Republic of Zambia

The Monthly

Central Statistical Office

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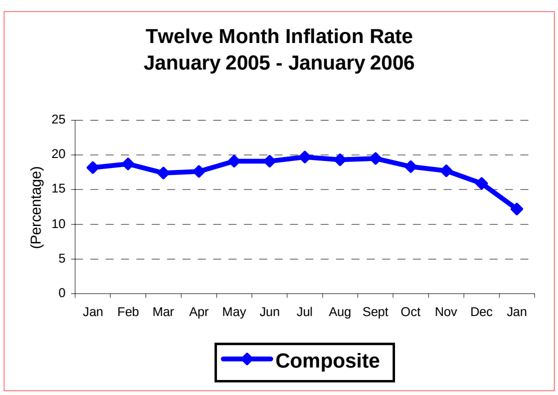
Economic Indicators

Serving Your Data Needs

January Inflation declines

The annual rate of inflation, as measured by the all items Consumer Price Index (CPI), was recorded at 12.2 percent as at January 2006. This rate is 3.7 percentage points lower than the December rate of 15.9 percent. Compared with January 2005, the annual rate of inflation declined by 6.0 percentage points, from 18.2 percent in January 2005 to 12.2 percent in January 2006.

This means that prices as measured by the all items Consumer Price Index (CPI) increased by an average of 12.2 percent between January 2005 and January 2006.



Source: *CSO, Consumer Price Index, January, 2006*

Contributions of Different Items to Overall Inflation

The decline of 3.7 percentage points is largely accounted for by the fall in the cost of fuel, air/bus fares and new motor vehicles (0.5 of a percentage point), food and beverages (2.5 percentage points), rent and household energy (0.7 of a percentage point).

Furthermore, of the total 12.2 percent annual inflation in January 2006, increases in food prices accounted for 6.8 percentage points while non-food items in the Consumer Price Index (CPI) accounted for 5.4 percentage points.

Items	Percentage Points Contributions of different items to overall inflation											
	Feb -05	Mar -05	Apr -05	May -05	Jun -05	Jul -05	Aug -05	Sep -05	Oct -05	*Nov -05*	*Dec -05*	*Jan -06*
Food Beverages and Tobacco	9.8	8.6	9.6	10.1	10.1	9.8	10.7	10.8	9.9	9.6	9.3	6.8
Clothing and Footwear	1.2	1.1	1.0	1.0	1.1	1.0	1.1	1.1	1.2	1.1	1.1	1.2
Rent and household energy	2.2	2.1	2.5	2.4	2.7	2.8	2.8	2.8	2.9	2.8	2.6	1.9
Furniture and Household Goods	2.0	2.0	2.0	1.9	1.9	2.0	1.8	2.0	2.0	1.8	1.8	1.8
Medical Care	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Transport (fuel, airfares, new motor vehicles)	1.9	2.0	1.9	2.1	1.8	1.5	1.3	1.3	0.8	0.4	-0.3	-0.8
Recreation and Education	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.8
Other Goods and Services	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.5	0.5	0.5	0.4	0.4
All Items	18.7	17.4	18.6	19.1	19.2	18.7	19.3	19.5	18.3	17.2	15.9	12.2

Source: *CSO, Consumer Price Index, January, 2006*

Your Monthly Food Basket

The food basket as at January 2006 was **K718,965** *for a family of six. The same family on average was expected to live on* **K1,032,423** *for all their food & basic needs.*

Exchange rate influences January inflation

Annual food inflation was recorded at 12.8 percent, declining by 4.7 percentage points on the December rate of 17.5 percent. Contributing most to the decline in inflation were decreases in the cost of cereals and cereal products, meat, dried kapenta, dried beans, fresh vegetables and industrially processed food items.

Annual non-food inflation rate fell to 11.5 percent, from 14.0 percent in December 2005. Contributing to this decline were decreases in the cost of fuel, minibus fares, airfares, new motor vehicles, household fuel, and hotel accommodation.

Non-food prices decline

A comparison of prices between December 2005 and January 2006, shows that the national average price of 1litre of petrol declined by 9.9 percent, from K6,028 to K5,433. The average price of 1kg of dried kapenta (Mpulungu) declined by 4.5 percent. The average price of 1kg of cabbage declined by 9 percent.

Furthermore, the cost of hotel accommodation (3-5 star) for one person/per night declined by 5.1 percent.

National Average prices for Selected Products and Months

Product Description	2005												2006	Percentage Changes	
	January	February	March	April	May	June	July	August	September	October	November	December	January	Jan-06/Jan-05	Jan-06/Dec-05
White breakfast 25Kg	34679	35826	35704	35760	35885	36443	36780	38363	40557	41813	42460	43461	43829	26.4	0.8
White Roller 25Kg	27156	28365	28282	28497	28393	27966	28668	30281	31898	33608	34576	35643	36477	34.3	2.3
Samp 1 Kg	3964	3208	3080	3344	2873	2651	2822	2870	3608	3492	3415	3309	3360	-15.2	1.5
White Maize 20 litre tin	14055	15377	15853	14146	12892	13272	13766	15197	16404	17610	19060	20698	21106	50.2	2.0
Fillet Steak 1 Kg	19636	19792	20353	20277	20205	20416	20533	20385	20759	20568	21293	21034	20539	4.6	-2.4
Rump Steak 1 Kg	17419	17781	17553	17420	17283	17397	17517	17307	17424	17514	18059	17836	17577	0.9	-1.5
Mince Meat 1 Kg	16597	16743	15734	16028	15530	15893	16294	16240	16192	16065	16954	16803	16386	-1.3	-2.5
T-bone 1 Kg	17029	16686	16648	16612	16622	16654	16640	16873	16999	16954	17156	17192	17076	0.3	-0.7
Offals 1 Kg	8410	8518	8484	8594	8389	8227	8315	8413	8610	8552	8756	8405	8210	-2.4	-2.3
Pork chops 1 Kg	16909	16871	16746	16806	16157	16485	16915	17130	17686	17311	17893	18404	17763	5.1	-3.5
Fresh Kapenta 400 gms	3995	4111	4317	4340	4341	4093	4161	4161	4037	4097	4219	4202	4181	4.7	-0.5
Buka Buka 1 Kg	9458	9340	10086	9816	10227	10023	9758	10332	10218	10269	10153	10317	10078	6.6	-2.3
Dried Kapenta Mpulungu 1Kg	32312	32913	32522	30591	33130	32670	32670	35735	33539	33202	33551	33489	31966	-1.1	-4.5
Eggs 1 Unit	5939	6086	6086	5906	5810	5888	5916	6011	5961	5949	5875	5810	5786	-2.6	-0.4
Cabbage 1kg	1251	1229	1226	1280	1339	1286	1381	1224	1269	1219	1259	1507	1371	9.6	-9.0
Tomatoes 1kg	2575	2878	2184	2445	2648	2664	2710	2511	2520	2439	2635	2763	2712	5.3	-1.8
Rape 1kg	2324	1844	1798	2002	1840	1944	1725	1633	1414	1458	1724	2128	2114	-9.0	-0.7
Fresh okra 1kg	4706	3680	3261	3193	3759	4296	5130	6268	6666	6564	5199	5744	4730	0.5	-17.7
Dried beans 1kg	5043	4968	4927	5362	5337	5007	5213	5134	5485	5330	5547	6203	6077	20.5	-2.0
Paraffin 1 litre	3798	3488	3615	3819	4147	4193	4101	4270	4289	4274	4304	4266	3875	2.0	-9.2
Petrol Premium 1 litre	5300	4896	5186	5619	5856	5714	5561	5856	6082	6335	6287	6028	5433	2.5	-9.9
Diesel 1 litre	4824	4500	4590	4749	5099	5069	5005	5408	5793	5732	5727	5659	5091	5.5	-10.0
Air fare Lusaka/London British Airways	3348000	3287250	3287250	3264330	3634280	4090660	4013800	4013800	4013800	4035960	3863250	3181500	3092418	-7.6	-2.8
Mini Bus Fare Chilenje – Town	1700	1700	1700	1700	1700	1700	1700	1700	1900	1900	1900	1900	1700	0.0	-10.5
Bed & continental Breakfast 3 to 5 Star Hotel	485686	484232	476840	532809	552335	543553	599849	599351	620874	617842	620213	483029	458446	-5.6	-5.1
Bed & Continental Breakfast 2 Star down to Motel	86820	88978	90161	91019	94515	93796	118627	120772	122833	123218	100301	98548	97744	12.6	-0.8
Takeaway chicken & chips	11805	12834	12765	12850	10962	11072	11293	11251	11175	11260	11561	11663	11644	-1.4	-0.2

International Merchandize Trade

Exports Down, Imports Up in December 2005

The total value of exports in December 2005 was recorded at K634 billion compared to K692 billion in November 2005. This is equivalent to a decline of about 8 percent in the total value of export revenue. The total value of imports, however increased significantly by about 68 percent, from K925 billion in November to K1,552 billion in December 2005. The contributing products were mainly from the mineral fuels, lubricants and related materials category namely: mineral fuels, coke and semi-coke of coal, pitch coke and paraffin wax. These products accounted for K65 billion in November, representing 7 percent of total imports, and K907 billion in December 2005, equivalent to a share of 58 percent of total imports. The net effect of these movements in exports and imports led to a huge increase in the trade deficit from K233 billion to K918 billion in November and December 2005 respectively.

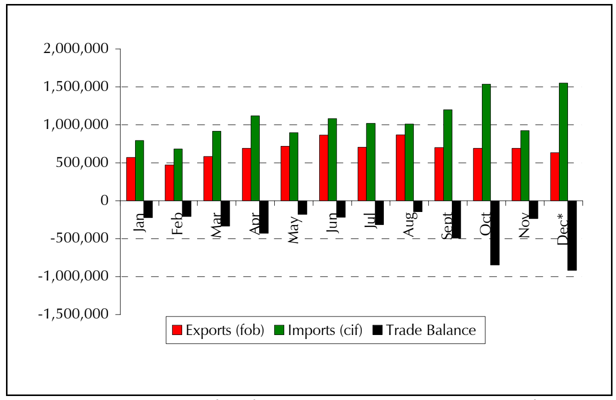
Total Exports, Imports & Trade Balance, January 2005 to December 2005*, (K' Millions)

Months	Imports (CIF)	Domestic Exports	Re-Exports (fob)	Total Exports (FOB)	Trade Balance
Jan-05	795,116	567,743	5,431	573,174	(221,942)
Feb-05	680,800	472,557	274	472,831	(207,969)
Mar-05	915,863	583,162	397	583,559	(332,304)
Apr-05	1,119,466	674,749	14,415	689,164	(430,302)
May-05	897,440	703,860	14,773	718,633	(178,807)
Jun-05	1,083,610	865,589	700	866,289	(217,321)
Jul-05	1,020,898	704,763	3,149	707,912	(312,986)
Aug-05	1,011,611	865,409	2,973	868,382	(143,229)
Sept-05	1,196,833	702,321	1,669	703,990	(492,843)
Oct-05	1,535,457	689,441	594	690,035	(845,422)
Nov-05	925,308	691,124	843	691,967	(233,341)
Dec-05*	1,551,504	631,141	2,720	633,861	(917,643)
Total:	**12,733,906**	**8,151,859**	**47,938**	**8,199,797**	**(4,534,109)**

Source: CSO, International Trade Statistics, 2005,
Note: (*) Provisional

Domestic exports decreased from K691 billion in November to K631 billion in December 2005. The share of domestic exports in total exports was about 98 percent in November 2005 and 99 percent in December 2005; with re-exports accounting for the respective remaining shares.

Total Exports, Imports & Trade Balance, January to December 2005, (K'Millions)



Source: CSO, International Trade Statistics, 2005; Note: (*) Provisional;

Exports

The lower figure in receipts from exports between November and December 2005 is mainly attributed to the general decrease in export values of most of the product categories, especially machinery and transport equipment (i.e. flat-surface grinding machines, electric conductors, parts of machinery and vacuum pumps), beverages and tobacco and crude materials (excluding fuels) categories. These categories of products had shares of 18 and 15 percent in export values in November and December 2005, respectively.

Total Exports by (SITC) sections, November – December 2005*, K'Millions

Code	Description	Nov-05	Dec-05
0	Food & Live Animals	64,544	58,359
1	Beverages & Tobacco	17,191	12,364
2	Crude Materials, (Excluding Fuels)	85,919	74,434
3	Mineral Fuels, Lubricants & Related Materials	3,251	3,073
4	Animal & Vegetable Oils, Fats & Waxes	135	233
5	Chemicals	4,992	5,541
6	Manufactured Goods Classified Chiefly By Material	493,679	451,421
7	Machinery & Transport Equipment	18,049	8,184
8	Miscellaneous Manufactured Articles	3,974	20,207
9	Commodities & Transactions nec in SITC	233	45
TOTAL:		**691,967**	**633,861**

Source: CSO, International Trade Statistics, 2005; Note: (*) Provisional

Export Market Shares by Major Trading Partners

The major destination of Zambia's exports between November and December 2005 was the SADC region accounting for the largest market shares of about 37 percent in November and 36 percent in December. The major market within the SADC region over the two months were South Africa, with largest share of about 63 percent on average followed by, Congo (DR) at 15 percent and Tanzania at 7 percent.

The European Union was another important destination of Zambia's exports. The EU had the second largest share after SADC, accounting for about 25 percent in November compared with 21 percent in December 2005. Within the EU, the largest destination was the United Kingdom with a market share of about 66 and 59 percent in November and December 2005 respectively. Other key markets were France and the Netherlands.

Asia was also an important outlet of Zambia's export products. The average market share of the Asian market was about 6 percent for the period November to December 2005. The major destination of Zambia's exports within this market was China, accounting for an average share of about 43 percent. Other destinations include India and Japan together accounting for 26 percent in November and 46 percent in December in 2005.

Export Market Shares by Region and Partner, K'Million, November to December 2005

Destination	*Nov-05*	% Share of Total	Dec-05	% Share of Total
Total SADC	**258,541**	**37.4**	**226,834**	**35.8**
Of Which:				
South Africa	164,600	23.8	141,059	22.3
Congo (DR)	40,154	5.8	28,618	4.5
Tanzania	23,967	3.5	10,995	1.7
Other SADC	29,820	4.3	46,162	7.3
Total EU	**171,339**	**24.8**	**131,912**	**20.8**
Of Which:				
United Kingdom	112,229	16.2	77,908	12.3
France	24,299	3.5	33,372	5.3
Netherlands	12,570	1.8	3,923	0.6
Other EU	22,241	3.2	16,709	2.6
Total ASIA	**43,170**	**6.2**	**35,587**	**5.6**
Of Which:				
China	19,895	2.9	14,281	2.3
India	12,079	1.7	12,585	2.0
Japan	6,910	1.0	3,911	0.6
Other ASIA	4,286	0.6	4,810	0.8
Other Regions/Partners	**218,917**	**31.6**	**239,528**	**37.8**
Total World	**691,967**	**100.0**	**633,861**	**100.0**

Source: CSO, International Trade Statistics, 2005;
Note: (*) Provisional

Imports

The increase in the December import value over that of November 2005 was mainly due to significant increases in expenditure on mineral fuels, lubricants and related materials from K174 billion in November to K974 billion in December, crude materials (excluding fuels) from K30 billion in November to K39 billion in December 2005.

Total Imports by Standard International Trade Classification (SITC) sections, November – December 2005*, K'Millions

Code	Description	Nov-05	Dec-05*
0	Food & Live Animals	43,258	45,954
1	Beverages & Tobacco	2,245	2,187
2	Crude Materials, (Exc. Fuels)	29,619	38,510
3	Mineral Fuels, Lubricants & Related Materials	174,429	973,994
4	Animal & Vegetable Oils, Fats & Waxes	18,057	10,231
5	Chemicals	180,395	110,222
6	Manufactured Goods Classified Chiefly By Material	139,131	99,235
7	Machinery & Transport Equipment	291,397	230,994
8	Miscellaneous Manufactured Articles	46,747	40,128
9	Commodities & Transactions nec in SITC	30	49
TOTAL:		**925,308**	**1,551,504**

Source: CSO, International Trade Statistics, 2005; Note: (*) Provisional

Import Market Shares by Major Trading Partners

The major sources of Zambia's imports were still concentrated in SADC, European Union and Asia. Among these, the SADC region dominated the market, accounting for the largest shares of 62 percent in November to 83 percent in December 2005. Within SADC, South Africa again was the major source of Zambia's imports, with a share of about 84 percent in November and about 68 percent in December 2005. Tanzania was next with an average share of 13 percent over the same period.

The Asian market was second source after SADC, contributing an average of about 13 percent share in Zambia's total import value between November and December 2005. Within Asia, the United Arab Emirates maintained dominance in supplying the country with import products, accounting for the largest share of about 5 percent during the period under review. India and Japan were also important sources of imports for the country between November and December 2005.

Import Market Shares by Region and Partner, K'Million, November to December 2005

Source	Nov-05	As % of Total	Dec-05	As % of Total
Total SADC	**574,896**	**62.1**	**1,281,828**	**82.6**
Of Which:				
South Africa	482,015	52.1	866,627	55.9
Tanzania	38,856	4.2	343,540	22.1
Zimbabwe	28,999	3.1	34,423	2.2
Other SADC	25,026	2.7	37,238	2.4
Total EU	**90,290**	**9.8**	**141,067**	**9.1**
Of Which:				
United Kingdom	23,093	2.5	78,403	5.1
Sweden	15,883	1.7	16,735	1.1
Netherlands	15,188	1.6	11,004	0.7
Other EU	36,126	3.9	34,925	2.3
Total ASIA	**184,955**	**20.0**	**73,646**	**4.7**
Of Which:				
United Arab Emirates	84,326	9.1	20,547	1.3
India	40,004	4.3	14,965	1.0
Japan	24,196	2.6	5,288	0.3
Other ASIA	36,429	3.9	32,846	2.1
Other Region/Partners	**75,167**	**8.1**	**54,963**	**3.5**
Total World	**925,308**	**100.0**	**1,551,504**	**100.0**

National Accounts

Economy Grows By 5.1 Percent in 2005

Revised estimates of the Gross Domestic Product (GDP) based on data up to the third quarter of 2005 show that the economy grew by 5.1 percent against a growth of 5.4 percent in 2004. In value terms, the GDP in 2005 was estimated at K 32,648.6 Billion in current prices and K 3,153.5 Billion in constant 1994 prices.

The economic growth in 2005 was slightly lower than the 5.4 percent recorded in 2004 due to relatively lower output in Agriculture, Metal Mining and Manufacturing, which collectively contribute over 25 percent of the total value added in real terms. However, the industries that posted higher growth than in 2004 include the Electricity and Water, Construction, Hotels, Bars and Restaurants, Transport and Communications and the Community, Social and Personal Services.

Percent Changes in GDP by Kind of Economic Activity at Constant 1994 Prices

KIND OF ECONOMIC ACTIVITY	2001	2002	2003	2004	2005*
Agriculture, Forestry and Fishing	(2.6)	(1.7)	5.0	4.3	2.8
Agriculture	(6.0)	(6.3)	8.0	6.1	3.0
Forestry	4.3	4.3	4.3	4.3	4.3
Fishing	(5.0)	(0.7)	(0.7)	(0.7)	(0.7)
Mining and Quarrying	14.0	16.4	3.4	13.9	2.8
Metal Mining	15.0	17.1	3.3	13.5	1.7
Other mining and quarrying	(15.0)	(13.0)	10.7	35.8	49.7
Manufacturing	4.2	5.7	7.6	4.7	3.7
Food, Beverages and Tobacco	5.3	5.4	8.6	5.8	4.8
Textile, and leather industries	2.3	6.2	3.2	(1.9)	(4.7)
Wood and wood products	5.7	7.5	11.4	4.2	7.5
Paper and Paper products	3.8	2.2	8.2	2.5	9.6
Chemicals, rubber and plastic products	4.3	10.0	4.9	8.5	5.1
Non-metallic mineral products	3.5	1.7	14.9	14.4	6.9
Basic metal products	(18.0)	4.3	15.1	3.1	(3.9)
Fabricated metal products	(8.0)	(4.0)	5.3	4.8	4.2
Electricity and Water	12.6	(5.2)	0.4	(1.7)	5.4
Construction	11.5	17.4	21.6	20.5	19.9
Wholesale and Retail trade	5.4	5.0	6.1	5.0	6.1
Restaurants, Bars and Hotels	24.4	4.9	6.9	6.4	12.1
Transport, Storage and Communications	2.8	1.8	4.8	6.4	8.5
Rail Transport	7.6	6.0	(8.1)	(1.8)	(5.9)
Road Transport	0.5	1.9	3.9	4.2	4.6
Air Transport	10.6	(8.4)	3.9	18.1	21.4
Communications	0.6	7.9	10.0	5.0	9.4
Financial Institutions and Insurance	0.1	3.5	3.5	3.5	3.5
Real Estate and Business services	3.5	4.4	4.0	4.0	4.0
Community, Social and Personal Services	5.8	1.6	1.6	0.6	3.6
Public Administration & Defence/Public sanitary services	1.0	(1.0)	0.2	0.2	1.0
Education	13.5	7.0	3.0	0.3	9.8
Health	16.5	1.0	2.5	(0.8)	(5.0)
Recreation, Religious,Culture	10.0	(2.0)	4.5	4.3	6.1
Personal Services	3.5	3.5	3.5	3.5	3.5
Less: FISIM	2.5	2.5	2.5	2.5	2.5
TOTAL GROSS VALUE ADDED	4.6	4.6	6.0	6.2	6.0
Taxes on Products	7.0	(6.8)	(2.8)	(3.1)	(4.1)
TOTAL G.D.P. AT MARKET PRICES	4.9	3.3	5.1	5.4	5.1

* Revised estimates; Source: National Accounts statistics

Value added in the Agriculture, Forestry and Fisheries industry at constant 1994 prices was estimated at K463.6 billion in 2005 compared to K450.8 billion in 2004. This represents an increase of 2.8 percent. The agriculture sub-industry grew by 3.0 percent compared to a growth of 6.1 percent. The output indicators used for the agricultural industry are the production of cereals and other crops; livestock and poultry; and fruits and vegetables. Growth in this industry was largely driven by the increase in crop output. However, maize output declined by 29 percent in the 2004/2005 agricultural season, from 1.2 Million metric tonnes to 866, 000 metric tonnes.

There was a slow down in growth in the Mining and Quarrying industry in 2005 compared to 2004. The Mining and Quarrying industry grew by 2.8 percent in 2005 compared to 13.9 percent in 2004. Value added in the Metal Mining industry, consisting of copper and cobalt, increased from K245.1 billion to K249.2 billion representing a growth of 1.7 percent, against a growth of 13.5 percent in 2004. The Other Mining (which includes coal production) and Quarrying industry recorded an increase of 49.7 percent in 2005 compared to growth of 35.8 percent in 2004, with value added increasing from K5.8 billion in 2004 to K8.6 billion in 2005.

Economic performance in the Manufacturing industry was satisfactory in 2005. Value added in constant 1994 prices was estimated at K338.0 billion in 2005 compared to K325.9 billion in 2004. It posted a 3.7 percent growth in 2005 compared to 4.7 percent in 2004. Most of the growth came from the Food, Beverages and Tobacco, 4.8 percent; Wood and Wood Products: 7.5 percent; Paper and Paper Products: 9.7 percent; Chemicals, Rubbers and Plastics: 5.1 percent; Non-metallic Mineral Products: 6.9 percent; and fabricated metal products: 4.2 percent. However, the textile industry and basic metal products recorded declines in value added of –4.7 percent and –3.9 percent, respectively.

Value added at constant 1994 prices in the Construction industry was recorded at K284.3 billion in 2005 compared to K237.1 billion in 2004 registering an increase of 19.9 percent in 2005 compared to a growth of 20.5 percent in 2004. This is largely due to increased domestic cement output and increased activity in the stone quarrying industry.

The Hotels, bars and restaurants industry grew by 12.1 percent in 2005 compared to 6.4 percent in 2004. The industry recorded a value added at constant 1994 prices of K80.2 Billion in 2005 against K71.5 billion in 2004. This was mostly due to the increased tourist arrivals partly influenced by the 2005 Visit Zambia Campaign and subsequent increase in bed occupancy rates in hotels, lodges and camping sites.

Value added at constant 1994 prices for the Transport and Communications industry was estimated at K199.8 billion in 2005 compared to K184.1 billion in 2004, representing an overall increase of 8.5 percent, compared to a growth of 6.4 percent in 2004. This is mainly due to growth in the road, air transport and communications. The road transport industry posted a growth of 4.6 percent in 2005 compared to 4.2 percent in 2004 mainly due to increased haulage of goods and increased number of passenger service vehicles. The air transport industry increased by 21.4 percent in 2005 against a growth of 18.1 percent in 2004, largely because of increased airport traffic at the major airports. The Communications industry grew by 9.4 percent in 2005 compared to the growth of 5.0 percent in 2004 largely due to the expansion in communication facilities. However, rail transport recorded a decline in value added of 5.9 percent due to a decline in the number of passengers and cargo hauled by the railway companies.

The economic structure of the economy is reflected in the industry shares to total GDP. At constant 1994 prices, the Wholesale and Retail trade industry had the largest share, accounting for 18.9 percent of total GDP. Agriculture, forestry and fishing that contributed 14.7 percent of total GDP and then Manufacturing with a share of 10.7 percent of total GDP followed the Trading industry. The Real Estate and Business Services accounted for 9.2 percent of total GDP. The share of Construction sector increased from 7.9 percent in 2004 to 9.0 percent in 2005. The Mining and Quarrying industry contributed 8.2 percent to total GDP.

Industry Shares of GDP by Kind of Economic Activity at Constant 1994 Prices

KIND OF ECONOMIC ACTIVITY	2001	2002	2003	2004	2005*
Agriculture, Forestry and Fishing	16.0	15.2	15.2	15.0	14.7
Agriculture	7.6	6.9	7.1	7.2	7.0
Forestry	5.4	5.4	5.4	5.3	5.3
Fishing	3.0	2.9	2.7	2.6	2.4
Mining and Quarrying	7.0	7.9	7.7	8.4	8.2
Metal Mining	6.8	7.7	7.6	8.2	7.9
Other mining and quarrying	0.2	0.1	0.1	0.2	0.3
Manufacturing	10.4	10.7	10.9	10.9	10.7
Food, Beverages and Tobacco	6.3	6.4	6.6	6.6	6.6
Textile, and leather industries	1.8	1.8	1.8	1.7	1.5
Wood and wood products	0.8	0.8	0.9	0.8	0.9
Paper and Paper products	0.3	0.3	0.3	0.3	0.3
Chemicals, rubber and plastic products	0.9	0.9	0.9	1.0	1.0
Non-metallic mineral products	0.2	0.2	0.2	0.2	0.2
Basic metal products	0.0	0.0	0.0	0.0	0.0
Fabricated metal products	0.2	0.2	0.2	0.2	0.2
Electricity, Gas and Water	3.1	2.9	2.7	2.6	2.6
Construction	5.3	6.0	6.9	7.9	9.0
Wholesale and Retail trade	18.4	18.7	18.8	18.8	18.9
Restaurants, Bars and Hotels	2.3	2.3	2.4	2.4	2.5
Transport, Storage and Communications	6.2	6.1	6.1	6.1	6.3
Rail Transport	0.4	0.4	0.4	0.4	0.3
Road Transport	2.9	2.9	2.9	2.8	2.8
Air Transport	1.2	1.0	1.0	1.2	1.3
Communications	1.6	1.7	1.8	1.8	1.9
Financial Institutions and Insurance	7.8	7.9	7.7	7.6	7.5
Real Estate and Business services	9.4	9.5	9.4	9.3	9.2
Community, Social and Personal Services	7.8	7.7	7.4	7.1	7.0
Public Administration & Defense/Public sanitary services	4.2	4.0	3.9	3.7	3.5
Education	2.2	2.3	2.2	2.1	2.2
Health	0.6	0.5	0.5	0.5	0.5
Recreation, Religious,Culture	0.3	0.3	0.3	0.3	0.3
Personal Services	0.5	0.5	0.5	0.5	0.5
Less: FISIM	(4.8)	(4.7)	(4.6)	(4.5)	(4.4)
TOTAL GROSS VALUE ADDED	88.9	90.0	90.7	91.5	92.2
Taxes on Products	11.1	10.0	9.3	8.5	7.8
TOTAL G.D.P. AT MARKET PRICES	100.0	100.0	100.0	100.0	100.0

* Revised estimates; Source: National Accounts statistics

Industrial Production

Manufacturing Output Increases in 2005

The total manufacturing output showed an increase of 4.3 percent in the first three quarters of 2005 compared to the same period of 2004. In terms of value added to the Gross Domestic Product (GDP), the manufacturing industry contributed about 11 percent of the total GDP.

Manufacturing is sub-divided into eight major groups, namely, Food, Beverages and Tobacco; Textiles, Leather and Clothing; Wood and Wood Products; Paper and Paper Products; Chemicals, Rubber and Plastic Products; Non-metallic Mineral Products; Basic Metal Products; Fabricated Metal Products and Others

Manufacturing Index (2000 = 100)

Period	Total Manufacturing	Food, Beverages & Tobacco	Textile, Clothing & Leather	Wood & Wood Products	Paper & Paper Products	Chemicals, Rubbers and Plastics	Non-Metallic Mineral Products	Basic Metal Industries	Fabricated Products
WEIGHTS	0.511	0.235	0.060	0.006	0.017	0.059	0.025	0.009	0.100
2004 Q1	101.2	108.1	65.7	164.3	84.3	101.4	134.7	66.6	99.3
Q2	107.3	134.6	52.7	166.4	82.7	78.8	154.5	74.7	83.9
Q3	111.4	143.1	57.2	126.2	66.4	87.5	139.8	73.7	86.2
Q4	125.6	161.9	116.6	157.1	82.8	72.3	141.3	65.0	83.3
2005 Q1	105.0	114.4	63.3	177.6	91.1	106.5	150.7	63.8	96.6
Q2	110.9	139.0	44.3	172.8	90.9	81.8	161.1	70.5	92.4
Q3	117.8	150.9	59.7	140.7	73.9	93.1	146.8	72.4	91.8
2004 Q1+Q2+Q3	106.6	128.6	58.5	152.3	77.8	89.2	143.0	71.7	89.8
2005 Q1+Q2+Q3	111.2	134.8	55.8	163.7	85.3	93.8	152.9	68.9	93.6

Year on year percentage changes

Period	Total Manufacturing	Food, Beverages & Tobacco	Textile, Clothing & Leather	Wood & Wood Products	Paper & Paper Products	Chemicals, Rubbers & Plastics	Non-metallic Mineral Products	Basic Metal Industries	Fabricated Metal Products
2004 Q1	7.2	1.0	(10.8)	7.8	5.8	36.2	10.6	(6.0)	20.1
Q2	(0.8)	0.4	(29.4)	9.4	12.4	(1.5)	10.7	29.8	0.8
Q3	1.9	4.4	(23.7)	(13.5)	(11.6)	8.6	14.8	(8.7)	2.1
Q4	13.8	16.3	56.0	13.3	3.5	(13.2)	22.7	4.2	(3.3)
2005 Q1	3.8	5.9	(3.6)	8.1	8.0	5.0	11.9	(4.3)	(2.8)
Q2	3.4	3.3	(16.0)	3.9	9.9	3.8	4.3	(5.6)	10.1
Q3	5.7	5.5	4.4	11.6	11.3	6.4	5.0	(1.7)	6.5
2005 Q1+Q2+Q3	4.3	4.8	(4.7)	7.5	9.6	5.1	6.9	(3.9)	4.2

There was a 4.8 percent increase in production in the Food, Beverages and Tobacco sub-sector in the first three quarters of 2005 compared with the first three quarters of 2004. This increase in the index is attributable to, among others, increase in production of grain mill products, opaque beer, sugar and tobacco products.

In comparison to the first 9 months of 2004, the Textiles, Clothing and Leather industries recorded a 4.7 percent decrease in production in the first nine months of 2005. The decline is attributed to the decrease in production in the textiles and clothing industry.

There was a 7.5 percent increase in the production of Wood and Wood Products when quarters 1 to 3 of 2005 were compared to quarters 1 to 3 of 2004. This is attributable to increase production of wood, panel doors, domestic furniture, school desks, etc.

Overall output in the Paper and Paper Products sub-sector registered an increase of 9.6 percent from January to September of 2005 compared with the same period in 2004. This is as a result of significant growth in production of printed material, paper, tissue, corrugated boards and others.

The Chemicals, Rubber and Plastics sector increased production by about 5.1 percent when the first three quarters of 2005 are compared to the first three quarters of 2004. The sector has shown consistent growth since the third quarter 2004. This growth is attributable to increase in production of detergents, shampoos, disinfectants, soaps, cosmetics and rubber lining.

There was a 6.9 percent increase in production in the Non-metallic Mineral Products sub-sector in the first three quarters of 2005 compared with the same period of 2004. This is mainly due to increase in the production of cement.

The Basic Metal Industries sub-sector recorded a 3.9 percent reduction in production in the first three quarters of 2005 in comparison with the same period in 2004. This reduction is mainly because most of the industries in this sector have changed their main activity from manufacturing basic metal products to trading in the same products.

The current output in the Fabricated Metal Products shows that the sub-sector has experienced a 4.2 percent increase from the first three quarters of 2004 to the first three quarters of 2005. This is attributed to the increase in production of fabricated metal products such as door frames, vent ductings, wheelbarrows, pipes, wire, sheet metal, rolling, crowns, general cans and drums.

Living Conditions

"Asking from friends" – Most common strategy for Coping hardships in Zambia

Zambian people used several strategies in order to cope with hardships. These coping strategies involved: foregoing important basic household requirements, getting assistance from outside the households and other extra efforts including selling of Labor for cash or payments in kind.

The Living Conditions Monitoring Survey IV results indicated that Sixty three percent (63 percent) of households ask from friends to cope with hardships. Reducing number of meals and other household items were the second popular methods with 59 percent of households citing each method as what they had relied upon in times of hardship. More female-headed households at 63 percent compared with male-headed ones at 58 percent relied on reducing number of meals. Similarly more female-headed households at 62 percent than male-headed households at 59 percent relied on reducing household items.

Higher proportions of households in rural areas than in urban areas relied upon substituting ordinary meals, piecework, eating wild fruits and relief foods.

Informal borrowing was relied upon by 27 percent of households overall. The rest of the strategies provided in the questionnaire were depended on by less than 20 percent of households.

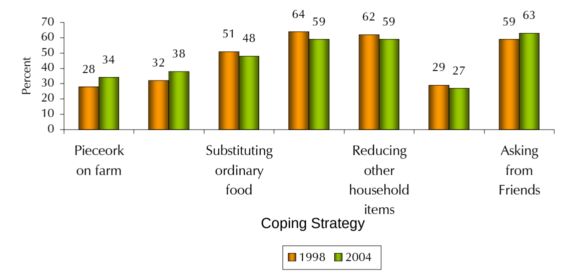
Proportion of Households that Used Various Coping Strategies by Sex, Rural/Urban, Zambia, 2004

Coping Strategies	All Zambia	Sex of Head		Residence	
		Male	Female	Rural	Urban
Piecework on farms	34	33	38	48	12
Other Piecework	38	38	38	45	28
Working on food for work	16	15	18	21	7
Relief food	14	14	16	20	6
Eating wild food only	15	14	18	20	7
Substituting ordinary meals	48	47	51	55	37
Reduce number of meals	59	58	63	61	56
Reducing other household items	59	59	62	60	58
Informal borrowing	27	28	24	24	32
Formal borrowing	10	10	8	7	14
Church charity	8	7	9	8	7
NGO charity	7	6	8	8	4
Pulling children out of school	7	7	9	7	8
Sale of assets	15	15	13	17	12
Petty vending	11	11	12	10	14
Asking from friends	63	62	66	62	65
Begging from the streets	1	1	1	1	1

Source: Living Conditions Monitoring Survey IV

Comparison of results (for only coping strategies recording proportions of households higher than 20 percent) indicates some similar pattern in households' inclination to particular coping strategies. The notable aspect is that for strategies that involved sacrifice such as substituting ordinary food, reducing number of meals and household items, proportions of households that relied on them recorded a decline in 2004. In 1998, reliance on food substitute was recorded at 51 percent and it reduced to 48 percent in 2004. Reducing the number of meals reduced from 64 percent in 1998 to 59 percent in 2004 while reducing household items declined from 62 to 59 percent. Informal borrowing also went down from 29 to 27 percent. Reliance on asking from friends increased from 59 percent in 1998 to 63 percent in 2004. Engagement in piecework also increased.

Proportion of households that used coping strategies, Zambia, 1998/2004



1 in Every 2 Households in Western Province Has no Toilet Facility

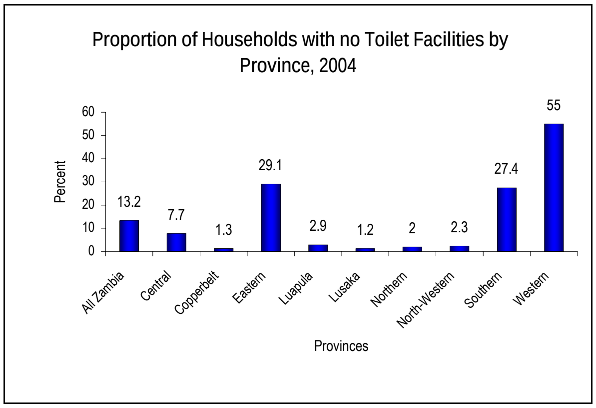
The Living Conditions Monitoring Survey IV results indicate that about 64 percent of the households countrywide use pit latrines while about 15 percent use flush toilets and 13 percent have no toilet facility of their own. The results also show that urban households were more likely to have access to safe toilet facilities than their rural counterparts. Households that reported having access to safe toilet facilities in urban areas accounted for about 35 percent compared to 2 percent of rural households. Overall, 21 percent of households in rural areas were reported to have no toilet facility as compared to 0.4 percent of urban households.

Distribution of Households by Main Type of Toilet Facility, Residence and Province, 2004

Residence/ Province	Type of Toilet Facility						
	Own Flash toilet	Communal Flush	Own Pit Latrine	Communal Pit Latrine	Other	None	Total
All Zambia	13.9	0.9	56.3	7.3	8.5	13.2	100
Rural	1.7	0.3	62.4	4.1	10.3	21.2	100
Urban	33.3	1.9	46.6	12.2	5.6	0.4	100
Province							
Central	9.1	1.1	69.5	3.7	8.8	7.7	100
Copperbelt	42.8	2	41.8	7.6	4.5	1.3	100
Eastern	3.5	0.1	52.1	3.5	11.7	29.1	100
Luapula	2.6	0.2	80.4	2.2	11.8	2.9	100
Lusaka	20.1	1.5	50.4	22.2	4.7	1.2	100
Northern	7.8	0.2	81.4	2.1	6.6	2	100
North Western	7.1	0.8	76.7	7.7	5.4	2.3	100
Southern	10.8	1.2	36.6	6.9	17.1	27.4	100
Western	2.9	0.4	32.4	3.4	5.9	55	100

Source: *2004 Living Conditions Monitoring Survey IV*

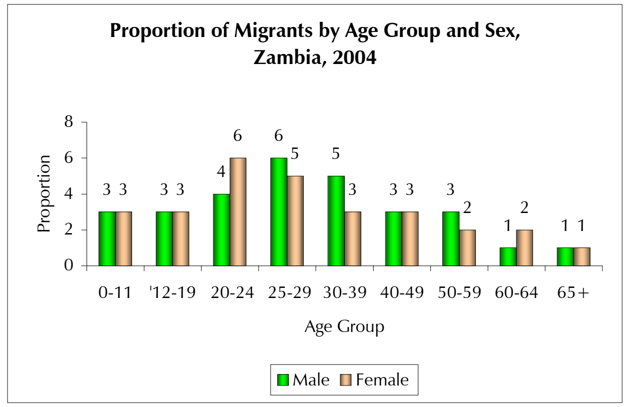
At provincial level, Western Province recorded the highest proportion of households that had no toilet facility with 55 percent followed by Eastern Province with 29 percent and Southern with 27 percent. Lusaka and Copperbelt provinces reported the least proportions of households that had no toilet facility with 1.2 percent and 1.3 percent, respectively. Other provinces that recorded low proportions of households without toilet facilities were Northern Province with 2 percent, North western Province with 2.3 percent and Luapula province with 2.9 percent.



Internal Migration Peaks at Age Group 20-29!

The 2004 Living Conditions Monitoring Survey (LCMS IV) reveals that there were more male and female migrants in the age group 20-29. However, there were differences in terms of the peak age group of migrants between the two sexes. There was a higher percentage of female migrants in the age group 20-24 with 6 percent than male migrants with 4 percent, whereas there was a higher percentage of male migrants in the age group 25-29 with 6 percent as opposed to female migrants with 5 percent. The results further show that there were no major differences in the percentages of male and female migrants in the age groups 19 and below and also 60-65 and above.

It was also observed that the highest differences in the percentages of male and female migrants were in the age groups 20-24 and 30-39. The percentage of female migrants is two percentage points higher than that of males in the age group 20-24 while in the age group 30-39 the percentage of male migrants is higher than that of female migrants by the same margin.



Source: *Living Conditions Monitoring Survey 2004, CSO*

The Survey also indicated that there were marginally more female migrants with 4 percent than male migrants with 3 percent. However, a comparison of the 1998 and the 2004 LCMSs shows that there has been a reduction in the percentage of both female and male migrants from 5 percent for both females and males to 4 percent for females and 3 percent for males.

Agriculture

Cassava Production Increases!

According to the results of the 2004/2005-crop forecast, there is a significant increase in both the area under cassava and the area under mature cassava, which is used to determine the raw cassava production that is estimated to be 11.7 metric tonnes per hectare. The raw cassava production was estimated at an extraction rate of 25 percent. The area under cassava increased by 16 percent from 311,683 hectares in the 2003/2004 agricultural season to 361,026 hectares in the 2004/2005 season. Similarly, the area under mature cassava increased by 17 percent from 208,100 hectares in the 2003/2004 season to 243,360 hectares in the 2004/2005 season. Production consequently increased by 16 percent from 911,673 to 1,056,000 metric tonnes during the same reference period.

This increase in cassava production is attributed to the fact that there have been unfavourable and unpredictable weather patterns (droughts, partial droughts and dry spells) over the last years in Zambia, and therefore, some small-scale farmers, apart from growing maize only, have resorted to growing more drought resistant crops like cassava to improve on their food security status. There has also been a combined effort by the various NGO's and the government in research, promotion and distribution of early maturing varieties of cassava even in areas which are traditionally non-cassava growing to ensure increased national food security.

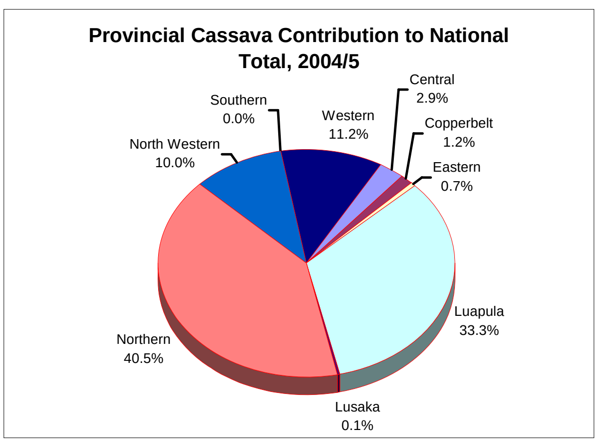
Cassava Production by Province, Zambia, 2003/2004 and 2004/2005 agricultural seasons.

Province	Total Area Under Cassava (Ha)		Area Under Mature Cassava (Ha)		[1]Total Root Production (Raw Cassava in Tonnes)		[2] Cassava Flour Production (Tonnes)	
	2003/ 2004	2004/ 2005	2003/ 2004	2004/ 2005	2003/ 2004	2004/ 2005	2003/ 2004	2004/ 2005
Central	10,151	10,586	7,129	8,552	118,767	123,855.2	29,692	30,964
Copperbelt	5,729	4,328	4,071	2,710	67,028	50,633.5	16,757	12,658
Eastern	1,921	2,396	1,331	1,575	22,472	28,028.8	5,618	7,007
Luapula	88,074	120,403	55,964	90,883	1,030,470	1,408,715.0	257,618	352,179
Lusaka	733	474	612	320	8,572	5,546.0	2,143	1,387
Northern	140,428	146,351	94,710	87,566	1,643,003	1,712,302.0	410,751	428,076
North Western	35,535	35,966	21,000	22,356	415,759	420,795.8	103,940	105,199
Southern	396	115	339	24	4,636	1,340.0	1,159	335
Western	28,717	40,409	22,945	29,375	335,986	472,784.1	83,997	118,196
National	311,683	361,026	208,100	243,360	3,646,693	4,224,000.3	911,673	1,056,000

1 Raw cassava calculated at 11.7 metric tonnes per hectare
2 Cassava flour estimated at an extraction rate of 25 %
Source: CSO-MACO CFS 2003/2004 and CFS 2004/2005

At provincial level, Western Province recorded the highest percentage increase in cassava production with 40.7 percent, from 83,997 metric tonnes in 2003/2004 to 118,196 metric tonnes in the 2004/2005 Agricultural Season. Luapula and Eastern provinces followed with 36.7 and 24.7 percent respectively. Northern Province, where cassava is the major staple food, production increased marginally by 4 percent from 410,751 metric tonnes in the 2003/2004 season to 428,076 metric tonnes in 2004/2005 Agricultural season.

In terms of contribution to total cassava production, Northern Province is the largest producer of cassava accounting for 40.5 percent of the national total followed by Luapula Province with 33.3 percent. On the other hand, Southern and Lusaka provinces have the lowest contribution with 0.03 and 0.1 percent, respectively.



Feature Article

Urban Low Cost Areas Experience High Extreme Poverty Levels in Central Province

Inability to meet the cost of a minimum food basket is attributed to the level of poverty in Zambia, which stands at 68 percent of the estimated population of 10.9 million people. This observation is confirmed by the recent study of the 2004 Living Conditions Monitoring Survey. Comparatively, the results of a similar study conducted in 1998 showed that 73 percent of the estimated 10.2 million people were poor. This means that this proportion of people could not afford the minimum basic human needs, comprising food and non-food items. In order to bring the poor people above or equal to the poverty line of K111,747 for them to meet their basic daily needs in Zambia, K5.3 trillion would be required annually.

Central Province with an estimated population of 1,136,466 in 2004 is the fourth largest province in terms of landmass and is administratively divided into six districts, namely Chibombo, Kabwe, Kapiri Mposhi, Mkushi, Mumbwa and Serenje. The province recorded a 1 percentage point decline in total poverty from 77 percent in 1998 to 76 percent in 2004. In terms of resource requirements, the province would thus need K636 billion or 12 percent of the total national requirements on annual basis in order to eradicate poverty.

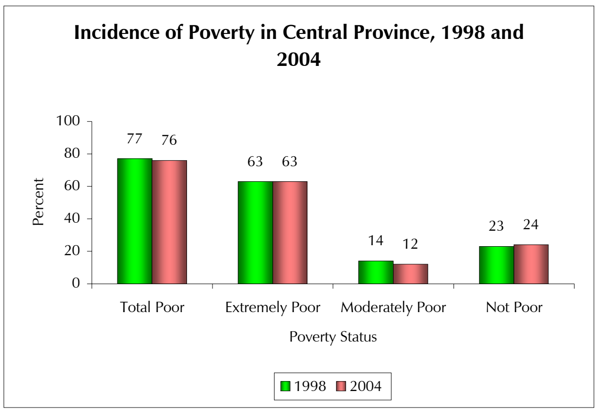
An estimated 63 percent of the provincial population was estimated to be living under extreme poverty conditions, meaning that this segment of the provincial population cannot afford to meet the minimum basic food requirements while 12 percent of the provincial population was estimated to be moderately poor, meaning those who can only afford to meet the cost of basic minimum food requirements but cannot afford other basic needs of life and only 24 percent of the people in Central Province were estimated to be not poor in 2004.

The 2004 Living Conditions Monitoring Survey further reveals that the proportion of people living in extreme poverty in Central Province has remained the same at 63 percent between 1998 and 2004, but the proportion of urban people living under extreme poverty increased while that for the rural people had a reduced proportion. Extreme poverty levels in the province for urban people increased from 43 percent in 1998 to 46 percent in 2004 while that for the rural people reduced from 74 percent in 1998 to 70 percent in 2004.

The proportion of moderately poor people declined between 1998 and 2004 from 14 percent to 12 percent, respectively. The proportion of non-poor people whose expenditures is equal or more than the overall poverty line increased by 1 percentage point from 23 percent to 24 percent between 1998 and

2004, respectively. The increase in the proportions of non-poor people was also reflected in both the rural and urban areas.

The survey results also indicate that among the strata, extreme poverty in Central Province increased among persons living in urban low cost areas and among the medium scale farmers. Extreme poverty in the low cost areas increased from 39 percent in 1998 to 49 percent in 2004 while that for medium scale farmers increased by 1 percentage point from 62 percent in 1998 to 63 percent in 2004. As for moderately poor people, the province experienced increases in proportions of people living in the rural areas and a reduction in the proportions of people living in the urban areas. In the case of non-poor people in the province, the survey results reveal increases in the proportions of non-poor people among the small scale, non-agricultural, medium cost and high cost areas. The results also show a reduction in proportions of non-poor people in the medium scale and low cost areas.



Incidence of Poverty by Rural/Urban and Stratum, Central Province, 1998 and 2004

Residence/ Stratum	Poverty Status (%)								Population	
	Total Poor		Extremely Poor		Moderately Poor		Not Poor			
	1998	2004	1998	2004	1998	2004	1998	2004	1998	2004
All Province	77	76	63	63	14	12	23	24	1,014,000	1,136,466
Rural/ Urban										
Rural	84	82	74	70	10	12	16	18	669,838	823,223
Urban	64	60	43	46	21	14	36	40	344,162	313,243
Stratum										
Small scale	85	82	75	71	10	11	15	18	534,134	746,053
Medium scale	74	79	62	63	13	15	26	21	67,103	52,405
Large scale	3	3	3	3	0	0	97	97	2,402	2,226
Non agricultural	85	72	73	53	12	19	15	28	66,199	23,512
Low cost	59	64	39	49	20	15	41	36	245,363	244,583
Medium cost	76	56	55	42	22	14	24	44	29,427	23,588
High cost	78	40	53	30	24	10	22	60	69,372	44,099

An analysis of poverty levels by sex of head of household reveal that in Central Province the proportion of extremely poor people in female headed households had declined from 69 percent in 1998 to 66 percent in 2004, whereas for those in male headed households the proportion had remained the same at 62 percent in the same reference period. In contrast, the proportion of moderately poor people in female headed households had increased from 10 percent in 1998 to 12 percent in 2004, while that for male headed households had reduced from 15 percent to 11 percent during the same period under review. However, the proportion of non-poor people in both the male and female-headed households recorded an increase. The proportion of non-poor people in male-headed households increased from 23 percent to 27 percent and for the female headed households increased by 1 percentage point from 21 percent to 22 percent in 1998 and 2004 respectively.

Incidence of Poverty by Sex of Head, Central Province, 1998 and 2004

Total/Sex	Poverty Status (%)								Population	
	Total Poor		Extremely Poor		Moderately Poor		Not Poor			
	1998	2004	1998	2004	1998	2004	1998	2004	1998	2004
All Province	77	76	63	63	14	12	23	24	1,014,000	1,136,466
Sex of Head										
Male	77	73	62	62	15	11	23	27	813,522	911,775
Female	79	78	69	66	10	12	21	22	200,478	224,691

The latest survey results show that the proportion of extremely poor people in Central Province had reduced for all levels of education of the heads of the households, except for those in households whose heads had attained secondary school education. An increase of non-poor persons was recorded regardless of the education level of household heads in 2004 compared to 1998.

Poverty by Education Status of Head of Household, Central Province, 1998 and 2004

Educational Level Attained	Poverty Status (%)								Population	
	Total Poor		Extremely Poor		Moderately Poor		Not Poor			
	1998	2004	1998	2004	1998	2004	1998	2004	1998	2004
All Province	77	76	63	63	14	12	23	24	1,014,000	1,136,466
Education of head										
None	89	81	82	70	7	11	11	29	100,687	104,931
Primary school	87	82	75	71	12	11	13	18	423,703	592,614
Secondary school	70	64	52	52	18	12	30	36	393,005	398,171
Tertiary education	55	38	37	26	18	12	46	62	96,605	40,750

According to the 2004 LCMS IV results, about 55 percent of the total working age population in Central Province were engaged in various income-generating activities. However only 43.7 percent females of the working age population were economically active. Agriculture was found to be the main economic activity as most of the province is endowed with fertile soils, favorable rainfall and water resources. The Province has potential for both commercial rain fed and irrigated agriculture.

In terms of poverty levels by type of economic activity, poverty levels recorded declines for all people whose heads of households were working in various income generating activities with the exception of those engaged in in-wage employment which showed a minor increase from 59 percent in 1998 to 60 percent in 2004. There was also a decline in the proportions of extremely poor people whose heads of households were involved in various economic activities except for those working in in-wage employment which had an increase in proportion from 35 percent in 1998 to 47 percent in 2004.

Poverty and Economic Activity, Central Province, 1998 and 2004

Economic Activity	Poverty Status (%)								Population	
	Total Poor		Extremely Poor		Moderately Poor		Not Poor			
	1998	2004	1998	2004	1998	2004	1998	2004	1998	2004
All Province	77	76	63	63	14	12	23	24	1,014,000	1,136,466
Economic Activity of Head										
In-wage employment	59	60	35	47	24	13	41	40	250,087	234,164
Running a business	75	60	60	47	15	13	25	40	107,993	106,850
Farming/fishing/ forestry	85	80	75	70	10	10	16	19	561,278	751,659
Other	88	70	74	55	14	15	12	30	94,642	43,793

As regards the incidence of poverty by age of the head household in Central Province, the survey results show that persons whose household heads were aged between 20-29 and 60 years and above had a reduced proportion of extremely poor people. However, there was an increase in the proportion of extremely poor people from 62 percent in 1998 to 64 percent in 2004 for household heads aged 30-59 years.

The proportions of the moderately poor people increased among households with heads aged 20-29 and 60 years and above between 1998 and 2004, while the proportion declined from 15 percent in 1998 to 11 percent in 2004 for persons whose household heads were aged 30-59 years. The proportions of non-poor people increased regardless of the age of the head of household between the two reference periods.

Poverty and Age of Household, Central Province, 1998 and 2004

Age of Head of Household	Poverty Status (%)								Population	
	Total Poor		Extremely Poor		Moderately Poor		Not Poor			
	1998	2004	1998	2004	1998	2004	1998	2004	1998	2004
All Province	77	76	63	63	14	12	23	24	1,014,000	1,136,466
12 – 19	62	18	18	18	44	0	39	82	1,211	2,845
20 – 29	67	60	53	45	14	15	33	39	128,358	163,831
30 – 59	77	75	62	64	15	11	23	25	767,293	801,301
60 +	90	83	81	73	9	10	10	17	117,138	168,489

District Levels and Trends of Poverty

The latest survey results also show incidence of poverty at district level. Mumbwa and Kapiri Mposhi districts recorded an increase in the proportions of poor persons from 77 and 73 percent in 1998 to 84 and 76 percent in 2004, respectively. Kabwe District recorded the least proportion of poor people at 61 percent in 2004 compared to 63 percent recorded in 1998. However, Chibombo District which was the poorest with 88 percent of the district population being poor in 1998, showed a 10 percentage point reduction in poverty at 77 percent in 2004, while the other distrits also recorded reductions in poverty levels between 1998 and 2004 by less than 10 percentage points each.

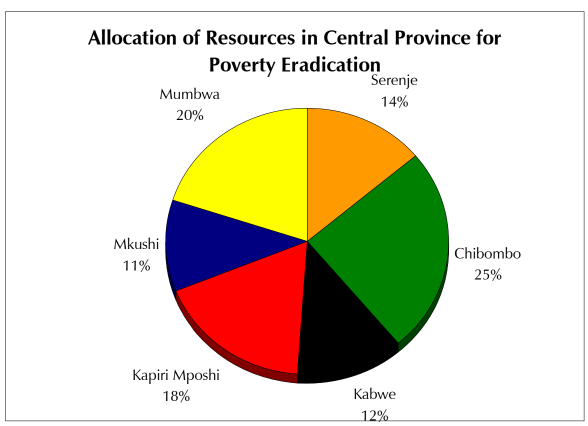
The proportion of extremely poor persons increased in most districts between 1998 and 2004, except for those in Chibombo and Serenje districts where declines of 11 and 7 percentage points were recorded from the 1998 levels of 79 and 75 percent respectively. The proportion of moderately poor persons in Kabwe, Kapiri Mposhi and Mkushi districts registered declines while they increased in Mumbwa and Serenje districts during the same reference period. A comparison between the two reference periods revealed also that the proportions of non-poor persons in all the districts increased between 1998 and 2004 except for Kapiri Mposhi and Mumbwa districts.

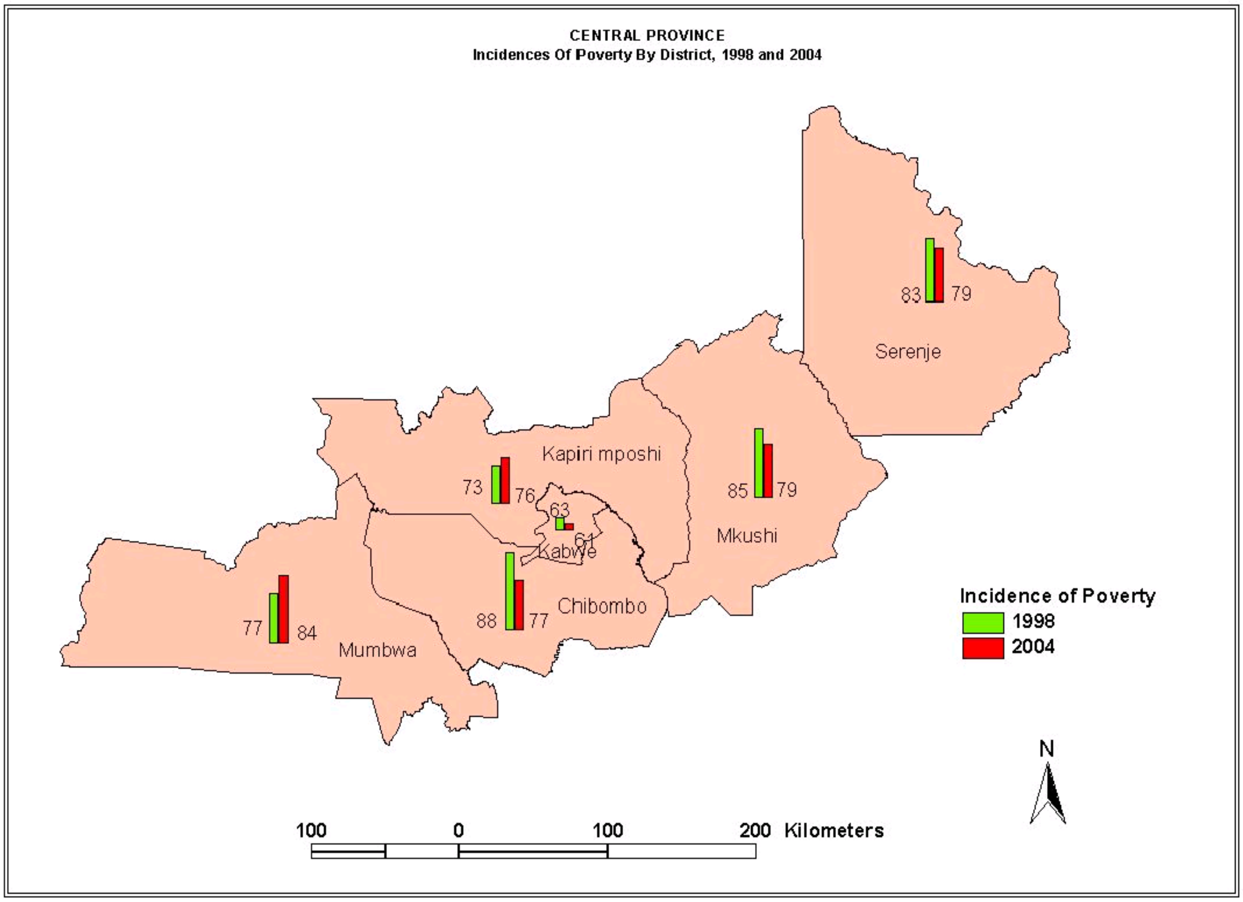
Incidence of Poverty by District, Central Province, 1998 and 2004

Province/District	Poverty Status (%)								Population	
	Total Poor		Extremely Poor		Moderately Poor		Not Poor			
	1998	2004	1998	2004	1998	2004	1998	2004	1998	2004
All Province	77	76	63	63	14	12	23	24	1,014,000	1,136,466
Chibombo	88	77	79	68	9	9	12	23	212,857	272,752
Kabwe	63	61	44	48	19	13	37	39	225,307	193,199
Kapiri Mposhi	73	76	55	61	18	15	27	24	146,650	215,929
Mkushi	85	79	65	65	20	15	15	21	94,939	125,010
Mumbwa	77	84	66	72	12	13	23	16	192,949	181,835
Serenje	83	79	75	68	9	11	17	21	141,298	147,741

Resource Allocation to Eradicate Poverty in Central Province.

For the country to quench the number one indicator of the Millennium Development Goals (i.e, to eradicate extreme poverty and hunger by 2015), resources have to be pulled together to further reduce poverty where it is already reducing and to try to reverse the trend where it has increased. In case of Central Province, most of the districts have comparatively higher incidence of poverty than the national level of 68 percent. Of the K636 billion required to eradicate poverty in the province, Chibombo District would get the largest share at 25 percent of the provincial allocation though it does not have largest incidence of poverty in the province but rather has the highest number of extremely poor people. Mumbwa District would be allocated 20 percent in terms of provincial resources despite being the poorest due to less number of people living under extreme poverty conditions. Kapri Mposhi, Serenje and Kabwe would be allocated 18, 14, and 12 percent respectively, while Mkushi District would get the least allocation of only 11 percent of the provincial allocation.





The Layman and Statistics

Migration: This is the movement of people from place to place and across some administrative boundaries for the purpose of changing their previous place of residence.

Migrant: A migrant is a person who changes his/her usual place of residence by crossing an administrative boundary and residing in a new area for a period of not less than six months or intends to stay in the new area for a period not less than six months.

Safe toilet facility: Access to safe toilet facilities refers to access to flush toilets (whether private or communal), and ventilated pit latrine.

Informal borrowing: This is a kind of borrowing that does not involve any legal binding documents.

Gross domestic product (GDP): The total volume of goods and services produced by a nation, over a given period, usually a year.

Soon to be released!

- Living Conditions Monitoring Survey IV Report
  (Available at CSO – Dissemination Office)
- Poverty Report
- Informal Sector Report
- Selected Social Economic Indicators, 2003/2004
- Annual External Trade Statistics Bulletin, 2005
- Zambia in Figures, 2003/2004

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