



Republic of Zambia

The Monthly

Central Statistical Office

Volume 4

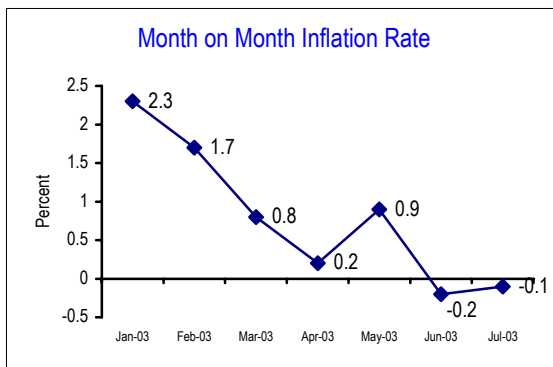
July 2003

“The Economy this Month”

Inflation remains below Zero

Despite registering an increase of 0.1% from -0.2% in June to -0.1% in July, the monthly rate of inflation has remained below zero percent for two consecutive months – June and July. The monthly inflation rate as at July 2003 stood at -0.1%, with the annual rate recorded at 20.2%.

Monthly inflation has continued at low levels due to the continued downward trend in the food index – prices of mealie meal and maize grain have continued to fall in the month of July. Price declines were also noted for dried beans, vegetables, shelled groundnuts, sorghum and fresh kapenta.

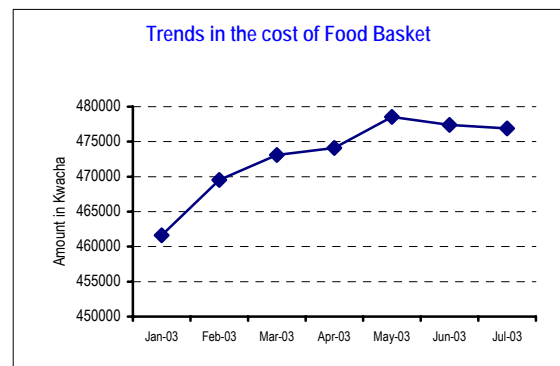


Source: Consumer Price Index, July 2003

However, price increases were observed in the following food items: meat, fish, dried kapenta, oils and fats, milk and milk products and other processed commodities.

Your Monthly Food Basket

The monthly food inflation as at July was recorded at -0.6%, dropping 0.7 percentage point from that recorded as at June. This resulted from the continued decline in the prices of major food items. Therefore the average cost of food for a family of six continued to experience a declining trend during the month of July.



Source: Consumer Price Index, July 2003

The food basket as of July 2003 was K476,880 for a family of six. The same family on average was expected to live on K684,793 for all their food & basic needs.

Serving Your Data Needs

Economic News

International Trade

Zambia continues to experience a negative trade balance

During the first half of 2003, the total exports value of K2,118,805 million was lower than that of imports, at K3,714,148 million, giving a negative trade balance of K1,595,343 million. A negative trade balance indicates a trade deficit, implying that the country is not performing well in foreign trade.

The trade deficit was more pronounced in the months February to April, with the highest recorded in April, at K326,011 million.

Total Exports, Domestic exports, Re-exports and Imports (January to June 2003) (K' Million)

Month	Imports (CIF)	Exports (fob)			Trade Balance Exports-Imports
		Domestic	Re-exports	Total Exports	
January	559,490	274,843	3,381	278,224	-281,266
February	660,366	347,979	4,910	352,888	-307,478
March	676,733	349,990	5,675	355,665	-321,068
April	642,302	313,090	3,200	316,291	-326,011
May	578,309	389,923	11,051	400,973	-177,336
June	596,948	410,157	4,607	414,764	-182,184
Total	3,714,148	2,085,982	32,823	2,118,805	-1,595,343

cif: Cost insurance freight

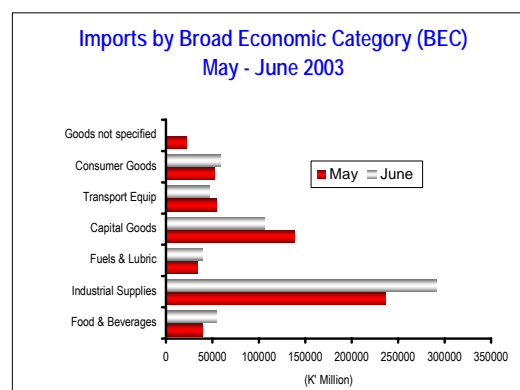
fob: Free on board

However, a month-to-month comparison indicates an increase in both exports and imports from May to June.

Exports by Standard International Trade Classification (SITC) (January to June 2003) (K' Million)

Description	Month					
	January	February	March	April	May	June
<i>Food and Live Animals...</i>	16,706	28,694	26,567	23,006	9,448	75,493
<i>Beverages and Tobacco...</i>	1,092	1,827	2,160	9,619	5,523	18,676
<i>Crude materials (exc. fuels)...</i>	23,536	28,234	28,146	23,275	24,447	32,640
<i>Minerals fuels, lubricants & related materials...</i>	3,496	3,507	5,513	5,839	367	399
<i>Animal & vegetable oil, fats & Waxes...</i>	4	56	0	50	37	0
<i>Chemicals...</i>	8,265	1,290	2,011	2,129	2,157	4,148
<i>Manufactured goods by material...</i>	205,497	270,701	275,396	244,226	330,893	270,939
<i>Machinery & transport equipment...</i>	5,805	6,679	2,206	3,081	14,382	4,793
<i>Miscellaneous manufactured articles...</i>	6,423	5,736	11,634	3,091	5,985	7,391
<i>Commodities and transactions NEC...</i>	7,489	6,165	2,032	1,974	7,735	286
Total	278,224	352,888	355,665	316,291	400,973	414,764

The total exports value has been steadily increasing from January and rose by 3.4% from May to June. Notable increases in June were recorded in the exports of food & live animals. Declines, however, were significant in the exports of machinery and transport equipment, as well as manufactured goods by material (these are mainly copper and cobalt products).



Like exports, total imports also increased between May and June, from K596,948 million in May to K578,309 million in June. This represents a 3.2% increase. For the month of June, the increase in imports was mainly recorded in industrial supplies, capital goods and food & beverages.

Even though there was a reduction in imports in May, mainly attributed to a good maize yield, in June in there is a rise in imports of food. The increase in imports of food and beverage in June was mainly in non-maize food imports.

Industrial Production

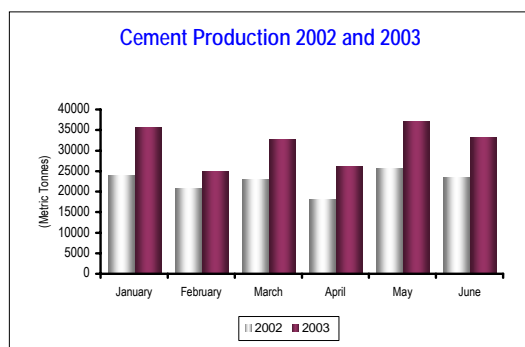
'Cheap' cement imports upset the local market

There was a significant increase in the production of cement by Chilanga Cement Plc from 134,998 metric tonnes during the first and second quarters of 2002 to 189,795 metric tonnes during the corresponding period of 2003. This represents an improvement in cement production of about 28%.

Cement Production (Metric tonnes), 2002 and 2003

Quarter	2002	2003
Quarter 1	67,715	93,409
Quarter 2	67,283	96,386
Sub Total	134,998	189,795
Quarter 3	91,180	-
Quarter 4	117,095	-
Grand Total	343,273	189,795

A month-to-month comparison in the production of cement shows a systematic fluctuation from one month to the next. (refer to graph below). A month of high production is immediately followed by one of low production for the period January to June for both 2002 and 2003.



The total cement production in 2002 stood at 343,273 metric tonnes. Out of this production, 299,333 metric tonnes, representing 83% of the total production were sold in the domestic market. Only 59,056 metric tonnes accounting for 17% were exported.

However, there has been concern by the Chilanga Cement Plc management that the importation of cement is again re-surfacing in 2003. Government has been asked to intervene by possibly imposing stern control measures on the 'cheap' imported cement, which is robbing the local product of its fair share of the market.

Is the coal mining industry showing signs of renaissance?

Coal production has been perpetually dropping for the past three years. It dropped by 33% from 169,689 tonnes in 2000, then by about 29% from 112,641 tonnes in 2001 to 80,135 tonnes in 2002.

Coal Production (Tonnes), 2000 to 2003

Quarter	Year			
	2000	2001	2002	2003
1 st Quarter	46,996	28,381	18,326	19,718
2 nd Quarter	41,256	36,224	17,829	-
3 rd Quarter	44,695	30,592	23,946	-
4 th Quarter	36,739	17,444	20,034	-
Total	169,686	112,641	80,135	19,718

Comparisons from one quarter to another, also show a continuous decline for the three years from 2000 to 2002. The deteriorating performance by this industry was mainly due to rising production costs coupled with inadequate equipment.

There is however a marginal increase of about 7% during the first quarter from 18,326 in 2002 to 19,718 in 2003. Does this slight increase then, spell out a rebirth of this industry?

Agriculture

Sorghum production records an increase this season

Despite being a drought resistant crop, Sorghum production in 2001/2002 season recorded a poor performance of 16,786 metric tonnes.

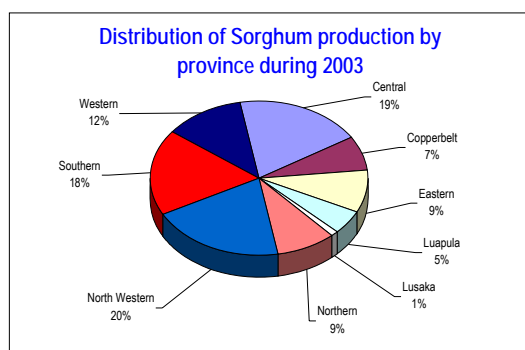
However, the Crop Forecast Survey indicates that sorghum production in 2002/2003 agricultural seasons registered an increase of 21% from 16,786 metric tonnes in 2001/2002 season to 20,291 metric tonnes in 2002/2003 agricultural season.

Sorghum Production over the past Three Seasons
(Production in Metric Tonnes)

Province	2000/2001	2001/2002	2002/2003	% Change in 2002/2003 from 2001/2002	% Change in 2002/2003 from 2001
Central	4,627	1,835	3,972	116	-14
Copperbelt	2,680	4,279	1,388	-68	-48
Eastern	3,393	854	1,768	107	-48
Luapula	778	363	967	166	24
Lusaka	163	32	135	322	-17
Northern	7,750	2,487	1,868	-25	-76
N/Western	3,031	3,359	4,239	26	40
Southern	4,901	735	3,610	391	-26
Western	2,920	2,840	2,344	-17	-20
Zambia	30,245	16,786	20,291	21	-33

Source: 2002/2003 Crop Forecast Survey

Meanwhile, at provincial level, North-Western Province leads in sorghum production, as it is one of the major staple foods for the province with 20%. The lowest sorghum production was recorded in Lusaka Province at 1%.



Source: 2002/2003 Crop Forecast Survey

Northern Province has been experiencing a continuous decline in sorghum production with the largest drop of about 76% in 2002/03 agricultural season.

Southern and Western Provinces' good performances in sorghum production maybe attributed to efforts of NGOs who have been in these provinces to promote the growing of this drought resistant crop.

Education

Primary schools flooded with over age male pupils at higher grades

According to the Zambia DHS EdData Survey 2002 report, prevalence of over age pupils increases through the grades, rising from 36% in grade 1 to 53% in grade 7. Given the official age of 7 - 13 years for primary school, pupils

are considered to be over age if they are 2 or more years older.

Moreover, male pupils are reported to be more likely than female pupils to be over age for the grade they attend and the gap increases through the higher grades.

The report indicates that in grade 1, nearly the same percentage of males and female pupils are over age (38% and 35%, respectively). By the time pupils reach grade 7, male pupils (65%) are almost twice as likely as female pupils to be over age. This may be attributed to overage girls dropping out for various reasons.

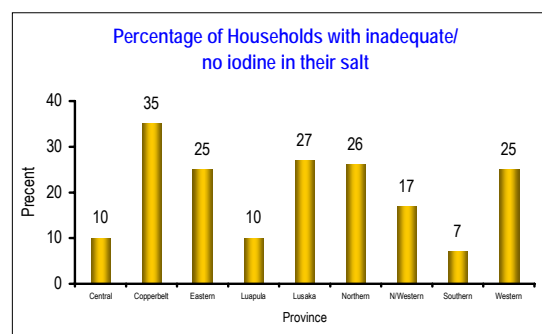
Health

23 percent of households not receiving adequate iodine

Results from the 2001/2002 ZDHS show that 23% of households are not receiving adequate iodine supplement in their salt, with 25% of households in urban and 21% in rural areas.

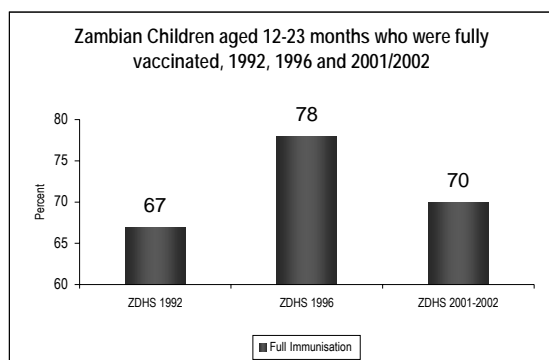
Iodine deficiency constitutes a major global concern because it can lead to health disorders such as goitre and lower IQ levels, impaired mental functions, retarded mental and physical development, especially among children.

Copperbelt Province has the highest percentage of households (35%) whose household salt contains inadequate or no iodine fortification.



A 'step back' on the number of immunised/vaccinated children

In spite of increased campaigns on the immunisation of children, the 2001-2002 ZDHS shows a drop in the number of children ages 12-23 months, who are fully vaccinated (70% in 2001-2002 compared to 78% in 1996).



Vaccination of children against six serious but preventable diseases, namely tuberculosis, diphtheria, pertussis (whooping cough), tetanus, polio and measles by their first birthday is a cornerstone in efforts to reduce child mortality.

Percentage of children 12-23 months who received specific vaccines at any time before the survey by source of information (vaccination card or mother's report) and percentage vaccinated by 12 months of age, Zambia 2001-2002

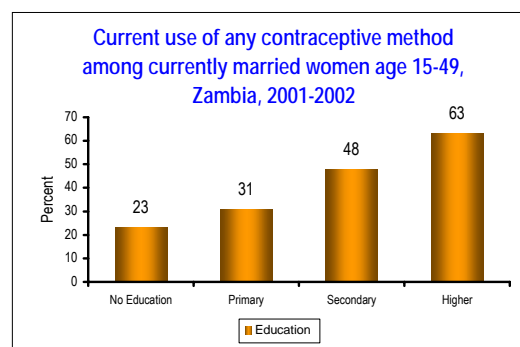
Source of information	Percentage of children who had received:											Number of children
	BCG	DPT			Polio ¹			Measles	AIF ²	None		
		1	2	3	0	1	2				3	
Vaccinated at any time Before the survey												
Vaccination card	78.0	78.3	75.8	70.9	12.1	78.7	75.9	71.1	70.5	63.5	0.0	1,003
Mother's report	16.0	15.8	13.9	9.2	2.2	16.8	15.1	9.1	13.9	6.5	3.4	266.0
Either source	94.0	94.1	89.7	80.0	14.3	95.6	91.0	80.2	84.4	70.0	3.4	1,299
Vaccinated by 12 months of age³												
	90.7	91.9	85.9	73.8	13.9	93.6	87.3	73.4	70.2	57.1	5.3	1,299

Source: 2001/2002, ZDHS, Table 9.12, Page 143

Contraceptive use on increase

The 2001/2002 ZDHS shows that one in four women are currently using family planning methods. Current use of contraception among women has increased from 19% in 1996 to 25% in 2001/02. The pill is the most common

modern method (8%) followed by the male condom (4%). Contraceptive use is higher among sexually active unmarried women than currently married women (32.5% compared to 25.5%). More married women in urban areas (46%) are more likely to be using family planning than in rural areas (28%).



The current use of contraception varies with education. Women with a secondary education or higher are two or three times as likely to use contraception as women with no education. In other words the use of contraceptive methods increases with increasing education.

Gender

Education influences decision-making

According to the 2001/2002 ZDHS independent decision-making by women is more pronounced in urban (72%) than rural areas (39%) on the use of their earnings. The survey results also show that education has an impact on women's decision-making on the use of their earnings. Thirty eight percent of women with no education decide independently on how their earnings are to be used compared with 64% of women with higher education.

Percent distribution of women employed in the 12 months preceding the survey receiving cash earnings by person who decides how earnings are to be used

Background Characteristic	Person who decides how earnings are used		
	Self only	Jointly	Someone else only
Total	55.5	22.9	21.4
Residence			
Urban	71.8	16.7	11.4
Rural	39.4	29.1	31.4
Education			
No education	38.0	27.5	34.4
Primary	53.7	21.7	24.5
Secondary	63.3	21.8	14.8
Higher	64.3	31.1	4.6

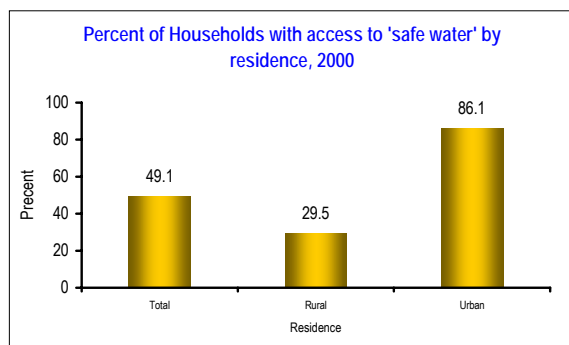
Source: 2001/2002, ZDHS, Table 3.11, Page 40

In rural areas, decisions on the use of women's earnings are almost divided, with more than one-third made by the woman herself (39%) and one-third by someone else (31%). At the provincial level, the highest proportion of women who decide for themselves how their earnings are spent are in Lusaka (77%) and Copperbelt (65%) and the lowest are in North-Western and Northern Province (35% each).

Census 2000 Highlights

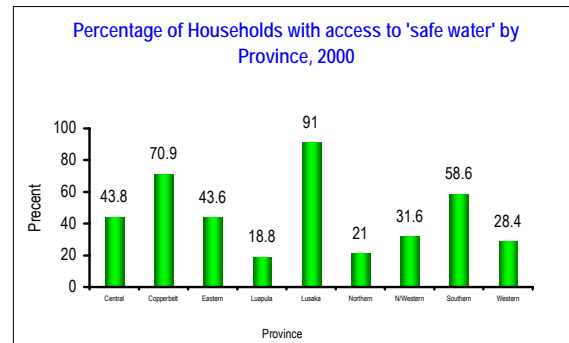
Only half the population has access to 'safe water'

Results from the 2000 Census show that only 49% of all households in Zambia have access to 'safe water'. The majority of households in urban areas, representing 86% have access to 'safe water', while only 30% of households in rural areas are reported to have access to 'safe water'.



Safe Water refers to water obtained from protected well, protected boreholes and tap water.

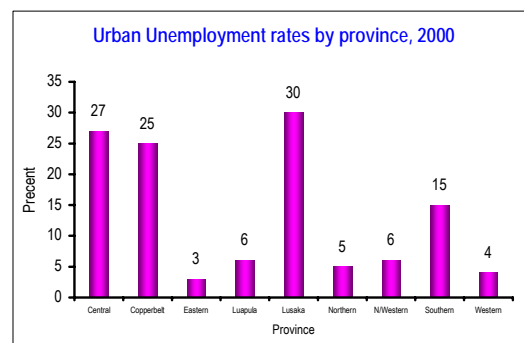
At provincial level, Lusaka Province with 91% has the highest percentage of households with access to 'safe water', followed by Copperbelt Province with 71% of households having access to 'safe water'. Luapula Province with only 21% of households with access to 'safe water' is the least among the provinces.



Urban unemployment on the increase

The 2000 Census has shown that urban unemployment has been on the increase since 1990, increasing from 16% to 27% in 2000. Lusaka, Central and Copperbelt Provinces have experienced increases in urban unemployment.

The largest growth in urban unemployment has occurred in Lusaka Province, increasing from 14% in 1990 to 30% in 2000. Central Province was next with an increase of 12% in urban unemployment from 15% in 1990 to 27% in 2000. Copperbelt urban unemployment increased by 8%, from 17% in 1990 to 25% in 2000.



Latest!!

ZamSED marks a Step Forward in the National Statistical System

The launch of the Zambia Socio-economic Database (ZamSED) on 25th July 2003 marks a step forward in the realization of an effective National Statistical System. ZamSED includes indicators from various sources of official statistics and provides data users with greater access to a user-friendly database system that helps to organize and present data on the socio-economic status and development of Zambia.

Therefore, ZamSED database will facilitate:

- ❖ easy access to quantifiable indicators for planning, implementation, monitoring and evaluation of programmes/projects.
- ❖ greater consistency in use of data by the government, cooperating partners, NGOs, media, and the public in general.
- ❖ presentation of data through graphs, tables and maps.

ZamSED is available on CD-ROM and can be easily installed on your computer. Copies can be obtained from the Central Statistical Office.



ZamSED was developed with financial and technical assistance from UNICEF and is based on the UNICEF **child Info Programme**.

The Layman and Statistics

In this issue, we look at three important phrases, Economically Active Population, Unemployed Population and Unemployment Rate.

Economically Active Population: Refers to the population aged 12 years and above that are working, unemployed but seeking work, and those not seeking work but available for work.

Unemployed Population: Is composed of those who are unemployed but seeking work, and those who are not seeking work but are available for work.

Unemployment Rate: Expressed as a percentage, this is the ratio of the unemployed population to the economically active population.

Sales Office

You may be interested to know that so far this year CSO has had **four** latest products, namely;

- ❑ The 2001/2002 Zambia Demographic Health Survey (ZDHS) Report - a free publication (**already out of stock**).
- ❑ The 2002 ZDHS Ed Data Survey Report- a free publication currently being distributed
- ❑ This Monthly Newsletter- free publication **available every month**.
- ❑ Zambia Social Economic Database (ZamSED) on CD - currently being distributed

'REMEMBER STATISTICS ARE KEY TO NATIONAL DEVELOPMENT'.

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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