#ccl

A list that consolidates eleven export screening lists of the Departments of Commerce, State, and Treasury into a single search as an aid to industry in conducting electronic screens of potential parties to regulated transactions is available here: <http://developer.trade.gov/consolidated-screening-list.html>.

Temporary Entry

Visitors are generally permitted to enter the country with goods for their own use. When a visitor's motor vehicle is not covered by a valid carnet, customs will issue a customs import permit (CIP). For goods not intended for the visitor's own use, permission must be acquired from the Commissioner of Customs. Prior to importation, persons intending to import such goods should seek authority in writing, detailing the goods, value, purposes for importing, and duration of stay in Zambia. The Commissioner will in turn indicate the conditions for importation, which may include a refundable monetary security pending exportation after expiry.

Labeling/Marking Requirements

English-language labeling is required for all imported food and pharmaceutical products.

Prohibited & Restricted Imports

Zambian law prohibits the importation of pornographic, indecent, obscene, or objectionable material, as well as goods produced wholly or in part by prison labor. Regulations related to the importation and transportation of pharmaceuticals is relatively strict. Travelers are strongly encouraged to carry their prescription drugs and medications in original labeled containers, as well as the written prescription from their physician. Travelers who cannot get a doctor's note for their over-the-counter medications, including some cold medicines, must leave them behind or risk arrest.

Customs Regulations

It is against both Zambian and U.S. law to buy, possess or transport animals or animal products, such as warthog tusks, tortoise shell, rhino horn, elephant ivory or any items made out of these materials. In Zambia, penalties range from large fines to mandatory five-year prison sentences. The Department of National Parks and Wildlife has screeners at international ports of entry and will prosecute offenders to the fullest extent of the

law. While many of these items are sold in open markets particularly aimed at foreign tourists, it remains the responsibility of the customer to ensure that he/she is not purchasing a prohibited item.

Commissioner – Customs
Zambia Revenue Authority
Revenue House
Kalambo Road
P. O. Box 35710
Lusaka, Zambia
Tel: 260-211-223760
Fax: 260-211-221923
Website: www.zra.org.zm

Standards for Trade

Overview

The Zambia Bureau of Standards (ZABS), a statutory body under the Ministry of Commerce, Trade and Industry is responsible for standardization, standards formulation, quality control, quality assurance, import and export quality inspection, certification and removal of technical barriers to trade. ZABS develops its own standards by consensus with interested parties within country but has the competence and expertise to certify organizations to QMS ISO9001:2008. ZABS implements compulsory standards through import and export inspections which fall under the Import Quality Monitoring Scheme mandate. ZABS has a library which is a selling point for International Standards Organization and the International Electrotechnical Commission, Regional Standards, and Foreign Standards.

ZABS is the officially designated WTO – Technical Barriers to Trade (TBT) National Enquiry Point (NEP) for Zambia. According to the WTO – TBT Agreement, Zambia's NEP regularly notifies the WTO Secretariat of all proposed government regulations, conformity assessment procedures and standards – related trade information that might significantly affect international trade. The NEP also disseminates to interested parties in Zambia for their review and comments proposed foreign regulations and standards issued through the WTO Secretariat.

Zambia develops its own standards, as well as adopts identical international standards developed by international standards and regional trade setting bodies, to promote regional trade and regional harmonized standards.

Zambia develops its own standards but can still adopts identical international standards developed by international standards and regional trade setting bodies to promote regional trade and regional harmonized standards.

Zambia needs support in implementation and use of standards, training, testing and certification of products.

Zambia is a member of the Common Market for Eastern and Southern Africa (COMESA) and Southern Africa Development Commission (SADC) and currently hosts the Secretariat, coordinating all Standards Harmonization Programs in SADC region. Zambia has in the past, coordinated the harmonization of dairy standards in COMESA region.

The country does not apply EU directives and standards except in some cases where Zambia, applies the European Committee for Standardization (CEN).

Standards

ZABS is responsible for standardization, standards formulation, quality control, quality assurance, import and export quality inspection, certification, and removal of technical barriers to trade. Zambia uses national standards that include adoption/adaptions. These standards have a defined due process for adoption.

Zambia has adopted and signed a memorandum of understanding for a number of ASTM International standards. Through direct adoption or adaption, Zambia uses standards from international governmental standards such as Codex Alimentarius, the United Nations Economic Commission for Europe, and the Organization for Economic Co-operation and Development. Zambia also uses private international standards (e.g. International Organization for Standardization, the International Electrotechnical Commission or International Telecommunications Union either through direct adoption or adaption. This also goes for European directives and standards such as the European Committee for Standardization, the European Committee for Electrotechnical Standardization and the European Telecommunications Standards Institute).

Entities that do not have a manufacturing presence can participate in national standards development as advisers or observers.

Testing, Inspection and Certification

Zambia uses the regional accreditation body under Southern African Development Community Cooperation in Accreditation. Test certificates from foreign laboratories are accepted if the laboratories are accredited. The U.S. testing laboratories can operate in the Zambian market and test U.S. products to comply with domestic regulatory requirements.

Publication of Technical Regulations

Zambia's technical regulations, both proposed and final, are published in the Government Gazette. U.S. entities can comment within the 60 days public enquiry stage during the development process. Zambia maintains an annual regulatory agenda through the regulatory activities.

Contact Information

Zambia Bureau of Standards

Lechwe House, Freedom Way

P. O. Box 50259

Lusaka, Zambia

Tel: 260-211 231 385

Fax: 260-211 238 483

Email: zabs@zamnet.zm

Website: www.zabs.org.zm

Patents and Companies Registration Agency
Mwayi House, Haile Selassie Avenue

P. O. Box 32075
Lusaka, Zambia
Tel: 260-211 255 151
Fax: 260-211 255 426
Website: www.pacra.org.zm

Zambia Medicines Regulatory Authority
Plot 6903, Tuleteka Road
P. O. Box 31890
Lusaka, Zambia
Tel: 260-211 220 429
Fax: 260-211 230 458
Email: pharmacy@pra.gov.zm
Website: www.zamra.co.zm

Commercial Office
Embassy of the United States of America
P. O. Box 31617
Lusaka, Zambia
Tel: 260-211 357000
Email: commercialusaka@state.gov

Trade Agreements

Zambia belongs to the 19-member COMESA, which allows for preferential tariff duties between member states. Zambia also belongs to the 14-member SADC, which established an FTA in 2008. The establishment of a single market through the merged Tripartite Free Trade Area (COMESA, the East African Community [[EAC],] and SADC) was formally launched in June 2015).

Zambia has duty-free and quota-free access to the EU market, under the "Everything but Arms" (EBA) scheme for the world's Least-Developed Countries (LDCs). Zambia is also eligible for trade benefits under the African Growth and Opportunity Act (AGOA), which provides duty-free/quota-free access to the U.S. market for most goods, including textile and apparel.

Licensing Requirements for Professional Services

Professional associations regulate the practice by all local and foreign service providers through compulsory registration and licensing to associations that include:

- The Law Association of Zambia,
- Zambia Institute of Chartered Accountants,
- Medical Association of Zambia
- Engineering Institute of Zambia

Trade Regulation Web Resources

Zambia Bureau of Standards: <http://www.zabs.org.zm>
Zambia Revenue Authority: <http://www.zra.org.zm>
COMESA: <http://www.comesa.int>
SADC: <http://www.sadc.int>

U.S. Embassy Consular website: <https://zm.usembassy.gov/u-s-citizen-services/>

Zambia and the EU: http://eeas.europa.eu/delegations/zambia/eu_zambia/trade_relation/epa/index_en.htm

Investment Climate Statement

Trade & Project Financing

Methods of Payment

Credit is the most common method of payment used for Zambian imports. In general, Zambian companies find it difficult to finance their own imports and seek credit arrangements, but businesses considering offering their exports on credit should make a very careful check of the bona fides and finances of Zambian companies before doing so. Delinquent payments (even from government-owned companies) to suppliers are a common problem in Zambia. The cash-in-advance payment method may be advisable, especially when dealing with small companies. Credit Rating Agency Limited (CRA) is one of the few companies in Zambia that are authorized by the Securities and Exchange Commission (SEC) and approved by the Lusaka Stock Exchange Limited (LuSE) as a Designated Financial Advisor to SMEs. The CRA was licensed in September 2014 to primarily provide corporate rating and financial advisory services to institutions in Zambia.

Zambia has a few debt collection companies that include Zambia Attorney Collection, Inc., Bulwark Debt Collection Agency, and Incasso Partners.

The primary credit or charge cards accepted in most hotels, restaurants, travel agencies and stores are Visa cards. Most banks have automated teller machines which accept Visa more than MasterCard or American Express.

Banking Systems

Zambia's commercial banking sector is composed of 19 international and local banks. All banks operating in Zambia must incorporate locally. As a result, there are no local branches of foreign (including U.S.) banks or financial institutions. Citibank Zambia Limited, a wholly-owned subsidiary of Citicorp NY, provides corporate banking services in Zambia.

The banking sector is supervised by the Bank of Zambia (BoZ) which reports to the Ministry of Finance. The sector is governed by the Banking and Financial Services Act of 1994. Industry observers generally credit the BoZ with making large strides in improving bank oversight over the past several years. The Financial Intelligence Center was established in 2010 through an Act of Parliament to combat money laundering and terrorist financing but this anti-money laundering regime is yet to meet international standards.

<http://www.fic.gov.zm>

The banking sector has continued to expand and has led to a number of entities operating in multiple sectors such as banking, insurance, and the capital market. The regulatory environment is still fragmented with multiple regulators such as the Pensions Insurance Authority, BoZ, and SEC.

Foreign Exchange Controls

Bank accounts may be held in local or foreign currency, and funds are easily transferred out of the country or held offshore. Amounts over \$5,000, carried in or out in cash or travelers checks, must be declared. Commercial banks and bureau de change operators restrict issuance of over-the-counter cash to \$5,000 per transaction.

The BoZ is responsible for the management of the country's foreign exchange reserves and participates in open market operations to either build up reserves or to smooth exchange rate volatility.

US Banks & Local Correspondent Banks

Zambia has one U.S.-owned bank:

Citibank Lusaka

Citibank House

Stand 4646, Corner Chikwa/Nasser Road

Addis Ababa Roundabout

P.O. Box 30037

Lusaka, Zambia

Tel: +260-211-444400

Fax: +260-211-22 6264

Citibank Ndola

Atlas Copco Building Industrial Area,

Zambia Way

P.O. Box 70686,

Ndola, Zambia

Tel: +260-212-651113/3 and +260-212-651434-5 and +260-212-651437

Project Financing

The availability of project financing, particularly for export-oriented projects, is improving. Besides bilateral and multilateral government agencies, commercial banks and venture capital funds are playing an increasing role. Both the U.S. and European Union (EU) have established enterprise development funds, which can be accessed for projects in Zambia.

U.S. enterprise development funds include the Southern African Enterprise Development Fund and the United States African Development Foundation. The International Finance Corporation (IFC) and Commonwealth Development Corporation (CDC) both offer financial assistance for projects in Zambia.

There are no restrictions for U.S. companies to participate in bids and tenders floated by the Zambia Public Procurement Authority (ZPPA) and funded by the international institutions such as the World Bank, African Development Bank and others. After selection of a successful bidder, the relevant government ministry will supervise the project while payments are made from the financing institution. However, channels for remittance of project funds will differ according to the financing institution.

United States African Development Foundation: <http://www.usadf.gov>

Multilateral Development Banks:

U.S. Commercial Service Liaison Offices at the Multilateral Development Banks (African Development Bank, World Bank)

The Commercial Service maintains Commercial Liaison Offices in each of the main Multilateral Development Banks, including the African Development Bank and the World Bank. These institutions lend billions of dollars in developing countries on projects aimed at accelerating economic growth and social development by reducing poverty and inequality, improving health and education, and advancing infrastructure development. The Commercial Liaison Offices help American businesses learn how to get involved in bank-funded projects, and advocate on behalf of American bidders. Learn more by contacting the Commercial Liaison Offices to the African Development Bank (<http://www.export.gov/afdb>) and the World Bank (<http://export.gov/worldbank>).

Web Resources

Commercial Liaison Office to the African Development Bank <http://www.export.gov/afdb>

Commercial Liaison Office to the World Bank <http://export.gov/worldbank>

Zambia is a member of the multilateral development banks including the World Bank and the African Development Bank (AfDB). Zambia continues to access finance from the World Bank and the AfDB.

Financing Web Resources

Trade Finance Guide: A Quick Reference for U.S. Exporters, published by the International Trade Administration's Industry & Analysis team:

<https://www.export.gov/article2?id=Trade-Finance-Guide-Chapter-11-Forfaiting>

Export-Import Bank of the United States: <http://www.exim.gov>

Country Limitation Schedule: <https://www.exim.gov/tools-for-exporters/country-limitation-schedule>

OPIC: <http://www.opic.gov>

Trade and Development Agency: <http://www.tda.gov/>

SBA's Office of International Trade: <http://www.sba.gov/oit/>

USDA Commodity Credit Corporation: <https://www.fsa.usda.gov/about-fsa/structure-and-organization/commodity-credit-corporation/index>

U.S. Agency for International Development: <http://www.usaid.gov>

Business Travel

Business Customs

Business law is based mostly on British law, and business customs are similar to those in the United States and Europe. Zambians are polite and mild-mannered, and a direct confrontational style is not well received in the local cultural context. Business dress code is formal for both men and women. If the attire is a skirt suit, then the length should be below the knees.

Travel Advisory

Crime is a problem in Zambia. Mugging, carjacking, and house and car break-ins are not uncommon.

Copperbelt towns along the border with the Democratic Republic of Congo have seen periodic surges in crime

due to political instability across the border. There are no internal travel restrictions in Zambia, although areas around military bases may have restricted access. Website for State Department consular information sheet for Zambia: <https://travel.state.gov/content/passports/en/country/zambia.html>

Visitors should exercise caution when purchasing curios and souvenirs to avoid items that contain materials that are protected by the Convention on International Trade in Endangered Species.

Visa Requirements

A passport and visa are required to enter Zambia. The passport must be valid for at least six months after the intended date of departure from Zambia and have at least two blank pages. Foreigners coming to Zambia for business are entitled to a free thirty-day visa. Business visas may be obtained by presenting a letter of invitation from the organization that is sponsoring the traveler that specifies the nature of the intended business. Business visitors intending to stay longer than thirty days must apply for a temporary employment permit. A single-entry visa may be obtained at a port of entry for \$50 and is valid for only ninety days. For a three-year multiple entry visa, travelers must apply in advance at a Zambian Embassy or consulate. The three-year multiple-entry visa fee is \$80. Multiple entry visas may be obtained from the Embassy of the Republic of Zambia, 2419 Massachusetts Avenue, NW, Washington DC 20008, and telephone: (202) 265-9717.

The Government of the Republic of Zambia requires travelers to have at least two blank visa pages in their passport upon entering Zambia. Likewise, travelers transiting South Africa should ensure that their passports contain at least two completely blank (unstamped) visa pages each time entry is sought. These pages are in addition to the endorsement/amendment pages at the back of the passport. South African immigration authorities routinely turn away travelers who do not have enough blank visa pages in their passports.

U.S. companies that require travel of foreign business persons to the United States should advise the foreign business person to work through the U.S. Embassy consular office for their visa application and processing.

Visa applicants should go to the following links:

State Department Visa Website: <http://travel.state.gov/visa/>

U.S. Embassy Website: <https://zm.usembassy.gov/>

Web address for Consular Section: <https://zm.usembassy.gov/visas/>

In the past, the Zambian Drug Enforcement Commission (DEC) has detained a number of travelers for possession of Benadryl and other over-the-counter medications, which have contained small quantities of diphenhydramine, an active ingredient that is on Zambia's list of controlled substances. Although unaware of these restrictions, U.S. citizens have been charged with drug trafficking offenses, had their passports confiscated, and been jailed. As a result, any U.S. citizen visiting Zambia is strongly advised to leave all non-prescription medications behind. When traveling with prescription medications, U.S. citizens should carry a doctor's prescription and ensure that the medication is in its original bottle. Any U.S. citizen stopped by the DEC for possession of over-the-counter medications should contact the Embassy at +260-211-357-000 as soon as possible.

Currency

Payments within Zambia by law are made in kwacha only, even if the price is quoted in U.S. dollars. Foreign currency is only accepted by immigration officials for the purchase of visas at international airports. Most hotels, restaurants, travel agencies, and retail outlets take credit cards. The commercial banks will advance local currency against a credit card. Most banks have ATMs which accept Visa cards, more often than

MasterCard and American Express, for cash. Although traveler's checks are widely accepted, they are no longer commonly used. To avoid additional exchange rate charges, the traveler's checks must be in U.S. dollars, Euros, or British Pounds. Exchange of foreign currency is done in banks or Bureau de Change which are located in most towns in shopping areas, gas stations and supermarkets.

Telecommunications/Electric

Zambia is a member of Intelsat and receives video and communications services through its earth satellite station. Telecommunications services are generally adequate, but often unreliable and relatively expensive. The Western Fibre Route cable connecting Malawi to Zambia has led to significant retail price reduction for broadband services and facilitated domestic fiber builds. The first commercial LTE network launch has been undertaken and this has increased the number of mobile subscriber base in the country. Several internet service providers (ISPs) have rolled out WiMAX wireless broadband networks. In June 2016, Vodafone and Afrimax Group (Afrimax), a 4G telecommunications operator in sub-Saharan Africa, launched in Zambia. Vodafone Zambia offers a range of commercial connectivity products at retail and through direct sales channel including 4G and Wi-Fi mobile data service, fixed internet, and suite-of-office solutions. Government opened the National Data Center in February 2017 as part of the Smart Zambia project which aims to transform the country through information and communication technologies.

Cellular service is currently offered in all provinces of Zambia, but coverage is uneven. Major private firms that offer mobile phone facilities include MTN Zambia and Airtel Zambia. AT&T's USA Direct service is available, as well as similar services to Britain, Sweden, and some other European countries. There are a number of callback service companies operating in Zambia.

Global System for Mobile (GSM) is the most prevalent digital cellular phone technology. There are 23 Internet Service Providers offering dial-up connections, broadband wireless, and VSAT services. The GRZ has liberalized the International Voice Gateway which now falls under ZICTA.

Transportation

There are regular airline connections to Lusaka, Ndola and Livingstone from Dubai, Dar es Salaam, Johannesburg, Gaborone, Windhoek, Harare, Addis Ababa, Cairo, Lilongwe and Nairobi. Domestic flights are available between Lusaka, Ndola, Kitwe and Chingola (Copperbelt Province), Mfuwe and Chipata (Eastern Province), Livingstone (Southern Province), Kasama (Northern Province), Mansa (Luapula Province) and Solwezi (Northwestern Province).

There are regular flights linking Johannesburg to Lusaka, Ndola, and Livingstone. The government is constructing a new airport terminal at the Kenneth Kaunda International airport in Lusaka while a new site for the Ndola airport was recently acquired and construction works have commenced. The Livingstone International airport upgrade began in 2012 and almost reaching completion. The government intends to upgrade one other international airport, Mfuwe, but the timeline is unclear. There are several private city bus lines. The railway system is run down and undergoing restructuring. Passenger train travel is unreliable and uncomfortable.

Government has made available \$120 million for use in making major facelift of the rundown infrastructure. The 27-kilometer Chipata-Mchinji Railway, connecting the eastern border with Malawi through to Nacala Port in Mozambique was completed in 2010 and is operational. The GRZ intends to construct new railway lines from Chingola, on the Copperbelt, to Solwezi, in Northwestern Province, as well as a railway line connecting

Solwezi to the Benguela railway line in Angola, providing eventual access to Lobito Bay. Two other green field projects include construction of the 760 kilometer railway from Chipata to Mpika station on the TAZARA and from Nseluka to Mpulungu at a total cost of \$3 billion.

Road transportation is the preferred means of transport for many goods. The core road network infrastructure consists of an interconnected network of bitumen paved roads and gravel roads that requires consistent maintenance by the Road Development Agency (RDA). The GRZ initiated the Link Zambia 8000, an accelerated national roads construction program in 2012 to overhaul its road networks maintained by the RDA. At the end of 2016, about 3,947 had been procured out of which 678 kilometers were surfaced and open to traffic. A number of inner and outer ring roads are under construction at different stages of development which dramatically improved accessibility and reduced congestion. Zambia is landlocked, and goods come in and out via air freight, or through five African ports: Mpulungu, on Lake Tanganyika; Dar-es-Salaam, Tanzania; Beira, Mozambique; Durban, South Africa; and Walvis Bay, Namibia.

Language

Although there are 73 local languages in Zambia, English is the official language. Government business and commercial transactions are normally conducted in English.

Other dominant languages are Bemba, Kaonde, Lunda, Lozi, Luvale, Nyanja, and Tonga.

Health

Basic medical care outside of major cities is extremely limited. Private medical clinics in major cities can provide reasonable care in many cases, but major medical emergencies usually require medical evacuation to South Africa, India, Europe, or the United States. Doctors and hospitals often require immediate cash payment for health care services. Medical insurance covering air ambulance evacuation is highly advisable. For the most recent travel information on Zambia, check: www.travel.state.gov.

Malaria is endemic in Zambia. Prophylaxis is strongly recommended. HIV prevalence is very high in Zambia, with approximately 14% of the adult population HIV positive nationwide, but with higher rates in urban areas. Drinking water should always be treated if bottled water is not available.

Local Time, Business Hours and Holidays

Zambia does not participate in daylight savings time. Zambia's time zone is Universal Time (UTC, GMT) plus 1 hour.

Zambian business hours:

Government Offices are open from 8:00 a.m. to 5:00 p.m and close from 1:00 p.m. to 2:00 pm, Monday to Friday. Bank hours vary, but most banks are open from 8:00 a.m. to 3:30 p.m. Monday to Friday. Some are open every Saturday while most open every first and last Saturday of the month from 8:15 a.m. to 11:00 am. Shops are generally open from 8:15 a.m. to 6:00 p.m., Monday to Sunday while others open from 08:15 a.m. to 10:00 p.m.

Zambian Holidays in 2017 are:

Sunday, January 01	New Year's Day
Monday, January 02	New Year's Day Holiday
Wednesday, March 08	International Women's Day
Monday, March 13	Youth Day (Public holiday March 12 falls on Sunday)

Friday, April 14	Good Friday
Saturday, April 15	Holy Saturday
Sunday, April 16	Easter Sunday
Monday, April 17	Easter Monday
Monday, May 01	Labor Day
Thursday, May 25	Africa Freedom Day
Monday, July 03	Heroes' Day
Tuesday, July 04	Unity Day
Monday, August 07	Farmer's Day
Wednesday, October 18	National Day of Prayers, Fasting and Reconciliation
Tuesday, October 24	Independence Day
Monday, December 25	Christmas Day

Temporary Entry of Materials or Personal Belongings

Tourist/visitors declare their goods to customs at point of entry and declare and produce them for inspection at the point of departure.

Travel Related Web Resources:

<http://www.zambiatourism.com/>