

**Indian Investor's New Approach to Economic Development and
Job Creation in Zambia**

Kamini Krishna

The University of Zambia

Indian Investor's ?

- **Indian Government under Bi- lateral Agreement Like COMESA and others**
- **Indian Companies**
- **Indians Working in Zambia**
- **Indian Diasporas in Zambia**
- **Indian Diasporas Settled Out Side Zambia**

Map of Africa and Zambia

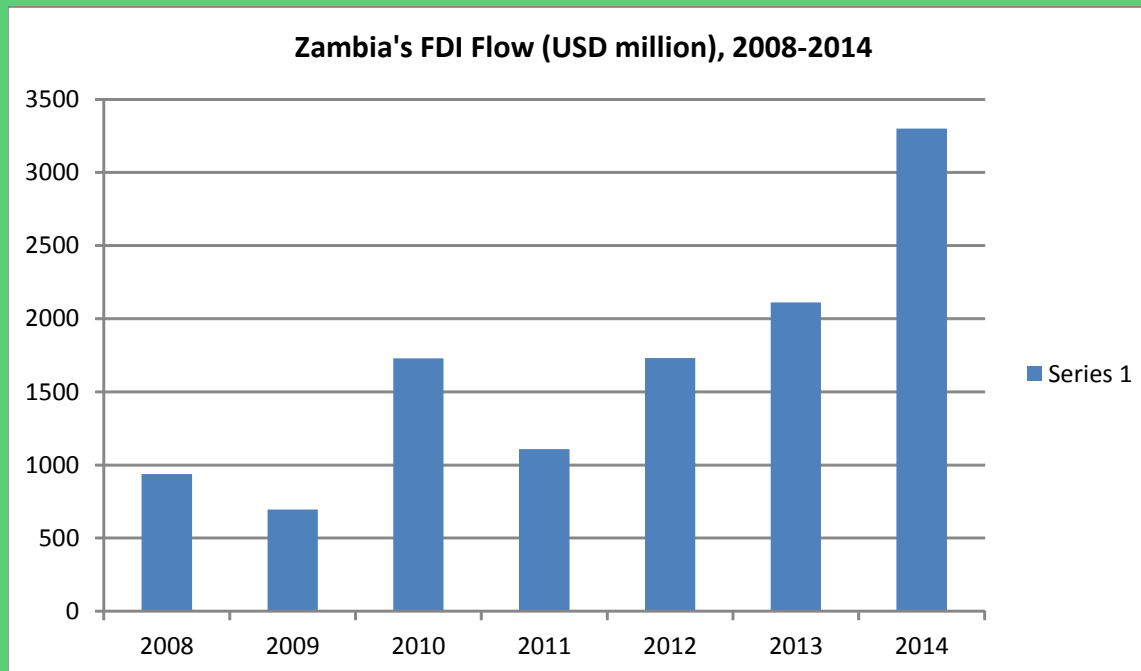


About Zambia

- **1964- Independence, Politically Peaceful**
Country--One Zambia One Nation
- **Until 1990- One Party Government, followed**
Left Wing Economic Policy and
Depended Heavily on Copper
Mining
- 1990– Copper Price Fell by 30%**
- 1991- MMD in Power, Promoted Economic**
Liberalization and Privatization
- ❖ **National Vision- A Prosperous Middle Income**
Country by 2030

Foreign Direct Investment in Zambia

Years	Zambia's FDI inflows (US\$ million) 2008-2014
2008	938.6
2009	694.8
2010	1,729.3
2011	1,108.5
2012	1,731.6
2013	2,100.1
2014	3,301.2



Targeted Investment by India for Africa and Zambia

For Africa

- 2030 – US\$ 90 billion
- By 2014-- US\$ 50 billion

• For Zambia

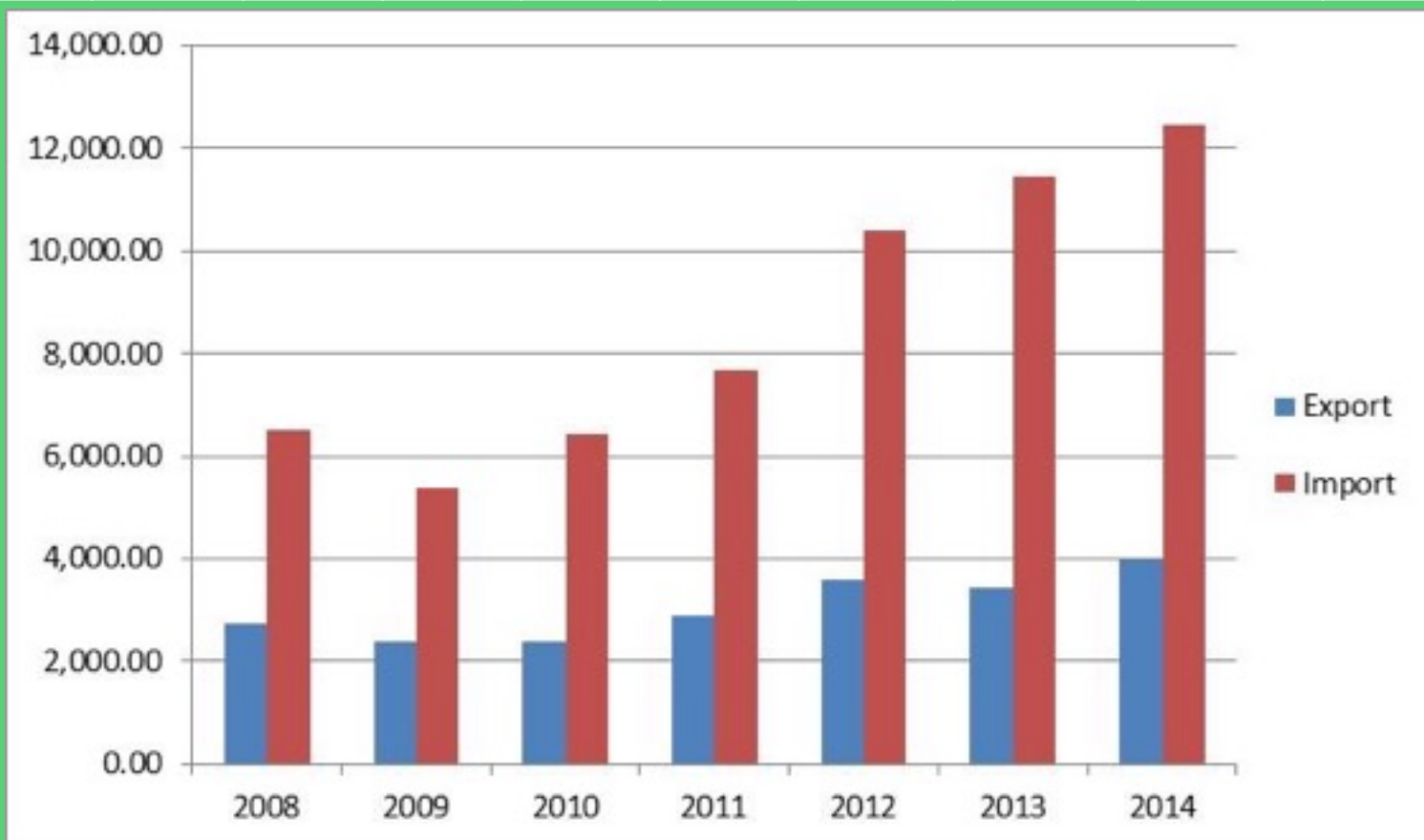
- ✓ COMESA- More than 8US\$ million
- ✓ Indian Government 1 billion US\$ Direct Investment (provision for EXIM Bank soft Loan)
- ✓ Indian Companies' Initiative
- ✓ Indian Diaspora-

Common Market for Eastern and Southern Africa



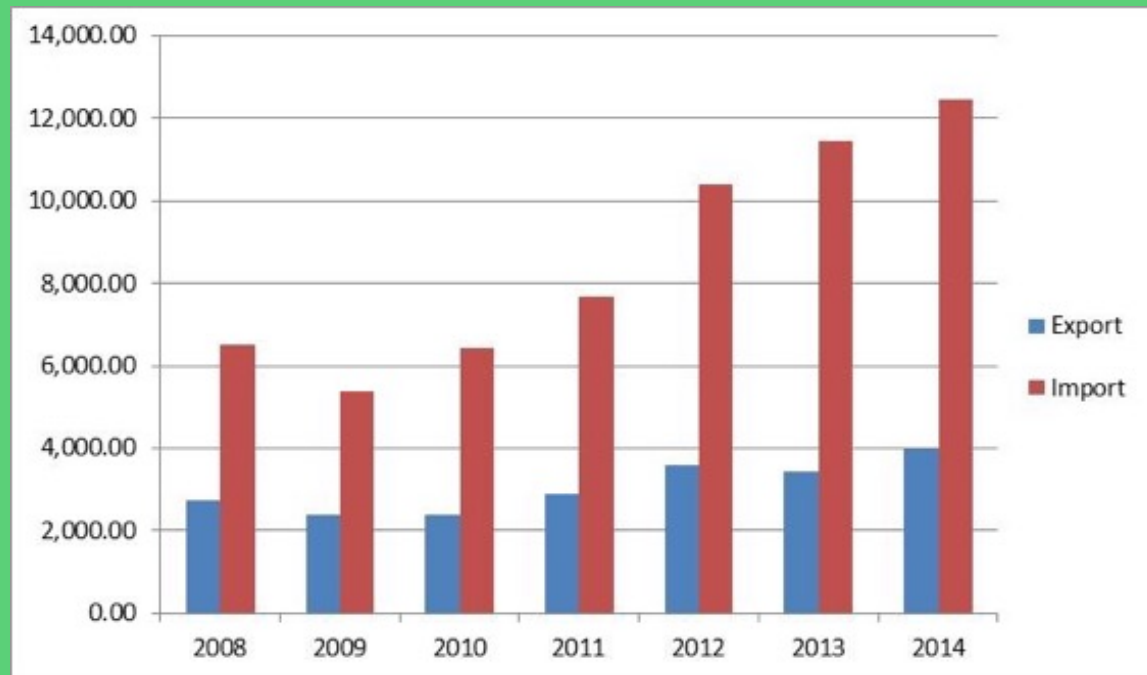
India-COMESA Trade

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Export	693.2	1,948.3	1,853.8	2,751.7	2,400.8	2,392.3	2,889.1	3,575.2	3,421.5	3,992.3
Import	2,130.5	2,876.7	3,565.0	6,518.2	5,367.6	6,436.0	7,689.5	10,392.9	11,435.5	12,445.5
Trade Balance	1,437.3	928.3	1,711.2	3,766.6	2,966.8	4,043.7	4,800.4	6,817.7	8,014.0	8,453.2



India-Zambia Trade under COMESA

	2010	2011	2012	2013	2014
Export	19,022,965	26,440,457	69,470,555	129,738,183	35,969,180
Import	144,053,158	247,963,111	305,407,056	371,278,240,	377,616,430
Trade Balance	125,030,193	221,522,654	236,000,000	241,540,057	341,647,250



Investment by Indian Companies

- **TATA**
 - **Bharti Airtel**
 - **Taurian Manganese Ltd**
 - **Indo-Zambia Bank**
 - **R.J. Corporation**
 - **Nava Bharat Ventures Ltd**
- and many more**

Investment by People of Indian Origin (PIOs)/ Diaspora

- **13000 (about 0.1% of Zambia's population)**
 - **Malcom Group**
 - **Trade King**
 - **Kafue Sugar Company**
 - **NRB Pharma Zambia Ltd**

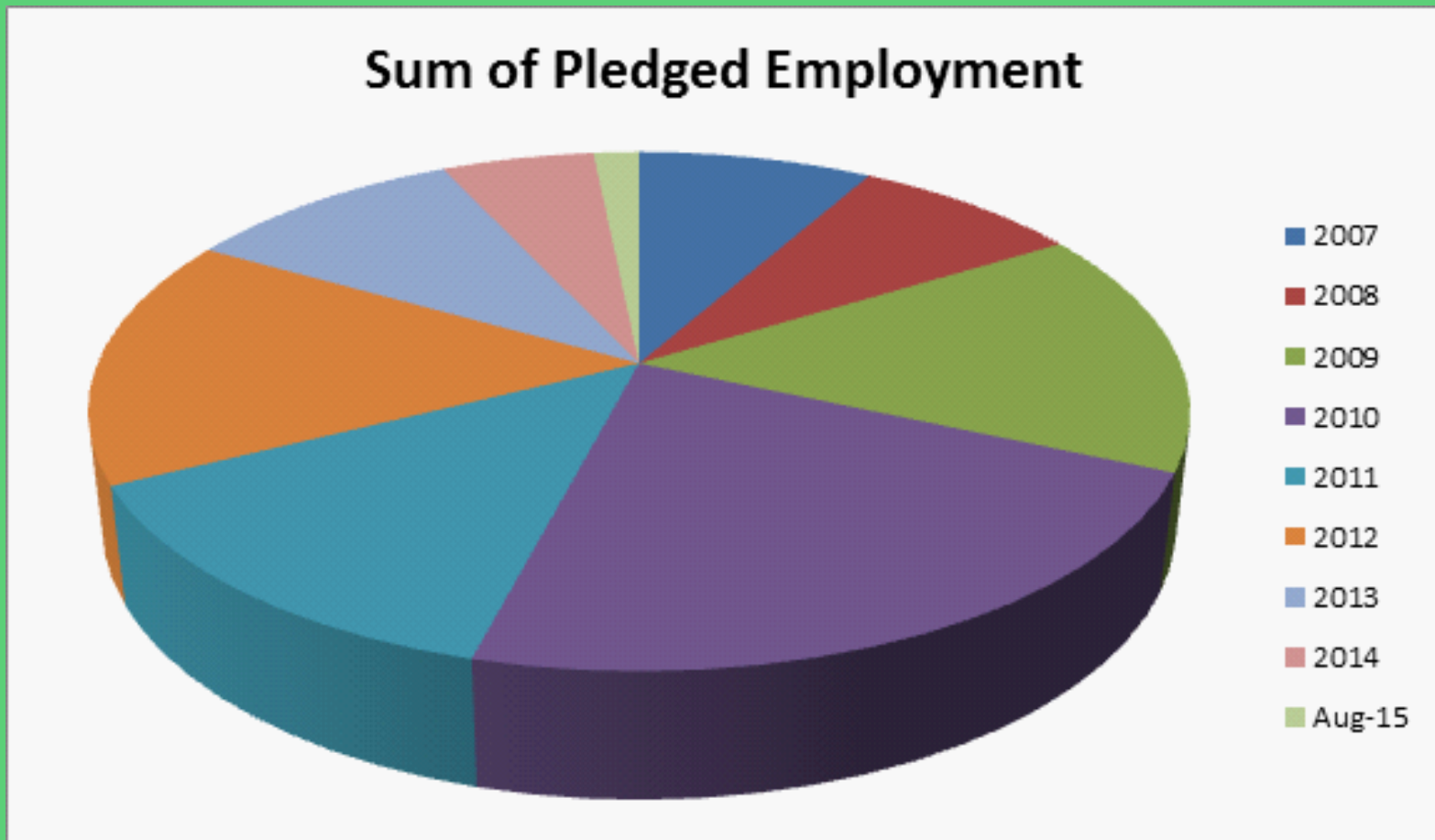
Companies Opened and Promised Employments

YEAR	COMPANIES OPENED	Sum of Pledged Employment
2007	15	6,307
2008	28	6,173
2009	29	11,788
2010	34	17,225
2011	38	10,364
2012	44	11,994
2013	38	7,549
2014	33	4,130
Aug 2015	08	1,224
TOTAL	267	76,754

Source: Zambia Development Agency, Lusaka

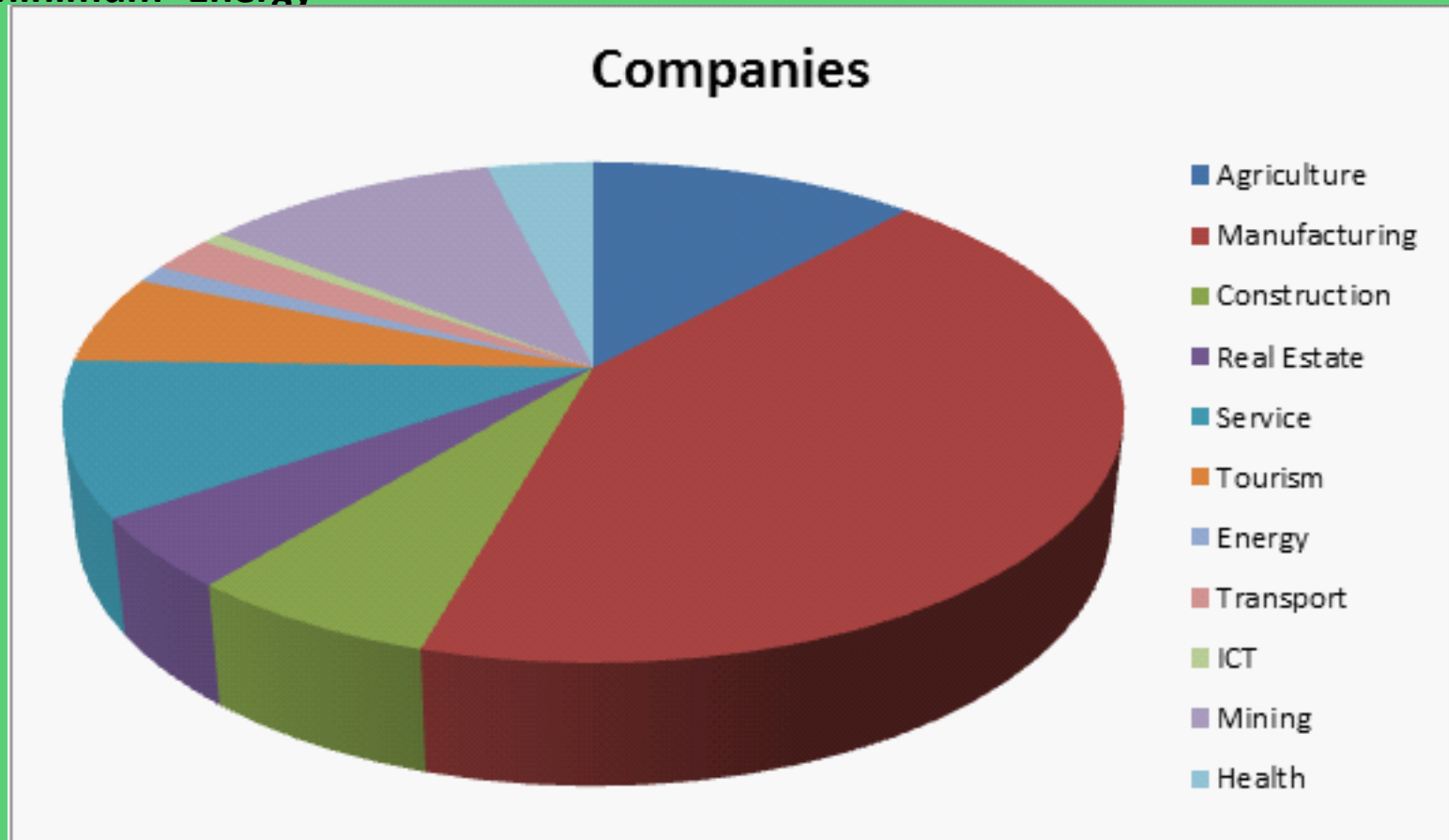
Promised Employment

- Maximum in 2010



Different Companies Opened

- Maximum- Manufacturing
- Minimum- Energy



Conclusions and Recommendations

- **More than US\$ 3 billion have been invested**
- **Indians may consider to invest more in potential areas such as, agriculture, fisheries and tourism....**
- **More than 25,000 employments- not reached the targeted number (pledged for more than 76,000)**

- **Need to catch intended number for employment to meet the Zambia's National Vision which spires to employ at least ONE million Zambians and make Zambia 'A Prosperous Middle Income Country' by 2030 by sustaining the win-win situation policy.**
- **Finally, there is need for transfer of Technology from India to Zambia.**