



Republic of Zambia

The Monthly

Central Statistical Office

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October 2003

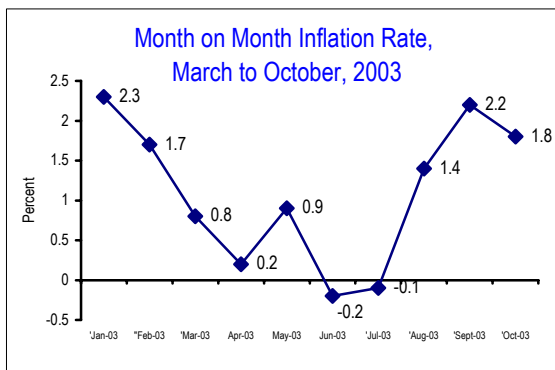
“The Economy this Month”

Serving Your Data Needs
Serving Your Data Needs

Mealie Meal and Other Cereal prices contain Inflation

The monthly inflation rate was recorded at 1.8 percent as at October 2003, representing a decrease of 0.4 of a percentage point on the September rate of 2.2 percent. This lower inflation figure was largely due to the reduction in prices of Mealie Meal, Maize grain and other cereals as well as the moderate increases in the rate of Non Food inflation in October.

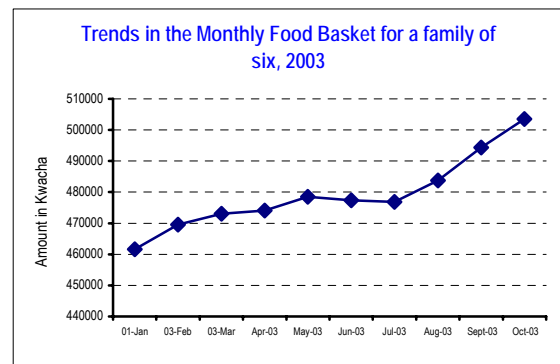
Consequently, the annual rate of inflation remained unchanged at 21.1 percent in October, the same rate as that observed in September. This pattern is similar to the one observed over the same period last year when the annual rate of inflation remained unchanged from September to October.



Source: CSO, Consumer Price Index, October 2003

Your Monthly Food Basket

Monthly food inflation was registered at 2.4 percent in October, representing 0.8 of a percentage point lower than 3.2 percent recorded for September. Annual Food Inflation stood at 21.0 percent as at October, decreasing by 0.2 of a percentage point on the September rate of 21.2 percent.



Source: CSO, Consumer Price Index, October 2003

The food index was influenced by high prices for most food products in the month of October. However, this counteracted by reductions in mealie meal, maize grain and other cereal prices. The food basket recorded an increase of 1.8 percent in the cost of food for a family of six in October.

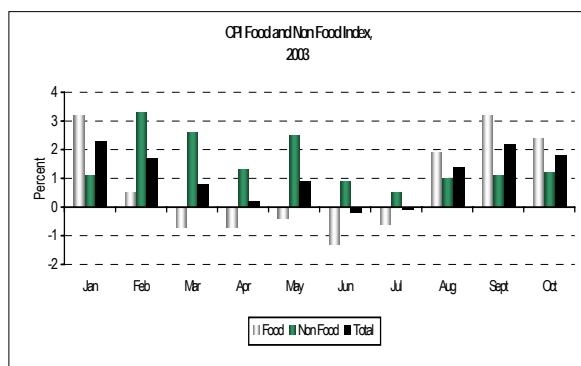
The food basket as at October 2003 was K503,496 for a family of six. The same family on average was expected to live on K723, 013 for all their food & basic needs.

Economic News

Price increases were observed in Meat, Vegetables, fresh Fish, Kapenta, Oils and Fats, Milk and Milk products and other processed food commodities. Other price increases in food products were observed in preserved Vegetables, Tubers and Fruits. However, price decreases were observed in a few food items although the magnitude of the price decreases was not large enough to influence the rate of inflation in the negative direction. There were decreases in the prices of Mealie Meal, Maize, Rice, Flour, Bread, Samp and dried Fish.

Non-Food Inflation

Price increases were observed in all Non - Food sectors although the magnitude of the increases is minimal. Examples of Non - Food items that contributed to the slight increase in the index are the increase in the prices of Petrol, Air travel, Motor Vehicles, Post Newspapers, Medical and School fees. The Non - Food index recorded a monthly increase of 1.2 percent as at October, 0.1 of a percentage point higher than the rate observed in September. The annual Non - Food index increased by 21.3 percent in October, 0.3 of a percentage point higher than the September increase.



Source: CSO, Consumer Price Index, October 2003

International Trade

September scores an improvement in the Trade Deficit

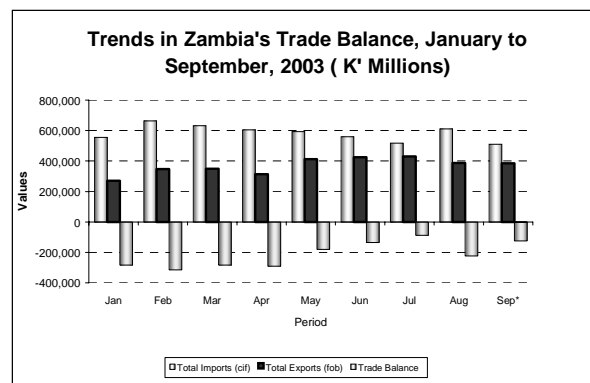
The country has continued to experience declining negative trade deficit since second quarter of this year. The month of July recorded the lowest ever trade deficit of (K86, 949 million). This trend was broken in August with a sharp rise of trade deficit to K223,999 million, before declining to a trade deficit of K124,547 million in the month of September.

| Total exports and imports, January – September in K' Millions | | | | | |
|---|------------------|------------------------|---------------|---------------------|-------------------|
| Period | Imports (cif) | Domestic Exports (fob) | Re-Exports | Total Exports (fob) | Trade Balance |
| Jan | 554,237 | 269,450 | 1,345 | 270,795 | -283,442 |
| Feb | 663,872 | 347,626 | 583 | 348,209 | -315,663 |
| Mar | 632,927 | 346,566 | 2,069 | 348,635 | -284,292 |
| Apr | 604,210 | 312,136 | 1,088 | 313,224 | -290,986 |
| May | 592,465 | 401,796 | 9,828 | 411,624 | -180,841 |
| Jun | 559,332 | 422,585 | 2,222 | 424,807 | -134,525 |
| Jul | 517,514 | 429,302 | 1,263 | 430,565 | -86,949 |
| Aug | 610,166 | 384,524 | 1,643 | 386,167 | -223,999 |
| Sep* | 509,968 | 381,937 | 3,484 | 385,421 | -124,547 |
| Total | 5,244,691 | 3,295,922 | 23,525 | 3,319,447 | -1,925,244 |

Note: * Provisional

Source: CSO, International Trade Statistics, 2003

The improvement in the balance of trade could be attributed to the sharp drop in the value of imports -(K610,166 million in August to K509,968 million in September); representing a 16 percent decline, as compared to the almost constant total value of exports between the same period (K386,167 million in August and K385,421 million in September).



Note: * Provisional

Source: CSO, International Trade Statistics, 2003

Zambia's Trade with COMESA countries improves

Export earnings from January to September, to the region were K282,113 million, while imports accounted for K800,475 million. There was a significant increase in export earnings for the month of September K47,134 million and August K31,991 million, representing a 47 percent growth in total exports to the COMESA region.

This increase could be linked to high values in total exports of mineral fuels/mineral oils, which

accounted for K7,345 million in September as compared to K196 million in August. Other contributing products included those of the milling industry such as wheat flour, cereal grains and starches accounting for (K2,530 million in September and K291 million in August).

The major destinations of Zambia's exports for the period January to September were Congo DRC, Malawi, Zimbabwe, Kenya and Mauritius. Together, these countries accounted for K262,243 million representing a 93 percent share of Zambia's total exports to COMESA countries.

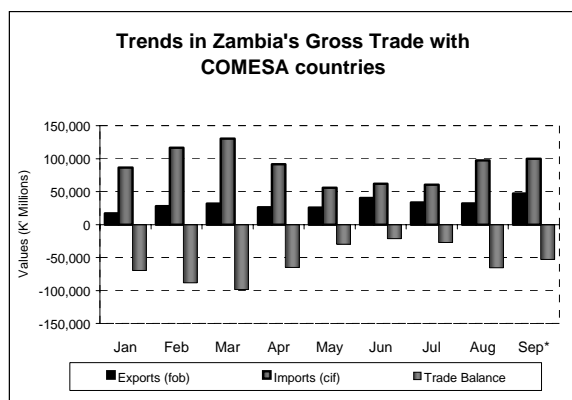
Zambia's Gross Trade with COMESA countries, January to September 2003 (K' Millions)

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep* | Total |
|-------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------|
| Exports (fob)... | 16,909 | 28,123 | 31,878 | 26,388 | 25,874 | 40,482 | 33,334 | 31,991 | 47,134 | 282,113 |
| Imports (cif)... | 86,693 | 116,591 | 130,398 | 91,437 | 55,713 | 61,783 | 60,505 | 97,431 | 99,924 | 800,475 |
| Trade Balance | -69,784 | -88,468 | -98,520 | -65,049 | -29,839 | -21,301 | -27,171 | -65,440 | -52,790 | -518,362 |

Note: (*) Provisional

Source: CSO, International Trade Statistics, 2003

On the part of imports from COMESA countries, Zambia's major sources were Zimbabwe, Kenya, Malawi and Uganda. These four countries combined contributed 94 percent of Zambia's total share of imports from within the COMESA region from January to September.



Note: (*) Provisional

Source: CSO, International Trade Statistics, 2003

Imports grew slightly by 2.5 percent between August and September. The total value of imports were K97,431 million in August; while in September they accounted for K99,924 million. Some of the major items imported from COMESA region during this period were Iron and steel accounting for K4,775 million in August and K7,004 million in September and Other made up textile articles recorded K2,271 million in August and K4,723 million in September. Other items include articles of iron and steel, animal and vegetable fats and plastics/plastic products.

Regional Trading Partners with Zambia

| No. | COUNTRY | SADC | COMESA |
|-----|--------------|------|--------|
| 1 | Angola | ✓ | ✓ |
| 2 | Botswana | x | |
| 3 | Burundi | | x |
| 4 | Comoros | | x |
| 5 | Congo (DRC) | ✓ | ✓ |
| 6 | Djibouti | | x |
| 7 | Egypt | | x |
| 8 | Eritrea | | x |
| 9 | Ethiopia | | x |
| 10 | Kenya | | x |
| 11 | Lesotho | x | |
| 12 | Madagascar | | x |
| 13 | Malawi | ✓ | ✓ |
| 14 | Mauritius | ✓ | ✓ |
| 15 | Mozambique | x | |
| 16 | Namibia | ✓ | ✓ |
| 17 | Rwanda | | x |
| 18 | Seychelles | ✓ | ✓ |
| 19 | South Africa | x | |
| 20 | Sudan | | x |
| 21 | Swaziland | x | |
| 22 | Tanzania | x | |
| 23 | Uganda | | x |
| 24 | Zambia | ✓ | ✓ |
| 25 | Zimbabwe | ✓ | ✓ |

Source: CSO, International Trade Statistics, 2003

Note: Those countries that have dual membership have a tick marked under both SADC and COMESA, while those belonging to either regional grouping have the mark of a cross.

Agriculture

Survey confirms highest application of basal fertilizer by predominantly agro-provinces

Fertilizer and lime are important in crop production because they contribute to increased agricultural productivity. The Post Harvest Survey reveals that lime, basal and top-dressing fertilizers was applied to different crops during the 2001/2002 agricultural season. A total of 106,675kg of lime, 19,852,424kg of Basal fertilizer, and 20,717,147kg of top-dressing was applied to crops countrywide. The highest quantity of fertilizer was applied to maize in all the nine provinces accounting for 99 percent of the total

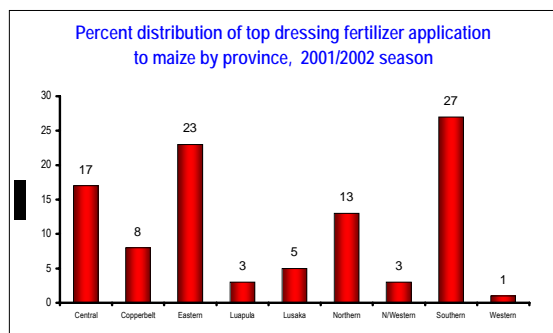
quantities of fertilizer (basal and top-dressing fertilizer). Ninety percent of the total lime was applied to maize countrywide. This is not surprising because maize is grown by 81 percent of the crop-growing households.

Quantities of Basal Fertilizer applied(kg) by Crop and Province, 2001/2002 Season

| Province | Total | Maize | Sorghum | Rice | Millet | Sunflower | Groundnuts |
|--------------|-------------------|-------------------|---------------|---------------|---------------|---------------|---------------|
| Central | 3,270,023 | 3,255,307 | | | 1,296 | 2,722 | |
| Copperbelt | 1,386,685 | 1,386,685 | | | | | |
| Eastern | 4,510,496 | 4,489,273 | | | | 10,644 | |
| Luapula | 591,336 | 589,231 | 799 | | | | |
| Lusaka | 998,946 | 998,946 | | | | | |
| Northern | 2,718,993 | 2,645,747 | 9,582 | | 45,684 | | 15,993 |
| N-Western | 610,217 | 610,217 | | | | | |
| Southern | 5,418,540 | 5,403,564 | | | | 14,976 | |
| Western | 347,188 | 330,076 | | 11,783 | 5,329 | | |
| Total | 19,852,424 | 19,709,045 | 10,381 | 11,783 | 52,309 | 28,343 | 15,993 |

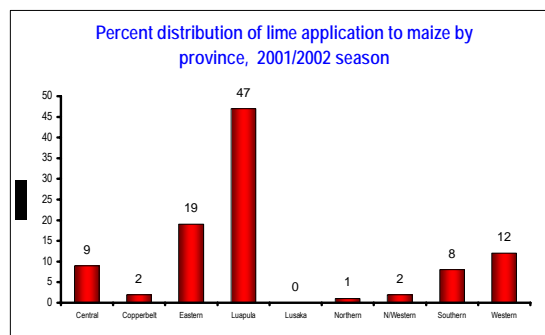
Source: 2001/2002 Post Harvest Survey

The predominantly agro-provinces had the highest application of basal fertilizer to crops, namely Southern, Eastern and Central Province with Southern Province having the highest application of basal fertilizer accounting for 27 percent of the total basal fertilizer applied. Eastern and Central Province accounted for 23 and 17 percent respectively. Western Province had the least at 1 percent.



Source: 2001/2002 Post Harvest Survey

Southern Province had the highest quantities of top dressing applied to maize in the country. It accounted for 27 percent while Eastern had a proportion of 23 percent, Central province 17 percent and Northern Province 13 percent. Western had the least at one percent.

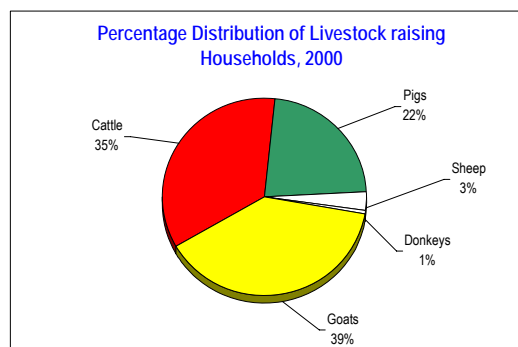


Source: 2001/2002 Post Harvest Survey

Luapula Province had a high proportion of lime application accounting for 47 percent of the total distribution of lime applied to maize in the country. The likely reason for this may be because of the acidic nature of the soils. Eastern was second with a proportion of 19 percent while Northern Province was the least with only one percent of the total distribution.

2000 Census reveals widespread Goats rearing

The 2000 Census reveals that 454,629 agricultural households are involved in raising livestock. Various types of livestock are raised with the following being raised by a significant number of households namely; cattle, goats, pigs and sheep. Most of the households raise goats, accounting for 39 percent of all livestock raising households, followed closely by cattle-raising households at 35 percent. The likely reason for households raising goats more than cattle is due to the fact that goats are less susceptible to diseases such as corridor disease, foot and mouth disease than cattle. Goats are also less costly to raise. There were very few households that raised donkeys.



Source: CSO, 2000 Census of Population and Housing

At provincial level, Eastern Province has the highest number of households raising goats at 23 percent, followed by Northern and Southern Provinces at 20 and 19 percent, respectively. Western Province has the least goat-raising households. Eastern Province also had the highest number of households raising pigs and sheep.

Distribution of Livestock-Raising Households by Province and Type of Livestock, 2000

| Province | Cattle | % | Goats | % | Pigs | % | Sheep | % | Donkey | % |
|--------------|----------------|------------|----------------|------------|----------------|------------|---------------|------------|--------------|------------|
| Central | 26,956 | 12 | 30,162 | 12 | 7,144 | 5 | 598 | 3 | 419 | 10 |
| Copperbelt | 3,302 | 1 | 9,463 | 4 | 5,285 | 4 | 1,786 | 9 | 300 | 7 |
| Eastern | 54,014 | 23 | 58,865 | 23 | 63,627 | 43 | 6,921 | 35 | 403 | 10 |
| Luapula | 2,237 | 1 | 19,064 | 8 | 9,761 | 7 | 1,524 | 8 | 136 | 3 |
| Lusaka | 5,710 | 2 | 9,260 | 4 | 2,933 | 2 | 523 | 3 | 199 | 5 |
| Northern | 21,852 | 9 | 51,445 | 20 | 24,134 | 16 | 4,691 | 24 | 326 | 8 |
| N/Western | 10,183 | 4 | 17,539 | 7 | 6,368 | 4 | 2,150 | 11 | 115 | 3 |
| Southern | 56,292 | 24 | 49,306 | 19 | 20,032 | 14 | 1,264 | 6 | 1,513 | 36 |
| Western | 50,421 | 22 | 8,435 | 3 | 7,684 | 5 | 153 | 1 | 797 | 19 |
| TOTAL | 230,967 | 100 | 253,539 | 100 | 146,968 | 100 | 19,610 | 100 | 4,208 | 100 |

Source: CSO, 2000 Census of Population and Housing

The 2000 Census also reveals that Southern Province not only has the highest number of cattle-raising households, about a one in four (24%) but donkey-raising households as well more than one in three (36%). Donkeys are used as an alternative to cattle as draught animals because donkeys are more resistant to disease. There was in fact a deliberate policy by government to encourage farmers to use donkeys as draught animals instead of cattle, due to the prevalence of corridor disease which has been killing cattle in most parts of the country particularly Southern Province.

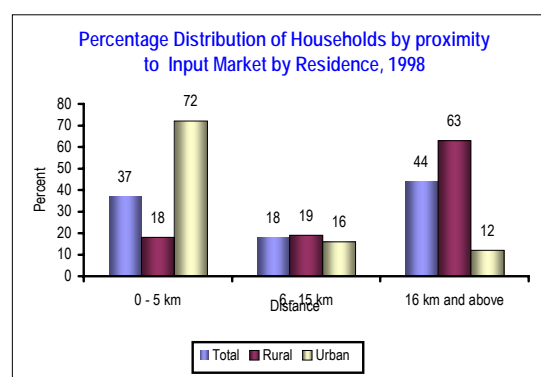
Rural Households face more difficulties in accessing input markets

In the last Living Conditions Monitoring Survey of 1998, data on access to facilities by households was collected. Accessibility to various facilities was measured from a 5km radius, with those beyond being regarded as having problems in accessing a specified facility. Types of facilities covered included food market, post office, primary and secondary schools, health facility, hammer mill, input market, police station/post, bank and public transport.

The October Monthly covers accessibility of households to agriculture input markets.

An input market refers to places where buying and selling of agricultural inputs like seeds, fertilizers and other farming implements occur

According to the 1998 LCMS, despite prominence of agricultural production in rural areas, access to an input market is more difficult for rural households compared to urban households. Within a radius of 5 km, 72 percent of urban households compared to 18 percent of rural households have access to an input market. The majority of rural households, 63 percent, have to travel at least 16 km to gain access to an input market. In comparison, only 12 percent of urban households are within that distance.



Source: CSO, 1998 Living Conditions Monitoring Survey, II

Update on Poverty Surveys!

With the current Living Conditions Monitoring Survey (LCMS) III coming to an end this month, anxieties about the results are certain to rise in the next couple of months. This therefore comes as a reminder that the forth-coming results on poverty levels should not be comparable with past surveys on living conditions of Zambian people. This is explained by the fact that methodologies adopted in the current and previous surveys- 1996 LCMS and 1998 LCMS II- differ greatly. While previous surveys assessed living conditions (including poverty) during a month, the current takes seasonality into consideration over a stretch of twelve (12) months.

Health

Survey shows positive change in Sexual Behaviour

Overall, the 2000 Zambia Sexual Behaviour Survey (ZSBS 2000) shows a positive development in sexual behaviour of sexually active women and men. The proportion of both women and men who reported not having non-marital partners increased between 1998 and 2000.

There was a notable decline of 41 percent, from 2.9 percent in 1998 to 1.7 percent in 2000, among married women who reported having one non-marital partner. Among the married men the survey recorded a 27 percent decline in the proportion with one non-marital sexual partner, from 13.4 in 1998 to 9.8 in 2000. Equally, there was a significant 67 percent decline among women and a 30 percent drop among men who reported having 2-3 non-marital partners.

Percent respondents with non-marital partners in the year preceding the survey by gender and marital status and number of partners, 1998, 2000

| Marital status | Year of Survey | No non-marital partners | Number of non marital partners | | | Percent Total | Number of cases |
|-----------------|----------------|-------------------------|--------------------------------|------|-----|---------------|-----------------|
| | | | 1 | 2-3 | 4+ | | |
| Married women | 2000 | 97.9 | 1.7 | 0.4 | 0.0 | 100 | 1119 |
| | 1998 | 96.5 | 2.9 | 0.7 | 0.0 | 100 | 1214 |
| Married men | 2000 | 87 | 9.8 | 2.4 | 0.4 | 100 | 936 |
| | 1998 | 79.4 | 13.4 | 5.0 | 2.0 | 100 | 897 |
| Unmarried women | 2000 | 72.8 | 25.2 | 1.8 | 0.3 | 100 | 672 |
| | 1998 | 61.9 | 32.1 | 5.5 | 0.5 | 100 | 819 |
| Unmarried men | 2000 | 61.6 | 26.8 | 9.5 | 2.0 | 100 | 589 |
| | 1998 | 52.5 | 26.8 | 13.6 | 7.2 | 100 | 755 |

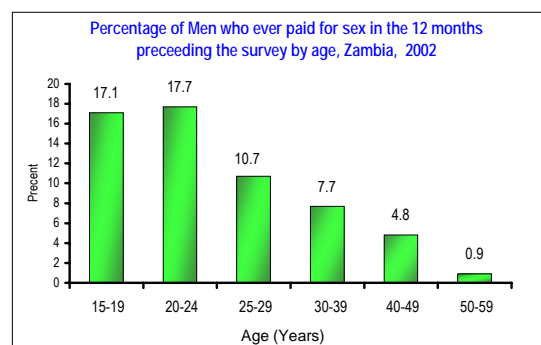
Sources: CSO, 1998 and 2000 Zambia Sexual Behaviour Surveys

The plausible explanation for the decline in the proportion of the sexually active population involved in non-marital affairs is basically due to the increased and long standing campaigns against the dangers of HIV/AIDS. The observed positive behavioral change is definitely a positive move in the fight against the spread of HIV/ADS and other Sexually Transmitted Infections (STIs).

Youths are more likely to pay for sexual relations

Risky sexual behaviour including payment for sex enhances chances of getting infected with a sexually transmitted infection (STI) such as syphilis or HIV, especially if it does not involve the use of condoms to guard against infections.

The 2001/2 ZDHS collected information among men aged 15 to 59 years who ever had sex and paid for sex in the 12 months prior to the survey. Results show that about one in ten men surveyed (10 percent) who ever had sex reported having paid for sex in the 12 months prior to the survey. Out of these, nearly one in two or 45 percent used a condom the last time they had such an encounter putting the other half at a great risk getting infected with an STI.



Source: CSO, 2001/2 Zambia Demographic and Health Survey,

Payment for sex is much more common among the youthful men (15 to 24 years) compared to those aged 25 years and over. For instance, about 17 percent of the teenaged men (15-19 years) and 18 percent of those aged 20-24 years paid for sex compared to those aged 25 years and over. Most disturbing though is the fact that only about a quarter (24 percent) of the teenage men used a condom the last time they paid for sex compared to 56 percent among those aged 20-24 years. The remaining 76 percent of the teenagers are exposed to the risk of contracting deadly sexually transmitted infections such as HIV and syphilis.

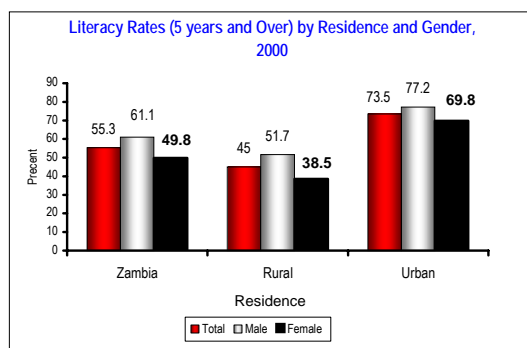
The window of hope in the fight against HIV/AIDS epidemic lies in the youth. Early entry into unprotected sex among the youth implies greater exposure to STIs and vice-versa.

Education

Males are more literate than females in Zambia

Education plays an important role in the development of human capital in any country. Therefore, the 2000 Census results on education

statistics identify areas that have poor primary, secondary and tertiary facilities by residence and gender.

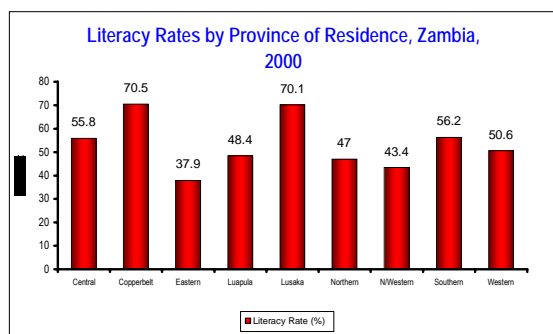


Source: CSO, 2000 Census of Population and Housing

The 2000 Census results reveal that about one in every two (55 percent) Zambians aged five years and over can read and write in any language (literate). Urban residents are about one and half times more likely to read and write compared to rural residents (74 percent compared with 45 percent, respectively). When results are disaggregated by gender, females are less likely than males to read and write in any language. At national level, about 61 percent of males and 50 percent of females are literate. In rural areas, about 52 percent of males and 39 percent of female are literate. A similar pattern is observed in urban areas, where over three quarters (77 percent) of males and seven out of ten (70 percent) females are literate.

... as provinces outside the line of Rail register lowest literacy rates

At provincial level, literacy rates range between 38 percent as the lowest in Eastern Province and about 70 percent as the highest in Copperbelt and Lusaka Provinces.



Source: CSO, 2000 Census of Population and Housing

Overall, results show that literacy levels are lower among females, rural residents and provinces outside the line of rail. The plausible explanation could be that urban residents tend to have more access to socio-economic amenities such as schools, hospitals, roads and banks than rural areas.

The Layman and Statistics

This section is aimed at helping the laymen understand some of the Statistical terminology and phrases in order to enhance understanding of the subject and the figures behind the terminology or phrase. In this issue we look at seven important phrases, Consumer Price Index, Inflation, Agricultural Household, Agricultural Activity, Exports, Imports and Trade Balance.

The Consumer Price Index (CPI) is an indicator that measures the average change in the price over time of a fixed set of goods and services with constant quality and characteristics purchased by households for their own consumption. Alternatively, it is an indicator that measures the change in the amount that households need to spend in order to maintain a given standard of living.

Inflation is the rise in the general level of prices. This is equivalent to the fall in the value or purchasing power of money. It is the opposite of deflation.

Agricultural Household is a household in which at least one member is carrying out some agricultural activity on the holding belonging to the household.

Agricultural Activity is the growing of any crop and/or raising of livestock and/or raising of poultry and/or fish farming.

Exports: These are locally produced goods that are sold abroad.

Imports: These are goods that are produced abroad, but purchased for use in the domestic economy.

Trade Balance: This is the difference between total exports and total imports. When exports exceed imports, the economy has a Trade Surplus. When imports exceed exports, the economy has a Trade Deficit.

How to obtain Information

Central Statistical Office insists on requests for information to be provided in writing specifying, as clearly as possible information required. The requests should be addressed to:

The Director
Central Statistical Office
P.O. Box 31908
Lusaka, ZAMBIA.

Below are telephone numbers for both CSO Headquarters and Provincial Offices

CSO Headquarters: 260-01-251377/253468

Provincial Offices

- Central- Kabwe: 260-05-223655/223795
- Copperbelt - Ndola: 260-02-613624/613427
- Eastern - Chipata: 260-06-221340/221497
- Luapula - Mansa: 260-03-821114
- Northern - Kasama: 260-04-221214
- N/Western- Solwezi: 260-08-821263/821577/8
- Western – Mongu: 260-07-221252/221783
- Southern – Livingstone: 260-03-323124

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