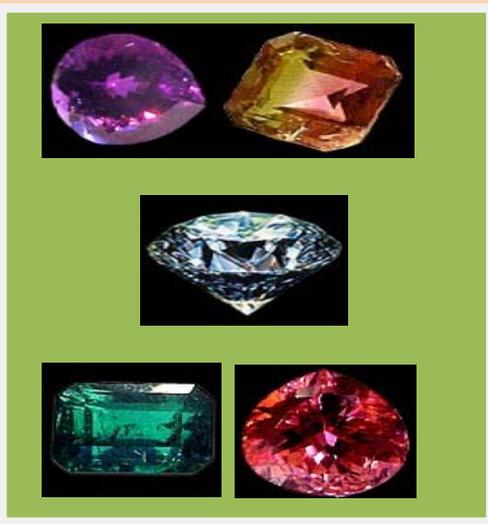


ZAMBIA'S INVESTOR GUIDE

March 2014 Edition



Zambia Development Agency



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CHAPTER ONE – ZAMBIA PROFILE

1.1. FACTS ABOUT ZAMBIA

Location: Located in the Southern African Sub-region, Zambia is a landlocked country bordered by the Democratic Republic of Congo, Tanzania, Angola, Namibia, Malawi, Mozambique, Zimbabwe and Botswana.

Coordinates: The mean altitude rises about 1200 meters above sea level and the country is situated between latitude 8 and 18 degrees East and longitude 22 and 34 degrees south.

Capital City: Lusaka

Land Surface: 752, 000 Km²

Climate: Zambia's geographical position and high altitude provides the country with sub-tropical vegetation and climatic conditions.

Population: 13.4 million, 39% living in urban areas. The annual population growth rate is 2.8%, with a population density of 17.3 persons per square kilometer.

Independence: 24 October 1964 (from the United Kingdom)

Political and Legal System: A multi-party democratic system of government with a distinct separation of powers between the legislative (parliament), executive (cabinet) and judiciary (courts of law) organs of Government govern Zambia.

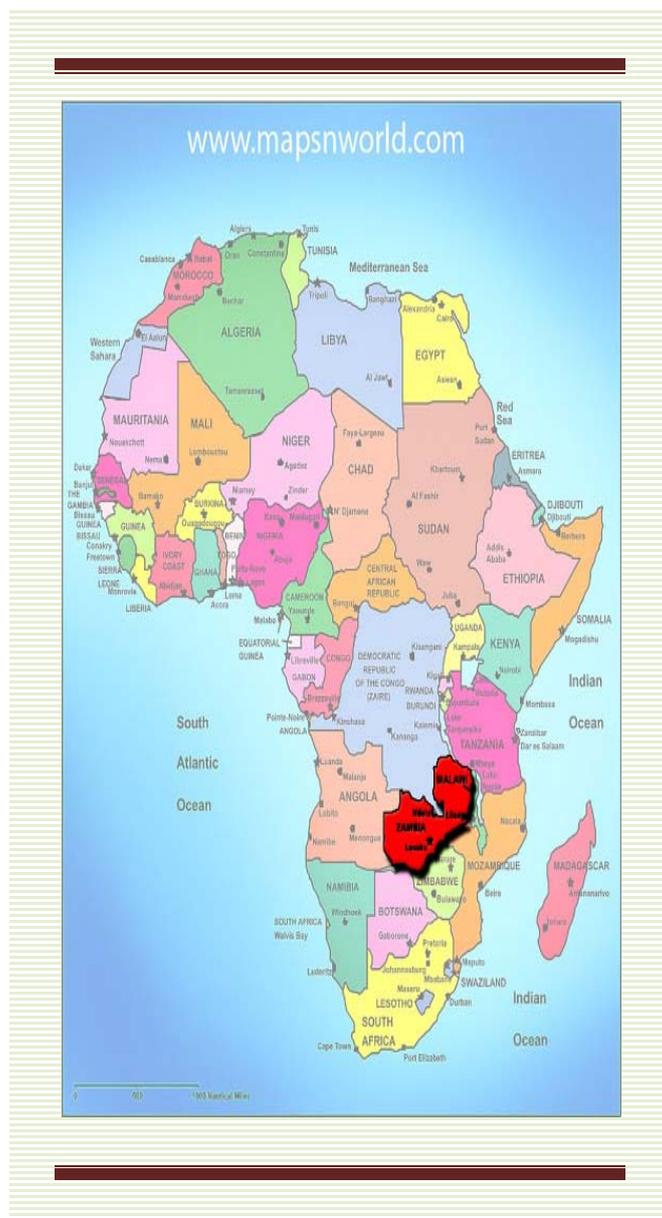
Both the president (who must belong to a registered political party) and members of parliament are elected by the people and the president appoints, from within elected and nominated members of parliament, the cabinet ministers.

The parliament, headed by the Speaker of the National Assembly, comprises 150 elected members and up to 8 members nominated by the president. The Supreme Court is the highest court of appeal and is headed by the Chief Justice.

Adult Literacy Rate: 68 percent

Spoken Languages: English (official language), other main local languages are Bemba, Lozi, Nyanja and Tonga. There are about 70 other indigenous languages and dialects throughout Zambia

Religion: Christianity comprises the largest faith group. Minority faith groups are Muslims and Hindus. The republican constitution recognizes Zambia as a Christian Nation



Natural Resources: Copper, cobalt, coal, emeralds, gold, water, wildlife, forestry and hydropower

Time Zone: The time Zone in Zambia is Greenwich Mean Time (GMT) +2 hours

Business Hours: Business hours for government and private sector offices are from 08:00 – 13:00 hours and 14:00-17:00 hours between Monday and Friday.

1.2. ECONOMIC REVIEW

Zambia's economic performance in recent years has been positive with real Gross Domestic Product (GDP) growth rate averaging 6.9 percent over the last five years. This marked the eighth year in a row in which the economy grew above 5 percent.

The country continued to recorded favorable growth in 2013 mainly due to increased output in mining and quarrying, construction and agriculture and the good performance of other sectors such as manufacturing, transport and communication.

The Government's macroeconomic objectives in 2013 were to:

- Achieve real GDP growth of above 7 percent
- Attain end year inflation of no more than 6.0 percent
- Maintain gross international reserves of at least 4months of import cover
- Achieve domestic revenue of at least 20 percent of GDP and
- Limit overall fiscal deficit to 4.3 percent of GDP of which domestic borrowing would be 1.5 percent.
- Create at least 200,000 decent jobs

In 2013, monetary policy focused on achieving an end-year inflation of 6 percent. As at end-2013, inflation remained above target at 7.1 percent, following inflationary pressures largely associated with the removal of fuel and maize subsidies. To address these inflationary challenges, the Bank of Zambia raised the Policy Rate over the first half of the year to 9.75 percent from 9.25 percent in December, 2012. To complement this, the Central Bank undertook aggressive open market operations to curb money supply growth. On the external sector, gross international reserves stood at US \$ 2.7 billion, at end 2013, translating into three (3) months of import cover.

The Government continued to put in place measures to diversify the economy from the traditional (copper and cobalt production) to non-traditional production and exports (products and exports other than copper and cobalt). The non-traditional products have exhibited a positive and favorable performance in value terms in the country's balance of payments. The export of these products more than trebled, their value increasing from US\$ 210 million in 2000 to US\$ 1,200 million in 2010 while 2012 and 2013 recorded US\$ 2,878 million and US\$ 3,585 million , respectively, representing a 24.5 percent increment.

The trend in Zambia's economic performance is illustrated in the tables and figures below. Figure 1.1.b shows Zambia's GDP growth in the last 10 years in comparison with the average growth rate of the entire African region, COMESA and SADC.

Key Economic Indicators

Exchange Rates: (As at March 2014)	US Dollar: 6.2 British Pound: 10.3 Euro Dollar: 8.7 South African Rand: 0.58
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Inflation:	7.1 percent (end 2013)
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Real GDP Growth:	6.5 percent (2013)
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GDP at current prices:	US\$ 20.70 billion (2012)
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GDP per capita:	US\$ 1,428 (2012)
------------------------	-------------------

Trade Blocks:

The Southern African Development Conference (SADC) with a population of 247 million and GDP of US\$ 431 billion per annum

The Common Market for Eastern and Southern Africa (COMESA) with a population of 400 million and GDP of 360 billion per annum

Table: 1.1 Selected Macroeconomic Performance Indicators, 2006-2013

	2006	2007	2008	2009	2010	2011	2012	2013
Real GDP growth (end-year %)	6.2	6.2	5.7	6.4	7.6	6.8	7.3	6.5
GDP per capita (end-year US \$)	908	949	1170	1,050	1,200	1463	1,500	1,428
Annual Inflation end-period (%)	8.2	8.9	16.6	9.9	7.9	7.2	7.3	7.1

Figure: 1.1.a Trends in Zambia's Per Capita GDP (2002-2013)

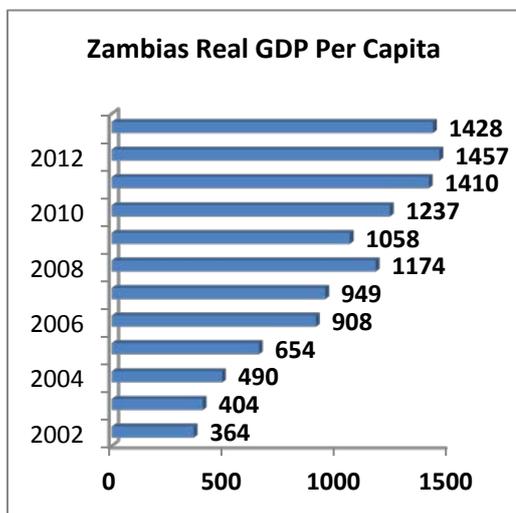
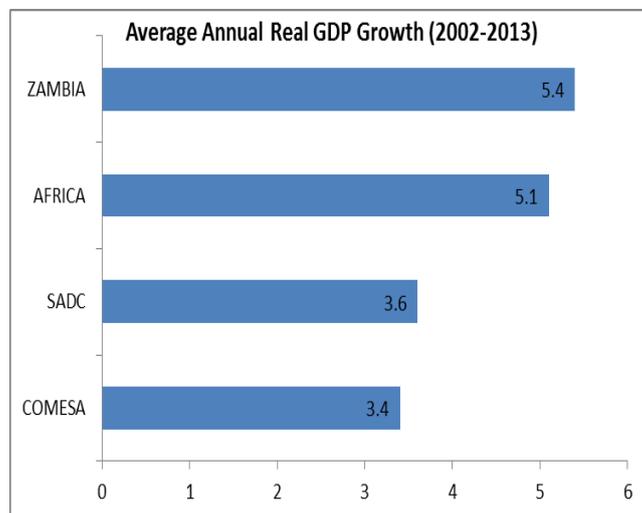
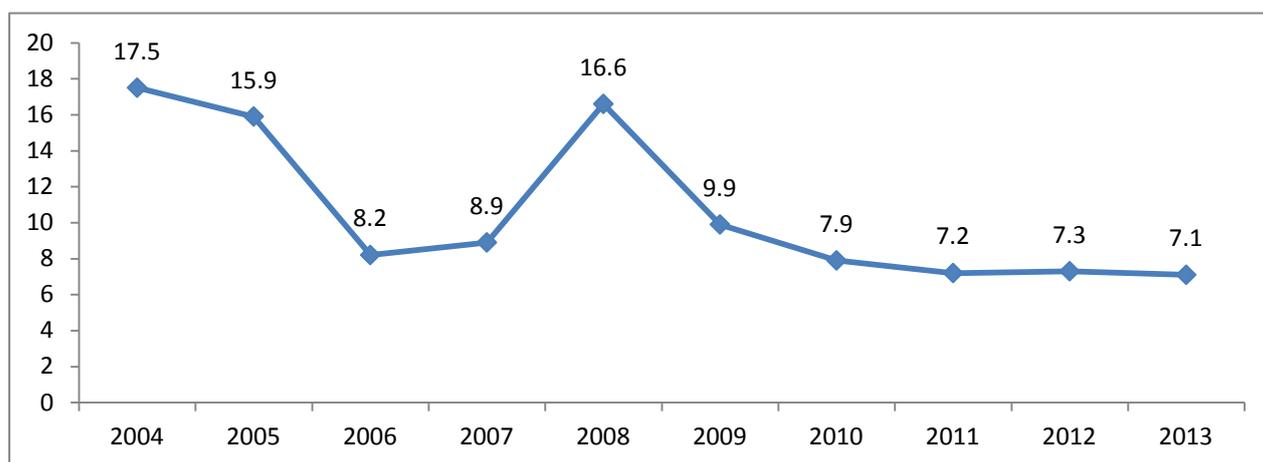


Figure: 1.1.b Zambia's GDP growth in comparison to Africa, COMESA and SADC (2002-2013)



Zambia's economy extended its growth momentum in 2013. Growth was driven by expansion in agriculture, construction, manufacturing, transport and communication and finance. Economic prospects for the future appear bright if growth can be sustained and broadened to accelerate job creation and poverty reduction. In addition, copper mining is expected to rebound in 2014, and is projected to reach 1.5 million tonnes by 2015. This is largely due to investment in new mines and the expansion of capacity at existing plants. The Gross Domestic Product per capita in Zambia was recorded at US\$ 1, 428 in 2012. The GDP per Capita in Zambia is equivalent to 6 percent of the world's average. From 1960 until 2012, Zambia GDP per capita averaged US\$ 779.

Figure 1.2.a Trends in Zambia's Inflation Rate



The annual rate of inflation as measured by the all items Consumer Price Index (CPI) indicate a steady performance in the economy with inflation reducing from 17.5 percent recorded in 2004 to 7.1 percent in 2013, representing a 10.4 percent decrease. The decline in the country's inflation rate can mainly be attributed to the decrease in some food prices such as mealie meal, maize grain, fresh vegetables and dried kapenta

Government's fiscal policy is focused on achieving a domestic budget surplus, through the continued adherence to a cash budget, improved revenue collection and strict control of expenditures. Other fiscal policy objectives are focused at reducing public debt so as to increase liquidity available to the private sector for investment and increasing social sector expenditures in order to alleviate poverty.

1.3. SECTOR PROFILES

The economic profile of Zambia comprises various sectors as follows:

Mining:

Zambia is the world's eighth largest producer of copper and holds six percent of the world's known reserves thereof. Copper and cobalt, as the country's traditional exports account for well over 70 percent of export earnings. These include gold and gemstones (eg emeralds, aquamarine, topaz, opal, agate and amethysts). Zambia produces over 20% of the world's emeralds. This extensive range of mineral resources including copper-cobalt and gold, gemstones, a variety of industrial minerals and potential energy resources including uranium, coal and hydrocarbons, presents excellent investment opportunities in the extraction and processing of these minerals in the country.

Agriculture:

Zambia is endowed with a large land resource base of 42 million hectares of which only 1.5 million hectares is cultivated every year. There are abundant water resources for irrigation and the country has 40 percent of the water in Central and Southern Africa. Given the vast resource endowment in terms of land, labour and water, Zambia has the potential to expand its agricultural production. The country has a total land area of 75 million hectares (752,000 square Km) which is divided into three major agro-ecological regions, namely Regions I, II and III - each suitable for investment opportunities in the production of various crops. Furthermore the country is bordered by eight countries and is a member of the Common Market for Eastern and Southern Africa (COMESA) and the Southern African Development Community (SADC) it has market access to the European Union through the Everything but Arms (EBA) initiative, access to the US market through the African Growth Opportunities Act (AGOA) and access to the Chinese and Japanese markets through various initiatives.

Zambia's climate follows a similar pattern to that in most of southern Africa, with rainfall when the sun is near its zenith from November to April. Rainfall varies over a range of 500 to 1,400 mm (19.7 to 55.1 in) per year. The distinction between rainy and dry seasons is marked, with no rain at all falling in June, July and August where most of the economic, cultural and social life of the country is dominated. The average temperature in Zambia in the summer is 30°C and in the winter (colder season), 5°C. The rains are brought by the Inter tropical Convergence Zone (ITCZ) and are characterized by thunderstorms, occasionally severe. The ITCZ is located north of Zambia in the dry season. It moves southwards in the second half of the year, and northwards in the first half of the year. In some years, it moves south of Zambia, leading to a "little dry season" in the north of the country for three or four weeks in December. Highest rainfalls are experienced in the north, especially the north-west and the north-east, decreasing towards the south with the driest areas in the far south west and the Luangwa River and middle Zambezi River valleys.

Given the vast endowment in terms of natural resources and water and the fact that the agricultural sector employs more than half of the total labour force, only 10 percent of the arable land is under cultivation. It is because of this potential that the government encourages investment in commercial farming and has established farm blocks to facilitate investments in agriculture. With vast stretches of land suitable for agriculture, the Government has embarked on improving access to inputs and finance for small scale farmers as a way of diversifying the economy from a heavy reliance on copper production and exports. In most parts of the country, especially among the rural and peri-urban populations, agriculture is already the major source of livelihood income with income from the export of agricultural products increasing every year.

A number of initiatives have been initiated to move farmers away from concentrating on cultivating the traditional maize. International Development Organizations (IDOs), the National Farmers Union and other national agricultural organizations, together with the Government, have been promoting the cultivation of other crops such as soya beans, cow peas, groundnuts, mixed beans and cassava. These crops offer a huge potential income source as they are of high value and are currently produced in small quantities. Soya beans are also important as an ingredient in stock feeds. One of the major hindrance advanced forward to the cultivation of these crops, is lack of market information and access by small scale farmers, as the majority of these farmers are rural based, with little or no education.

Manufacturing:

With abundance natural resources at its disposal (resources like Minerals, Arable Land, Rivers, Forests, Water Falls, Lakes and Wildlife) and with the countries adequately underdeveloped land, the Manufacturing sector offers vast potential and profitable openings for investors. The manufacturing sector accounts for nearly 11% of the country's GDP and has been consistently growing. However, the sector needs diversification to produce wide variety of high quality value added intermediate and final products principally for the export markets. Engineering, Textiles, Wood & Wood Products, Building Materials, Processed Foods, Chemicals, Leather and Leather Products and Handicrafts offer potential opportunities for investments. Currently, the main manufacturing activities in Zambia are the Food, Beverages and Tobacco sub-sector. However the growth potential in other industries as well is vast. Support measures designed to aid manufacturing enterprises in non-traditional sectors are being implemented.

Tourism:

The tourism industry has grown over the recent past years, with the establishment of hotels in the major tourist town of Livingstone and the city of Lusaka. The vast potential in the tourism sector in Zambia, with its natural beauty (including the Victoria Falls, which is one of the most renowned beautiful transcendental Seven Natural Wonders of the World) and the wealth of wildlife have yet to be fully exploited. Zambia has 20 national parks and 34 game management areas with a total of 65,000 km² set aside for wildlife conservation. Zambia also boasts of various traditional ceremonies that take place at different times of the year where the rich cultural heritage is displayed.

Infrastructure:

Rail network remains the dominant mode of transportation (83.4%) for goods on the local and international routes. Major rail line links Zambia with Tanzania, is jointly owned by the Zambian and Tanzanian governments and is run by Tanzania-Zambia Railway Authority (TAZARA). The Chipata-Mchinji Railway is under construction and will link Zambia with Malawi and Mozambique. Furthermore there are more than 130 airfields, one third of which are Government-owned while the rest are privately owned. The Lusaka and Livingstone International Airports are Zambia's main airports connecting the country with the region and the rest of the world. The smaller airports include Ndola, on the Copperbelt province and Mfuwe, in the Luangwa National Park.

Energy:

With its vast water resources and coal reserves, Zambia offers abundant investment opportunities for hydroelectric power generation, supply and distribution. The country has well over 1,890 MW of hydroelectric generating capacity. Proven coal reserves exceed 30 million tonnes and satisfy 9% of energy demand. Hydro-electricity is mainly supplied and distributed by the state owned Zambia Electricity Supply Corporation (ZESCO). There is massive potential for private sector investment in both hydroelectricity power and supply of petroleum products, including bio-fuels.

Telecommunications:

Zambia has access to the west coast Sat-3 cable to Europe via a fiber link with Namibia, which in turn links with the South African fibre network, reaching Cape Town. Currently three companies, the Zambia Electricity Supply Corporation (ZESCO), the Copperbelt Energy Corporation (CEC) and the Zambia Telecommunications Company (ZAMTEL) are licensed to operate optic fibre networks, and there are mobile telephone services namely Airtel Zambia, MTN and Zamtel.

Health:

Government and private hospitals and clinics provide health care. The private hospitals have earned a reputation as providers of good quality health care. Major surgery cases are usually referred to the Republic of South Africa. Investment opportunities for establishing specialized hospitals to treat such referral cases are, therefore, unexploited. Flying doctor services cover remote areas and provide immediate care and transport for urgent cases.

Education:

There are currently only 3 public universities, namely the University of Zambia, the Copperbelt University and the Mulungushi University, and numerous private universities which include, but not limited to, Cavendish University, the Zambia Open University, the University of Lusaka, Catholic University and many more. There also over 40 technical colleges, thus the massive investment opportunities for provision of university level and other tertiary education.

CHAPTER TWO – INVESTMENT CLIMATE

2.1. OVERVIEW OF ZAMBIA'S INVESTMENT CLIMATE

Zambia is a multi-party democracy and provides a market-oriented liberalized economic environment in a strife-free, multicultural society. The Zambian Government welcomes investors across sectors and the laws relating to investment have provided for incentives aimed specifically at increased levels of investment and international trade, as well as increased domestic economic growth.

The country's central location in the region, as well as a combination of the following key strengths makes it an ideal investment location:

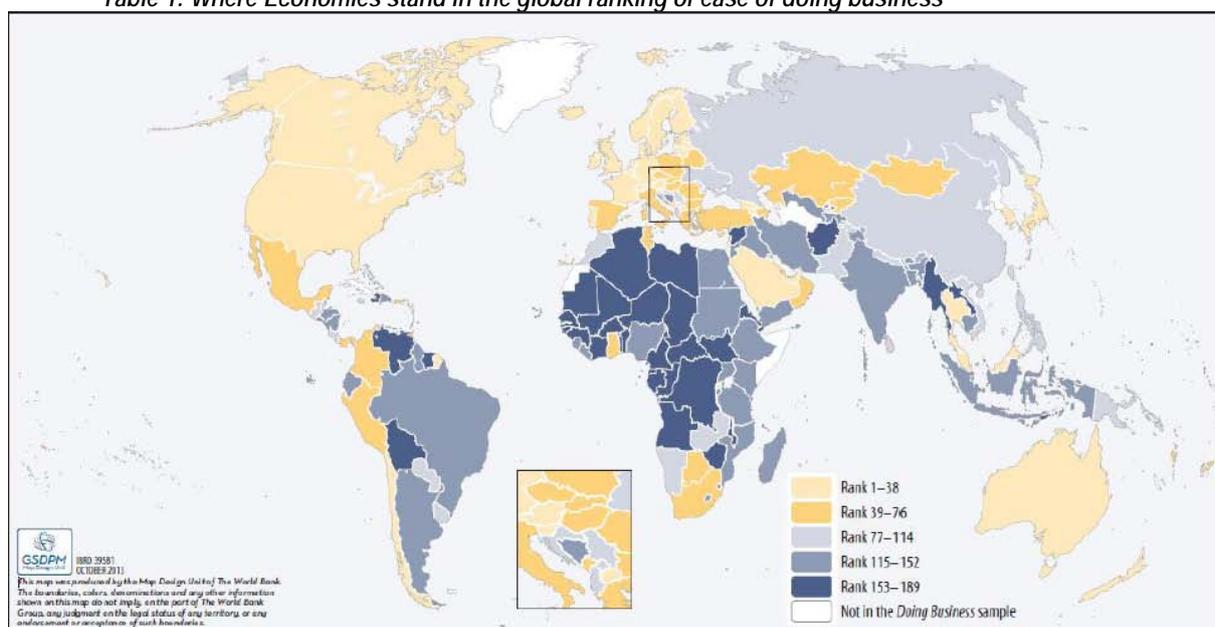
- Abundance of natural resources and manpower, which are highly under-utilized.
- Political Stability since attaining independence in 1964
- No Controls on: prices, interest rates, foreign exchange rates, free repatriation of debt repayments
- 100% repatriation of net profits
- Guarantees and Security to investors with legislated rights to full and market value compensation
- Duty Free Access to Regional, wider African and the USA markets under SADC, COMESA/FTA and AGOA (African Growth and Opportunity Act) respectively
- Banking, Financial, Legal and Insurance services of international standard as well as a Stock Exchange
- Double Taxation Agreements with a number of European, North American, African and Asian countries
- Good place to work and live – sub-tropical climate and vegetation with plenty of water. Friendly people, mostly English speaking, with high literacy rate. Educational establishments to University level. Strong religious values. Open-air lifestyle with nature reserves, game parks, rivers, lakes and waterfalls.
- Thriving Private Sector – Government has successfully privatized most of the previously state owned enterprises, thus encouraging an entrepreneurial culture.

2.2. DOING BUSINESS RANKING

Doing business data gives light on the ease/ difficult of doing business when complying with relevant regulations. It measures changes in regulations affecting 11 areas in the life cycle of a business. These include; starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting investors, paying taxes, cross border trading, enforcing contracts and resolving insolvency and employing workers.

The aggregate ranking on the ease of doing business benchmarks each economy's performance on the given indicators against all economies in the doing business sample. It is worthwhile mentioning that the doing business ranking does not in totality give a clear picture of what is pertaining in the country. While it tells about the business environment in an economy, it does not measure all aspects of the business environment that may matter to firms and investors or that affect the competitiveness of the economy, needless to say, a high ranking does not necessarily entail that a particular government has created a regulatory environment conducive to operating a business. *Table 1 below gives an indication of where economies stand in the global ranking on the ease of doing business*

Table 1: Where Economies stand in the global ranking of ease of doing business



Source: Doing Business Database (World Bank)

Table 2: Summary of Doing Business Indicators for Zambia

ZAMBIAS DOING BUSINESS 2014 RANKINGS IN COMPARISON										
No.	Indicator	Zambia DB 2014	Zambia DB 2013	Angola DB 2014	Botswana DB 2014	Lesotho DB 2014	Namibia DB 2014	Rwanda DB 2014	South Africa DB 2014	Best Performer Globally 2014
1	Starting Business (rank)	45	70	178	96	89	132	9	64	New Zealand (1)
2	Dealing with Construction Permits (rank)	57	65	65	69	145	31	85	26	Hong Kong, China (1)
3	Getting Electricity (rank)	152	152	170	107	136	72	53	150	Iceland (1)
4	Registering Property (rank)	102	98	132	41	88	178	8	99	Georgia (1)
5	Getting Credit (rank)	13	11	130	73	159	55	13	28	Malaysia (1)
6	Protecting Investors (rank)	80	80	80	52	98	80	22	10	New Zealand (1)
7	Paying Taxes (rank)	68	68	155	47	101	114	22	24	United Arab Emirates (1)
8	Trading Across Borders (rank)	163	163	169	145	144	141	162	106	Singapore (1)
9	Enforcing Contracts (rank)	120	114	187	86	144	69	40	80	Luxembourg (1)
10	Resolving Insolvency (rank)	73	100	189	34	104	85	137	82	Japan (1)

Source: Doing Business Database (World Bank)

2.3. INVESTMENT INCENTIVES

The Zambia Development Agency (ZDA) Act of 2006 and amended in 2014 offers a wide range of incentives in the form of allowances, exemptions & concessions for companies. The Act provides for investment thresholds that investors have to meet to qualify for fiscal and non-fiscal incentives. There is only one categories of investors who can be considered for investment incentives under the ZDA Act, while the rest only receive non fiscal incentives

Category 1: Investments of US\$ 500,000 and above in a Multi Facility Economic Zone, an Industrial Park, a Priority Sector and in invest in a Rural Enterprise under the ZDA Act

The first category is that of investors who invest not less than US\$ 500,000 in the Multi Facility Economic Zones (MFEZ) an Industrial Park, a Priority Sector and invest in a Rural Enterprise under the ZDA Act. This category is entitled to the following incentives:

- i. Zero percent tax rate on dividends for 5 years from year of first declaration of dividends.
- ii. Zero percent tax on profits for 5 years from the first year of operation.
- iii. Zero percent import duty rate on capital goods, machinery including specialized motor vehicles for five years.
- iv.

In addition to fiscal incentives, the above category of investors is entitled to the following Non- Fiscal incentives;

- i. Investment guarantees and protection against state nationalization
- ii. Free facilitation for application of immigration permits, secondary licenses, land acquisition and utilities

Category 2: Investors who invest an amount not less than US\$250,000 in any sector or product not provided for as a priority sector or product under the Act. This category of investors is entitled to only non-fiscal incentives as follows;

- i. Investment guarantees and protection against state nationalization;
- ii. Free facilitation for application of immigration permits, secondary licenses, land acquisition and utilities

2.4. PRIORITY SECTORS

1. MANUFACTURING

Manufacturing activities located in a Multi-facility Economic Zone, an Industrial Park or a rural area.

2. CONSTRUCTION AND ESTABLISHMENT OF INFRASTRUCTURE, EXCLUDING RENOVATION, EXPANSION AND REFURBISHMENT

- (a) **Education:** Construction of education and skills training institutions
- (b) **Health:** Construction of health centers' as defined under the Health Professions Act 2009.
- (c) **Tourism**
 - i. Construction and establishment of hotels
 - ii. Construction and establishment of convention centers
 - iii. Construction and establishment of exhibition centers
 - iv. Construction and establishment of museums
 - v. Construction and establishment of Theme parks
 - vi. Construction and establishment of art galleries
 - vii. Construction and establishment of theatres;
 - viii. Construction and establishment of a large retail complex containing a variety of ten or more stores, restaurants or other business establishments housed in a series of connected or adjacent buildings or in a single large building.
- (d) **Housing**

Development of fifty (50) or more houses erected or maintained under one management or control on land developed specifically for the citing of such houses in accordance with a comprehensive plan which provides for the laying out of roads and the furnishing and availability of services essential or ancillary to the use of such building as houses
- (e) **Agriculture:** construction of crop and grain storage facilities and

3. ENERGY AND WATER DEVELOPMENT

(a) Power: building, installation of power stations

(b) Fuel:

- i. Building and installation of processing and refinery plants for bio-fuel;
- ii. Construction of petroleum refineries
- iii. Construction of pipelines
- iv. Construction of rural filling stations

4. WATER SUPPLY

- i. Construction of Depots;
- ii. Construction of Dams
- iii. Construction of irrigation canals; and
- iv. Construction of water and sewerage treatment plants

2.3. TAX INCENTIVES

The main general tax incentives include the following:

2.3.1. Income Tax:

The Income Tax incentives are;

- Income earned by companies in the first year of listing on the Lusaka stock exchange qualifies for a 2% discount on the applicable company tax rate in the particular sector, however companies with more than 1/3 of their shareholding in the hands of Zambians qualify for a 7% discount;
- Implements, machinery and plant used for farming, manufacturing or tourism qualify for wear and tear allowance of 50% of the cost per year in the first two years;
- Building used for manufacturing, mining or hotel qualify for wear and tear allowance of 10% of cost in first year and 5% of cost per year in subsequent years;
- Duty free importation of most capital equipment for the mining and agriculture sectors;
- Corporation tax at 15% on income from :
 - farming;
 - fertilizer production;
 - non-traditional exports (all exports other than copper and cobalt);
- Farm works allowance of 100% of expenditure on stumping, clearing, prevention of soil erosion, bore holes, aerial and geophysical surveys and water conservation; and
- Development allowance of 10% of the cost of capital expenditure on growing of coffee, banana plants, citrus fruits or similar plants
- Farm improvement allowance - capital expenditure incurred on farm improvement is allowable in the year of incurring the expenditure.
- Dividends paid out of farming profits are exempt for the first five years the distributing company commences business.
- Initial allowance of 10% on capital expenditure incurred on the construction or improvement of an industrial building is deductible;
- Foreign exchange losses of a capital nature incurred on borrowings used for the building and construction of an industrial or commercial building are tax deductible
- Dividends declared by companies assembling motor vehicles, motor cycles and bicycles are exempt for the first five years of initial declaration of dividends;
- Carry Forward of Losses

CARRY FORWARD LOSSES	YEARS
Copper and Cobalt mining	10 years
Other mining	5 years
Non-mining	5 years
Farming and non-traditional exports	5 years

2.3.3. Value Added Tax

Value Added Tax is charged at 16 % for non registered clients. The VAT incentives are;

- Relief for VAT registered enterprises on imports of eligible capital goods. (VAT deferment);
- Zero rate on export of taxable products;
- Relief of VAT on transfer of business as a going concern;
- Equal treatment of services for vat-reverse VAT;
- Cash accounting for specialized associations e.g. association of building and civil engineering contractors;
- VAT relief on input tax paid for purchases made by registered suppliers.
- Input tax claim for three months prior to vat registration for businesses that have already commenced trading;
- Reduction of VAT rate for investors in tax free zones.

The sector specific VAT incentives are as follows;

Agriculture

- Input tax claim for three months prior to vat registration for businesses that have already commenced trading;
- Reduction of VAT rate for investors in tax free zones.

Manufacturing

- Refund of Zambian VAT on purchase and export of Zambian products by non-resident businesses under the commercial exporters scheme;
- Input tax claim for three months prior to registration for businesses that have already commenced trading.

- Input tax claim for two years prior to commencement of production.

Mining

- Input tax claim for five years on pre-production expenditure for exploration companies in the mining sector;
- Zero rate on mining products for export.

Tourism

- Zero rate - tour packages;
- Zero rate-other tourist services;
- Refund to non-resident tourists and visitors;
- No import vat on all goods temporarily imported into the country by foreign tourists.

2.3.3. Customs Duty Incentives. Most capital equipment attracts duty rates of 0 to 5 %.

Further, relief is granted under the Duty Draw Back scheme. To qualify for the scheme, the following conditions must be met:

- the company or individual must be in the manufacturing business
- the company or individual must be an exporter or intends to start exporting
- The company must be in any sector other than the mining sector.

2.4 DOUBLE TAXATION AGREEMENTS (DTAS)

Zambia has signed Double Taxation Agreements (DTAS) with a number of countries, including, but not limited to Mauritius, United Kingdom, China, Denmark and Finland. Agreements are also yet to be signed with Kenya, France, Germany, Ireland, Italy, India, Netherlands, to mention but a few.

2.5. NON FISCAL INCENTIVES

Other than the generous tax incentives, the ZDA Act also provide for non-fiscal incentives. Investors, who invest at least US \$ 250,000, are entitled to an investor's permit and employment permits for up to five (5) expatriates.

2.6. FACILITATION SERVICES

Besides providing the fiscal and non-fiscal incentives the ZDA provides facilitation services to its clients. In this regard, the ZDA facilitates registered investors to:

- Acquire land; Obtain water, electric power, transport, and communication services and facilities required for their investments;
- Regularize their immigration status;
- Acquire other licenses required to operate a business in any particular sector; and
- Access any other after care assistance that may be required.

In addition to the tax incentives and services that the ZDA provides to investors, there are other benefits that investors enjoy when they invest in Zambia. Investors who invest in Zambia enjoy the following guarantees:

- Free repatriation of profits & dividends
- Business cannot be compulsorily acquired by government, except by Act of Parliament in extreme circumstances
- Protection against non-commercial risks, as Zambia is a signatory of multilateral investment guarantee agency (MIGA) and Africa trade Insurance Agency.
- Impartial forum for resolving disputes
- Special bilateral Investor Protection Agreements exist while new ones can be entered into.

2.7. LEGAL FRAMEWORK FOR INVESTMENT PROTECTION

The Zambia Development Act assures investors that property rights shall be respected. No investment of any description can be expropriated unless Parliament has passed an Act relating to the compulsory acquisition of that property. Also, in case of expropriation full compensation shall be made at market value and shall be convertible at the current exchange rate.

Zambia is a signatory to the Multilateral Investment Guarantee Agency (MIGA) of the World Bank and other international agreements. This guarantees foreign investment protection in cases of war, strife, disasters, and other disturbances or in cases of expropriation. Zambia has signed bilateral reciprocal promotional and protection of investment protocols with number of countries. Furthermore, the ZDA also offers further security for investments in the country through the signing of the Investment Promotion and Protection Agreements (IPPAs).

CHAPTER THREE – DOING BUSINESS IN ZAMBIA

3.1. REGISTRATION, LICENCES AND PERMITS

There are a number of registration requirements and permit and licences required to do business in Zambia;

3.1.1. COMPANY FORMATION AND REGISTRATION

The Company's Act Cap 388 governs the registration of companies in Zambia. Registration is done at the Patents and Companies Registration Office. Any two or more persons can incorporate a company under the Company's Act. The persons will be required to submit the following documents:

- Application for name clearance, in order to avoid use of an existing or similar name
- Application for incorporation by subscribing the names of directors and secretaries of the company
- Articles of the company
- Statutory declaration as to compliance with the Company's Act
- Signed consent to act as director or secretary by each person named in the company's application
- Declaration of guarantee, if a company is limited by guarantee.

The minimum share capital of a company is K5,000 (about US\$ 833). The law requires that half the directors of the company be resident in Zambia. All companies are required to submit annual returns with the Registrar of Companies within three months after the end of the financial year or one month after the Annual General Meeting if it is held within three months after the financial year.

The Company's Act allows foreign companies to register with the Registrar of Companies within 28 days of setting up or acquiring an established place of business. The documentation requirement may be obtained from the Office of the Registrar of Companies.

3.1.2. THE CERTIFICATE OF REGISTRATION

The Zambia Development Act No. 11 of 2006 provides for investment incentives and investment guarantees. Applications for a certificate of registration should be submitted to the Zambia Development Agency, a statutory body mandated by government to foster economic development through the promotion and facilitation of investment and trade across the domestic economy.

The major documents required to support an application for an Investment Certificate include the following documents:

- Copy of Certificate of Incorporation, issued by the Registrar of Companies
- Certificate of Share capital
- Official list of shareholders / directors
- Proof of finance (audited financial statements, certificate of deposit at bank or latest bank statement)
- Detailed Business Plan
- Proof of having secured a place / land to operate from (Lease Agreements or Title Deed or Letter of Offer)

Applications for a Certificate of Registration in some sectors of the Economy require proof that application for subsidiary permits from relevant institutions or ministries have been lodged.

3.1.3. EMPLOYMENT LICENCES / PERMITS

The following employment licences and permits are required in all sectors of the economy;

a) Investors permit

Immigration Headquarters are responsible for issuance of Investors Permits to deserving foreign investors. An application for the permit should be supported by the following documents:

- Two passport-sized photos
- Bank statement
- Valid copy of the company's certificate of incorporation
- Copy of the certificate of registration issued by the Zambia Development Agency

b) Employment permit

Immigration Headquarters, upon submission of the following documents, may issue employment permits:

- Certified copy of the applicant's highest education status and any other additional qualifications and certificate of employment from previous employers
- Letterhead from the prospective employer explaining steps taken to employ Zambian citizens to fill the vacancy

3.1.4. TOURISM SECTOR LICENCES

The following licences and permits are required in the Tourism sector;

a. Zambia Wildlife Authority Permit

Investment projects that have to be located in a Game Management Area will require a permit issued by the Zambia Wildlife Authority (ZAWA). Applications for the permit should be supported by the following documents:

- Project proposal
- List of Shareholders
- Information on promoters' business experience
- Recommendation letter from the District council

The District Council may issue a recommendation letter to ZAWA, upon submission of:

- Letter of intent
- Letter of Consent from the chief (Game Management Areas fall under traditional land which is under the jurisdiction of the local chief)
- Project proposal
- Building Drawings

b. Tourist Enterprise License

The Zambia Tourist Board authorizes the establishment and licenses all tourist enterprise in Zambia under the Tourism Act, Cap 155 of the Laws of Zambia. A Tourist Enterprise includes the construction of an hotel or commercial accommodation establishment, a tour operating business, a travel agency, a camp site, restaurant or café, a discotheque or night club, a campsite, an air charter, a convention centre, and such other enterprise catering for tourists as the Minister may, by Statutory Instrument, declare.

The license may be issued upon submission of the following documents:

- Five year business plan
- Cash flow statement or proof of capital requirement
- Building and or architectural plans
- Letter from promoters' commercial bank
- Financial and personal information about the shareholders
- Curriculum vitae in respect of the shareholders
- Copy of the company's certificate of incorporation
- Memorandum and Articles of Association (for limited companies)
- Title deed or lease agreement
- Most recent audited accounts (for existing businesses)
- Environmental Impact Assessment or Project Brief (for small companies)
- No objection letter from ZAWA (for project locating in Game Management Areas or National Parks)
- Investment Certificate issued by the Zambia Development Agency

c. Hotel License

The Ministry of Tourism through the Hotels Board may issue a hotel license to the applicant upon submission of the following documents:

- Tourist Enterprise License
- Health permit and fire safety certificate from the local council
- Liquor license from the local council

The furniture and equipment must be in place and the premises must pass final inspection from the Hotels Board

3.1.5. MINING SECTOR

The Ministry of Mines and Mineral Resources is responsible for the issuance of permits and licences relating to investment in the mining sector. The licences and permits issued include large scale mining, small scale mining, prospecting licence, prospecting permit, retention license, gemstone license, gemstone sales certificate, artisan's mining rights and the reconnaissance permit.

Applications for the above permits and licences must be supported by the following documents:

- Topographical maps of the area
- Certificate of incorporation and articles of association
- Photocopies of passports of directors and shareholders
- Bank statements and reference letters from applicants' bank
- Programme of operations and estimated costs
- Statement of mineral deposit in the mining area

3.1.6. THE FINANCIAL SECTOR

The Bank of Zambia, as the Central Bank and an agency for executing government's monetary policy, is responsible for issuance of banking licences.

The applicants for a banking license should meet the following requirements:

- Minimum capital of K104 million for local banks and for international banks is K 520 million.
- The minimum capital requirement for none bank financial institutions K250 million.
- Complete questionnaire for principal managers and directors
- Disclose any criminal record for all principal managers and directors
- Provide details about principal managers' experience in banking

The applicants will further be required to submit the following documents:

- Biographical data form
- Business plan with three year financial projections (Profit & Loss Account, Cash flow and Balance Sheet statements)
- Curriculum Vitae for all principal managers and shareholders
- Copy of the company's Certificate of Incorporation
- Copy of the company's Articles of Association
- Approval by the home country supervisors (usually another Central Bank), if the applicants are foreign registered financial institution.

3.1.7. THE TRANSPORT SECTOR

The following permits and licences are required in the Transport sector;

a) Air Transport

The Department of Civil Aviation, which falls under the Ministry of Transport, Works, Supply and Communications, is responsible for issuance of the Aircraft License. The following document will be required to support an application for the license:

- Copy of type of certificate
- Certificate of technical data sheet
- Copy of current certificate of airworthiness
- Copy of the flight manual or equivalent
- Complete set of manufacturer's maintenance, overhaul and repair manual and an illustrated parts catalogue
- Complete set of manufacturer's service bulletin or equivalent documents relating to the airplane
- Copy of the crew operations manual
- Copy of the mass and balance manual
- Flight test reports for the avionics systems and the aircraft
- Electrical load analysis covering all services
- Complete set of wiring diagrams covering all radio and electrical installations
- Copy of the Master Minimum Equipment list

b) Road Transport

The Road Traffic Department may issue the road service licence upon submission of the motor-book, the company certificate of incorporation, the motor vehicle examiner's report and bank statement.

3.1.8. THE ENERGY SECTOR

The Energy Regulations Board is responsible for issuance of licences in the energy sector. Applications for energy licences should be supported by the following documents:

- Five year business plan

- Current and latest audited financial statements
- Details of any expected subsequent substantial capital outflows including major decommissioning costs
- Estimates of net annual cash flows

3.1.9. HEALTH SECTOR

Investors in the health sector are required to obtain a certificate from the Health Professions Council of Zambia (HPCZ) formerly Medical Council of Zambia (MCZ). Applications for the certificate should be supported by the following documents:

- Certificate of incorporation
- List of Directors
- Qualifications of paramedical and logistical staff that should be registered and having practicing license with HPCZ.

The HPCZ would inspect the premises, equipment and protective wear prior to issuance of the certificate.

Requirements for **Full Registration** of health practitioners in Zambia include the following:

- Fill in the application forms, **HPCZ**
- Have it signed and stamped by the approved supervisor
- Submit a letter of recommendation from the Head of Institution i.e. Medical Superintendent, Medical Director.

3.1.10. EDUCATION SECTOR

Potential investors in the education sector are required to obtain a certificate from the Ministry of Education. The supporting documents for the certificate include the certificate of incorporation and qualifications of the teaching staff. The Ministry of education officials would inspect the building premises and the teaching facilities prior to issuance of the certificate.

3.1.11. TELECOMMUNICATIONS SECTOR

The Zambia Information Communication Technology Authority (ZICTA), which falls under the Ministry of Transport , Works, Supply and Communications, is responsible for issuance of Radio or Telecommunication licences. Applications for the licences should be supported by the following documents:

- Certificate of Incorporation
- Business Plan
- Detailed description of the nature of the service, if not indicated in the business plan
- Audited Accounts
- Return on allotment shares
- Bank reference letter

3.1.12. OTHER SECTOR PERMITS AND LICENCES

There are also a number of other general permits and licences as follows;

a) The Project Brief and Environmental Impact Statement

Most projects in all sectors other than the service sector require authorization from the Zambia Environmental Management Agency (ZEMA). It is a requirement under the Environmental Protection and Pollution Control Act (EPPCA) Cap 204 of the Laws of Zambia that before a project is undertaken, an Environmental Project Brief (EPB) or an Environmental Impact Statement (EIS) is submitted to ZEMA to ascertain its impacts on the environment. A Decision Letter will be issued by the ZEMA when they are satisfied that the project will have no negative environmental impact.

b) Title Deed

Lands Department is responsible for issuance of Title Deeds upon submission of the following documents:

- Certificate of Incorporation
- Land sketch
- Letter of consent from the chief
- Recommendation letter from the local council

c) Whole Sale, Manufacturer's and Agents' License

Upon submission of the Certificate of Incorporation, the local council would issue the above licences.

d) Forest Concession License

The following documents are required to support an application for the above license:

- Letter of consent from the local chief and letter of consent from the local council
- Letter of recommendation from the respective Principal Extension Officer
- Company's Certificate of Incorporation
- Map of the area of operation
- Plan of operation
- Bank statement to prove that the applicants have more than K10, 000, about US\$1667.

The applicants must be able to pay for a minimum of 200 to 600 trees and have adequate machines and equipment.

3.2. TAXATION

The Ministry of Finance is responsible for the formulation of tax policy, in Zambia and the implementing agency is the Zambia Revenue Authority (ZRA). The legislative framework relating to the regulation and administration of the taxation is provided for in the Income Tax Act 1966, as amended. The source of income and residence are the basis for liability to tax under the Zambian tax regime. The Income Tax Act requires every person (embracing every business entity, enterprise or individual) receiving income liable to tax under the Act to notify the ZRA, in writing, accordingly within thirty (30) days from the date of first receiving such income and the Act also provides for penalties for failure to give the necessary notice. The tax year (charge year) runs from 1st January to 31st December of the following year. The principal taxes include Direct Taxes (notably Corporate Tax, Pay-As-You-Earn and Other Personal Income taxes), Customs and Excise duties, Value Added Tax (VAT), Property transfer tax and Mineral royalty (Mines and Minerals Act 2008).

3.2.1. Corporate Tax

The Corporate Tax applicable to the different categorizes of business are as follows;

Category	Rate
Mining Operations	30%
Manufacturing and other companies	35%
Charitable organizations	15%
Farming	10%
Non Traditional exports	15%
Chemical manufacture of fertilizer	15%
Trust, deceased or bankrupt estates	35%
Rural Enterprises	Tax chargeable reduced by 1/7 for first 5 years
Banks and Mobile Phone Companies: First K250,000	35%
Above K250,000	40%

3.2.2. Personal Income Tax

Personal income tax is levied in the range of 25-35 %. The maximum rate applicable to farmers is 15 %. Employers are required to register and operate a Pay-As-you-Earn (PAYE) scheme under which they are required to deduct the appropriate tax from the emoluments of liable employees and remit the tax to the Zambia Revenue Authority. Employers' are obliged to deduct such tax and remit it to ZRA.

Emoluments paid or payable to an expatriate employee for work performed, carried out or for services rendered in respect of his employment in Zambia are liable to tax and should be subjected to deduction of PAYE, notwithstanding the fact that such emoluments are paid or payable outside Zambia or are paid or payable by a person who is resident outside Zambia. Employers are further required to submit annual PAYE tax returns, at the end of every charge year, on a prescribed ZRA form.

Double Taxation Agreements

Some eligible taxpayers find themselves liable to tax in more than one country or territory in respect of the same income. The predicament of international Double Taxation may adversely affect the international flow and mobility of human, financial and investment resources, thus the international community has devised a mechanism to prevent, eliminate or mitigate the incidence of Double Taxation.

The countries that Zambia has signed Double Taxation Agreements with include Canada, Denmark, Finland, France, Germany, Holland, India, Ireland, Italy, Japan, Kenya, Mauritius, Norway, Romania, South Africa, Sweden, Tanzania, Uganda, United Kingdom, Yugoslavia and Zimbabwe. In principle, double taxation agreements enable offsetting tax paid in one of 2 countries against the tax payable in the other, in this way preventing double taxation.

3.2.3. Value Added Tax (VAT)

VAT is levied at 16%. Some specified goods and services are zero-rated or exempt. Registration for VAT purposes is mandatory for every dealer in or supplier of standard rated and zero-rated goods and services, as defined in the VAT Act No. 4 of 1995 (which replaced sales tax), whose taxable turnover exceeds K800 per annum. Voluntary registration is acceptable for dealers whose turnover falls below the stipulated minimum turnover.

The Value Added Tax (VAT) of 16 percent applies to both goods and services, of domestic production and those that are imported. VAT is levied on the c.i.f. value plus customs tariff. Exemptions from VAT include social services such as health, education, and funeral services. Registered suppliers or dealers are required to submit VAT returns monthly within 21 days of the prescribed accounting period unless they have been allowed the option for extended tax period. Late or failure to submit returns, including nil returns, attracts penalties. Input VAT can be claimed within a period of three years from the date of the tax invoice or other documentary evidence. The period in which input VAT, incurred prior to the date of VAT registration, can be claimed is 3 months.

3.2.4. Customs Duty

There are three categories for import duties: 25% mainly for finished products, 15% for intermediate goods and 0 to 5% for raw materials and capital goods.

3.2.5. Withholding Tax

The applicable withholding tax rates are as follows;

Category	Rate
Dividends for individuals and companies (Final Tax)	15%
Dividends for companies carrying on mining operations	0%
Interest on GRZ bonds (Final Tax for Individuals and Exempt Organizations)	15%
Interest for individuals (earned from bank or building societies savings and deposit accounts), (Final Tax)	15%
Interest on Treasury Bills for Individuals (Final Tax)	15%
Interest on Treasury Bills (Final Tax for Exempt Organizations)	15%
Other Interest	15%
Royalties, Management and Consultancy Fees	15%
Rents	15%
Commissions	15%
Public Entertainment Fees for Non Residents (Final Tax)	15%
Non Resident Contractors	15%

Note: When interest is awarded by the Courts of Law it is still regarded as "Interest" and withholding tax is deductible in accordance with the appropriate rates as above. The term "Royalty" includes leasing and therefore leasing income is subject to withholding tax.

3.2.6. Royalty Tax

The applicable withholding tax rates are as follows;

Category	Rate (%)
Mining of Base Metals	3% of nominal value
Other Mining	Gemstones, 5% of nominal value
Non Mining	Not Applicable

3.2.7. Other Levies and Charges

Zambia levies excise duties on certain products at rates ranging from 3 percent to 145 percent. The excise duty is collected on mineral water, cane and beet sugar and some derivatives, beverages, tobacco and some derivatives and substitutes, electricity and petroleum.

3.3. IMPORT AND EXPORT CONSIDERATIONS

Business enterprises have to be aware of the import and export procedures and other international trade considerations in the country

a) Customs Clearance and Valuation

In order to clear goods through Customs, an importer must present the usual commercial documents such as bill of lading, airway bill and commercial invoice. The Import Declaration Form is used for statistical purposes, and no fee is required. For goods to be cleared at the border, the importer uses the Zambia Revenue Authority (ZRA) form CE 20, the standard form for entry and exit. Zambia is using the Automated System for Customs Data and Management (ASYCUDA). Customs clearance can be accomplished within hours. However incomplete forms and other difficulties, e.g. lack of supporting documents, can result in substantial delays.

b) Tariff Structure

Zambia applies tariffs on the c.i.f. (cost, insurance and freight) basis. Customs tariffs are calculated on the basis of the dutiable value, based on the WTO Agreement on Customs Valuation. Most tariffs are ad valorem, but a few specific tariffs remain. Zambia uses the international harmonized system. Zambia's tariff schedule is structured around four tiers: 0 %, 5 %, 15% and 25 % rates of duty. Virtually all raw materials and most industrial or productive machinery fall within the 0 and 5 percent tariff categories, while most imported intermediate goods are subject to 15 percent, and imported final products are rated at 25 percent. Zambia's simple average import tariff is about 14 percent.

c) Import Restrictions

Import prohibitions are maintained for environmental, health and security reasons. Import licensing is required for most agricultural products. Zambia does not currently apply trade sanctions.

d) Sanitary and Phytosanitary Regulations

Sanitary and phytosanitary regulations are applied to imports of live animals, plants and seeds. A sanitary certificate from the exporting country is required as a prerequisite to the issuance of the veterinary permit. Food imports must satisfy the provisions of the Food and Drugs Act of September 1978 which requires packaging and labeling requirement for food, and standards for maize samp, rice and bread exist.

e) Export Procedures

Exporters must complete an export declaration form (standard customs authority form ZRA CE 20, mainly for statistical purposes). An original commercial invoice and a packaging list for shipment should accompany the form CE20. An airway bill or bill of lading for transportation of exports should be obtained either from the freight forwarder or the transporter being used. Zambia has no export taxes, charges and levies.

If there are preferences that are being claimed in the exporting market (e.g., reduced tariffs), then an appropriate stamped certificate of origin, from the ZRA is required. COMESA, SADC, EU and AGOA textiles have different certificates of origin.

If the good is a commodity covered by the Veterinary Department, a sanitary/phytosanitary certificate is needed. A phytosanitary certificate is obtained from the Mount Makulu Research Station for seeds, stems, and fruits.

A very limited number of goods require a special export permit. Gemstone exports require a permit from the Ministry of Mines, Energy and Water Development; timber requires a timber verification certificate from the Forestry Department.

f) Regional Agreements

- **The Common Market for East and Southern Africa**

The Common Market for East and Southern Africa ¹ (COMESA) has been operating, in one form or another, since 1981. Economic integration is envisaged to progress from the Free Trade Area (FTA) to an economic monetary union. The FTA became operational on 1st November 2000 with nine participating countries. The COMESA FTA is an agreement among members not to apply customs duties or charges on goods traded amongst themselves. The eligible goods for duty-free treatment must meet the agreed upon Rules of Origin. Members also agree to eliminate all non-tariff barriers to trade between them. The nine member countries that are implementing zero tariffs are Egypt, Sudan, Kenya, Djibouti, Malawi, Madagascar, Mauritius, Zambia and Zimbabwe.

¹ COMESA is composed of 19 members: Burundi, Comoros, Democratic Republic of Congo, Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Somalia, Swaziland, Uganda, Zambia and Zimbabwe.

A COMESA Certificate of Origin is required for each consignment of goods and is obtained from the Revenue Authority in respective member countries.

- **The Southern Africa Development Community**

Members of the Southern African Development Community (SADC), comprising 14 countries², signed a Trade Protocol, which calls for the implementation of a Free Trade Area. Each country has negotiated two reduced tariff schedules. One schedule is applicable only for South Africa and another schedule for all other SADC members. Zambia's implementation of her offer, which came into effect on 30th April 2001, is provided to those countries that provide Zambia with the SADC reduced tariff schedule.

The tariff schedule applicable to SADC members, with the exception of South Africa, has three categories. Categories A are those products which go to zero-duty immediately upon implementation. The tariff for Category B products gradually goes down to zero-duty over a period of eight years, and the tariff of Category C products reaches zero-duty twelve years after implementation. Category C products are known as sensitive products, and include for Zambia meat and dairy products, tea, some flours, raw sugar, cement, textiles and clothing, and motor vehicles. A SADC Certificate of Origin is required for each consignment of goods and is obtained from the Zambia Revenue Authority.

3.3. LABOUR CONSIDERATIONS

Zambia has abundant reserves of unemployed labour force comprising both skilled and unskilled personnel. Unemployment levels are higher in urban than rural areas. The high level of graduate turnout from the country's high schools, colleges and universities has not matched employment generation opportunities from private and public sector investment. The availability of both skilled and unskilled labour thus exceeds available employment opportunities.

a) Employment Permits For Expatriate Labour

Employers seeking to employ expatriate staff are required to apply for work permits from Immigration Headquarters. Such permits are usually issued for an initial period of one year with provision for subsequent extensions or renewals. Companies that hold an Certificate of Registration and invest a minimum of US\$ 250,000 and employs a minimum of 200 employees shall be entitled to Investors permit for up to five expatriate employees. The fees relating to work permits are indicated below:

Employment Permit		Investors Permit	
Issuance	K3, 000 (US\$ 500)	Issuance	K2, 000 (US\$ 333)
Renewal	K3, 500 (US\$ 583)	Renewal	K2, 500 (US\$ 417)
Replacement	K3, 000 (US\$ 500)	Variation	K2, 500 (US\$ 417)
Addition of name to permit	K 600 (US\$ 100)	Replacement	K2, 500 (US\$ 417)
Variation	K1, 500 (US\$ 250)	Duplicate	K2, 000 (US\$ 333)
Temporary Permit		Resident Permit	
Issuance	K4, 000 (US\$ 667)	Issuance	K4, 000 (US\$ 667)
Renewal	K3, 500 (US\$ 583)	Duplicate	K4, 000 (US\$ 667)
Duplicate	K3000 (US\$ 500)	Variation	K3, 000 (US\$ 500)
Study Permit		Visiting Permit	
Issuance	K1, 500 (US\$ 250)	Issuance	K1, 000 (US\$ 167)
Duplicate	K1, 500 (US\$ 250)	Duplicate	K1, 000 (US\$ 167)
Renewal	K2, 000 (US\$ 333)	Renewal	K1, 500 (US\$ 250)

Payments for the above fees must be made by bank certified cheques and made payable to the Director General of Immigration. Cash payments are not acceptable. The conversion of Zambian Kwacha to US dollar is based on an exchange rate of USD 6.

b) Labour Relations And Regulations

The Department of Labour, which falls under the Ministry of Labour and Social Security, is responsible for formulation of labour policy. The department administers the statutes governing employer/employee relations. The major pieces of legislation relating to the labour market in Zambia include:

- The Employment Act Cap 268 - is the basic employment law and provides basic employment contractual terms such as:

² SADC member countries are Angola, Botswana, Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe.

- ✚ minimum contractual age
 - ✚ establishment of employment contracts
 - ✚ settlement of disputes arising from such contracts of employment
 - ✚ the appointment of Labour Officers and other staff for the administration of the Act
 - ✚ certain conditions of employment such as ordinary leave, sick leave, maternity, redundancy and welfare of employees
- The Industrial and Labour Relations Act Cap 269 - The Act provides for:
 - ✚ the conduct of industrial relations
 - ✚ the establishment of workers/employers organizations, their registration and administration
 - ✚ collective bargaining
 - ✚ Settlement of dispute through conciliation and arbitration by the Industrial Relations Court, established under the Act.
 - ✚ Consultative Machinery

The Zambia Federation of Employers (ZFE), an umbrella organisation for employers, articulates the interest of employers. ZFE is represented at the Tripartite Labour Consultative Council, a body comprising the representatives from Ministry of Labour and Social Security and the unions (through an umbrella body, the Zambia Congress of Trade Unions - ZCTU).

- The Minimum Wages and Conditions of Employment Act Cap 276 - The Act enables the Minister to determine minimum conditions of employment for categories of employees not effectively covered through collective bargaining. Such employees include general workers, drivers and clerks.
- Employment of Young Persons and Children Act Cap 274 - The Act provides protection for young persons and children in the employment relationship. It is the major law against child labour and abuse.
- Employment (Special Provisions) Act Cap 270 - This is an enabling Act and may be activated only when a state of emergency is in place. Under this Act various regulations may be promulgated with regard to labour and employment.

c) Working Conditions

There are normally two categories of employees namely the unionised and non-unionised (management) staff. Conditions of service for non-unionised employees are normally fixed by top management, while those for unionised employees are negotiated through collective bargain / agreement. The Minimum Wage and Conditions of Work Act provides for machinery for determining statutory minimum wages and other conditions of employment in industries or companies where conditions of employment are not regulated by a free collective bargaining system.

d) Basic Salaries, Wages and Allowances

Allowances, which are commonly added to the basic salary, include:

- Housing
- Transport
- Children's medical and education
- Water, electricity, holiday travel (usually for senior management staff)

All allowances are taxable at the same rate as the basic salary.

Other common non-cash benefits may include: transport to and from work, subsidized meals in staff canteen and sporting and recreation facilities.

e) Pensions and Life Insurance

Membership of a pension scheme may be a condition of employment and most employers maintain a pension scheme for their employees with the National Pensions Scheme Authority (NAPSA). Employers may establish or join other pension schemes under the Pension Scheme Regulation Act. Insurance companies that offer pension schemes, include but not limited to:

- The Zambia State Insurance Corporation
- Madison Insurance
- Professional Insurance
- African Life Financial Services
- Imara ECR Asset Management Limited
- Professional Life Assurance
- Alexander Forbes Financial Services
- AON Zambia Pension Fund

Life insurance is normally the responsibility of individual persons.

f) Medical Coverage and Maternity Benefits

Employers are obliged, by the Minimum Wages and Conditions of Employment Act, to grant an employee full pay should illness make the employee unable to work, subject to production of a certificate from a registered physician. The maximum period for which such benefit may give is three months at full pay, followed by three months at half pay. Some employers provide health and medical coverage through membership to private clinics to which the employee and employer contribute equally. The Act also requires that maternity leave, for female employees, be paid up to 90 days provided such female employees have worked for a minimum of twenty four months with their employers.

g) Housing

The Employment Act requires employers to provide to employees one of the following:

- Housing or housing allowance in lieu thereof
- House loan or advance towards the purchase or construction of a house
- Guarantee facility for a mortgage

h) Working Hours

The normal working hours is 40 hours per week for office workers and 45 hours per week for factory workers. Office hours are normally from 08:00 hours to 17:00 hours Mondays through Fridays and 08:00 hours to 13:00 hours on Saturdays (for most companies outside the retail sector). The normal weekly hours should not exceed 48 hours under the Minimum Wages and Conditions of Employment Act.

Overtime work should be paid at the following formula:

- Saturdays, Lunch hours and after 17 hours - Basic Pay multiplied by 1.5 divided by 160
- Sundays and All Public Holidays - Basic Pay multiplied by 2.0 divided by 160

i) Paid Holidays

Employers are obliged, under the Minimum Wages and Employment Act, to grant paid leave of absence of not less than 24 days annually. It is, however, a normal practice for employers to provide employees with more leave days than that prescribed in the Act depending on the rank and nature of the employee's job.

j) Special Leave

Employers are obliged, under the Minimum Wages and Conditions of Employment Act, to grant an employee 7 days' paid leave on the death of an employee's spouse, child, mother or father. The Act also obliges the employer to provide for a funeral grant for a standard coffin, cash and mealie meal in the event of death of an employee, spouse registered child or dependant of the employee.

k) Termination of Employment

A contract of employment may be terminated under the Zambian law through:

- Resignation or Dismissal
- Normal retirement or medical discharge
- Expiry of contract
- Redundancy
- Frustration, such as death

An employer is obliged, under Section 26A of Statutory Instrument No. 15 of 1997, to afford an employee the opportunity to be heard prior to termination of the contract of employment if the termination is on grounds related to the employee's conduct or performance. This obligation on the part of the employer is in conformity with the International Labour Organisation Convention. The Zambian law, further, provides for the minimum benefits payable to the affected employee, and requires payment of full wages for an employee declared redundant until the redundant benefits are paid.

l) Redundancy Benefits

The employer is obliged to pay at least one month's notice and redundancy benefits of not less than two months' basic salary for each completed year of service.

m) Equal Opportunities

The Zambian law and practice prohibits discrimination on the basis of race, tribe, political opinion, colour, creed or sex.

3.4. LAND CONSIDERATIONS

There are two categories of Land in Zambia: These are:

- **State Land** - comprising only 6% of land in Zambia. The land is zoned into residential, commercial or industrial use by the District Councils according to their jurisdictions
- **Customary Land** - Approximately 94% of all land in Zambia is held under this system of tenure. Such land falls under the jurisdiction of the traditional Chiefs.

3.4.1. Systems of Tenure

There are only two types of tenure in Zambia. These are leasehold and customary tenure. Zambia has no freehold system of tenure. The leasehold tenure runs for 99 years and is renewable for further 99 years. Further renewal possible if there is no breach of the conditions in the existing agreement. Land in the customary area can be converted to leasehold – thus allowing it to be used as collateral. Under the 1995 Act, land now has a value and can be sold even without improvement on the land.

3.4.2. Land Acquisition and Transfer

The following are the ways in which land can be acquired and transferred in Zambia

a) Acquisition of State Land by Non Zambians

A non-Zambian can acquire land under following conditions;

- He / She is a permanent resident in Zambia
- He / She is an investor within the meaning of the ZDA Act or any other law permitting investment in Zambia
- In exceptional cases by Presidential consent in writing
- A person registers a company under the Companies Act, with no less than 75% Zambian shareholding.
- Title Deed will be issued in the name of the registered company.
- Under a short term tenancy of not more than 5 years
- If the person is granted concession or right – under the National Parks and Wildlife Act.

Before a land can be bought or sold 'State Consent' must be obtained. The consent is issued by the Commissioner of Lands on application. If consent is not granted within 45 days of filing the application, the application is deemed to be granted. If consent is refused, the reasons for refusal must be furnished to the applicant within 30 days.

Acquisition of land in an area designated as State Land will require consent of relevant District Council. Land, which does not fall within the jurisdiction of any council, can be alienated upon direct application to the Commissioner of Lands. He will then make a formal offer to the applicant, which will contain similar conditions to those obtaining in the offer made for an application of land situate in the Customary Area

b) Acquisition of Customary Land

In order to acquire land in customary area one will require;

- The written consent of the area Chief
- Approval of District Council in the area
- Additional approval from the Director of National Parks and Wildlife, if the land is in a Game Management Area

These approvals once obtained should be submitted to the relevant District Council, which in turn will submit the documents to the Commissioner of Lands. The Commissioner will then make formal offer to the applicant. The letter of offer will stipulate among other conditions:

The Consideration Fee - This is not a fixed amount and is dependent upon locality, services provided by the state or council and other related factors,

Survey Requirements - This can be carried out by private or governmental Surveyor. Submission of a legal diagram or plan attached to the lease agreement is a mandatory requirement prior to issuance of Certificate of Title

Preparation Fee - The office of Commissioner of Lands charges fees for preparation of lease. These fees are fixed by statutory instrument, but are subject to change

Registration Fee - charged by the Lands and Deeds Registry before lease is registered and certificate issued

Property Transfer Tax – currently 2.5 % of the value of land is paid to the Zambia Revenue Authority by the vendor. No tax is payable where land is acquired from the State.

Upon acceptance of the offer and payment of these charges, a 99 year lease, to transfer the title will be prepared and if the land is already surveyed the title deeds will be issued within 60 days, if not surveyed than, the process can take up to 3 months or more.

c) Purchase of Private Land

Land in private ownership can be bought and sold and title deeds issued by the Commissioner of Lands. In all instances 'State Consent' will have to be obtained by the vendor before title deeds can pass to the purchaser. Before land can be bought or sold 'State Consent' must be obtained. The consent is issued by the Commissioner of Lands on application. If consent is not granted within 45 days of filing the application, the application is deemed to be granted. If consent is refused, the reasons for refusal must be furnished to the applicant within 30 days.

3.4.3. Lands Tribunal

The Land Act of 1995 also provides for establishment of a Lands Tribunal to speed up the resolution of land disputes. The Tribunal is headed by a person who is qualified to be a judge of the High Court. Decision of the Tribunal is subject to appeal to the Supreme Court within 30 days of the decision.

3.4.4. Lands Available for Investment

ZDA is in the process of setting up land banks for easy access to land available for investment in the priority sectors. The land banks comprise of already demarcated plots and the process of acquiring these plots is fast tracked from application for the land on behalf of the licenced investor, to approvals from the local authorities, up to the Commissioner of Lands. The following land categories are available for investment in Zambia.

a) Agricultural Land

The Government has embarked on a land development programme which involves opening up new farming blocks for commercial development and expansion of the agriculture sector. As at December 2010 the following farm blocks were identified for potential investors:

Farm Block	Province	District	Size (Ha)
Nasanga	Central	Serenje	155,000
Kalumwange	Western	Kaoma	100,000
Luena	Luapula	Kawambwa	100,000
Manshya	Northern	Mpika	147,000
Mikelenge/Luma	North-Western	Solwezi	100,000
Musakashi (SADA)	Copper-belt	Mufulira	100,000
Muku	Lusaka	Kafue	100,000
Simango	Southern	Livingstone	100,000
Mwase-Phangwe	Eastern	Lundazi	100,000

Each farming block is designed to have at least one core large-scale farm (core venture) of 10,000 hectares, several commercial farms of 1,000 to 5,000 hectares and small farm holdings of between 30 to 3000 hectares preferably under out grower arrangements. Farm blocks provide both local and international investors ready access to already surveyed land for agro productions purposes. Currently, the government has identified three priority Farms Blocks - the Nasanga, Kalumwange and Luena blocks. For these three, the government is providing and installing basic infrastructure and facilities such as trunk roads, bridges, electricity, dams, schools and health centres. Other farm blocks above will be developed in stages.

b) Industrial Land

Industrial land in the capital city Lusaka is located on the western part of the city. Every city in Zambia is zoned an industrial area where all manufacturing activities can take place. It is also where an investor wishing to set up an industry can do so. In order to expand the country's manufacturing base and enhance national competitiveness, the Government is establishing industrial parks and will extend tax incentives under the ZDA Act to developers of, and investors in Multi-Facility Economic Zones. Two types of MFEZ are being promoted: Production MFEZs for manufacturing related businesses and Export Trade MFEZ for commercial trading, warehousing etc. to exploit export markets.

In addition, developers of industrial parks will qualify for the above incentives if:

- The layout of the development plan is approved by the relevant planning authority;
- The park to be developed is at least 15 acres in size;
- The park will have paved roads; and
- Water and electricity supply within the park is provided.

CHAPTER FOUR – LIVING IN ZAMBIA

4.1. FIRST VISIT CONSIDERATIONS

The following should be taking into consideration when visiting Zambia.

a) Visa Applications

Obtaining a visa is generally straight forward, provided that all the required documentation is available. Nationals of Common Market for Eastern and Southern Africa (COMESA) and Commonwealth member countries generally do not require visa to visit Zambia. However, nationals of following Commonwealth countries do require visas; The Gambia, Ghana, India, Pakistan, Papua New Guinea, Sri Lanka and United Kingdom.

The visas may be obtained from any Zambian High Commission and Embassy overseas. It is also possible to obtain a Visa at Zambia entry points for some specified foreign country nationals (e.g. UK and the USA).

Furthermore potential investors can obtain a visa at the point of entry by requesting ZDA to make application on their behalf and must send a scanned copy of their passport showing picture and details of passport holder. It should be noted that a work permit is required before any foreign national can take up employment in Zambia.

All resident expatriates must obtain Re-Entry Permit prior to going out of Zambia. The said permit can be obtained from the immigration office on Cairo Road and will be valid for 90 days.

b) Vaccinations

- Cholera: required if passengers are coming from an infected zone.
- Yellow Fever: required only if passengers have been in an infected zone a week prior to their arrival in Zambia.
- Anti-Malarial Precaution: highly recommended that visitors take anti-malarial medication before coming to Zambia. Please contact competent medical authority in your country for appropriate advice.

4.2. BANKING

a) Banking Services

Zambia is served by a number of domestic and international banks which are playing a very positive role in economic development. A list of these banks is provided in appendix 1. The currency is the Zambian Kwacha. The highest denomination bank note is K100. The commercial banks operating in Zambia have a well distributed branch network, and automated teller machines (ATMs) across the country.

All major credit cards are accepted in urban areas. ATM facilities are provided by commercial banks. Visitors with VISA and VISA Electron cards draw cash from VISA ATM's in Zambia. Traveler's cheques (TC) and hard currency bank notes can be cashed at banks, large hotels or bureau de change. (Note: proof of purchase of TCs is prerequisite to cashing at these outlets).

b) Monetary System

Currency: Zambian Kwacha (ZMW), 100 Ngwee = 1 ZMK

Denominations: Notes: K2, K5, K10, K20, K50, K100,

Coins: 5n, 10n, 20n, 50n, K1

There are no restrictions on importation of foreign currency into Zambia. The only requirement is that all cash and travellers cheques should be declared on Customs Form T2 available from customs officers at the port of entry.

The Zambian Kwacha floats freely against the major world currencies including the US Dollar, British Pound, Euro and South African Rand. There are no restrictions on foreign currency dealings (proof of travellers cheque purchase is needed) and can be changed over the counter in any bank and at the numerous Bureau de Change. ATM machines are located outside the banks as well as at the Shopping Malls.

4.3. HOUSING

Zambia is safe and friendly nation where foreigners can feel at home and go about their lives in comfort and security. Availability of suitable expatriate accommodation is good in most urban areas. Quality accommodation include a 3-bedroomed, mostly unfurnished detached house standing in its own plot, often with a swimming pool and full security provisions. Full range of furniture is available from local suppliers and it

is also possible to have it made to order from quality Zambian wood at reasonable cost.

Furnished properties can be found including opportunity to rent a flat. New arrivals are recommended to contact reputable estate agents/realtors, who are listed in yellow pages as well as in a monthly publication called the Lowdown or in the daily newspapers. Typical rentals are:

- One bedroom house/apartment – USD 500 and above
- Two bedroom house/apartment – USD 1,500 and above
- Three bedroom house/apartment – USD 2,000 and above
- One house within a housing complex with security – USD 3,000 and above

4.4. HEALTH

Zambia is on a high plateau (1,280 above sea level) is a fairly healthy place to live. Tap water in homes and hotels is treated but as precautionary measure should be boiled or chlorinated before drinking. There are many good privately run clinics and hospitals in Lusaka including good dental clinics for normal health problems. Super specialist medical centres are being developed and encouraged.

4.5. EDUCATION

The education system in Zambia is comprised of Primary and Secondary Schools, and University education.

a) Primary and Secondary School

The state educational system is Zambian oriented and therefore, expatriate parents must look for private schooling for their children. There are satisfactory private infant, primary and secondary schooling available in Lusaka and other parts of Zambia.

The schools commonly used at present by the international community are:

- The International School of Lusaka (ISL)
- Baobab College
- The American International School
- The Lusaka International Community School (LICS)
- The French School
- British International School
- Italian International School

Other schools include Chengelo Secondary School in Mkushi, Simba International School in Ndola, and Musikili Primary School in Mazabuka, which all have provisions for day scholars and boarders. Furthermore there are many nursery schools for children between 2 and a half to 6 years, which are mostly privately run and have a good reputation.

b) Universities

There are three state-run universities in Zambia, one in Lusaka, one in Kabwe (Central Province) and another in the Copperbelt town of Kitwe. In addition, there are various other tertiary level institutions including the Zambia Institute of Chartered Accountancy Studies (ZICAS) in Lusaka as well as a number of private universities.

4.6. CLOTHING

For business/office formal attire is the norm-ties and/or jackets or suits. For the rest European summer clothing is ideal. It can get very cold in the evenings around June and July, so bring warm clothing. Tracksuits are very useful when temperatures fall in the evening with shorts and tee shirts worn during the day. Temperatures can vary considerably during the rainy season. At formal functions dress tends to be casual although Evening Dress and Lounge Suit are often the norm. Women should be cautioned against wearing very short shorts. There are good tailors available who can make clothes for ladies at very reasonable cost.

Lusaka and the main urban centres are well provided with shops selling clothing, shoes of all standards and quality though it might be advisable to bring plenty of everything especially baby clothing and sports clothes and good walking shoes for trips in the bush. During rainy season raincoats and umbrellas are quite useful.

4.7. SHOPPING

The cost of living in Zambia is lower than most developed countries and though some imported goods, such as electrical or spare parts can be more expensive but are readily available in urban areas. There are a good variety of foodstuffs available from well-stocked supermarkets and mini-markets. Meat, chicken and eggs are of excellent quality, plentiful and reasonably priced. A wide variety of both local and imported

fresh fruits as well as fresh vegetables are plentiful. Beers, wines and spirits are easily available. Chemists, stationers and bookshops are well stocked. There are excellent bakeries and patisseries.

4.8. LEISURE ACTIVITIES

Activities such as keep-fit, aerobic, weight training, golf, tennis, swimming training, bowls, squash, rugby, horse riding and polo are available in Zambia. It might be necessary to bring your gear. There is an Ornithological Society (bring your own binoculars), a Wildlife Society and a Music Society (need to bring your own instrument). Social life tends to revolve around the various clubs and private entertaining. Lusaka has a very good selection of restaurants. Zambia has ample opportunity for camping and the scenery is beautiful. Also there are great opportunities for fishing. Weekend breaks are possible at safari lodges outside Lusaka or Kafue National Park or Lake Kariba. The world famous Victoria Falls and the connecting gorges provide best white-water rafting in the world as well as access to highest commercial bungy-jump in the world, and also has a unique distinction to provide walking safaris.

4.9. TRAVEL AND ACCOMMODATION

Airlines - There are direct international flights into Lusaka from, Johannesburg, Dubai, Amsterdam, Nairobi, Addis Ababa, Windhoek, Harare, Luanda, Gaborone and Lilongwe as well as from the Copper-belt town of Ndola to Johannesburg and Nairobi. Direct international flights are also available from Johannesburg into the tourist town of Livingstone. For the businessperson who cannot fit his/her busy schedule into designated daily flights, it is possible to charter a plane from reputable companies. *An Airport departure fee of US\$20 for international travel and US\$8 for domestic travel has to be paid prior to checking in for the flight. In most cases the fee is included in the air-ticket fare.*

Car Rentals - There are a number of car rental companies, which provide luxury cars, including Four Wheel Drive vehicles, both in town and at the Airports.

Driving - Driving is on Left hand side of the road. The legal driving age is 18 years old. All foreign drivers must have an International Driving Permit.

Hotels - Zambia has hotels of international standard, which provide first class business and conference facilities. Zambia has a number of good business five and four star hotels in Lusaka, Copperbelt, Livingstone and Chipata, ranging from US\$ 120 to US\$ 300 per night. Another option is to use guest houses or lodges for short, medium or long staying guests, with or without living room and cooking facilities (ranging from US\$ 70 to US\$ 150 per night depending on the facilities).

4.10. BUSINESS HOURS

Zambians use 24-hour clock, in conversation as well as in writing (instead of the "a.m." or "p.m."). Normal working hours in government and private sector offices are from 8.00 – 13.00 hours and 14.00 – 17.00 hours between Monday and Friday. Banks operate from 8.15 – 14.30 hours between Monday and Friday. Most banks are closed for business at weekends except the first and last Saturdays of each month when they open from 8.15 –11.00 hours. Supermarkets are open every day until 21.00 hours except until noon on Sunday.

Public Holidays

- | | |
|-----------------------------|--------------------|
| • 1 st January | New Year's Day |
| • 12 th March | Youth Day |
| • Easter | Good Friday |
| • Easter | Easter Monday |
| • 1 st May | Labour Day |
| • 25 th May | Africa Freedom Day |
| • First Monday in July | Heroes Day |
| • First Tuesday in July | Unity Day |
| • First Monday in August | Farmers Day |
| • 24 th October | Independence Day |
| • 25 th December | Christmas* |

*Many organizations close shortly before Christmas for "industrial break" and reopen after first week in January.

4.11. GENERAL

The main electricity supply in Zambia is 220 to 240 volts AC 50 cycles. There are voltage fluctuations and occasional power cuts. Power surge or spike protectors are recommended to prevent damage. Most properties are fitted with square pin 13 amp sockets. The country uses the metric system for weights and measures. Zambia TV runs on PAL B/G on channels 10 and 20 VHF; there are four channels. However,

multi-channel satellite TV is available on monthly subscription basis. There are video rental outlets and the British Council provides a video film rental service. Nearly all cater for VHS video machines. It is worthwhile to bring a good short-wave radio.

The country is 2 hours ahead of GMT. International telephone calls to and from Zambia are reliable with direct dialing (on request with special deposit) available. The international code for Zambia is +260 and the major city codes include: Lusaka +211; Ndola and Kitwe +212; Livingstone +213.

APPENDIX 1 – REQUIREMENTS FOR OBTAINING A CERTIFICATE OF REGISTRATION

Application for Certificate of Registration

Anyone wishing to apply for Certificate of Registration must submit the following documents

- Completed formal application form from the Zambia Development Agency;
- Certified copy of certificate of Incorporation/Registration;
- Certified copy of certificate of share capital;
- Certified copy of a certificate of minimum share capital;
- Certified copy of an official list of shareholders and/or directors;
- Business plan and/or feasibility study;
- Verifiable evidence of project finance;
- Brief resumes/CVs for shareholders and/or directors;
- Non-refundable application processing fee of K1,280 (about \$213);
- Certificate fee of K7, 670 (about \$1,278) (payable only upon collection of certificate).
- Any promoter seeking approval to establish an enterprise, under the Zambia Development Agency (ZDA) Act No. 11 of 2006 and Amended 2014, should include in their proposal, a clear and concise statement on how the enterprise, if approved is likely to contribute to the country's economic growth and development.

The Certificate of Registration is valid for ten (10) years from the date of issue.

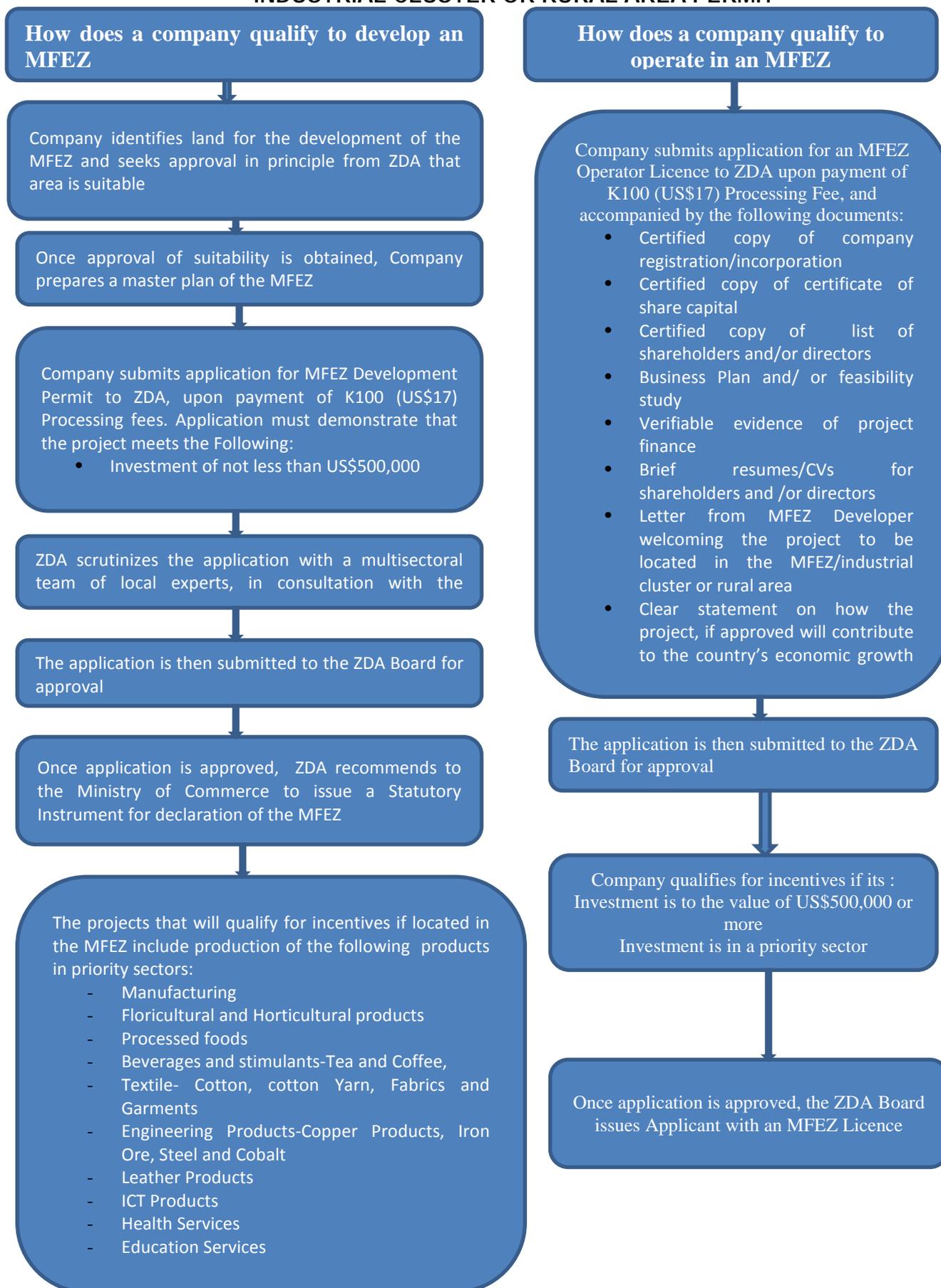
The investor may apply for renewal of the Certificate of Registration before the date of its expiry.

Investment Thresholds:

There is no limit on the amount of investment made but the Act provides for the following limits for special purposes.

- US\$ 250,000 for the purpose of an Investors Permit (IP) and ; or
- US\$ 500,000 for the purpose of special tax incentives in a priority sector or product.

APPENDIX 2 – PROCEDURES AND REQUIREMENTS FOR OBTAINING AN MFEZ LICENCE, INDUSTRIAL CLUSTER OR RURAL AREA PERMIT



APPENDIX 3 – BANKS IN ZAMBIA

A. International Banks

1. Access Bank Zambia (Nigeria). Head Office contact number: +260 211 227941. Email: infor@accesszambia.com. Website: www.accesszambia.com
2. African Banking Corporation (Zimbabwe). Head Office contact numbers: +260 211 257970-76, Email: abz@africanbankingcorp.com. Website: www.africanbankingcorp.com
3. Africa Development Bank (Inter-Governmental Bank). Head Office contact number: +260 211 257868/9, Email: afdb@afdb.org. Website: www.afdb.org
4. Bank of China Zambia (China). Head Office contact numbers +260 211 238697, 238696, 238690, Email: bankofchinazambia.com. Website: www.bankofchina.com
5. Barclays Bank Zambia Limited (United Kingdom). Head Office contact numbers: +260 211 228858, 220713, 220724. Email: infor@barclays.co.zm. Website: www.barclaysbankzambia.co.zm
6. Cavmont Bank (Cameroon), Head Office contact numbers: +260 211 229508/12. Email: infor@cavmont.com.zm. Web site: www.cavmont.com.zm
7. Citibank Zambia Limited (United States). Head Office contact numbers +260 211 229025-8, Email: infor@citi.com. Website: www.citibankzambia.com
8. Eco Bank from (Togo), Head Office contact number: + 260 211 367315. Email: infor@ecobank.com. Website: www.ecobank.com
9. First National Bank (South Africa). Head Office contact numbers: + 260 211 366800. Email: fnb@fnbzambia.co.zm. Website: www.fnbzambia.co.zm
10. International Commercial Bank (Malaysia). Head Office numbers: +260 211 368700-2 Email: infor@icb-zambia.com
11. Intermarket Banking Corporation. Phone: +260 211 227519
intermakert@intermarketbank.co.zm, Website: www.intermarket.co.zm

12. Stanbic Bank Limited (South Africa). Head Office contact numbers: +260 211 227438/40 Email: stanbic@stanbic.co.zm, Website: www.stanbiczambia.co.zm
13. Standard Chartered Bank Zambia (United Kingdom). Head Office Tel: +260 211 229242, customer.first@standardchartered.com Website: www.standardchartered.co.zm
14. United Bank of Africa (Ghana), Head Office contact numbers: +260 211 260 967 889779, Email: infor@ubagroup.com. Website: www.ubagroup.com

B. Joint Ventures with Foreign Banks

1. Finance Bank - Credit Suisse of Switzerland acquired majority shares in Finance Bank previously wholly Zambian owned. Head Office contact numbers: 211 260 229733, 220176, Email: fbz@financebank.co.zm, Website: www.financebank.co.zm
2. Indo-Zambia Bank Limited a bank which is jointly owned by the Zambian Government and three banks from India (Bank of Baroda, Bank of India and Central Bank of India). Head Office contact numbers: 211 260 224653/225080 Email: izb@izb.co.zm, Website: www.izb.co.zm
3. Zambia National Commercial - Bank Rabobank of the Netherlands acquired majority shares in Zambia National Commercial Bank Plc (ZANACO) formerly was state owned. Head Office contact numbers: 11 260 221358, 221360, Email: zanaco@zanaco.co.zm, Website: www.zanaco.co.zm

C. Indigenous Banks

1. Development Bank of Zambia. Head Office numbers: 211 260 228576, 228581, Email: dbzmail@dbz.co.zm, Website: www.dbz.co.zm
2. Investrust Bank. Telephone: 211 260 294682 / 294685 Email: investrust@investbank.co.zm, Website: www.investrust.co.zm

APPENDIX 4 – ZAMBIAN EMBASSIES AND MISSIONS ABROAD

1. **Angola**
Embassy of the Republic of Zambia
Rua Rei Katyavala No.106/108, MACULUSSO, P.O. BOX 1406, LUANDA
Tel 00244-222-447491, fax: 00244-444-441-763
Email:zabiaembassy@snet.co.ao

and

Consulate General of the Republic of Zambia, 41 Rua Command ante Ernesto Velhina, LUENA
[Tel:00244-284-260090](tel:00244-284-260090), fax: 00244-284-260087, Email: zamcgluena@hotmail.com,zambiaconsulate@znet.co.ao

2. **Belgium**
Embassy of the Republic of Zambia.
469 Avenue Moliere, 1,050
BRUSSELS , Tel: 003223435649, Fax: 00323474333
Email:zambia_brussels@bruteele.be
3. **Botswana**
High Commission of the Republic of Zambia, Plot 1120, Queen's Rd, the Main Mall, P.O Box 362, GABORONE.
Tel: 002673951951, Fax0026739539552
Email:zahico@work.co.bw
4. **Brazil**
Embassy of the Republic of Zambia HIS QL 10 CONJ 06 CASA 10, LOGO SUL-BRASILLIA-DF
CEP: 71630065, Tel: 00-55-61-3248-3277 Tel/fax: 00-55-61-3248-3494
Email:zambiansbrasil@embaixadzambiaorg.br
5. **Canada**
High Commission of the Republic of Zambia, 151 Slater Street, Suite 205, Ottawa, ONTARIO K1P 5H3,
Tel: 1613, 2324400 Fax: 16132324410, Email: zhc.ottawa@bellnet.ca ww.zambiahighcommission.na
6. **China**
Embassy of the Republic of Zambia.
5 Dong si jie san lit un, BEIJIN, 100600
Tel: 008610-65321554/65321778, fax: 008610-65321981,
Email diplomat@zambiaembassy.cn
7. **DR Congo**

Embassy of the Republic of Zambia,
54-58, Avenue de L'Ecole, BP1144, Gombe
KINSHASA, Tel: 00243-819999437, Fax: 00243-813016644, Email:zamkins@ic.cd

and

Consulate General of the Republic of Zambia.
Corner Ruwe/Lufira, Commune Lubumbashi
BP 596, LUBUMBASHI, Tel/fax: 002432342264
Email zamcongen@lub.jobantech.cd
PO Box 10958,
CHINGOLA, ZAMBIA.

8. **Egypt**
Embassy of the Republic of Zambia.
17, Iran Street Dokki,
CAIRO
Tel: 0020237610281/2/3 fax: 37610833
Email:zamcai@tedata.net.eg
9. **Ethiopia**
Embassy of the Republic of Zambia
Higher 23, Kebele 12, Old Airport
P.O. BOX 1909, ADDIS ABABA
Tel: 00-251-113711302, Fax: 00-251-113-711566.
10. **Nigeria**
High Commission of the Republic of Zambia, Plot 351 Mission Road, Central District area, Garki
ABUJA, Tel: 0023492347060 fax: 4618602/4618604
Email:info@zambiansabija.com
11. **France**
Embassy of the Republic of Zambia
18, Avenue de Tourville, 75007 PARIS
Tel: 0033156881270, fax: 00331568880350
Email:zambiansparis@wanadoo.fr
12. **German**
Embassy of the Republic of Zambia.
Axel-Springer Strasse 54A, 10117, BERLIN
Tel: 0049302062940, fax: 00493020629419
Email: info@zambiaembassy.de
www.sambia-botschaft.de
13. **Ghana**
High Commission of the Republic of Zambia, 4 Cedar Court,Augustino Neto Road, Airport Residential ACCRA
Tealeaf 00233-21-764705
Zamaccra@4u.com.gh
14. **India**
High Commission of the Republic of Zambia, D5/4, Vasant Vihar, NEW DEHLI 110057,
Tel: 009111-26145883/26145764 fax: 26145764,
Email:zambiad@sify.com
15. **Italy**
Embassy of the Republic of Zambia
Via Ennio Quirino, Visconti 8,00193,
ROME
Tel: 0039-0696006903/
0636002590 /0636088824
Telefax: 0039-06-97613035
Email:info@zambiaembassy.it
16. **Japan**
Embassy of the Republic of Zambia
1-1-02, Ebara, Shinagawa-Ku
TOKYO 142-0063
Tel: 0081334910121/2 fax: 813349101123
Email:emb@zambia.or.jp
Web: www.zambia.or.jp

17. **Kenya**
High Commission of the Republic of Zambia, Nyerere
Road (Opposite Uhuru Park)
P.O. BOX 48741
NAIROBI
Tel: 0025420-2724796/99/2724850
Fax: 00254-202710664/2718494
Email:zambiacom@swiftkenya.com
18. **Libya**
Embassy of the Republic of Zambia
El Madina El Siyahiya, Gergaresh
P.O. BOX 91860, Dhat El Emad
TRIPOLI
Tel: 002184842757 fax: 00218214839950
zemtripoli@gmail.com.zet_libya@ltnet.net
19. **Malawi**
High Commission of the Republic of Zambia, Area 40/2,
P.O. BOX 30138
LILONGWE 3, Tel: 0026501772590/635 fax:
0026501773880
Email:zambiahighcom@sdpn.org.mw
20. **Malaysia**
High Commission of the Republic of Zambia, Suit 5 C,
Menara mb7, Level 5,Jalan Sultan Ismail, KUALA
LUMPUR-50250
Tel: 0060321453616, fax: 0063021453619
Email:edwardmuteto@hotmail.com
21. **Mozambique**
High Commission of the Republic of Zambia, Avenida
Kenneth Kaunda 1286.PoBox 4655, MAPUTO
Tel: 00258021492452, fax: 0025821491893
Email:zhcmap@tvcabo.co.mz
22. **Namibia-** High Commission of the Republic of Zambia, 22
Sam Nujoma Drive
Corner of Mandume Ndemufayo Road
P.O. BOX 22882
WINDHOEK
Tel: 00264613276/1 Fax: 0026461228162
Email:zahico@way.na
23. **Russia**
Embassy of the Republic of Zambia
Prospect Mira 52A
MOSCOW
Tel: 0074956885001/6885092
/6810752/6885083
Email: zambiansmoscow@yahoo.com
24. **South Africa**
High Commission of the Republic of Zambia
570 Ziervogel Street (off Hamilton Street)
Arcadia P.O. BOX 12234
PRETORIA
Tel: 0027123261847/3261854 Fax: 3262140
Email:hc@zambiapretoria.net
25. **Sweden**
Embassy of the Republic of Zambia
Gardsvagen 18 3rd Floor
P.O. BOX 3056 SE-16903
SOLNA
Tel: 004686799040, Fax: 6796850
Email:kate@zambiaembassy.se,www.zambiaembassy.se
26. **Switzerland**
Permanent Mission of the Republic of Zambia to the
United Nations office in Geneva
Chemin Du Champ d' Anier 17-19, 1209
GENEVA
Tel; 004122788330/35, Fax: 004122788340
Email:mission.zambia@ties.itu.int
27. **Tanzania**
High Commission of the Republic of Zambia
Plots 5 &6 OHIO/SOKOINE Drive, P.O Box 2525, DAR-
ES-SALAAM, Tel: 255222112977, Tel/Fax:
00255222125529, Cell: 002557544
Email:info@zhcdar.or.tz
28. **United Kingdom**
High Commission of the Republic of Zambia
Zambia House, 2 Palace Gate, LONDON W8 5NG
Tel: 00442075896655, 0044207 5812142, Fax:
00442075811353,
immzhcl@btconnect.com,zhcl@connect.zm,
www.zhcl.org.uk
29. **United States of America**
Permanent Mission of the Republic of Zambia to the
United Nations
237 East 52nd street, NEW YORK NY 10022
Tel: 001212888-5213, Fax: 212888-5213
Email:zambia@aol.com
- and
- Embassy of the Republic of Zambia
2419 Massachusetts Avenue, NW WASHINGTON DC
20008, Tel (202)2659717/8/9 Fax:(202)3320826
Email:embzambia@aol.com
30. **Zimbabwe**
Embassy of the Republic of Zambia
48 Kwame Nkrumah Road
Zambia House
HARARE

APPENDIX 5 – FOREIGN EMBASSIES AND MISSIONS IN ZAMBIA

1. **Angola Embassy**
Plot No. 6660, Mumana Road,
P.O Box 31595
LUSAKA
Tel: +260-211-266422/291142
2. **Botswana High Commission**
Plot No. 5201, Pandit Nehru Road
P.O Box 31910
LUSAKA
Tel: +260-211-250555/250019
3. **British High Commission**
Plot No. 6408, Diplomatic Triangle,
P.O Box 50050
LUSAKA
[Tel: +260-211-251133/251923/423200](tel:+260-211-251133/251923/423200)
4. **Canadian High Commission**
Plot No. 5199, United Nations Avenue
P.O. Box 31313
LUSAKA
[Tel: +260-211-250833](tel:+260-211-250833)
5. **Chinese Embassy**
United Nations Avenue
P.O Box 31313
LUSAKA
[Tel: +260-211-253687](tel:+260-211-253687)
6. **Consulate General of Senegal**
Anglo-American Building, 2nd floor,
P.O Box 50521, Ridgeway
LUSAKA
[Tel: +260-211-257066](tel:+260-211-257066)
7. **Danish Embassy**
Plot No. 5219, Independence Avenue
P.O Box 50299
LUSAKA
[Tel: +260-211-254277](tel:+260-211-254277)
8. **Embassy of Brazil**
Manenekela Road, Woodlands
P.O Box 33737
LUSAKA
Tel: +260-211-252171
9. **Embassy of Cuba**
Plot No. 5574, Magoye Road, Kalundu
P.O Box 33132,
LUSAKA
Tel: +260-211-291308
10. **Embassy of the D.R Congo**
Plot No. 1124, Parirenyatwa Road, Fairview
P.O Box 31287
LUSAKA
Tel:+260-211-2356790407/8
11. **Embassy of Finland**
Haile Selassie Avenue
House, P.O Box 50819
LUSAKA
Tel:+260-211-251988
12. **Embassy of France**
Plot No. 74, (Anglo American Building) Independence
Avenue, P.O Box 30062,
LUSAKA
[Tel:+260-211-251322](tel:+260-211-251322)
13. **Embassy of Japan**
Plot No. 5218 Haile Selassie Avenue,
P.O Box 34190, **LUSAKA**
[Tel:+260-211-251555](tel:+260-211-251555)
14. **Embassy of Ireland**
Plot No. 6663, Katima Mulilo Road, Olympia
Extension, P.O Box 34923
LUSAKA
Tel:+260-211-291298/291234
15. **Embassy of Italy**
Embassy Park, Diplomatic Triangle,
P.O Box 50497
LUSAKA
Tel: +260-211-250755/250781
16. **Embassy of the Republic of Somalia**
Plot No. 377A Kabulonga Road,
P.O Box 34051
LUSAKA. Tel:+260-211-263944/263944
17. **Embassy of Russia**
Plot No. 6407, Diplomatic Triangle,
P.O Box 32355,
LUSAKA.
[Tel:+260-211-252120/252183](tel:+260-211-252120/252183)
18. **Egyptian Embassy**
UN Avenue, Corner of UN and Pandit Nehru Road,
P.O Box 32428,
LUSAKA.
Tel:+260-211-253177
19. **European Union**
Plot No. 4899, Los Angeles Boulevard
P.O Box 34871,
LUSAKA.
[Tel:+260-211-250711/251140/25](tel:+260-211-250711/251140/25)
20. **Germany Embassy**
Plot No. 5209, UN Avenue,
P.O Box 50120,
LUSAKA.
Tel:+260-211-250644
21. **Ghana High Commission**
Plot No. 28 Bwinjifumu Road Rhodespark, P/B RW
50515, **LUSAKA**
[Tel:+260-211-238127/238128](tel:+260-211-238127/238128)

22. **India High Commission**
Plot No. 1, Pandit Nehru Road
P.O Box 32111
LUSAKA
Tel:+ 260-211-253159/60
23. **Libyan Embassy**
Plot No. 4900, Los Angeles Boulevard
P.O Box 35319, Longacres
LUSAKA.
Tel:+260-211-253055/255388
24. **Malawi High Commission**
Plot No. 32 Bishops Road, Kabulonga
P.O Box 50425,
LUSAKA.
Tel:+260-211-265768
25. **Mozambique High Commission**
Plot No. 9592, Tacho Road, Northmead,
P.O Box 34877
LUSAKA
[Tel:+260-211-220339/220333](tel:+260-211-220339/220333)
26. **Namibia High Commission**
Plot No. 30B, Mutende Road, Woodlands
P.O Box 30577
LUSAKA
Tel: +260-211-260407/8
27. **Nigerian High Commission**
Plot No. 5203 Haile Selassie Avenue,
P.O Box 32598, Long acres,
LUSAKA.
Tel:+260-211-253177
28. **Royal Netherlands Embassy**
Plot No. 5208, UN Avenue,
P.O Box 31905,
LUSAKA.
Tel:+260-211-253819/253994
29. **Royal Norwegian Embassy**
Plot No. 245/61, Corner of Birdcage walk, Haile
Selassie Avenue, P.O Box 34570,
LUSAKA.
[Tel:+260-211-252188/252625](tel:+260-211-252188/252625)
30. **Swedish Embassy**
Haile Selassie Avenue
P.O. Box 50264,
LUSAKA.
[Tel:+260-211-251249](tel:+260-211-251249)
31. **Sudan Embassy**
Plot No. 31, Longacres, Corner of Speakers lane and
Ngumbo road, off Nyerere Road,
P/B 179x, Ridgeway,
LUSAKA. [Tel:+260-211-252116](tel:+260-211-252116)
32. **South African High Commission**
Plot No. 26D Chika Road, Kabulonga,
P/B W369,
LUSAKA.
[Tel:+260-211-260999](tel:+260-211-260999)
33. **South Korean Consulate**
4th Floor, Mukuba Pension House,
Dedan Kimathi, Opposite Intercity Bus Terminus, P.O
Box 31334,
LUSAKA, [Tel:+260-211-236520](tel:+260-211-236520)
34. **Tanzanian High Commission**
Plot No. 5200, UN Avenue
P.O Box 31219
LUSAKA.
[Tel:+260-211-253323](tel:+260-211-253323)
35. **Vatican Embassy**
Plot No. 283, Los Angeles Boulevard,
P.O Box 31445,
LUSAKA.
Tel:+260-1-250786
36. **United States Embassy**
Independence Avenue (corner of UN Ave)
P.O Box 31617
LUSAKA
[Tel:+260-211-250955](tel:+260-211-250955)
37. **Zimbabwean Embassy**
Plot No. 11058, Longacres, Haile Selassie Avenue,
P.O Box 33491
LUSAKA
Tel:+260-211-254018

APPENDIX 6 – KEY GOVERNMENT AGENCIES AND BUSINESS ASSOCIATIONS

Government Agencies

- 1. Bank of Zambia**
P.O. Box 30008, Lusaka
Phone: +260 211 228888/228903-20
Fax No:+260-211-221767
Email: pr@boz.zm
- 2. Zambia Environmental Management Agency**
P.O. Box 35131, Lusaka
Tel: +260 211 254130/1
Fax: +260-211-254164
Email: zema@zema.org.zm
Website: www.zema.org.zm
- 3. Immigration Office**
P.O. Box 50300,
Lusaka
Tel : +260-211-252650
Fax :+260-211-252008/254393
- 4. Lusaka Stock Exchange**
P.O. Box 34523 Lusaka
Tel: +260 211 228537/ 228391
Fax: +260 211-225969
E-mail: luse@zamnet.zm
- 5. Ministry of Commerce, Trade and Industry - P.O.**
Box 31968, Lusaka
Phone: +260 211 228301-9
Fax: +260 211 226984
Email: mcti@gov.co.zm
Website: www.mcti.gov.co.zm
- 6. Patents and Companies Registration Agency - P.O.**
Box 32020, Lusaka
Tel: +260 211255127/255127
Fax: +260 211 255426
Email: pro@pacra.org.zm
Website: <http://www.pacra.org.zm>
- 7. Zambia Development Agency**
P O Box 30819 Lusaka
Tel: +260 211220177/223859
Fax: +260 211 225270
E-mail: info@zda.org.zm Website: www.zda.org.zm
- 8. Zambia National Tourist Board**
P.O. Box 30017 Lusaka
Tel: +260 211 222714, Fax: +260 211 225174
E-mail: zntb@zamnet.zm,
www.zambiatourism.com
- 9. Zambia Revenue Authority**
P.O. Box 35710, Lusaka
Tel: +260 211 223754/ 229214-8
Email: advice@zra.org.zm
Website: www.zra.org.zm

Business associations

- 1. Zambia Association of Chambers of Commerce & Industry**
P.O. Box 30844, Lusaka
Tel: +260 211 252369, Fax: +260 211 252483
E-mail: zacci@zamnet.zm
- 2. Zambia Association of Manufacturers**
P.O. Box 31992, Lusaka
Tel: +260 211 229364/ 222709
Fax: +260 211 229371
E-mail: zam@zamnet.zm
- 3. Zambia Business Forum**
Plot 4 United Nations Ave. Long Acres, P.O. Box 37202, Fax: +260-211-257167
Lusaka
- 4. Zambia Export Growers Association**
P.O. Box 31705, Lusaka
Tel: +260 211 221895, Fax: +260 211 221895
E-mail: zega@zamnet.zm
- 5. Zambia Federation of Employers**
P.O. Box 31941, Lusaka
Phone: +260 211 295541/82,
Fax: +260 211 295582
Email: zfe@zamnet.zm
- 6. Zambia National Farmers Union**
P.O. Box 30395 Lusaka
Tel: +260 211 223222, Fax: +260 211 222736
E-mail: znfu@zamnet.zm