



Political Economy of Industrialisation in the Context of Regional Integration: Zambia and the Southern African Development Community (SADC)

Dale Mudenda, Charles Simwanza,
and Marja Hinfelaar (SAIPAR),
Lucas Somavilla, Yacob Mulugetta,
Gerald Arhin (STeAPP)

October 2026

www.climatecompatiblegrowth.com



Abstract

The green transition and increased demand for critical minerals offer Zambia and the Southern African Development Community (SADC) opportunities for industrialisation, regional integration and inclusive development. This working paper examines how historical context, domestic power relations and geopolitical competition shape Zambia's capacity to translate mineral wealth into structural transformation. Drawing on an expanded political settlements framework, the study combines a systematic review of primary and secondary sources, stakeholder mapping, semi-structured interviews and descriptive analysis. It examines industrial policy, regional trade and energy systems, alongside transport corridors and the Democratic Republic of Congo-Zambia electric vehicle battery initiative. The findings show that successive mineral booms have sustained copper dependence without generating economic diversification. Power mining interests, uneven domestic bargaining capacity, policy instability and weak productive linkages constrain industrial upgrading. Despite alignment between national and regional policy frameworks, implementation remains impeded by competing national interests, trade barriers and infrastructure deficiencies. Nevertheless, regional markets provide outlets for manufactured exports, while critical minerals investment and cross-border initiatives offer opportunities to deepen regional value chains. These opportunities face electricity shortages, hydropower vulnerability, limited technological capabilities and insufficient local participation. The paper argues that mineral endowment and investment inflows alone cannot secure industrial transformation. It recommends coordinated regional bargaining, harmonised industrial policies, diversified clean energy, development-oriented transport corridors, skills and technological investment, and accountable reinvestment of mining revenues. Achieving inclusive industrialisation requires political arrangements that strengthen domestic productive capabilities, embed community and labour participation, and align external investment with national and regional development priorities.



Content

1. Introduction	1
2. Political Economy and History of Industrialisation in Zambia.....	5
2.1 <i>Regional and Global Dynamics Impact on Industrialisation</i>	5
2.2 <i>Industrialisation and De-Industrialisation</i>	10
3. Industrialisation in the Regional Context.....	16
3.1 <i>Participation in Regional Trade Integration Schemes</i>	17
3.1.1 Multilateral level	17
3.1.2 Regional integration.....	18
3.1.3 Stakeholders in national, regional, and industrial policy	21
3.1.4 Industrial policy and intra-RECs trade outcomes	27
3.1.5 Trade and industrial outcomes	28
3.2 <i>Intra-regional Trade Performance</i>	28
3.2.1 Zambia and intra-SADC trade (2015–2023).....	30
3.2.2 Composition of SADC trade and value chains	32
3.3 <i>Zambian Industrialisation</i>	34
3.3.1 Facilitation of industrial development: power supply	37
3.3.2 Trade in electricity	37
3.3.3 Stakeholders in energy	42
3.4. <i>Facilitation of Industrial Development: Transport</i>	42
3.4.1 Trade facilitation for industrial development.....	43
3.4.2 Regional infrastructure policy development.....	44
3.4.3 Integration of road and rail systems	45
3.5 <i>The SADC Region and Critical Minerals</i>	48
3.5.1 Critical minerals in the SADC	48
3.5.2 Regional mining frameworks	50
3.5.3 Critical minerals and regional value chains	51
4. Case Study: DRC–Zambia Battery Initiative	55
5. Outlook and Recommendations for Zambia and the Region	62
5.1 <i>Outlook</i>	62
5.2 <i>Policy Recommendations</i>	63
5.2.1 Regional (SADC)	63
5.2.2 Zambia-specific recommendations	67
<i>Bibliography</i>	70
Appendices	83
Abbreviations	85



List of Figures

Figure 1: Map of SADC Countries.....	2
Figure 2: Manufacturing Value Added (% of GDP), Manufacturing Value Added (Annual Growth), and GDP (Annual Growth)	11
Figure 3: Stakeholder Map of Actors that Influence Zambia's Industrial Policy	22
Figure 4: (left) SADC share of intra-regional exports to total exports; (right) SADC share of intra-regional imports in total imports	30
Figure 5: Composition of Intra and Extra-SADC Trade 2023.....	32
Figure 6: Backward Integration into SADC and rest of the world by SADC in 2015.....	33
Figure 7: Cumulative NTBs reported against SADC member states (2004–2020)	34
Figure 8: Composition of Power generation by Source for selected member states	40
Figure 9: Key Corridors in Southern Africa	43
Figure 10: Regional Destinations as a share of SADC minerals exports.....	51
Figure 11: Major minerals exporter in the SADC region by shares (2015 and 2023).....	52
Figure 12: Mineral exports from SADC by type of mineral	53
Figure 13: Copper and Cobalt Production in DRC and Zambia (2019–2023).....	56
Figure 14: SADC Battery Minerals Productions (2019–2023)	58
Figure 15: Export value of copper products (2019–2023)	59
Figure 16: Share of export value of cobalt products (2019–2023)	59

List of Tables

Table 1: Intra-African and intra-regional trade, 2017–2022	29
Table 2: Intra-SADC Trade as a share of total SADC Trade	31
Table 3: Composition of Zambia's regional exports by top 6 destinations.....	35
Table 4: Power supply and demand 2021	38
Table 5: SADC mineral endowment as share of global reserves.....	49
Table 6: Intra-SADC exports and Imports of minerals	54

Acknowledgement

This material has been produced with support from the Climate Compatible Growth programme, which is funded by the UK government's Foreign, Commonwealth & Development Office (FCDO) through its Global Research and Technology Development portfolio. However, the views expressed are those of the authors and do not necessarily reflect the official policy or positions of the UK government's Foreign, Commonwealth & Development Office (FCDO) or its partners.



1. Introduction

The quest for industrialisation and regional integration has been central to the agenda of the Southern African Development Community (SADC) for more than a decade. As a regional economic community comprising 16 Southern African countries,¹ the SADC has articulated its long-term development vision through a 10-year Regional Indicative Strategic Development Plan (RISDP). The 2020- 2030 RISDP envisions a peaceful, inclusive, competitive middle-to high-income industrialised region, where all citizens enjoy sustainable economic well-being, justice and freedom founded on peace, security and good governance. The RISDP is organised around three clustered priority areas: (i) industrial development and market integration; (ii) infrastructure development in support of regional integration; and (iii) social and human capital development. The plan also covers cross-cutting issues such as gender, youth, environment and climate change, and disaster risk management.

These priority areas are intrinsically interlinked (SADC, 2020). In particular, the industrial development and market integration pillar seeks to foster an industrialised regional trading bloc by promoting regional value chains, notably in agro-processing and minerals beneficiation. This ambition has gained renewed relevance amid rising global demand for critical minerals required for the green transition. The SADC region holds 90% of global platinum group metals reserves, more than 50% of cobalt reserves, 20% of graphite reserves and 10% of copper reserves (SADC, 2026). Industrialisation under the RISDP is expected to advance alongside enhanced regional technological capabilities through science, technology, and innovation, while embedding climate change considerations, such as the varying climate zones within the SADC region. Infrastructure cooperation—focused on trade corridors, border facilities, and energy systems—aims to facilitate regional trade and mobility. The RISDP thus serves as a strategic and ambitious blueprint guiding member states' national development planning processes. Policies and strategies adopted at the regional level do not operate in a vacuum. As will be elaborated in this report, their effectiveness depends in part on the interaction between political and economic actors. Political dynamics in countries largely shape which industrial policies are pursued (Whitfield et al. 2015, Putnam 1988).

¹ SADC consists of the following countries: Angola, Botswana, Comoros, the Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, United Republic of Tanzania, Zambia, and Zimbabwe

Figure 1: Map of SADC Countries



Source: SADC, 2024

This report focuses on Zambia, a member of the SADC, with the overall aim of producing a political economy analysis of Zambia's industrialisation and regional integration trajectory, with particular attention to investment pathways for inclusive, low-carbon development that are compatible with regional aspirations for structural transformation. The study employs an expanded political settlements framework, building on Khan (2010) and subsequent refinements. A political settlement is understood as the distribution of power among contending social groups and classes that underpins state institutions and shapes their performance. This expanded approach incorporates the influence of transnational, regional, national, and subnational actors, recognising that the governance of extractive industries—and industrial policy more broadly—is shaped not only by domestic power configurations but also by external forces. It includes an analysis of the



historical context to understand how power and decision-making are exercised. For Zambia, the political settlement has always centred around its dominant copper industry and the location of the major copper mines, which are in the Copperbelt. Copper accounted for 92% of its export earnings at Independence in 1964 and, to date, remains central to its economy (Seekings, Tembo, 2019). Copper represented over 66% of total export earning earnings in 2025 (Bank of Zambia, 2026)

Zambia is implementing its Eighth National Development Plan (8NDP, 2022–2027), which is largely aligned with the RISDP. Through the 8NDP, Zambia has pursued several programmes with clear regional spillovers, including power-sharing arrangements through the Southern African Power Pool, investments in road and border infrastructure, and efforts to consolidate its role as a regional transport hub for its eight neighbouring countries. These neighbouring states also constitute Zambia's largest sources and destinations for non-mineral trade, like cement, sugar, and lime. As a result, Zambia's pursuit of structural transformation cannot be understood in isolation. It forms part of a broader policy ambition shaped by the SADC and the African Union (AU), as well as by the region's post-colonial history of industrialisation and trade. Like many countries in Southern Africa, Zambia has historically functioned as a rentier, enclave economy—characterised by a dominant export sector with weak linkages to the wider productive base (Mkandawire, Mistree 2017). Periods of economic growth driven by high copper prices have not translated into sustained investment in diversification or industrial upgrading, and they have created volatility and fiscal uncertainty when piN rices fluctuate due to geopolitical/market changes.

The recent resurgence of Zambia's mining sector, propelled by global demand for critical minerals linked to the energy transition, has renewed momentum for industrial development. Zambia is a significant supplier of copper and cobalt and holds potential in lithium, nickel, and graphite, positioning it as a strategically important actor in global supply chains (World Bank, 2025). This renewed interest is unfolding amid heightened geopolitical competition, with capital flows from China, the Middle East, and Western countries targeting mining, transport corridors, logistics hubs, and value-added activities. At the same time, Zambia faces significant fiscal constraints arising from debt, climate shocks, and macroeconomic instability. Climate change poses a particular challenge to the country's energy system, which is heavily dependent on hydropower and therefore vulnerable to droughts. Zambia has consequently embraced energy transition and power-source diversification as core policy objectives, while also pursuing value-addition initiatives in sectors such as agro-processing and electric vehicle battery manufacturing. It has also launched the National Mineral Strategy (2024–2028). As a landlocked country, Zambia remains structurally dependent on regional cooperation for access to international markets.

The study adopts a mixed qualitative methodology that integrates a systematic review of primary and secondary literature with stakeholder mapping and semi-structured interviews with key informants. Key informant interviews were used to update the authors' information and insights, grounded in over two decades of professional engagement in the field. Key informant interviews were conducted with current and former senior government officials, headed of government agencies involved in various aspects of mining and industrial development, regulatory bodies, mining companies and industry association, as well as civil society organisations (CSOs). All the interviews were anonymised to ensure confidentiality. At present, there is no study which provides a holistic overview of industrialisation in the SADC region. While the report is very current, it is important to keep in mind that there are rapid developments in this field. The report begins with a historical analysis of Zambia's industrial policies, situated within broader regional and geopolitical transformations (Section 2). This provides the foundation for subsequent sections examining current patterns of regional trade, industrialisation, and energy systems (Section 3). The analysis is complemented by case studies of ongoing regional initiatives, including cross-border electric vehicle battery production and the expansion of regional transport corridors (Section 4). The concluding section assesses the implications of these dynamics for Zambia's development trajectory and for regional industrialisation efforts more broadly (Section 5).



2. Political Economy and History of Industrialisation in Zambia

This section seeks to explain how Zambia's industrialisation history shapes its current policy landscape. First, it will look at how global and regional dynamics and competitions influenced policy and developmental outcomes in Zambia. Secondly, it will analyse the internal conditions that lead to periods of industrialisation and de-industrialisation, with leads for understanding the political economy of low-carbon driven industrialisation.

2.1 Regional and Global Dynamics Impact on Industrialisation

Copper mining has been the cornerstone of the Zambian economy since its creation, then as Northern Rhodesia, in the 1920s (Mwitwa, Kabemba, 2007; Seekings, Tembo, 2019). At Independence in 1964, copper mining made up 47% of Zambia's GDP, 92% of exports, over 50% of government revenue, and 18% of formal employment (Seekings, Tembo, 2019). Throughout the years, the government has sought to strengthen the sector's fiscal and productive linkages to spur industrialisation and economic diversification. However, the country's dependency on copper exports has been its vulnerability, as slumps in copper prices expose its structural weakness (Čerňák, 2024). This is a risk that the government foresaw and tried to resolve early on with other copper-exporting countries under the auspices of a copper cartel, the Intergovernmental Council of Copper Exporting Countries (CIPEC).

The formation of CIPEC in Lusaka in 1967 can be traced to a visit by Zambia's first president, Kenneth Kaunda, to Chile in 1966, and the success of the Organization of the Petroleum Exporting Countries (OPEC) as a common negotiating block (Leonard, 2012; Radmann, 1973). During the visit, Kaunda and Chilean President Eduardo Frei agreed to collaborate on copper policies to bolster their countries' economic positions (Radmann, 1973). The following year, Chile, the DRC (formerly Zaire), Peru, and Zambia formed CIPEC with the objectives of fostering dynamic and continuous growth in copper earnings, harmonising decisions and policies on production and marketing, obtaining better and complete information and providing appropriate advice on production and marketing, and increasing resources for economic and social development (Mingst, 1976; Radmann, 1973).

To control copper supply, CIPEC members nationalised their copper mines. Zambia first acquired 51% shares in the South African-owned Anglo-American Corporation (AAC) and the United States' Roan Selection Trust's (RST) copper mines in 1969 (Sikamo et al., 2016). This move had been influenced by Chile's nationalisation three years earlier. A Chilean official had remained behind after the CIPEC meeting in 1967 to facilitate exchanges on Chile's experience in negotiations with foreign mining companies (Radmann, 1973). By 1974, Chile, DRC, and Zambia had completely nationalised their copper mines, and Peru had nationalised most of the principal foreign-owned mines (Mingst, 1976). In



Zambia, local stakeholders' desires for improved national benefits also influenced the nationalisation of the mines (Hinfelaar, Achberger, 2017; Seekings, Tembo, 2019). Although nationalisation of the copper mines increased CIPEC member states' influence on copper supply, it did not ensure sufficient control. Despite controlling 80% of copper exports, CIPEC only controlled 40% of production. Additional global consumption was supplied from stockpiled copper, which constituted 40% of copper consumption from the 1950s to the mid-1960s and 15–25% until the 1980s (Froland, 2022). The US stockpiled copper and other strategic minerals for security purposes during the Cold War, usually with unintended effects on market dynamics (Dorn 2025). Unlike other Organisation for Economic Co-operation and Development (OECD) countries, the US was highly self-sufficient in copper production. Nonetheless, stockpiling allowed OECD countries to maintain some control over copper prices (Froland, 2022; Panayotou, 1979).

CIPEC also failed to operate as a cohesive force. Member states disagreed on finer details of technical price-stabilisation mechanisms and were frequently unable to comply with restrictive quotas due to domestic economic pressures, particularly the need to preserve foreign exchange earnings and fiscal revenues (Mingst, 1976). More fundamentally, members lacked the financial and institutional capacity to stabilise prices through strategic stockpiling or production cuts. Despite these limitations, CIPEC showed the potential of collective action and South–South alliances on several occasions. Through coordinated bargaining, it managed to convince Japan to minimise the dumping of its copper stockpiles onto international markets and showed unified support for Chile during its legal battle with the American mining company Kennecott Copper Corporation (Froland, 2022; Mingst, 1976). It also attracted significant international attention by approaching Saudi Arabia to explore the possibility of financing copper stockpiles, signalling an ambition to build broader developing-country alliances around commodity governance (Mingst, 1976).

While Zambia's engagement with other developing copper-exporting countries influenced its mining policies, its trade routes were profoundly influenced by regional political dynamics. As a leading Frontline State in the struggle against white minority rule in Southern Africa, Zambia adopted foreign policy positions that reflected its anti-colonial commitments, often at considerable economic cost (Chongo, 2019). Following Southern Rhodesia's Unilateral Declaration of Independence (UDI) in 1965, Zambia joined the United Nations in imposing sanctions on Southern Rhodesia, despite being deeply economically integrated with its southern neighbour (Chongo, 2022). At the time, Rhodesia Railways handled around 33% of Zambia's merchandise imports and an estimated 95% of its exports.

Reducing this strategic vulnerability became a central objective of the Zambian state. Trade was progressively redirected away from the southern corridor through major



investments in alternative transport infrastructure, including the upgrading of the Great North Road to the port of Dar es Salaam and the Great East Road linking Malawi to Mozambican ports. This reorientation was consolidated during the 1970s with the construction of the Tanzania–Zambia Mafuta (TAZAMA) pipeline and the Tanzania–Zambia Railway Authority (TAZARA), both of which provided vital alternatives to routes controlled by white minority regimes (Chongo, 2022; Fundanga, 2005). However, geopolitical instability continued to shape Zambia’s export options. The outbreak and escalation of the Angolan civil war effectively closed the Western Benguela–Lobito Corridor, which before the conflict had carried approximately 45% of Zambia’s copper exports (United Nations Zambia, 2024). Together, these developments illustrate how Zambia’s infrastructure and trade geography were forged as much by regional political struggles as by economic considerations.

Southern Rhodesia (present-day Zimbabwe) also supplied 95% of Zambia’s coal requirements, 90% of its petroleum products, and virtually all its electricity needs, exposing the country’s acute dependence on external infrastructure and energy systems (Chongo, 2022). Reducing this dependence became a strategic priority after independence. In pursuit of greater economic autonomy and industrial transformation, Zambia adopted an import-substitution industrialisation strategy, complemented by major investments in energy and transport infrastructure (Phiri, 2024; Thakur, 2024). These efforts included the development of the Nkandabwe Coal project, the Maamba Colliery, the TAZAMA pipeline, Indeni Refinery, Kariba North Bank, and Kafue Gorge Hydroelectric Power Stations, all aimed at strengthening domestic productive capacity and improving energy security (Chongo, 2019).

These national initiatives were reinforced through regional cooperation. The frontline states (Zambia, Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Tanzania, and Zimbabwe) established the Southern African Development Coordinating Conference (SADCC) to reduce their collective dependence on apartheid South Africa and promote more integrated patterns of regional development. But deep economic interdependence constrained the coalition’s political ambitions. Unlike the sanctions imposed on Southern Rhodesia, few member states could impose and sustain comprehensive economic sanctions against South Africa without severe domestic consequences or substantial external support (Chongo, 2019; Good, 1987). Zambia’s own predicament illustrates this dilemma. Despite its commitment to regional liberation, it remained heavily dependent on South Africa for specialised mining equipment needed to sustain copper production, the backbone of the economy (Good, 1987). This tension between political sovereignty and economic dependence would become a defining feature of Zambia’s post-Independence development trajectory.



Zambia sought to build greater economic sovereignty through domestic industrialisation and regional cooperation, but these efforts could not insulate the economy from an international trading system over which it exercised little control. The country's heavy reliance on copper exports for foreign exchange and imported energy meant left it acutely exposed to external shocks. The end of Zambia's economic 'golden age' (1964–73) marked the beginning of a prolonged period of economic crisis that fundamentally altered the country's development trajectory and created the conditions under which the Washington Consensus gained its foothold. The turning point came with the twin commodity shocks of the 1970s. The global real price of oil tripled in 1973, while the real copper prices collapsed by more than 85% by 1975. Together, these shocks exposed the structural weaknesses of an economy dependent on a single primary commodity and sharply worsening Zambia's external position, fuelling inflation, widening the fiscal deficit, and triggering a steep economic downturn (Fundanga, 2005; Mungule, 2004; Rakner, 2003). As foreign exchange earnings evaporated, the government became increasingly reliant on the IMF, World Bank, and bilateral donors for external finance. This dependence significantly shifted the balance of bargaining power, providing the Bretton Woods Institutions the leverage to push for far-reaching economic reforms.

Although the IMF, World Bank, and donors started advocating for policy reforms as early as 1978, including devaluation of the Kwacha and a reduction in state controls, the Kaunda government resisted these measures for several years (Mungule, 2004). By 1985, however, mounting economic pressures forced Zambia to adopt a Structural Adjustment Programme (SAP), which sought to liberalise the economy through exchange rate reform, market deregulation, privatisation, subsidy removal, restructuring of state-owned enterprises (SOEs), and a 25% reduction in the civil service (Rakner, 2003). The reforms quickly proved unpopular. The removal of maize subsidies caused widespread urban unrest, prompting the government to abandon the programme and replace it with its own programme, the New Economic Recovery Programme (NERP), which reintroduced price controls, foreign exchange allocation, and rationing of essential goods. NERP failed to restore macroeconomic stability, and by 1989, the government had returned to an IMF-supported adjustment programme SAP (Rakner, 2003).

This period of economic upheaval coincided with profound geopolitical change. The end of the Cold War, the decline of Zambia's strategic role as a Frontline State in Southern Africa and the unbanning of the African National Congress (ANC) and the political dialogue in South Africa weakened the political foundations of the Kaunda government. At the same time, growing domestic discontent coalesced around the Movement for Multi-party Democracy (MMD)—consisting of a broad coalition of trade unions, civil society, church leaders, businesspeople, and student movements. Under mounting economic and political pressure, President Kaunda agreed for the re-introduction of multi-party elections in 1991, bringing an end to nearly three decades of one-party rule.



The election of MMD in 1991 marked a decisive shift in Zambia's development trajectory. The new government embraced a programme of market-oriented reforms broadly aligned with the Washington Consensus, with the stated objectives of restoring macroeconomic stability, attracting private investment, and repositioning the private sector as the primary engine of economic growth. The reform agenda was comprehensive. It included the removal of price controls, the reforming of the monetary policy from a crawling peg to a flexible regime, and the opening of the banking sector to greater commercial competition. Trade protection was substantially reduced, with tariff structures simplified by the removal of 11 tariffs of 0–100% to 4 tariff bands of 0–25% by 1996. Fiscal reforms included the establishment of a semi-autonomous tax administrator (the Zambia Revenue Authority) and replacement of Sales Tax with Value-Added Tax, and the introduction of a cash-budget system in 1993 and an auction system for new treasury bill tenders. At the same time, an extensive privatisation programme transferred a large number of SOEs to private ownership, fundamentally redefining the role of the state in the economy (Ndulo, Mudenda, 2010). These domestic reforms unfolded alongside a broader continental shift towards regional and continental economic integration. In Southern Africa, the Southern African Development Community (SADC) was established in 1992, replacing SADCC, while the Common Market for Eastern and Southern Africa (COMESA) succeeded the Preferential Trade Area (PTA) in 1994. This trajectory continued through the creation of the COMESA Free Trade Area in 2000, the SADC FTA in 2008, and later the Tripartite Free Trade Area, linking SADC, COMESA, the East African Community (EAC), and more recently the African Continental Free Trade Area (AfCFTA), reflecting a long-term commitment to regional integration as a strategy for structural transformation and economic resilience.

Zambia's engagement with the world (through South–South cooperation and North–South cooperation) and regional partners shaped the evolution of its domestic mining sector and broader industrial policies and outcomes. South–South cooperation, although often overlooked in conventional accounts, played an important role during the country's early post-Independence development strategy. In particular, CIPEC helped reinforce what Caramento (2023) has termed Zambia's first wave of "resource nationalism", culminating in the complete nationalisation of the copper mines in 1974. At the regional level, the political and civil instability across the region during the 1970s temporarily redirected Zambia's trade from the Southern and Western Corridors to the Eastern Corridor through Tanzania. While this shift enhanced political autonomy from hostile regimes, it also imposed significant economic costs by lengthening transport distances to Zambia's principal export markets in Europe and North America. The Washington Consensus fundamentally reshaped the governance of Zambia's mining economy through structural adjustment, market liberalisation, and privatisation. The privatisation of the copper industry was widely criticised for its lack of transparency, contributed to de-

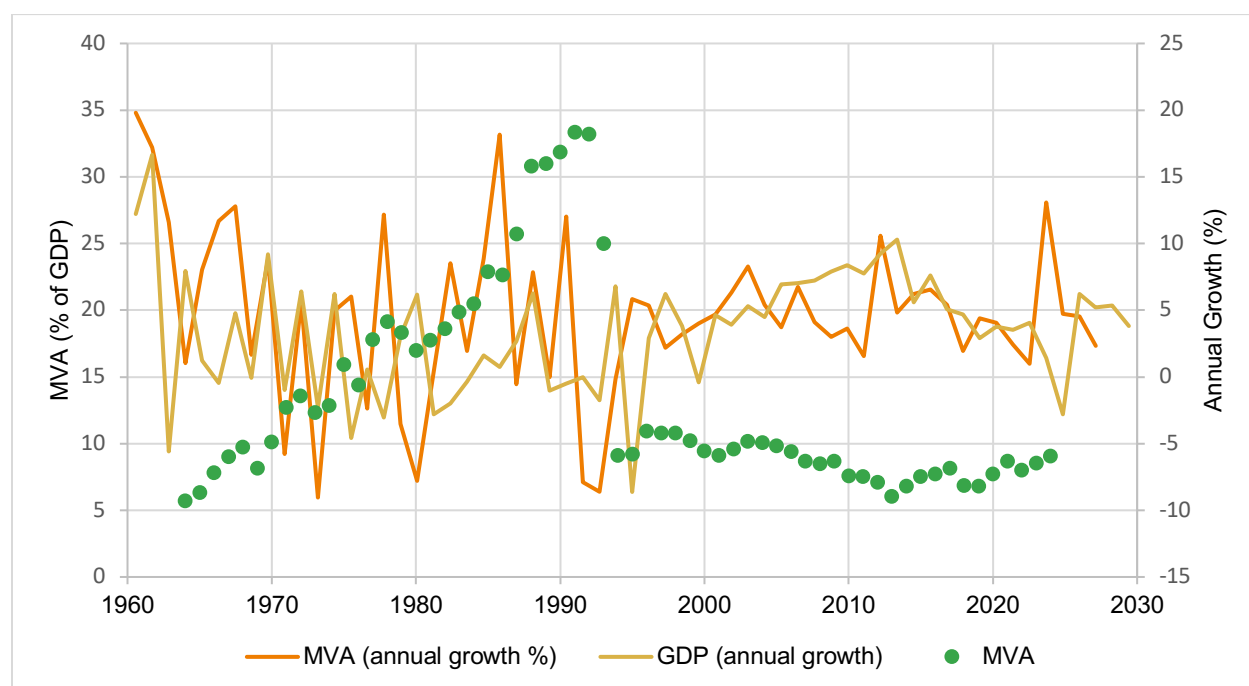
industrialisation, and transformed the developmental and social responsibilities historically undertaken by state-owned mining enterprises. At the same time, liberalisation opened the sector to a new generation of foreign investors, including Western, South African, and Chinese firms. Today, shifting geopolitical competition is once again reshaping Zambia's strategic geography. Western-backed initiatives such as the Lobito and Walvis Bay Corridors seek to revive export routes through the Atlantic, while China's investments continue to reinforce eastern corridors linking Southern Africa to Indian Ocean ports. As in earlier periods, Zambia's development trajectory remains deeply intertwined with evolving patterns of regional integration, global commodity demand and geopolitical competition.

2.2 Industrialisation and De-Industrialisation

This section explores the various industrial policies adopted and implemented by the government and the contexts that influenced their adoption, including economic and political interactions. It will also seek to understand their impact on industrialisation from 1964 to 2024. It draws on both the historical analysis in the previous subsection and internal dynamics shaping Zambia's industrial and economic policies.

Zambia's industrialisation path, measured by the manufacturing value-added (MVA) share of GDP, as shown in **Figure 2**, has undergone three defining phases. The initial 30 years of non-growth-stimulating industrialisation, primarily driven by import-substitution industrialisation policies, were followed by rapid, premature de-industrialisation after the introduction of market and trade liberalisation in the early 1990s, and stagnated levels of industrialisation thereafter. From 1964 to 1992, the MVA share of GDP rose from 5.7% to 33.2%, then declined rapidly to 9.1% in 1994 and has since oscillated between 6% and 11%. The first path of industrialisation was significantly defined by industrial policies enshrined in political pronouncements and legislation, and later in national economic policies (Chiwele et al., 2024; Thakur, 2024). This form of policy formulation changed in 1994 when the government adopted a comprehensive industrial policy, the Commercial Trade and Industrial Policy (1994), later revised in 2009, and set the foundation for more recent trade and industry-specific policies (Chiwele et al., 2024). Nonetheless, legislation continued to play an important role.

Figure 2: Manufacturing Value Added (% of GDP), Manufacturing Value Added (Annual Growth), and GDP (Annual Growth)



Source: Authors' Computation Using World Bank (2026) World Development Indicator data

At Independence, in 1964, Zambia was one of the most economically advanced countries in sub-Saharan Africa, with relatively high levels of urbanisation and industrialisation by regional standards, surpassed only by South Africa (Seekings, Tembo, 2019). However, this apparent strength rested on a narrow and structurally fragile economic base. The country depended heavily on copper mining for export earnings and government revenue, while importing much of its manufactured and consumer goods. The First National Development Plan (FNDP) (1966–1971) sought to address these structural imbalances by diversifying the economy and building infrastructure for future development and the manufacturing industries (Seekings, Tembo, 2019; Thakur, 2024). Over time, however, policy direction became increasingly exclusive to the presidency and governing political party (Barton, 2016a; Chiwele et al., 2024; Thakur, 2024). For instance, due to internal pressure from political and business interests within the United National Independence Party (UNIP) and without consultation, Kaunda imprudently redeemed the Zambia Industrial and Mining Corporation (ZIMCO) Bonds issued in the 1969 nationalisation of the mines and completely nationalised the mines, a move that proved economically costly to the nation (Barton, 2016b; Caramento, 2023). Barton (2015; 2016a) argued, using the New Institutional Economics framework, that the political exclusivity exhibited by Kaunda and UNIP on economic policies was due to weak institutions or a lack of institutional



constraints. Hinfelaar and Achberger (2017) consider the weakening of institutions as part of broader inter-elite competition and the way elites use power to shape policy reforms and institutions. In simple terms, this is an outcome of Zambia's political settlement. The loosening of legal and institutional constraints on the executive began through the 1969 constitutional amendment, and, consequently, the 1972 amendment that created the one-party state and blurred the line between UNIP and government. For instance, the 1969 constitutional amendment opened the Pandora's box for the revocation of legislation requiring the executive to obtain parliamentary approval before accruing public debt (Munalula, 2001). These legislative reforms weakened fiscal oversight over the executive and entrenched executive discretionary power (Barton, 2015; Soest, 2007). These reforms laid the foundation for the power Kaunda used to redeem the ZIMCO Bonds and unrestricted accumulation of public debt.

Zambia's industrial policies in the 1960s and 1970s were socialist in orientation, with elements of nationalism, and pursued import-substitution industrialisation. Nationalistic elements emerged immediately after Independence in the form of Zambianisation, which sought to replace foreign mineworkers with Zambians (Money, 2019). In 1968, Kaunda announced the Mulungushi Reforms that outlined sweeping measures aimed at promoting local participation, in hindsight, aiming to expand Zambianisation beyond mining labour to other sectors and ownership (Thomas, 1968). The reforms confined resident expatriate and foreign-owned enterprises to certain commercial activities and geographical areas and included the government's acquisition of 51% shares in most major companies in the construction, road transport, and commerce sectors (Seekings, Tembo, 2019; Thomas, 1968). The mining sector was excluded from the reforms. Nevertheless, the partial nationalisation was extended to AAC and RST-owned mines through the Matero Reforms in 1969 (Fundanga, Mwaba, 1997).

The Industrial Development Corporation (INDECO) was responsible for the management of the government's enterprises, both nationalised and new ventures. While the mines were placed under the responsibility of Mines Development Corporation (MINDECO), government shares and enterprises in the finance sector were managed by the Finance Development Corporation (FINDECO). The three corporations operated as subsidiaries of the ZIMCO (Makuyana, Odhiambo, 2014). The political exclusiveness of the executive and UNIP enabled government interference in the parastatals, which created a system of political patronage that bred inefficiencies masked under trade and economic protectionist policies (Makuyana, Odhiambo, 2014). The nationalisation of the mines was completed in 1974, with the abrupt redemption of the ZIMCO bond issued during the 1969 nationalisation of the mines, and subsequent borrowing to finance it (Caramento, 2023). This previously would have required parliamentary approval but was made discretionary by the president with the advice of his close associate, who sought to benefit from it (Caramento, 2023; Munalula, 2001). The 1974 complete nationalisation led to the



creation of Roan Consolidated Mines (RCM) and Nchanga Consolidated Copper Mines (NCCM) placed under MINDECO. In the 1980s, MINDECO was replaced by Zambia Consolidated Copper Mines (ZCCM), which merged RCM and NCCM. To support small and medium-sized enterprises (SMEs), the government established the Small Industries Development Organisation (SIDO), which was undermined by political influence and limited resources (Mudenda, 2009).

Import-substitution strategies were more salient in the Second and Third National Development Plans (NDPs) (Thakur, 2024). The Second NDP (1972–78) focused on food security, import substitution, and economic diversification. The plan was more reactive to challenges posed by the UDI in Southern Rhodesia. The Third NDP (1979–83) sought to attain socialism, adopt labour-intensive technologies to attain full employment, use local raw materials and establish capital goods industries, create a strong rural economy, explore non-copper minerals, speed up the Zambianisation reforms, maintain price stability, and grow the economy at 6%. However, Seekings and Tembo criticised both plans for being overambitious and out of step with economic realities. The Third NDP was replaced by the IMF SAPs in 1985 (Seekings, Tembo, 2019; Thakur, 2024). The 1990s also saw a change in the industrial policy landscape as the government implemented the Commercial, Trade and Industrial (CTI) policy, aiming to support industries that maximise the use of local raw materials and foster long-run linkages with manufacturing and other sectors. It also outlined a shift from import-substitution industrialisation to export-led industrialisation with a focus on food products, wood products, textiles, clothing, leather, and other natural resource-based industries.

However, the most consequential policies of the 1990s were defined by the IMF and World Bank SAPs and Heavily Indebted Poor Countries (HIPC) initiatives. The 1990s started with an economy on its knees, with shortages of basic commodities and food riots in the Copperbelt Province and Lusaka (Rakner, 2003; Situmbeko, Zulu, 2004). Political pressure, the nearing end of white minority rule in Southern Africa, and the end of the Cold War paved the way for a return to multiparty politics and the election of Fredrick Chiluba of the Movement for Multi-party Democracy (MMD) (Fraser, 2008). With limited economic leeway, pressure from the Paris Club members and a political honeymoon and policy space created by the 1991 political transition, the MMD committed to implementing the IMF SAPs, which had various conditionalities for IMF loans (Situmbeko, Zulu, 2004). These conditions included the privatisation of SOEs, trade, agriculture, exchange rate and monetary liberalisation, private sector investment reforms, and austerity measures. Civil society and labour unions, which previously opposed the SAPs, were part of the MMD because their former leaders were members (Simutanyi, 1996; Situmbeko, Zulu, 2004).



Initially, the privatisation of SOEs progressed slowly, with only 15 enterprises privatised by 1994, but it accelerated rapidly, with 257 privatised by 2001 (Situmbeko, Zulu, 2004). Although privatisation improved the performance of some SOEs, it also led to the collapse of many enterprises, asset stripping, job losses, and a decline in workers' welfare, such that by the 2000s, public sentiment against the process had strengthened. A sense of betrayal had formed among ordinary citizens and trade unionists because of the government and investors' inability to protect workers' interests (Malisase, 2021, Situmbeko, Zulu, 2004). President Levy Mwanawasa, elected in 2002, was reluctant to privatise the Zambia National Commercial Bank (ZANACO), the Zambia Electricity Supply Corporation (ZESCO), water utilities, and the Zambia Telecommunication Company Limited (ZAMTEL), which were included as conditionalities for the HIPC completion point. Local CSOs and trade unions also opposed the proposal, while the government and the IMF engaged in a series of negotiations (Situmbeko, Zulu, 2004). Although the government sold 49% shares in ZANACO to Rabobank of the Netherlands in 2007 and listed some shares on the Lusaka Securities Exchange (LuSE), it managed to convince the IMF to settle for the "commercialisation" of ZESCO, ZAMTEL, Zambia Postal Services (ZAMPOST), and water utilities to safeguard public and its own interests (Konga, 2007; World Bank, 2007). MMD and Mwanawasa were elected on a weak mandate in 2001 and, by 2006, had lost urban support (Lusaka and Copperbelt) to Michael Sata's Patriotic Front (PF). This period saw the entrance of Chinese investment in Zambia, with the establishment of the Bank of China in 1997. Lee (2014) concluded that for Zambia, "Chinese state capital's logic of encompassing accumulation makes it more accommodating and negotiable than global private capital to the Zambian state strategy of development, if there is a vision and political will" (quoted in Bebbington, et al. 2018, p. 145). At the time, Lee also argued that China's long-term planning included bringing manufacturing to Zambia. This has come to fruition in recent years with Chinese–Zambian joint ventures in the production of automotive batteries, power storage units, and transformers in the Chibombo area; the establishment of a fertiliser production company that aims to be a regional hub; and a planned oil refinery in the Copperbelt. In addition, Chinese firms have invested heavily in the energy sector, particularly in hydro, solar, and geothermal energy (Borodyna et al., 2025).

Trade liberalisation occurred between 1993 and 1996. The World Bank and IMF prescribed a four-tier tariff band (0%, 5%, 15%, and 25%) system, which led to an average tariff of around 13%, with 21% of tariff lines completely duty-free, compared with a World Trade Organization (WTO)-bound rate of 35% to 60%. (Situmbeko, Zulu, 2004). The low tariffs benefited consumers at the expense of local industries, contributing to the de-industrialisation that characterised the early 1990s. Privatisation, trade, exchange rate, and monetary liberalisation contributed to the decline in manufacturing employment from 94,218 in 1990 (5.1% of the working population) to 77,515 in 2000 (2.8% of the working population) (ZamStats, 1995; 2003). In addition, trade liberalisation reduced government



revenue from tariffs by more than 50% amid austerity (Situmbeko, Zulu, 2004). Before 1991, the government subsidised the agricultural sector through agricultural credits to farmers, marketing of inputs (i.e., fertiliser and seed), and output (maize grain, sunflower, and cotton). However, the SAP required the government to liberalise the agricultural sector by removing the subsidies to improve the performance of the sector. These measures proved ineffective and a World Bank study acknowledged that the removal of all the subsidies stagnated and regressed the agricultural sector. Oxfam pointed to the reforms as a factor in the rise in poverty and food insecurity. In 2002, the government introduced the Fertiliser Support Programme (FSP) to provide inputs to small-scale farmers and later expanded it into the Farmer Input Support Programme (FISP).

The policy and legislative reforms of the 1990s aimed to create an enabling environment for the private sector. The Privatisation Act No. 21 facilitated the privatisation process, while the Investment Act allowed for the repatriation of 100% after tax profit by foreign investors. The formulation of the legislation and the agreements and strategies for the SAPs and HIPC initiative were largely foreign driven. Although local stakeholders were consulted for the Policy Framework Papers (PFP) and the Poverty Reduction Strategy Paper (PRSP), the consultation was restricted to their respective frameworks for macroeconomic components of the paper (Situmbeko, 2004). However, the copper price boom of the mid-2000s and MMD's unpopularity appeared to have amplified civil society's voice for reforms and the MMD willingness to undertake them.

While continuing with its investor-friendly policies, the government responded to public interest by amending the Investment Act, enacting the Citizen Economic Empowerment Act of 2006, and adopting and implementing the first Public Sector Development Reforms Programme (PSDRP) to reform the private sector and improve the business environment. The same year, Zambia Investment Centre, the Zambia Privatisation Agency, Export Board of Zambia, Small Enterprises Development Board, and Zambia Export Processing Zones Authority joined to create a one-stop shop, the Zambia Development Agency (ZDA) through the ZDA Act of 2006. President Mwanawasa had also requested help from the Japan International Corporation Agency (JICA) in investment promotion, which engaged a Malaysian firm to assist in creating an investment and business-friendly environment through the Triangle of Hope (TOH) programme (Shimoda, 2009).² TOH led to the development of the Lusaka South Multi-Facility Economic Zone (MFEZ) and an industrial yard. So far, Zambia has seven MFEZs and several industrial yards modelled after Asia's free trade zones (FTZs), export processing zones (EPZs), and industrial parks. The MFEZs initially received low Foreign Direct Investment (FDI) due to unclear

²The "Triangle of Hope" (TOH) in Zambia was a strategic investment initiative launched around 2006, which was designed to improve the country's business climate by emulating Malaysian development models. The initiative aimed to boost private sector-driven economic growth and foster investment in Zambia.



benefits of operating in the Special Economic Zones (SEZs), infrastructural inadequacies (unreliable power supply and poor road networks), local and regional policy inconsistencies, and inadequate managerial capacity (Chiwele et al., 2024; Mwansa et al., 2020). In addition, MFEZ were designed by the government with limited participation of the business community.

In 2018, the CTI was revised to promote value addition, economic diversification, investment in export-oriented industries, productivity, innovation, and technology. However, its implementation was largely unsuccessful due to a lack of public awareness, institutional support, and coordination. The CTI was split into two separate policies in 2018: the National Industrial Policy (NIP) 2018–2027 and the National Trade Policy (NTP) 2018–2027. NIP emphasises the country’s export-oriented industrialisation policy, with a focus on eight manufacturing subsectors: processed foods, textiles and garments, engineering products, wood and wood products, leather and leather products, mineral processing and products, pharmaceuticals, and the blue economy. The NTP aims to contribute to economic diversification by promoting and stimulating a competitive trade sector. It considers the implementation of various policies, including tariffs (i.e. export duties) and non-tariff policies. The government also published the National Local Content Strategy in 2018. Compulsory local content regulations were enacted for the mining sector in 2025 after years of political contestation involving the government, mine suppliers, multilateral institutions, politically exposed mine suppliers, mine constituents, but above all, the powerful mining industry.

3. Industrialisation in the Regional Context

As described above, since the 1970s, Zambia’s industrial and trade policy evolved from a highly interventionist regime with widespread state control to a substantially liberal market-oriented regime after 1991. In addition to adopting some unilateral market-oriented trade and industrial policies, Zambia entrenched these reforms in regional economic communities (RECs). In particular, the country joined the Common Market for Eastern and Southern Africa (COMESA) that attained a free trade area in 2000, the Southern Africa Development Community (SADC) that formed an FTA in 2008, the Tripartite Free Trade Area, and the African Continental Free Trade Area (AfCFTA). The Tripartite Free Trade Area, which comprises COMESA, SADC, and the East African Community (EAC), was formed to resolve the problems of overlapping membership. These RECs fall under the umbrella of the AU’s African-wide economic integration as envisaged by the Abuja Treaty.

Less studied in the literature are the interactions and effectiveness of regional and national-level policies and stakeholder influences in accelerating industrialisation through



trade. This section documents Zambia's industrial policy in the context of the SADC integration framework. This section uses trade data analysis and literature review to explore the extent to which intra-SADC trade flows foster industrialisation and its implications for Zambia. Overall, it finds that Zambia's industrial policy aligns with the SADC and COMESA frameworks. At the same time, its regional exports consist mainly of final products with limited participation in regional value chains (RVCs). Intra-regional exports remain low, dominated by final manufacturers, while extra-regional exports are mainly primary commodities destined to Asian and European countries.

The rest of the section is organised as follows: subsection 1 presents an overview of Zambia's participation in regional integration schemes; subsection 2 focuses on intra-regional trade; subsection 3 looks at Zambia's industrialisation in the context of SADC; subsection 4 looks at trade corridors at facilitators of industrialisation; and subsection 5 focuses on SADC's critical minerals endowment.

3.1 Participation in Regional Trade Integration Schemes

3.1.1 Multilateral level

Zambia is a signatory to multilateral, regional, and bilateral trade arrangements. At the multilateral level, the country has been a member of the General Agreement on Tariffs and Trade (GATT), the precursor to the World Trade Organization, since 1982. The country participates in all major WTO agreements, including the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), the General Agreement on Trade in Services (GATS), and the Trade Facilitation Agreement (TFA), which it ratified in 2015 (UNCTAD, 2016). The WTO framework remains critical in providing disciplines, rules, and obligations within which Zambia can participate in international trade predictably and expand its market access, particularly with countries with which it has no alternative agreements. The WTO agreements governing merchandise trade accord most-favoured-nation treatment to all its trading partners.

In addition, Zambia is aligned with other groupings in its trade and negotiations agenda within the WTO. Among these are the African, Caribbean, and Pacific countries (ACP) with preferences from the European Union (EU). Under this arrangement, Zambia was the chair for the East and Southern African countries' negotiations for the Economic Partnership Agreements (EPAs) with the EU. Although most of the member countries have signed the EPAs, Zambia could not sign as it was, as a chair, caught between member states that signed and those that did not. Thus, the country has continued to negotiate the EPA with the EU. Zambia has also chaired the African group (African Members of the WTO) and the G-90 (comprising the African Group, ACP, and least-developed countries) during the WTO



negotiations. The country also benefits from preferential trade schemes under the Generalised System of Preferences (GSP) programme, such as the African Growth Opportunity Act (AGOA) and the EU's Everything but Arms initiative (EBA). Zambia is yet to conclude the economic partnerships with the EU.

3.1.2 Regional integration

The issue of industrialisation is central to political and economic integration at continental and regional level. This desire is reflected in the 1980 Lagos Plan of Action and 1991 Abuja Treaty that advocated for member states to give industrialisation prominence in their development plans (Organisation of African Unity, 1980, p.15), and for regional industrial cooperation and harmonisation of industrial activities to support national efforts to industrialise. The Abuja Treaty further called for African countries to harmonise their industrial policies and adopt common industrial policies in which RECS can implement joint industrial development projects at regional levels. This centrality of industrialisation arose from the need for structural transformation and understanding that intra-regional trade can only grow in response to the expansion of the regional economy.

The aspirations of the AU have been translated into regional industrialisation policies and strategies. In 2008 the AU adopted the Action Plan for the Accelerated Industrial Development of Africa (AIDA) calling for African states to develop and implement industrial policies. In 2019, the AfCFTA was launched to prioritise market integration through accelerated trade liberalisation, customs cooperation, and the alignment of national policies with regional trade frameworks. The Boosting Intra-African Trade Framework anchored on the AIDA aims to increase intra-African trade from the current 10% to 25% by 2030 (African Union, 2025) by stimulating manufacturing through RVCs at the national and continental level. In addition, the Comprehensive African Agriculture Development Programme promotes improved agricultural productivity and agro-processing industrialisation for food security and rural development. The AU industrial policies benefit from the policies and strategies of RECs. The AU promotes the development of cross-border collaboration through RVCs. Beyond providing policy frameworks, the AU envisages mobilising resources and technical assistance to facilitate the provision and implementation of complementary services such as technical assistance for such programmes (African Union, 2025).

Zambia is a founding member of both COMESA and SADC at the regional level. It is also a signatory to the Tripartite FTA (TFTA) agreement that brings together member states of COMESA, EAC, and SADC towards continental integration. Since its inception in 1981, COMESA's main objective has focused on promoting intra-regional cooperation and trade-led market integration, transitioning from a Free Trade Area (FTA) to a Customs



Union. In 2001, 9 of its 21 member states established an FTA with Zambia as a founding member.

Recognising the limitations of fostering market integration with limited industrialisation, COMESA in 2006 initiated efforts towards the adoption of a regional-wide industrial policy and strategy. Initial efforts focused on agro-processing and the growth of Multi-facility Economic Zones (MFEZs) and SMEs.. Subsequently, COMESA developed a Industrialisation Policy (2015–2030) and an Industrial Strategy (2017–2026). Based on the policy, the Industrial Strategy has prioritised nine sectors that include agro-processing, livestock development, chemicals, fertiliser, leather and leather products and textiles and garments. These sectors are perceived to have the greatest impact on sustainable and inclusive economic growth to achieve structural transformation of the economies of COMESA member states (Woolfrey, Verhaeghe, 2017).

The Southern African Development Community (SADC), the successor to the Southern African Development Coordination Conference (SADCC), was established in 1980 as a political grouping aimed at isolating and reducing its economic dependence on Apartheid South Africa by leveraging the specific characteristics and strengths of each country and its resources. Following South Africa's transition to a democracy, a new SADC treaty was signed in 1992.

The treaty embraced the developmental objectives and adopted an interstate and developmental approach rather than a market approach to regional integration. The regional programmes are anchored in the Regional Indicative Strategic Development Plan (RISDP), which provides for a development-integration approach in the SADC. The RISDP (2001) and its successors seek to address production, infrastructure, and efficiency barriers to growth and development of the region. The plan has three priority clusters: (i) industrial development and market integration; (ii) infrastructure development in support of regional integration; and (iii) social and human capital development. It also covers cross-cutting issues such as gender, youth, environment and climate change, and disaster risk management. The infrastructure support for regional integration includes trade facilitation, trade corridors, border facilities, and electricity or power interconnectivity for sustainable industrial production. Some of SADC's policy initiatives have been adopted at the continental level and are implemented by the continent's RECs (Shinyekwa et al., 2019). In 2013, the SADC Council of Ministers approved the SADC Industrial Development Policy Framework, in 2015 the SADC Industrialisation Strategy and Roadmap 2015–2063, and in 2017 an Action Plan for the SADC Industrialisation Strategy and Roadmap. These are supported by supplementary policies like the Industrial Upgrading and Modernisation Programme of 2009 that seek to diversify the region's manufacturing base through value in addition to local primary resources that prioritise agro-food processing; fisheries; forestry (wood and wood products); textiles and garments; leather and leather products; processing



of mineral (metallic and non-metallic) products (beneficiation); pharmaceuticals and chemicals; machinery and equipment; and services.

The policy recognises the need to take advantage of country-specific advantages through participation in promoting regional value chains and production network linkages across borders that have the potential to stimulate efficiency gains generated through integrated regional markets built on comparative and competitive advantages.

Regional economic communities, in particular the SADC, are entirely reliant on member states to put into effect developmental integration initiatives for the realisation of the grouping's objectives. As a member of both SADC and COMESA, Zambia has, since the 1990s, been implementing its own National Development Plans (NDPs) and trade and industrial policies that are broadly aligned with the SADC Industrialisation Strategy and Roadmap (2015–2063) and the COMESA Industrial Strategy 2017–2026. Like in many developing countries, Zambia's industrial policy has evolved over the years.

In its pursuit of industrialisation, Zambia has implemented several policies such as the creation of a conducive environment for private sector driven investment and establishment of multifacility economic zones that combined features of the export processing zones, free trade zones, and industrial parks. These zones offer special fiscal incentives and complementary infrastructure to accelerate the inflow of FDI, especially in the export sectors. Until recently, the private sector uptake of the MFEZs remained low because they were not demanded by the private sector but were state-driven. To improve stakeholder participation and promote policy uptake by the private sector, the government has activated government-business relations by creating the public–private dialogue forum. The forum brings together the business community and high-ranking government officials, chaired by the president with a goal of identifying and resolving any policy and other bottlenecks to private sector growth (Chiwele et al., 2024). In addition, the private sector associations are consulted in any trade and industrial policymaking process.

To support the growth of SMEs, the state established the Citizens Economic Empowerment Commission (CEEC) to provide short-term capital. In addition, it also set up a credit guarantee scheme to de-risk SMEs. The government also re-established the Industrial Development Corporation (IDC) not only as a holding company of all SOEs but as the government's industrial sector investment arm.

Recent efforts have sought to extend the use of MFEZs across borders to leverage cross-country complementarities. Since 2004, Zambia and Zimbabwe, through the AU and COMESA, have explored establishing an agro-processing zone along the border. Further efforts have been made to establish an electric vehicle battery manufacturing MFEZ between Zambia and the DRC, based on their complementarities in mineral and human resources. This will be discussed in more detail below.

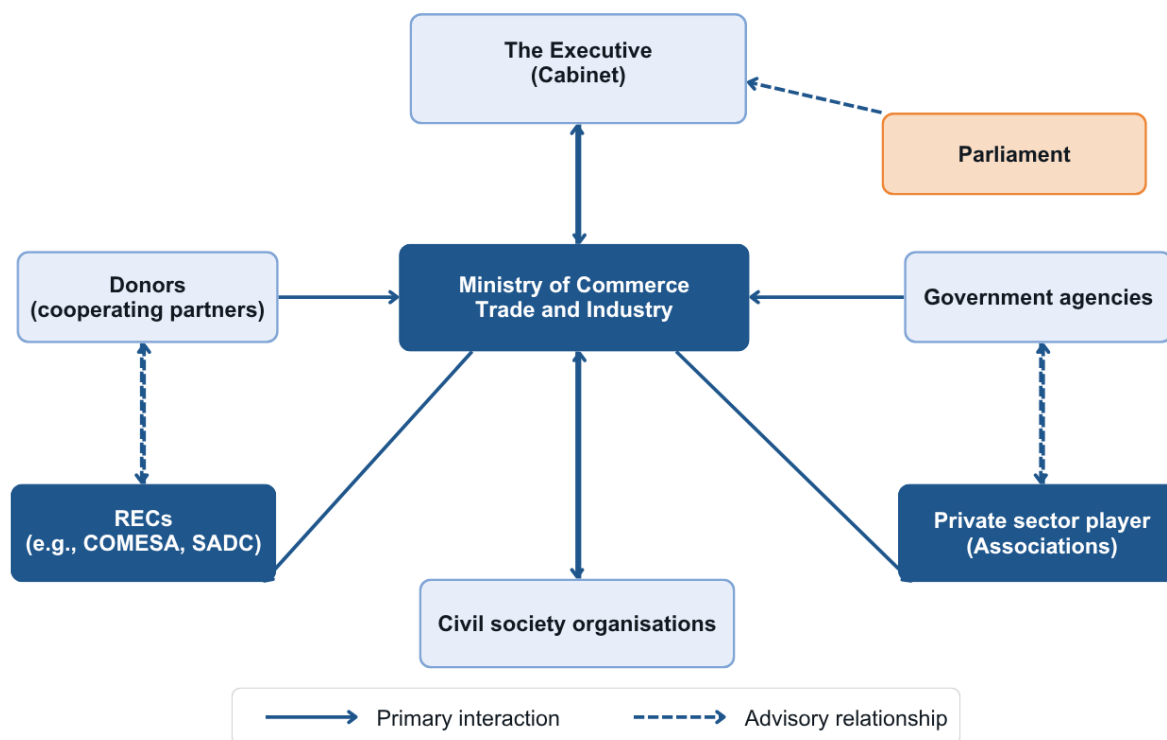


3.1.3 Stakeholders in national, regional, and industrial policy

As mentioned in the introductory section, while policies and strategies have been adopted at the regional level, their effectiveness depends in part on the interaction between political and economic actors. As noted by Whitfield et al. (2015) and Putnam (1988), political dynamics in countries largely shape which industrial policies are pursued, the sectors they prioritise, and the incentives they deploy. In particular, how political elites, bureaucrats, and various categories of private sector actors interact and profit together determines the rent space. At the regional level, the interaction between regional negotiations and domestic political considerations further complicates the design and implementation of regional industrial strategies. As Byiers et al. (2018a) argue, RECs may not easily arbitrate in the same way national governments can regarding the distribution of future benefits of joint policies across countries, or in minimising the adverse effects of policies for clearly distinct groups across countries.

Therefore, the way political elites engage with different subgroups of the private sector affects their negotiation positions at the regional level and subsequent implementation of regional commitments. The formulation of policies in Zambia requires evidence of wide consultations with stakeholders that involve government agencies and other local producer associations (representing firms, academia, and CSOs) and international partners (bilateral and multilateral partners) for executive approval. The Ministry of Commerce Trade and Industry has the mandate to design and implement industrial policies with the approval of the executive.

Figure 3: Stakeholder Map of Actors that Influence Zambia's Industrial Policy



Source: compiled by the authors

Despite having the mandate, the Ministry is obliged to consult with various stakeholders that include the producer associations such as the Zambia Association of Manufacturers, the Zambia Chamber of Commerce and Industry, and the Zambia Chamber of Small and Medium Business Association for their inputs. Some larger firms or groups lobby in their individual capacity. The interests of larger investors with strong connections with political entities are likely to be accepted by policymakers. For example, some larger mining conglomerates have been granted dedicated MFEZs (Chambeshi, developed by Chinese investors, and Kalumbila) for their industrial activities.

The formulation of Zambian industrial policy and strategies has also benefited from the financial and technical support from RECs, particularly SADC and COMESA and cooperating partners. These RECs, and donors such as UNECA, GIZ, and the EU, leverage their influence by supplying funds and technical expertise to formulate and build institutional capacity. In cases of cross-border joint programmes, RECs coordinate the integration processes and facilitate inter-country coordination in addition to facilitating the sourcing of funds. Other partners, such as the African Development Bank, World Bank,



UNIDO, the EU's 11th European Development Fund, International Trade Centre (ITC), and EIF, continue to play an important role, providing not only technical support but also complementary facilities such as trade facilitation infrastructure, value chains analyses, and capacity building for policymakers. In terms of power and influence, funding agencies play a critical role in initiating projects, and the recipient countries play a relatively passive role. However, the executive and the political elite play an important role in terms of incentivising the preferred sectors and approval of policies. This can be observed from the protracted process of enacting the local content policy and the 2024 Minerals Regulation Commission Act due to content contestations between policymakers and power interest groups within the private sector.

Stakeholder Mapping

Below, we list the most salient stakeholders that influence Zambia's trade and industrial policy, their formal roles and responsibilities, and their informal activities and influences.

STAKEHOLDER	ROLES AND RESPONSIBILITIES	INFORMAL ACTIVITIES AND TACIT INFLUENCES
National Institutions		
State House/Presidency	Provides overarching leadership and guidance over Zambia's industrialisation and regional integration agenda. Sets the strategic direction for national policy, including decisions on Special Economic Zones, mining, and Zambia's position in the SADC, COMESA, and AfCFTA frameworks	Direct and informal influence over key industrialisation decisions, including the ministry's appointments and the terms of major foreign investment agreements. Political will from State House can advance or stall industrial policy reforms and regional integration commitments
Ministry Of Mines and Mineral Development (MMMD)	Responsible for formulating mining policy and regulation and overseeing the management of the mining sector. Regulation of the mining sector is now the responsibility of the newly created Minerals Regulation Commission. Thus, the role of the ministry includes conducting and managing mineral exploration, promoting large-scale mining	The Ministry influences the Minerals Regulation Commission. Currently, the Commission is composed of Ministry officials, with a Board appointed by the minister. Furthermore, the minister has appointed members of the Mining Appeals Tribunal, indirectly influencing recourse for mining disputes. MMMD frequently engages informally with mining companies to understand sector challenges, which in turn guide policy adjustments and regulatory measures.



	and mineral investments and working with the Commission to oversee ASM operations.	
Ministry of Trade, Commerce and Industry	Administers national policy for private sector development, coordinating commercial and trade matters while liaising with various public and private organisations to implement government policies related to trade and industry.	Political and business interests influence Zambia's trade and industrial policy. Furthermore, cooperating partners usually tie industrial and trade reforms as part of conditionalities for loans and development assistance.
Ministry Of Green Economy and Environment (MGEE)	Promotes effective and sustainable environmental practices, facilitating support for climate change mitigation through low-carbon developments.	International cooperation partners, local and foreign business interests, and politicians and elite groups influence climate and environment policies.
Ministry of Finance and National Planning (MOF)	Manages national fiscal policies, including taxation and tax incentives for Mining, manufacturers, and Special Economic Zones.	MOF is often influenced by political dynamics, particularly from State House and industrial companies. Informal discussions with industry stakeholders help shape budget allocations and fiscal incentives.
Ministry Of Energy (MoE)	Oversees the management and development of the energy sector and regulates bodies like the Energy Regulation Board (ERB) and the Rural Electrification Authority (REA).	MoE's decisions can be shaped by political interference. The minister engages informally with various stakeholders, including ZESCO, CEC, Independent Power Producers (IPPs), and large industrial consumers, to shape decisions around investments in energy projects and tariff adjustments.
Local Governments	Engage with communities to oversee the implementation of regulations and ensure local interests are considered in industrial development. They are responsible for providing and policing various public goods and services and collecting levies from entities, including property rates.	Local authorities engage informally with firms to negotiate terms that benefit local populations, influencing the social licence to operate. However, inadequate financial and technical capacity limit their ability to ensure quality public services.



National Assembly of Zambia (NAZ)	Enacts laws and oversees government actions, including those related to the mining and energy sectors. They provide oversight of executive decisions and approve the national budget, debt, and asset sales.	Informal discussions among members can shape legislative priorities and influence the regulatory landscape for mining operations. However, the executive sometimes makes decisions without parliamentary approval, and inadequate institutional capacity can hinder effective oversight.
Minerals Regulation Commission (MRC)	Oversees mineral resource management, ensuring compliance with laws and issuing mining licences while monitoring exploration and extraction to promote sustainability.	The MRC currently comprises mostly former MMMD officials. Thus, there are concerns that the Commission could perpetuate the status quo. Besides, without adequate financial and technical capacitation, the MRC might not effectively perform its functions.
Zambia Environmental Management Agency (ZEMA)	Responsible for approving Environmental and Social Impact Assessments. Ensures that industrial growth complies with national environmental standards	ZEMA faces challenges due to inadequate resources and political interference, impacting its monitoring capabilities. The agency fosters informal dialogues with the public and industries to shape environmental policies and promote sustainable practices.
Zambia Revenue Authority (ZRA)	Administers tax policy, ensuring compliance with tax laws.	ZRA's effectiveness can be hindered by structural weaknesses and political influences. The authority engages informally with businesses to encourage compliance strategies and enhance transparency in tax reporting.
Zambia Development Agency (ZDA)	Promotes trade, investment, and business development, enhancing the country's investment profile for increased capital inflows and job creation.	Through informal networking with investors, ZDA influences perceptions of Zambia as an investment destination, shaping resource allocation for industrial development.
Energy Regulation Board (ERB)	Regulates the energy sector by reviewing and approving prices and tariffs for energy products, ensuring fair pricing and availability.	Historically, ERB's independence has been compromised by political influences. It engages informally with industry players to align energy pricing with market realities, while also responding to government directives.
Zambia Consolidated Copper Mines Investment Holdings (ZCCM-IH) Plc	Oversees government investments in the mining sector and manages shares in various mining firms.	Political dynamics surrounding the State House influence ZCCM-IH's operations. Informal discussions with industry stakeholders guide investment strategies and operational practices.



Zambia Electricity Supply Cooperation (ZESCO)	Dominates electricity generation, transmission, distribution, and supply, especially to mines.	Historically, political patronage and financial mismanagement have compromised ZESCO's ability to provide reliable power for industrialisation. Industrial investors cite energy insecurity as a major constraint, undermining Zambia's competitiveness within the regional market.
Zambia Renewable Energy Association (ZARENA)	Promotes large-scale adoption of renewable energy.	ZARENA influences energy practices through informal networking with government and regulators. It depends on international investor interest and cooperating partner support to advance policy changes that favour green industrialisation.
Cooperating Partners		
World Bank	Provides financing and policy advice to support economic diversification and private sector development.	The Bank's informal engagement with government officials helps shape investment, policy, and reforms.
Zambia Chamber of Mines (ZCM)	Advocates for the interests of mining and allied companies, lobbying for favourable policies and regulations.	They engage in informal dialogues with the government and other stakeholders to effectively shape mining policies.
African Development Bank (AfDB)	Provides development financing and technical assistance for economic growth and infrastructure projects, including sustainable resource management.	Informal interactions with local governments and the private sector enable AfDB to influence investment priorities.
Broader Civil Society	Advocate for improved community benefits from industrialisation while holding institutions accountable for equitable resource management.	Engaging in grassroots advocacy campaigns, CSOs raise awareness about environmental issues, shaping public policy and community perspectives on industry practices.
Academic and Research Institutions	Conduct research and provide analytical support and policy recommendations on economic developments, focusing on sustainability.	Influence national and regional policies through formal and informal collaborations, data sharing, and insights.



3.1.4 Industrial policy and intra-RECs trade outcomes

Zambia's industrial policy is also affected by the regional dynamics. Similar to national-level political dynamics where there are winners and losers, the design and implementation of industrial and trade policies remain interwoven in political and economic forces between countries within RECs. While sectoral impacts can be managed through national government processes, at a regional level the dynamics of winners and losers between countries are potentially different. Within countries, national winners and losers can easily be managed by the national process. National winners are potentially able to affect application of the regional strategy depending on their degree of political influence, that is, partly determined by the underlying political settlement that defines how power is distributed across countries and organisations.

The main aim of SADC's industrial policy as indicated in the Action Plan is "to facilitate the movement of SADC participation up the value chains where the highest value is derived" (SADC, 2017, p. 4). The Action Plan recognises the huge diversity among member states that is characterised by economic inequalities and imbalances among member states. The member states differ in terms of structure, endowments, size, and approaches to regional policy which created difficulties in designing regional industrial policy by SADC's industrialisation strategy (Byiers et al., 2018b). In particular, South Africa is dominant, yielding significant trade, industrial, and overall economic control, not only in the region but across the African continent. As a result, the political elites, labour movement, and business interests of South Africa remain central to any regional strategy.

The strength of South Africa has also been reflected in the private sector and labour movement inputs into the regional policy design. For example, several organisations that include the SADC Private Sector Forum, the Southern African Business Forum (SABF), and the SADC Business Council were established to provide private sector inputs into policy and strategy processes. However, Woolfrey and Verhaeghe (2017) argue that the events of the regional business community, represented by the SABF, is dominated by South African firms (such as supermarkets and financial and hospitality services) that have established themselves across the sub-region and the wider African continent. They suggest that this points to the presence of regional cartels affecting the value chains. The South African firms use this influence to push for liberalisation to exploit business opportunities and regional value chains at the expense of other member states, including Zambia.

As a result of the perceived inequalities within the SADC, member states tend to adopt policies to protect national industries, often at the expense of their neighbours. This element can be seen in the increasing use of other policy measures such as export and import bans as well as other non-tariff barriers (NTBs) to protect domestic industry.



3.1.5 Trade and industrial outcomes

Given the political economy of trade industrialisation within Africa and SADC, the empirical questions that arise are to what extent has African integration increased intra-RECs trade for the development of value chains? How has Zambia performed in the context of SADC? This section uses disaggregated and aggregated data to provide an overview of Zambia's trade patterns to infer its participation in regional and global value chains. What is clear is that intra-regional trade remains low.

3.2 Intra-regional Trade Performance

The African trade and industrial policy reforms are aimed at creating more intra-regional trade for the structural transformation of member states. However, evidence below shows that intra-African trade, which grew from at US\$98 billion in 2013 to US\$102 billion in 2022, remains small due to a lack of complementarity among member states. **Table 1** shows various indicators of intra-and extra-regional trade. Three key messages can be derived as follows:

First, intra-African trade represented only 10% of the total African exports, which falls below the intra-Asian and intra-EU trade respectively stood at 38% and 60%. This implies that 90% of African products are exported to other regions, mainly China and the European Union. This pattern is not surprising. Fundira (2023) shows that African countries, by virtue of their resource endowment, mainly export similar primary commodities (concentrated in minerals and oils) to the EU, China, and the rest of the world. Intra-regional trade remains small due to a lack of product complementarities across countries. The production structures are concentrated in primary goods such as minerals, oil, and primary agriculture products. Most of the intra-regional trade comprises mainly basic manufactures such as food, beverages, and chemicals.

Secondly, the level of intra-African trade is driven by a few regional groupings. The table shows that only 3 of the 8 RECs have intra-REC-exports above the African average of 10. These are SADC (19%), EAC (20%), and the Intergovernmental Authority on Development (or IGAD, 14%). These regions rank high in terms of total volume and sophistication or product quality of intra-African trade. However, a few countries also drive sophistication within groups. The SADC region trade volumes and sophistication is driven by South Africa while that of EAC by Kenya.



Table 1: Intra-African and intra-regional trade, 2017–2022

	Exports of Regional Blocks (%)					Imports of Regional Trade Blocks (%)					Total Volume and sophistication of Intra-African Trade	
REC	Intra-REC	China	EU	Africa	RoW	Intra-REC	China	EU	Africa	RoW	Index	Rank
ECCAS	2	24	20	4	25	3	34	19	5	26	0.288	7
SADC	19	20	20	3	30	16	27	21	3	25	0.385	1
UMA	3	5	63	2	19	3	5	64	2	18	0.285	8
ECOWAS	9	3	29	7	40	8	4	31	6	38	0.324	3
COMESA	9	12	37	7	30	9	13	38	5	29	0.338	2
IGAD	14	21	16	12	34	14	21	16	12	34	0.304	5
CEN-SAD	7	5	40	5	34	6	5	41	4	33	0.301	6
EAC	20	5	19	18	34	17	14	19	14	31	0.322	4
Africa Average	10	13	31	7	30	9	17	31	6	28	0.33	

Source: African Union, 2025. NB: See the abbreviation list for the full terms.

Finally, the shares of intra-REC imports do not substantially deviate from the export structure. The shares remain dominated by SADC, EAC, and IGAD. This trade structure suggests the need for industrialisation to diversify the export base to promote intra-regional trade.

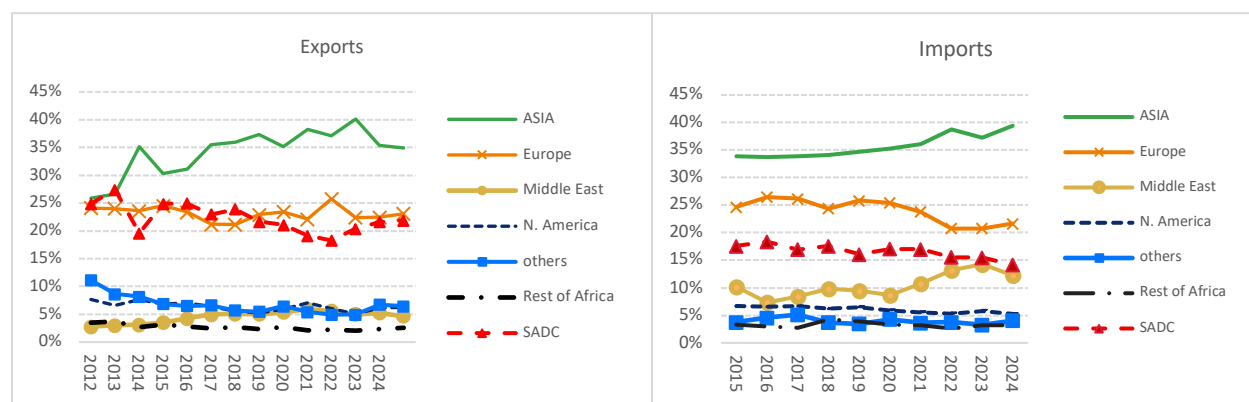
While the creation of the AfCFTA is expected to substantially increase intra-African trade, a simulation by the World Bank (2020) shows that gains in terms of incomes and trade will be unevenly distributed across Africa by 2035. While Cote d'Ivoire, Zimbabwe, Kenya, and DRC are likely making large real income gains, Malawi, Madagascar, and Mozambique are likely to make little progress in increasing trade. Similarly, AfCFTA is expected to benefit countries such as Cameroon, Egypt, Ghana, Morocco, and Tunisia which are projected to experience the fastest growth of intra-AfCFTA exports, while the smallest export expansions are expected in the DRC, Mozambique, and Zambia. The inequalities in gains without compensation is likely to generate resentment among losers, resulting in imposing other restrictive measures to trade such as NTBs, that are already acknowledged as constraining intra-African trade.

3.2.1 Zambia and intra-SADC trade (2015–2023)

The period 2015 to 2023 recorded a surplus in merchandise trade in most of the years. The total exports by SADC member states increased from US\$154.3 billion in 2015 to US\$193.9 billion in 2018 and declined to US\$156.4 billion in 2020, largely in response to the disruptions to the global supply chains caused by COVID-19. However, the exports then surged to US\$254.1 billion. This represents a 45% increase over the review period. The imports followed a similar pattern, increasing from US\$159.5 billion in 2015 to US\$171.5 billion in 2018 before collapsing to US\$133.2 billion in 2020 and rose to US\$217 billion in 2023. The destinations and sources of the SADC region's trade are indicated in **Figure 4**, and the following can be observed. First, the SADC region trades more with Asia and the EU, with both regions accounting for about 63% of the total exports in 2023 (inferred from UNCOMTRADE data, 2026)

Secondly, intra-SADC export trade increased from US\$38.4 billion, representing 25% of total SADC trade in 2015, to US\$46.3 billion (24%) in 2018, before collapsing to US\$32.9 billion (21%) in 2020 and then rising to US\$45.9 billion (20%) in 2023. The average intra-SADC regional trade stands at 22%, which is higher than the 10 % intra-African trade. Finally, SADC trades less with the rest of Africa, which exports averaging 3% and imports at 4% (Ibid).

Figure 4: (left) SADC share of intra-regional exports to total exports; (right) SADC share of intra-regional imports in total imports



Source: Author's calculations using UNCOMTRADE (2026) database (accessed Dec 2025)

Table 2 shows large heterogeneities in terms of trade performance across the 16 member states. The estimates show that trade is concentrated among a few countries. South Africa, which is a dominant and more diversified economy in the region, is the major source of exports in the region. It accounted for over half (58.4%) of the intra-regional exports in 2023. It is followed by DRC (12.1%) and Zambia and Zimbabwe at 5.1% and 6.2% respectively.



Looking at the imports, the intra-SADC import structure is more diverse across countries than exports. South Africa is the major source of intra-regional flows to all the countries. In 2023, it imported about 18% of the total flows in the region, signifying the increased diversification of trade among member states in the region. The other major exporters within the region are DRC, Zambia, and Zimbabwe. The other major importers in the region are Botswana, Zambia, and Zimbabwe. These countries source more than 40% of their imports from South Africa. Although the shares for Eswatini, Lesotho, and Namibia look small in the total intra-SADC trade, these countries are also dependent on South Africa for their primary export and imports.

Table 2: Intra-SADC Trade as a share of total SADC Trade

Share of Total Intra-SADC Exports					Share of Total intra-SADC Imports			
	2015	2019	2021	2023	2015	2019	2021	2023
Angola	3.9	2.9	1.8	1.2	3.8	2.2	1.4	1.7
Botswana	4.7	2.0	2.1	1.8	23.4	17.7	17.9	14.8
Comoros	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1
Congo, Dem. Rep.	16.9	28.3	15.2	12.1	8.5	5.9	5.1	12.4
Eswatini	3.7	3.3	3.9	3.7	4.3	5.3	5.4	4.5
Lesotho	0.4	0.8	1.0	1.0	3.9	4.5	4.4	4.2
Madagascar	0.3	0.4	0.3	0.3	1.0	1.7	1.8	1.5
Malawi	0.8	0.4	0.5	0.6	2.6	2.8	2.8	2.9
Mauritius	1.4	1.7	1.5	1.3	3.1	4.7	3.6	3.6
Mozambique	0.0	3.7	3.3	3.4	0.0	9.2	9.1	7.9
Namibia	1.4	1.3	0.8	1.1	1.9	2.0	1.8	1.7
Seychelles	0.0	0.0	0.0	0.0	0.0	0.4	1.3	0.4
South Africa	52.7	44.3	54.3	58.4	20.1	20.7	19.1	17.6
Tanzania	3.2	2.0	2.9	3.6	2.4	2.3	2.1	2.3
Zambia	3.8	3.2	4.0	5.1	14.4	12.1	10.3	11.1
Zimbabwe	6.8	5.6	8.3	6.2	10.7	8.6	13.8	13.4

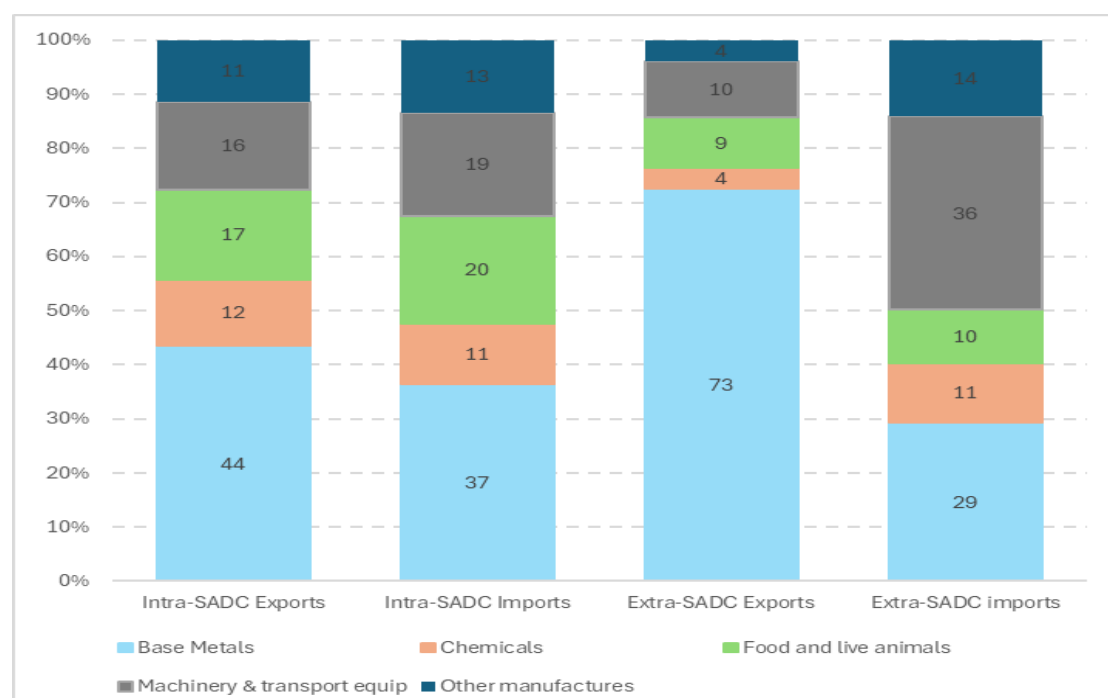
Source: Author's calculations using UNCOMTRADE (2026) database (accessed Dec 2025)

3.2.2 Composition of SADC trade and value chains

The composition of trade flows could be indicative of the existence of regional or extra-regional value chains. **Figure 5** shows the shares of commodity exports within and across regions. The figure is revealing. First, the extra-SADC exports are concentrated into base metals that account for over 73% in 2023. However, the extra-regional imports are more diversified, comprising mainly machinery, other manufacturers and about 29% base metals in the form of iron and steel.

The composition of the intra-SADC exports remains tilted towards manufactured products. The major manufacturers that account for about 54% of final intra-regional exports are processed foods, chemicals and machinery. Trade in base metals (combining gemstones, mineral products, and copper-based products) accounted for 44%.

Figure 5: Composition of Intra and Extra-SADC Trade 2023

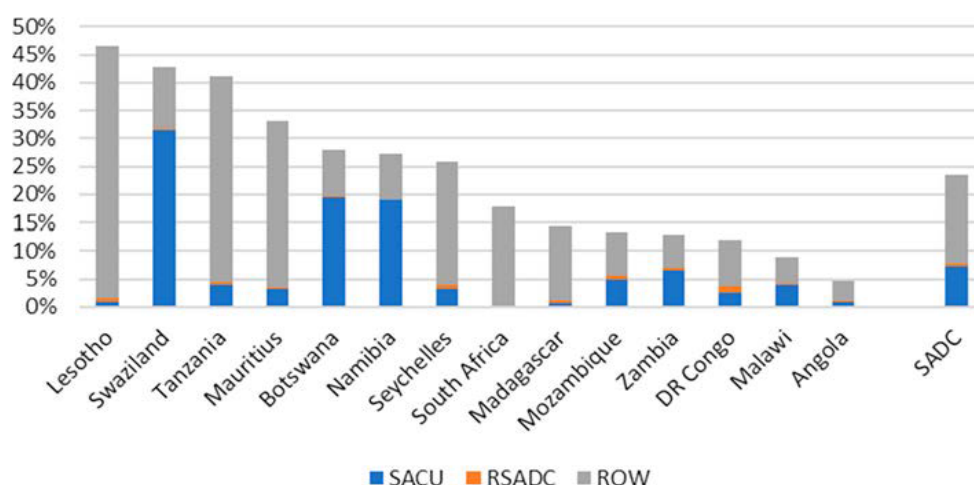


Source: Author's calculations using UNCOMTRADE (2026) database (accessed Dec 2025)

The increasing intra-regional trade in final products is indicative of increased integration among member states. Black et al. (2021) infer the country-level participation in RVCs using the UNCTAD-Eora GVC database, as shown in **Figure 6**, and make the following points. First, that countries such as Lesotho, Swaziland, and Tanzania have strong backward linkages with foreign value added, adding up to 47% in some cases. Production in these countries tends to be more downstream in the value chain. Secondly, countries like Angola, Malawi, Zambia, and DRC have low foreign value-added shares, suggesting

that greater forward linkages or a more upstream location in the value chains. These countries are commodity dependent. Thirdly, the share of regional value chains is quite high for Eswatini, Botswana, Namibia, and Zambia. These countries source their intermediate inputs from the production of final goods from within the region, particularly South Africa. The rest of the countries sourced their intermediate inputs and even final products from the rest of the world, indicating that the region is more integrated in the global value chain than the regional value chain.

Figure 6: Backward Integration into SADC and rest of the world by SADC in 2015



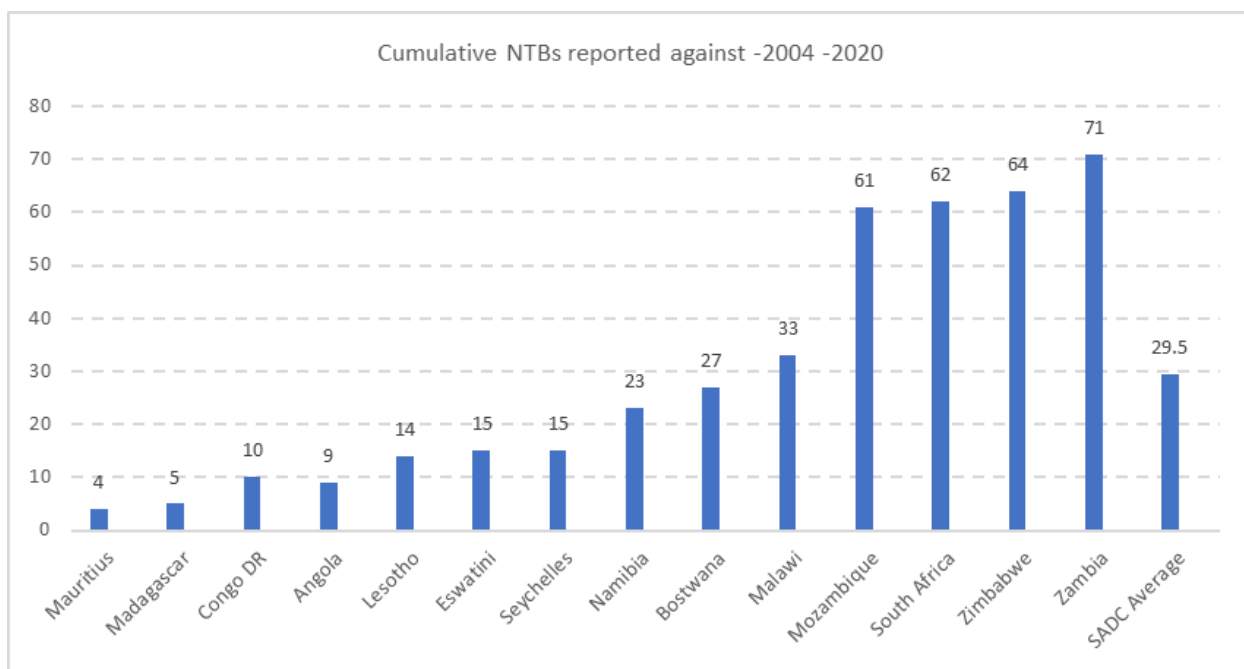
Source: Black et al. (2021, p. 8). NB: SACU = Southern African Customs Union; RSADC = Rest of SADC

Broadly, SADC is one of the African RECs with the highest intra-regional trade, averaging at 22 % compared to the African regional average of 10%. However, this still falls below that of advanced RECs such as the Association of Southeast Asian Nations. Several factors could constrain intra-regional trade. These include a lack of complementarity in the production structures among member states. This problem is compounded by restrictive and cumbersome rules of origin that make it difficult, especially for smaller states. The rules of origin are product specific that makes compliance cumbersome. In addition, SADC created an FTA in 2008 with substantial elimination of tariffs. Although the liberalisation was asymmetrical, the higher income states opening faster than low-income states, some member states such as Malawi have sought derogation from fully implementing the protocol to preserve their industry. While DRC and Angola have not been implementing the protocol.

As an option to protect domestic industry, most member states in some cases resorted to using a wide range of non-tariff barriers, including bans on the import of specific products which undermines the regional integration agenda. In the period 2009 to 2020,

over 420 NTBs were recorded in the SADC region. Figure 5 shows that NTBs are more pronounced against Zambia, Zimbabwe and South Africa, an indicator of the extent to which countries are ready to use alternative measures to protect their domestic firms from competitors within the region.

Figure 7: Cumulative NTBs reported against SADC member states (2004–2020)



Source: Adapted from Cheelo and Msiska (2022)

Another constraint relates to the weak complementary infrastructure, such as effective transport and logistics infrastructure. The resurgence of protectionism—particularly in the United States—has had indirect effects on global trade flows and supply chains.

3.3 Zambian Industrialisation

The interdependence of SADC member states with each other has huge implications for Zambia's industrial policy and development. The question is, how can Zambia's industrial policy fit into the regional integration process? To answer this question, we unpack the structure of Zambia's regional exports and infer its implications for industrial policy.

Although Zambia's exports to the SADC region grew, they remained volatile and marginally declined as a share of total national exports. The value of exports to the SADC region averaged US\$1.4 billion in the period 2015 to 2021, representing an average of 18% of the total exports and increased to US\$2.3 billion (22% of total exports) between

2022 and 2024. During this period, the Zambia continued to depend on the region for its imports. In the period 2012 to 2019, the regional imports accounted for an average of 50% and marginally declined to an average of 42% the total imports between 2020 and 2023 (UNCOMTRADE, 2026).

Zambia's main export destinations in the region are the DRC and South Africa, which together accounted for an average of 65.1% (at respectively 44.3 and 20.8) of the country's exports. The country also negotiated and concluded bilateral trade agreements with Angola and DRC which have not been implementing the protocol, which highlights the deep-rooted mistrust of the regional agenda to foster industrialisation by some member states. The other key markets are Zimbabwe (12.4%), Malawi (6.9%), Namibia (5.0%) and Tanzania (4.4%) as presented in **Table A1** in the appendix.

Table 3: Composition of Zambia's regional exports by top 6 destinations

	South Africa		DRC		Zimbabwe		Malawi		Tanzania		Botswana	
	2012	2023	2012	2023	2012	2023	2012	2023	2012	2023	2012	2023
Vegetable Products	6.9	4.9	6.1	1.4	58.9	4.9	1.8	1.4	20.5	30.5	20.4	2.0
Food beverages & Tobacco	13.9	32.1	12.7	32.2	25.6	21.3	7.6	25.8	37.5	19.7	8.9	9.9
Base metals (Iron & steel, non-ferr)	38.0	19.7	33.5	23.9	7.1	49.9	9.8	36.4	32.1	19.7	63.6	73.5
Textiles & clothing	7.1	4.3	0.1	0.3	0.3	1.2	1.5	0.8	0.0	0.9	0.0	0.1
Footwear, headgear, umbrellas	0.0	0.0	0.1	0.0	0.4	0.8	0.2	0.0	0.0	0.0	0.0	0.0
Machinery	9.4	16.6	5.6	3.3	0.4	3.3	0.4	11.9	2.4	3.9	3.8	1.8
Transport equipment	6.2	2.3	0.2	7.2	0.3	0.4	0.1	3.0	0.3	0.7	2.5	0.1
Precious metals	16.8	12.6	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.0
Others	1.6	7.4	41.8	31.6	7.4	19.0	78.8	20.7	6.9	24.6	0.7	12.5

Source: Author's calculations using UNCOMTRADE (2026) database (accessed Dec 2025)



Table 3 shows the composition of the export products by destination. In contrast to extra-regional exports, the country mainly exports final manufactures and consumer primary products like processed food and beverages and vegetables to most of the countries. The base metals, especially the copper wires and Iron and steel products, are also major Zambian exports in the region. Zambia mostly exports raw base metals and mineral products to South Africa, mainly because of the stringent requirements and rules of origin that limit the export of final products and participation in the downstream of the RVC, which is dominated by South Africa. According to Lee et al. (2006), South Africa, backed by the labour movement, insisted that the rules of origin under the SADC FTA be revised to make them less flexible to protect its industry. This makes Zambia and other regional member states highly reliant on South African imports. .

The imports remain diverse, with South Africa supplying over 70% of the regional imports by Zambia. The structure of imports comprises base metals (comprising iron and steel from South Africa and copper ores from DRC to processing), transport, and machinery, all of which serve as inputs into the large-scale mining investments in the country. The results are quite telling for industrialisation. First, Zambia participates in both global value chains through the export of primary commodities and RVCs, where its exports are dominated by final consumer goods comprising mainly basic processed food products and chemicals. This trade pattern suggests that preferential market access in the region is critical for Zambia's industrial policy. This should be supplemented by the information-based industrial policy, which promotes awareness and know-how among local producers about market access to these regional markets.

Secondly, Zambia's industrial structure remains a market friction to increased regional integration. Despite the entry of new products on the market, little progress has been made to increase exports into knowledge-intensive, high-value exports, partially because of the dominance of South Africa in exporting these goods to Zambia, which weakens its ability to compete in producing these products. Thus, a government policy option would be to support industrial policy initiatives that promote quality and product upgrading, make Zambia's exports competitive, and circumvent some of the politically imposed non-tariff barriers such as import bans, quality requirements, and sanitary and phytosanitary (SPS) requirements that limit exports to regional markets. This could include incentivising or direct support of research and development strategies for new products and quality upgrading. These strategies must be supported by the regional efforts to provide trade facilitation and industrial development infrastructure to lower the trade costs among member states.

Finally, Zambia, like other regional member states, continues to export raw materials and import manufactures. The lack of capacity to advance in the manufacturing value chains can

be attributed to limited investment in research and development, as well as skills for knowledge-intensive industries that are currently dominated by South Africa resulting in unequal trade within the region. The government needs to prioritise these areas in its regional industrial policy development to take advantage of the domestic and regional markets.

3.3.1 Facilitation of industrial development: power supply

Power supply is a critical ingredient of industrial development and productivity for enhanced market integration. While the SADC region has substantial natural resources essential for trade, some member states face an inadequate power supply to support industrialisation. The power supply problem persists despite the region being endowed with hydro, coal, and even solar potential, with some countries producing an excess of what they need. As reflected the National Energy Policy (2019), policymakers recognise this problem as not being down to regional capacity but due to a lack of inter-connectivity that can enable cross-border trade in electricity to stabilise networks. Moreover, the power infrastructure remained disjointed across member states.

In response, 12 SADC member states established the Southern Africa Power Pool (SAPP) in 1995 to coordinate the intra-regional power development and facilitate cross-border trade. In 2025, only Tanzania and Angola were not connected to the regional grid. The lack of connectivity across Zambia has, over the years, limited its participation in power trade. However, projects establishing interconnectors to other SAPP countries have advanced. The core objective of the SAPP agreement was to bring together power utilities for emergency support and long-term collaboration. The collaboration has four main agreements, which cover the areas of operations (which address standards guidelines), cross-border power pricing, and coordination.

Cross-border trade in electricity among SADC member states pre-dates the establishment of SAPP. Much of the trade was concentrated among neighbouring countries based on proximity and colonial experience. For example, South Africa has for a long time supplied power to the SACU region while Zambia and Zimbabwe have jointly developed power infrastructure since the 1950s. The establishment of SAPP has extended the power supply to states beyond the immediate neighbourhood such as between South Africa and Lesotho to countries like Zambia. In 2024, Zambia and Tanzania engaged in the development of an interconnector that will not only link Tanzania to the Southern Power pool but also bring together the Southern and Eastern African Power pools, which will result in the largest continental power trading bloc.

3.3.2 Trade in electricity

As earlier noted, countries in the SADC region have for a long time collaborated in the development of power infrastructure and trade. However, the establishment of SAPP



brought more coordination and predictability to the rules of engagement in electricity trade among member states. As the market has continued to develop, trade in electricity has also evolved. The trade, which was mainly around short-term energy markets in 2001, has evolved into a competitive electricity market in the SADC region. The countries can trade under four trading portfolios, namely Forward Physical Market – Monthly (FPM-M), Forward Physical Market, Weekly (FPM-W), Day-Ahead Market (DAM), and Intra-Day Market (IDM) in a bid to meet the unique needs of member states. These arrangements allow member states to enter into agreements based on their unique situations and requirements. Countries like Namibia and Botswana that have inadequate capacity to produce for their domestic demand tend to enter into longer-term contracts, whereas South Africa and Zambia, in good years, tend to enter short-term arrangements. However, the trade in short-term and longer-term power has recently been threatened by reduced production capacity in countries like Zimbabwe, Zambia, and South Africa due to governance issues and climate change

The overview of the data on the power production and trade situation for 2021 is presented in **Table 4** and Appendix **Table A2**. These tables show substantial asymmetries in power production capacities and trade needs. In particular, the Table 4 shows that virtually all SADC member states engage in importing electricity. This is not surprising since some border regions that tend to be far off the national grid tend to rely on neighbouring states for electricity supply. Secondly, most of the member states have limited capacity to produce enough for their domestic use and are net importers of electricity. The largest importers include Namibia, Eswatini, Lesotho, DRC, and Botswana. Although some of these countries exhibit large installed capacity, the operating capacity remains below the national demand for power, and hence they must import.

Table 4: Power supply and demand 2021

Country	Utility	Installed Capacity (MW)	Operating Capacity (MW)	Maximum Demand (MW)	Peak Demand +Reserves	generation (GWh)	Net Imports	Net Exports
Angola	RNT	4898	4426	2041	2481	15447	61	0
Botswana	BPC	928	459	610	702	4203	312	0



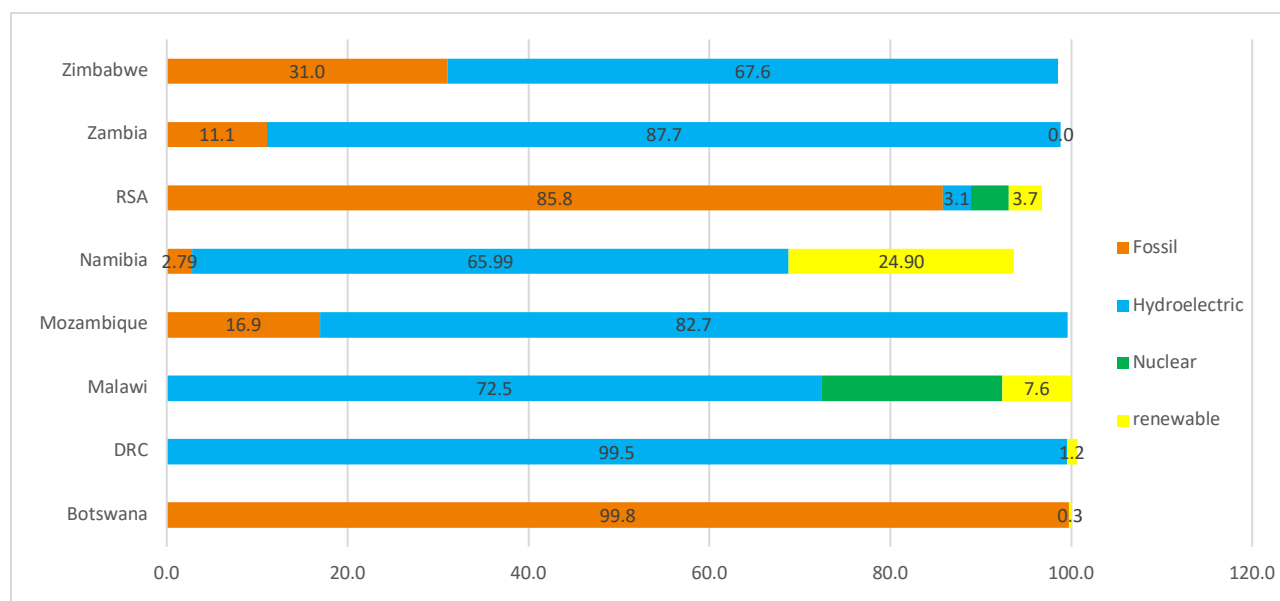
DRC	SNEL	2777	1589	1610	1705	8639	750	70
Eswatini	EEC	61	55	238	273	266	926	0
Lesotho	LEC	74	70	150	172	332	294	1
Malawi	ESCOM	497	330	317	373	1986	41	2
Mozambique	EDM/H CB/ MOTRA CO	2744	2279	1850	2128		52	457
Namibia	NamPo wer	614	390	695	1289	3537	3537	114
South Africa	ESKOM	51849	42817	38897	43975	218939	3	4169
Tanzania	TANES CO	2324	1758	1117	1328		121	0
Zambia	ZESCO/ CEC/LH PC	2975	2766	2237	2510	15947	17	1272
Zimbabwe	ZESA	2416	1555	1724	1724	8513	828	356

Source: Author's calculations using UNCOMTRADE (2026) database (accessed Dec 2025)

Table A2 reveals that a few countries, particularly South Africa, Zambia, and Mozambique, have dominated the export markets in the region. As the dominant economy, South Africa is the major source of power supply for most of the Southern African Customs Union (SACU) member states³ and is supplemented by Zambia and Mozambique. Zambia is also a major exporter to the DRC market. These countries have some of the largest installed capacities and jointly supply the power deficit member states.

The data for electricity production of selected countries in the region is presented in **Figure 8**. The data shows substantial variations in the sources of power generation across the selected SAPP member states.

Figure 8: Composition of Power generation by Source for selected member states



Source: Author's calculations using UNCOMTRADE (2026) database (accessed Dec 2025)

The figures show that individual member states lack a balanced energy production mix across the various sources of power. The power sources are not diversified but concentrated around fossil fuels and hydroelectric. The region has little or no nuclear and renewable power supply. Within countries, member states except Namibia (25% renewable and 66% hydro) and Zimbabwe (68% hydro and 31% fossil) tend to rely on

³ These comprise Botswana, Lesotho, Swaziland Namibia and South Africa.



one source only. For example, 86% of South Africa's energy source is fossil fuels, while Zambia and Mozambique rely on hydropower.

Second, the limited power diversification leaves them susceptible to problems resulting from climate change. The states that rely on hydropower, such as Zambia, Zimbabwe, and Mozambique, have been susceptible to droughts that have, over the year, compromised the power supply. For example, in 2024, Zambia and Zimbabwe were net importers with the load shed estimated at 600 MW and 300 MW, respectively, due to the drought that affected production in these countries. At the same time, countries that use fossil fuels, such as South Africa has received international criticism for not being climate smart.

The existing power mix suggests that countries in the region have not completely embraced green energy and have been slow to move towards lower-carbon technologies aimed at reducing the environmental damage from carbon and carbon equivalent emissions. The reasons for the slow transition are many. First, most successful countries tend to use targeted financial grants and fiscal instruments, such as loans, loan guarantees, and trade financing for green activities. However, most SADC member states have a high debt burden, which reduces their ability to finance the green transition. Secondly, the transition to green energy is knowledge intensive. Investment in skills and research for energy transition is not politically attractive compared to social spending serving as transition constraint.

The SAPP has largely succeeded in establishing competitive energy markets in the region. However, the improved stability of the network continues to face challenges. First, the weak transmission network. The region has limited investment in transmission lines which remains the obligation of member states. The transmission lines remain inadequate, poorly maintained, and in some cases do not exist at all. This makes seamless cross-border trade challenging, especially if all must import from one source at the same time. Secondly, alongside connectivity problems, the region is faced with climate change that threatens the growth of hydro and fossil fuel-based power generation. Thus, the region is promoting investments in green and clean energy through private sector players and state utilities.

Finally, SAPP is dominated by utilities that are owned by states with multiple objectives that go beyond profitability to the social needs of society. These are often poorly managed and are less competitive than private firms, which limits buoyancy on the regional markets. The dominance of parastatals, which subsidise power, has also crowded out private sector initiatives. However, SAPP is considering including Independent Power Producers (IPPs) from various SADC countries to enable them to supplement government efforts and participate in the competitive electricity market. For example,



Zambia in 2024 reformed its power sector by reducing the state monopoly. Prior to these reforms IPPs had rights to produce power but could not directly transmit and distribute to customers. Thus, they mainly sold power to the state-owned power company which distributed it to the consumers at lower tariff rates. This exacerbated the debts for the SOE. To address this problem, the state has opened up the production and the transmission lines to the private sector to supply their preferred markets, mainly, the mines. This move is expected to allow the SOE to produce for the less attractive and vulnerable segments of the markets, ultimately increasing power availability.

3.3.3 Stakeholders in energy

The interest in developing a vibrant and stable power supply market in SADC has received support from various donors and other stakeholders who have supported the development of projects through feasibility studies and financing. The SAPP programme has, through national governments, received financial support from development partners such as the European Union, African Development Bank, and World Bank, mainly to support capacity building and feasibility studies as part of a project's de-risking strategy. However, the ultimate investment into these projects remains the responsibility of individual member states. In addition, various institutions such as UNFCCC COP, AUDA-NEPAD, and the African Union Commission (AUC) support SADC/SAPP by assisting it to mobilise resources for power infrastructure development and climate change adaptation.

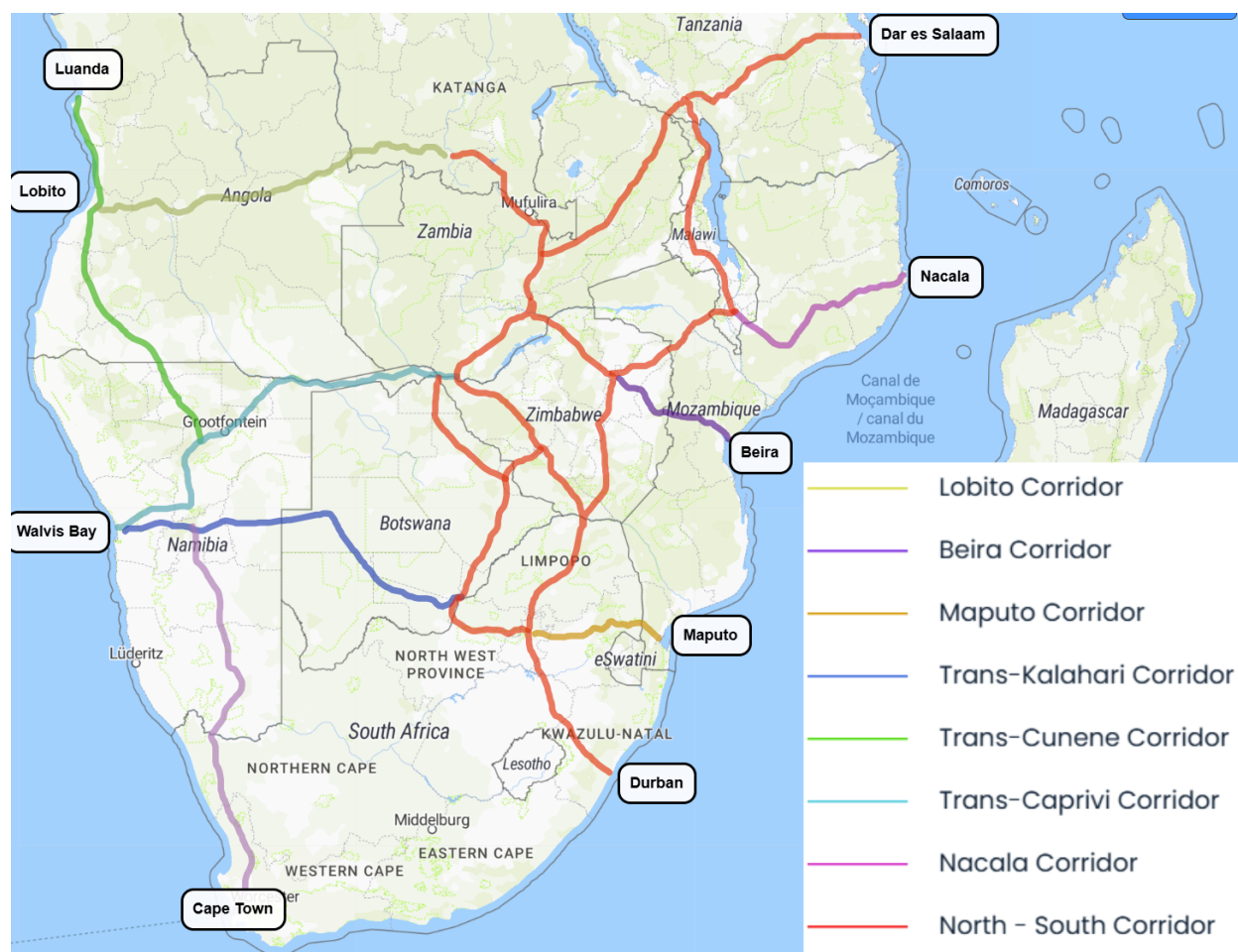
3.4. Facilitation of Industrial Development: Transport

In addition to collaboration in power supply for industrial development, SADC member states have committed themselves to facilitating trade through joint soft and hard infrastructure development. Zambia holds a pivotal position in Southern Africa due to its geographic location and rich mineral resources, particularly copper and cobalt, which are essential for electric vehicle batteries and renewable energy technologies. Its geographic location significantly influences regional trade, particularly through key transport corridors such as the North–South Corridor and the Lobito Corridor (World Bank, 2025).

During the early 20th century, the discovery of copper in the Copperbelt region led to an influx of foreign investment, primarily from British mining companies, establishing Zambia as one of the world's top copper producers. However, effective transportation of these minerals to international markets has historically been a challenge due to geographical constraints, Zambia being a landlocked country (Karkare and Byiers, 2025). The historical development of major transport corridors, such as the Tanzania-Zambia Railway Authority (TAZARA) and the Lobito Corridor, underscores Zambia's integral role in facilitating regional trade and industrialisation. Currently, Zambia's key transport corridors

include the Lobito–Benguela Corridor, connecting Zambia to the port of Lobito in Angola, the Trans Caprivi Corridor, linking Zambia to Namibia, the North–South Corridor, facilitating trade to the port of Durban in South Africa, the Beira Corridor, providing access to the port of Beira in Mozambique, the Nacala Corridor, connecting Zambia to the port of Nacala in Mozambique, and the Dar es Salaam Corridor, which links Zambia to the port of Dar es Salaam in Tanzania.

Figure 9: Key Corridors in Southern Africa



Source: Authors' adaptation of Kawasaki et al. (2021)

3.4.1 Trade facilitation for industrial development

The TAZARA, developed with Chinese support, enhances connectivity between Zambia and the Democratic Republic of the Congo (DRC), facilitating essential mineral exports. The concept of a rail link between Central and Southern Africa to the eastern coast



emerged in 1947, driven by agricultural aspirations. However, colonial powers preferred restricting landlocked Zambia's access to the sea via the North–South Route.

The Lobito Corridor, connecting Zambia to Angola and the DRC, serves as an alternative export route for copper and cobalt amid rising global demand for energy transition minerals. Supported by Western nations, this corridor addresses geopolitical rivalries and underscores Zambia's vital role in the mineral market. The Corridor, which once connected mining regions to the Atlantic, was disrupted by Angola's civil war (United Nations Zambia, 2024). Recently, the end of conflict, renewed interest in infrastructure, and the Central African Copperbelt's (CAC) critical minerals have prompted increased investments from the US and EU in this Corridor, recognising its potential to enhance trade and mitigate China's influence in the region. The US government has allocated US\$1 billion through the Africa Finance Corporation (AFC) to improve the rail line, while the European Union, in alignment with its Global Gateway strategy, aims to mobilise EUR 300 billion in public and private investments between 2021 and 2027 for various development initiatives (United Nations Zambia, 2024).

3.4.2 Regional infrastructure policy development

Key infrastructure policies that aim to improve infrastructure efficiency while promoting economic collaboration and integration among SADC member states include:

- The SADC Regional Infrastructure Development Master Plan (RIDMP): This framework identifies priority infrastructure projects across transport, energy, and telecommunications, aimed at enhancing regional connectivity and economic integration.
- The SADC Protocol on Transport, Communications, and Meteorology: This protocol promotes the development and integration of transport systems across member states, facilitating easier movement of goods and people.
- SADC Industrialisation Strategy and Roadmap (2015–2063): This strategy emphasises infrastructure development as a means to bolster industrialisation, enhancing regional supply chains.
- Regional Infrastructure Financing Facility: This initiative aims to mobilise funding for critical infrastructure projects to boost connectivity and trade within the region.
- African Continental Free Trade Area (AfCFTA) support: SADC is actively promoting policies that align with AfCFTA, enhancing trade facilitation and reducing barriers across borders.



3.4.3 *Integration of road and rail systems*

The development and control of these transport corridors are fundamentally intertwined with geopolitical interests, acting as instruments of influence over the flow of critical resources. As Zambia continues to navigate a complex landscape of foreign investment, international partnerships, and local resource management, the strategic significance of these corridors cannot be understated (Governance and Economic Policy Centre, 2025). Efficient transport infrastructure is crucial for reducing transportation costs, improving export efficiency, and attracting investment, a necessary precursor to the industrialisation of energy transition minerals within the SADC region (SADC, 2012).

China has strategically positioned itself as a dominant player in the global energy transition minerals (ETM) supply chain, primarily through significant early investments made by Chinese companies in mineral processing and infrastructure development across Africa, particularly in Zambia and the SADC as a whole. Chinese state-owned enterprises have led these investments, leveraging financial backing and government policies to expand their influence (The Oxford Institute for Energy Studies, 2024). The Belt and Road Initiative (BRI) has further cemented this dominance by facilitating extensive infrastructure investments across Africa (Yongzhong, Amineh, 2024). By funding roads, railways, and ports, China ensures that minerals are extracted and exported efficiently, with recent investments like the US\$1.4 billion allocated for the revitalisation of TAZARA significantly enhancing railway infrastructure and securing it as a key transport corridor for trade between Tanzania and Zambia through a long-term concession agreement with the China Civil Engineering Construction Corporation (CCECC) (TAZARA, 2025). Additionally, Chinese companies such as the China Nonferrous Metal Mining Group have invested billions in Zambia's copper mining sector over the past two decades, acquiring significant stakes in mines such as Luanshya Copper Mines and Chambishi Copper Mine, thereby revitalising ageing infrastructure and boosting copper production capacity (Nantulya, 2024). Furthermore, Chinese investments have critically influenced infrastructure development across Zambia, exemplified by projects like the China–Zambia Economic and Trade Cooperation Zone in Lusaka, which enhances vital transport links for the mining industry and improves logistical capabilities for mineral transportation to ports (Cloete et al., 2023).

By extending these investments beyond Zambia into the SADC region, particularly in the DRC, rich in cobalt, a key mineral for lithium-ion batteries, Chinese companies have established extensive operations, securing vital cobalt supplies while influencing regional economies and mineral policies. However, this supply dominance carries significant implications for global markets and bilateral relations. China's control over a substantial portion of the ETM supply chain poses risks to other nations, especially the US and EU, which rely heavily on China for critical minerals (IRENA, 2023). The concentration of



refining capacity in China creates vulnerabilities, geopolitical tensions, or trade disruptions that could severely impact global supply chains, as illustrated by the supply chain issues during the COVID-19 pandemic (IEA, 2025).

These investments encourage closer economic ties with African nations, increasing their leverage in bilateral relations. However, long-term contracts and favourable terms provided by China can lead to dependency, raising concerns about potential neocolonial relationships (Friedhoff, 2025). In response to the supply chain risk posed by Chinese dominance, a concerted effort by the US and EU is underway to provide an alternative (Bhole, 2023). Initiatives like the European Raw Materials Alliance (ERMA) reflect efforts to secure a competitive supply of critical minerals, underscoring a shift towards self-sufficiency for the EU (CFR, 2025).

The US has initiated legislative efforts, such as the Bipartisan Infrastructure Law, aimed at bolstering domestic mining and processing capabilities. Similarly, partnerships with African nations focused on sustainable mineral extraction have emerged as part of a broader strategy to counteract Chinese influence while supporting local economies (Sadden, 2024). The US and EU have further shifted their attention to the Lobito Corridor, countering reliance on Chinese-controlled infrastructure like the TAZARA. The Corridor's development aims to facilitate the establishment of processing plants essential for value addition in the mining sector (Filippini, 2025). Strategically, the Corridor provides a crucial link between landlocked countries and international markets, enhancing transportation efficiency for minerals, agricultural products, and goods, which can boost trade volumes across Angola, Zambia, and the DRC. Both the US and EU have conducted in-depth reviews of their mineral supply chains, identifying vulnerabilities and dependencies on China. This reassessment has led to strategies focused on diversifying supply sources (Baskaran, 2024). The potential supply disruptions and geopolitical leverage that accompany China's dominance in the ETM supply chain have become critical considerations. Recent trade tensions have highlighted how such dependencies can lead to significant vulnerabilities, prompting the US and the EU to secure alternative sources for critical minerals. This has led to strategic dialogues focused on risk-sharing and pooling resources (IEA, 2024).

The US is pursuing various strategies to secure its critical mineral supplies, including strengthened cooperation with ETM-rich countries, such as Zambia and the DRC, through partnerships focused on joint exploration, extraction, and processing of minerals (Baskaran, 2024). The US Trade and Development Agency awarded a \$1.4 million grant to Metalex Africa to expand its copper and cobalt facility in Zambia, aiming to bolster local capacity and create a smoother supply chain for critical minerals (Jamasmie, 2025).

Likewise, the EU is implementing a comprehensive strategy to ensure access to critical minerals. One notable initiative is the Global Gateway strategy, where the EU invests



heavily in ETM projects within Zambia, funding infrastructure that supports industrial growth in the ETM sector (European Commission, 2025). The EU has also signed a Memorandum of Understanding with Zambia to deepen cooperation, in its own words, on sustainable raw materials value chains, transport infrastructure, promoting responsible mining practices, and environmental protection (European Commission, 2023). The EU's Critical Raw Materials Act aims to ensure a secure supply of essential minerals necessary for the EU's green and digital transitions, addressing sourcing, processing, and recycling.

Key recent agreements include the DRC and Zambia Cooperation Agreement aimed at manufacturing electric vehicle batteries (Nkala, 2023), and the trilateral governments have signed the Lobito Corridor Transit Transport Facilitation Agency Agreement, focusing on harmonising customs policies and regulatory frameworks to ease cross-border trade complexities (Lobito Corridor Investment Promotion Authority, 2024). In November 2025, the EU signed deals with the Zambian government worth EUR 200 million for investment in transport (to rehabilitate and modernise Zambia Railways infrastructure, improve efficiency, and prepare the system for integration into the Lobito Corridor and other regional routes), energy (improving water management and renewable energy use in North-Western Zambia), agriculture, education, and critical raw materials—while deepening cooperation under the EU–Zambia Memorandum of Understanding on Sustainable Raw Materials Value Chains. In it, there is GREENTech4CE—which consists of grants for green, circular, and digital SMEs, strengthening Zambia's private sector—and the Ilute Solar Project, marking one of the first private solar investments under Zambia's new open-access energy framework (European Commission, 2025).

Furthermore, the Nacala Corridor, financed with Japanese support, connects Malawi and Zambia to Mozambique's Port of Nacala, providing another critical route for mineral exports. This corridor's potential lies in its capacity to facilitate access to the Indian Ocean, further diversifying the region's export routes and reducing reliance on a single point of access. These initiatives enhance connectivity and processing capabilities along the corridor, positioning it as a critical economic artery within Southern Africa, offering pathways for improved trade relations and industrialisation for economic growth within the region (Nantulya, 2025).

One corridor that is overlooked in the literature is the Caprivi Corridor, one which does not fall neatly into the East versus West narrative. The Caprivi Corridor, also known as the Walvis Bay–Ndola–Lubumbashi Development Road, serves as a critical trade route linking landlocked Zambia, DRC, Malawi, and Zimbabwe to Namibia's port of Walvis Bay. This corridor includes the Trans-Caprivi Highway, which facilitates the movement of goods between these nations and the Atlantic coast (Esser, 2017). Recently, the Zambian government embarked on the Mutanda–Kaoma road project, a route through Kasempa to connect Zambia's North-Western Province (mining/farming areas) to the Walvis Bay



Port in Namibia (State House, 2025). This initiative is expected to be financed at an estimated cost of US\$326,401,330.98. The road will be developed by Barotse Highway Limited Toll Concession (BHL-TC), a Special Purpose Vehicle (SPV) formed through a collaboration among public and private sector entities, including Buks Haulage Limited (BHL), First Quantum Minerals Operations Limited (FQM), Hotsheet (Pty) Limited, and the Zambian Government's Road Development Agency (RDA) (Barotse Highway Limited Toll Concession, 2025). Under a 25-year concession agreement, which includes two years for construction and 23 years for operation and maintenance, The objective is to upgrade approximately 371 km of road to international bituminous standards, including the construction of new bridges (Road Development Agency, 2024). This project aims to enhance regional connectivity and reduce transportation costs, thereby strengthening Zambia's role as a trade and transit hub for critical commodities, not only for copper but also for agricultural products (Ministry of Transport, 2023). The upgraded infrastructure potentially stimulates sub-regional economic integration of the western part of Zambia. It is unclear whether this transport corridor will be in direct competition with the planned Lobito Corridor, which will connect the western part of Zambia to Angola, another relatively short route to the coastal harbour. As it stands, the Lobito Corridor is especially significant for the extraction of minerals in the DRC.

3.5 The SADC Region and Critical Minerals

The region has been a net exporter of base metals and critical minerals comprising cobalt, nickel, copper, graphite, manganese, lithium, and rare earth in the global market. The global demand and prices for these minerals have, in recent years, surged because of their importance in the development of renewable energy transition technologies like solar panels, wind turbines, and battery storage systems.

As countries adopt clean and green and renewable energies in line with the Sustainable Development Goals, particularly SDG 7 (Affordable and Clean Energy), SDG 9 (Industry, Innovation and Infrastructure), and SDG 13 (Climate Action), the demand for these minerals is projected to triple by 2030 and quadruple by 2040 (IEA, 2025). This projected increase in the extraction and utilisation of critical minerals presents a unique opportunity for SADC's trade, industrialisation, technological advancement, and sustainability.

3.5.1 Critical minerals in the SADC

The SADC region is critical for the global energy transition because it is a reservoir for the world's most valuable critical minerals, including copper, cobalt, manganese, nickel, platinum, lithium, graphite, vanadium, and rare earths. These minerals contribute greatly to several regional member states' gross national product and employment, foreign exchange earnings and employment. The mining sector accounts for about 10% of



SADC's GDP, 25% of regional exports, about 7% of direct employment and 20% of national government revenues. The dependence on mining differs markedly across the region's member states. For example, in Zambia, mining, especially copper, accounts for over 80% of foreign exchange earnings and diamonds account for 20% of Botswana's GDP and over 90% of exports. In the DRC, mining accounted for 46% of government revenue and over 95% of recorded exports in 2021 (Canpolat et al., 2025)

Table 5 shows the importance of SADC mining on the globe as of 2005. The table reveals that the SADC has more than half the global reserves of platinum group metals (92%), chromium (36%) and manganese (31.5%), exported mainly by South Africa. The other minerals vary between 5% to 12.5% of the global critical minerals supply. Despite the seemingly low contribution of the region to the cobalt, copper, and rare earth production, the regional members state particularly DRC (holds over 70% of global cobalt and holds half of known global reserves) and Zambia, are among the top ten global exporters (Canpolat et al., 2025). Zimbabwe remains one of the countries with the largest reserves of lithium at 1.1% alongside Australia and Chile.

Table 5: SADC mineral endowment as share of global reserves

Key African Countries	Mineral	Share of Global reserves
South Africa, Zimbabwe	Platinum Group Metals	92
DRC, South Africa, Zambia, Madagascar	Cobalt	56
South Africa	Chromium	36
Madagascar, Mozambique, Tanzania	Graphite natural	22
South Africa	Manganese	31.5
DRC, Zambia	Copper	10.1
South Africa	Vanadium	3.9
Madagascar, South Africa	Nickel	4
South Africa	Tellurium	3
Zimbabwe	Lithium	1.1
Madagascar, South Africa, Tanzania	Rare Earth Elements	1

Source: Adapted from Africa's Green Minerals Strategy by AMDC (2024)



3.5.2 Regional mining frameworks

Although individual SADC member states manage the mining sector differently, the majority of these countries are party to regional and international frameworks that affect the management of the sector. Firstly, as a party to the AU, the member states subscribe to the African Mining Vision (AMV) adopted by African Union member states in 2009. The core of the AMV is to promote transparent, equitable, and optimal exploitation of mineral resources to support socio-economic transformation across the Continent (African Union, 2009). The AU supports initiatives for inclusive mineral value chains through beneficiation for regional industrial development.

In addition, as part of the AMV, the SADC is part of the African Minerals Governance Framework (2017) and the African Minerals & Energy Resources Classification System (AMREC) and the Pan-African Resource Reporting Code (PARC) that set the technical tools for standardised resource reporting and accountability throughout the mineral life cycle.

The African Vision is aligned to regional Frameworks that are in line with the SADC Protocol on Mining that was signed on 8th September 1997 and entered into force on 10th February 2000 (African Union, 2009). The General Principles of the Protocol in Mining include recognition by member states that a thriving mining sector can contribute to economic development, poverty alleviation and improvement of the standard and quality of life throughout the region. The protocol urges member states to harmonise their mining policies (SADC, 2020). To actualise the protocol, SADC adopted the SADC Mining Vision, which is aligned to the AMV in promoting a mining sector that is integrated into local economies, socially inclusive, environmentally responsible, and supportive of diversified economic development. It encourages the beneficiation and industrialisation of critical minerals in the region. Vision advocates gender equity and formalisation of artisanal and small-scale mining (SADC, 2021; African Union, 2009). Further, the Regional Mining Vision supports the development of shared infrastructure, harmonised regulations, and collective negotiation frameworks to strengthen Africa's position in global mineral supply chains (SADC, 2021).

While these frameworks have been adopted across RECs, they remain ineffective in increasing intra-African trade in critical minerals for several reasons. Firstly, the region relies on FDI from outside the region, mainly Asia and the West. These investors have a predetermined market for the minerals, which limits the trade volumes within RECs. Secondly, most African countries lack the requisite skills and industrial capacity to process minerals into higher-value intermediate or final goods to export to the final markets.

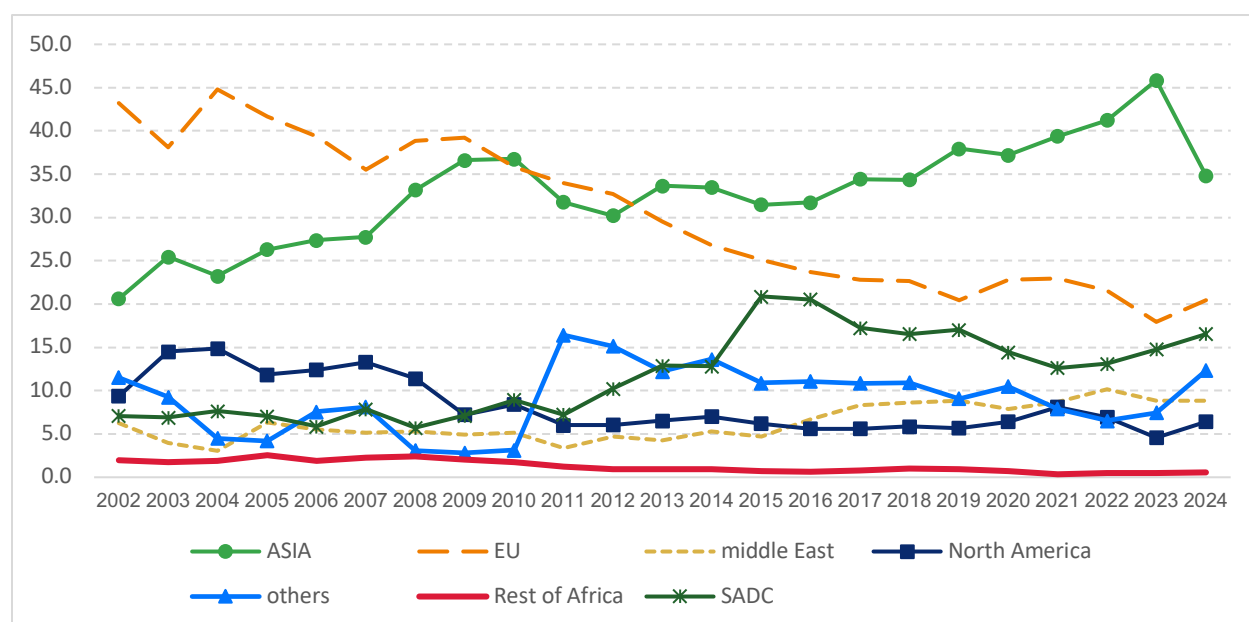
3.5.3 Critical minerals and regional value chains

The SADC export of minerals and minerals has fluctuated over the years in line with changes in the global commodity prices. Regionally exports increased from US\$31.5 billion in 2010 to US\$64.2 billion in 2012 and declined to US\$55.8 billion in 2015 on account of the dampened demand in the global markets. Thereafter, the exports from the region surged to US\$105.6 billion in 2021 before sliding back to US\$95.7 billion in 2023. The total commodity exports accounted for between 43% to 53% of the total SADC exports (UNCOMTRADE, 2026).

The regional imports of minerals also increased from US\$14.3 billion in 2015 and consistently declined to US\$10.4 billion in 2020. Thereafter, the imports marginally increased to US\$14.2 billion in 2023. Asia and Europe have been the main markets of regional minerals, with markets shifting from Europe in the 2000s to Asia in the 2010s. The share of minerals exported to Europe dropped from 45% in 2005 to 20% in 2023, while that of Asia rose from 20% to 45% in 2023 (Figure 10)

This shift is not surprising given that China has emerged as a key role player in critical minerals processing for its industrial base. Estimates suggest that China processes over 60% of lithium globally and over 80% of graphite (battery-grade graphite), and rare earth elements (IEA, 2025).

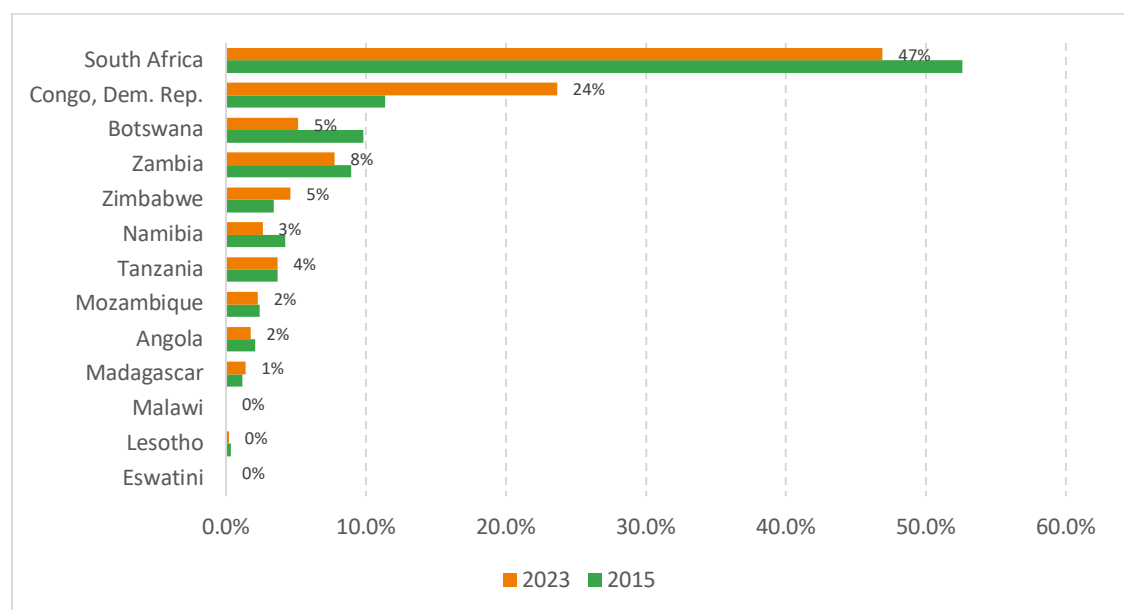
Figure 10: Regional Destinations as a share of SADC minerals exports



Source: Author's construction using UNCOMTRADE (2026) database (accessed Dec 2025)

In 2023, the major exporters of minerals in the region were South Africa (46.9%), DRC (23.6%) and Zambia (7.5%) (**Figure 11**). As earlier, South Africa is the largest exporter of platinum, while DRC and Zambia are exporters of copper and cobalt.

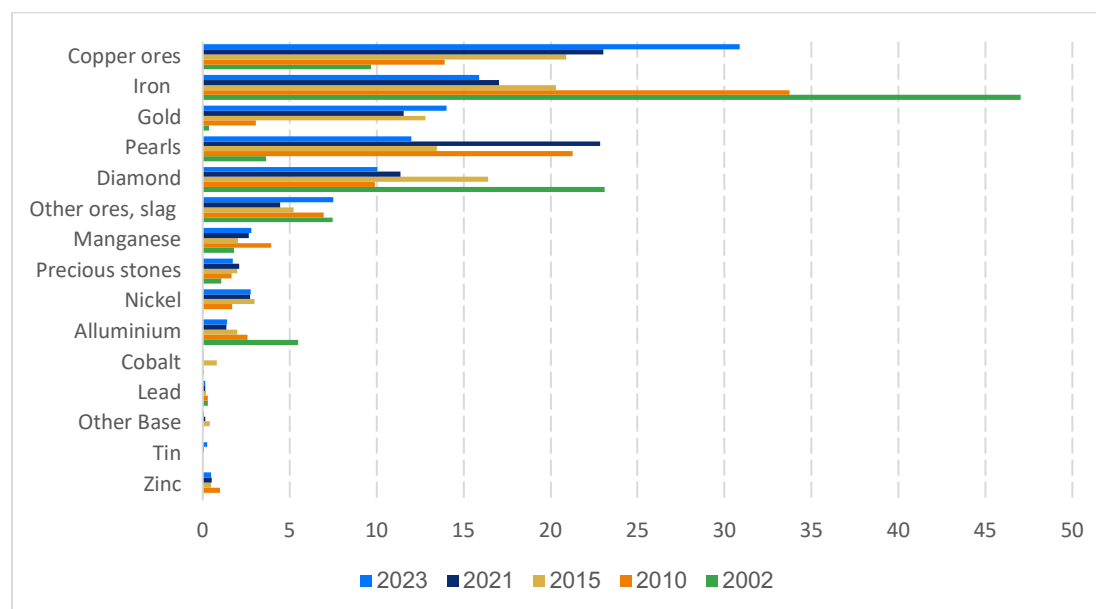
Figure 11: Major minerals exporter in the SADC region by shares (2015 and 2023)



Source: Author's construction using UNCOMTRADE (2026) database (accessed Dec 2025)

Figure 12 shows SADC mineral exports in 2023. Copper and pearls were among the main mineral exports from the region. Other minerals included gold and diamonds, mainly from South Africa and Botswana.

Figure 12: Mineral exports from SADC by type of mineral



Source: Author's construction using UNCOMTRADE (2026) database (accessed Dec 2025)

The intra-SADC trade in minerals remains low at less than 20% the total minerals trade. The major trading country within the region is South Africa, which serves both as an export and source market for the majority of the SADC members. As **Table 6** shows, South Africa accounted for 38.8% of the intra-regional exports and 54.7% of the intra-regional imports. The major minerals exporters are Mozambique, Tanzania and Botswana. These countries export raw mineral products that are processed in South Africa, which has an industrial capacity for value addition. A smaller share of these exports comprises basic manufacturing, such as copper wires and pipes that are used for South Africa's industrial production. Further, Mudenda and Ndikumana (2024) observe that most of the regional exports of precious metals, such as gold to South Africa, are basically for refining and are rerouted to other countries for final consumer products.

On the other hand, the intra-regional imports, especially from South Africa, comprise value-added base metals such as iron and steel products as well as construction materials like copper cables and pipes that are demanded in other regional member states.



Table 6: Intra-SADC exports and Imports of minerals

	Exports				Imports			
	2009	2015	2019	2023	2009	2015	2019	2023
Angola	7.04	0.46	0.37	0.29	0.51	0.02	0.98	1.02
Botswana	0.21	14.99	8.82	8.76	5.86	5.49	8.77	3.78
Comoros	0.02	0.13	0.01	0.00	0.01	0.00	0.01	0.01
Congo, Dem. Rep.	4.64	1.34	1.77	2.15	17.36	11.73	5.65	6.00
Eswatini	1.02	0.60	1.00	0.60	0.02	0.07	0.14	0.09
Lesotho	0.00	0.46	0.51	0.39	0.00	0.03	0.03	0.02
Madagascar	1.29	0.04	0.07	0.11	0.05	0.42	0.01	0.00
Malawi	2.19	0.29	0.52	0.45	0.37	0.15	0.11	0.12
Mauritius	2.21	0.13	0.17	0.27	0.21	0.17	0.24	0.67
Mozambique	7.76	4.02	17.56	32.55	0.46	0.52	1.00	1.01
Namibia	0.03	9.28	2.83	1.72	4.58	20.89	24.69	22.92
Seychelles	0.27	0.04	0.03	0.07	0.00	0.01	0.01	0.00
South Africa	49.62	43.38	39.62	38.82	62.77	52.74	51.82	54.64
Tanzania	5.13	16.29	15.84	9.49	0.32	0.38	0.20	0.18
Zambia	8.45	6.91	9.24	1.95	6.85	5.71	5.35	8.96
Zimbabwe	10.13	1.64	1.66	2.38	0.62	1.66	0.99	0.56

Source: Author's construction using UNCOMTRADE (2026) database (accessed Dec 2025)

Broadly, the critical minerals export and import structure shows little participation of SADC member countries in mineral beneficiation or RVC. Less than 20% of the minerals produced in the region are processed within the region. Most of the resources are exported to Asia, particularly China, which has emerged as the global minerals processing and industrial hub. The processing capacity in the SADC region remains inadequate and weak and often disrupted by inadequate power supply. The concentration of the processing and manufacturing of critical minerals products in Asia makes the SADC



member states, the producers of the raw materials, vulnerable to supply chain disruptions and deterioration in terms of trade, as importing final products becomes expensive.

4. Case Study: DRC–Zambia Battery Initiative

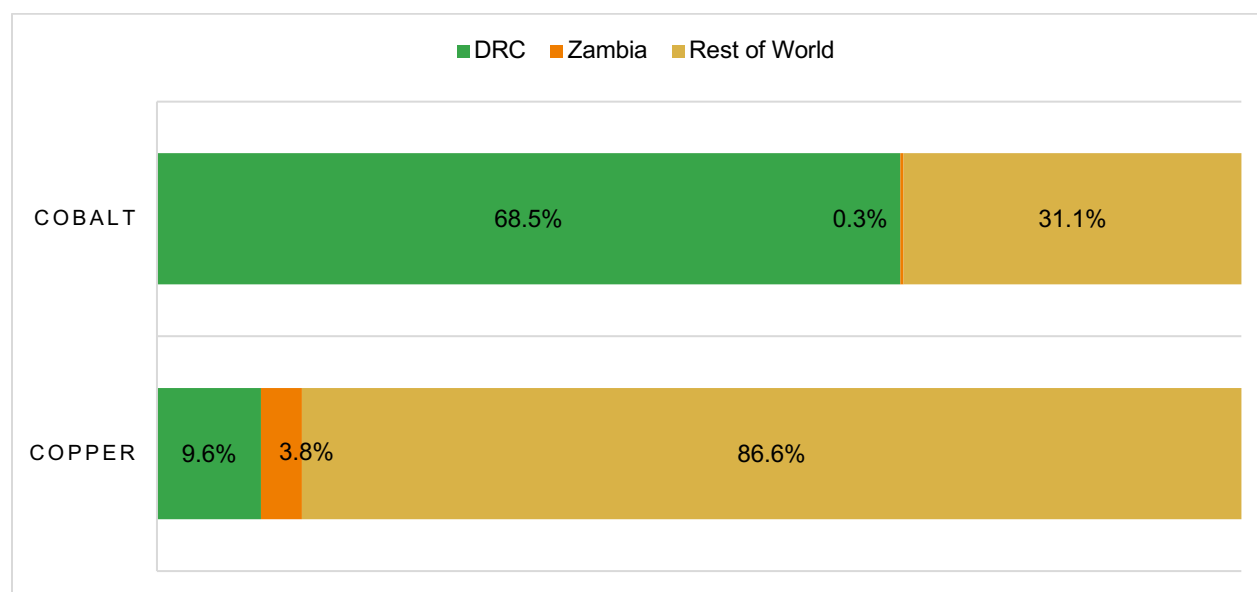
In 2021, the Africa Export-Import Bank (Afreximbank), United Nations Economic Commission for Africa (UNECA), African Development Bank (AfDB), Africa Finance Corporation (AFC), Arab Bank for Economic Development in Africa (BADEA), and African Legal Support Facility (ALSF) engaged BloombergNEF to conduct a study on the cost of producing battery precursors in cobalt-rich Democratic Republic of the Congo (DRC) (BloombergNEF, 2021). This study led to the publication of *"The Cost of Producing Battery Precursors in the DRC"*, which was subsequently presented at the 2021 DRC–Africa Business Forum in November 2021. At the forum, initiators of the study and the DRC government committed to supporting the development of an electric vehicle battery value chain in the Central African Copperbelt (CAC). The Zambian president, Hakainde Hichilema, attended the forum and expressed interest in a joint initiative (JI), which was formalised with the signing of a cooperation agreement in April 2022, effectively giving birth to the DRC–Zambia battery value chain initiative (Onyango, 2021). The JI aims to utilise the mineral complementarities to enable the two countries to unlock economic opportunities and move up the value chain to produce precursors and eventually batteries (UNECA, 2024). The two countries have agreed to set up a transboundary Special Economic Zone (SEZ) for electric battery manufacturing, with facilities in Ndola in Zambia and Kolwezi in the DRC.

The BloombergNEF study had estimated that setting up a 10,000 Mt precursor plant in the DRC would cost US\$39 million, compared with US\$112 million and US\$65 million in China and Poland, respectively. The capital cost is lower in the DRC because of lower land and construction costs. Furthermore, the study established that the DRC has lower operating costs for manufacturing NMC-622 and NMC-811 cathode chemistry metal salts than the US, China, and Poland. However, the study did not consider state subsidies in China, nor other contextual issues, such as the availability of skilled labour, the infrastructure gap, geopolitical issues and the domestic business and regulatory environments (Barwick, 2025; Mizner, 2024; Mususa, Shengo, 2024). It suggested establishing a regionally integrated supply chain to enable the sourcing of other minerals, such as manganese and nickel, from regional partners. In addition, the study recommended streamlining public–private engagement in a transparent and accountable manner, providing fiscal incentives, upgrading economic, trade and electric vehicle (EV) infrastructure, formulating EV policies, and creating funding facilities.

The signing of the cooperation agreement between the Zambian and DRC governments laid the framework for bilateral cooperation by establishing a common governance

framework for the initiative, composed of the Executive Battery Council, the inter-ministerial technical working group and the Battery Council Technical Committee (Mulenga, 2023). The Executive Battery Council is co-chaired by the two presidents, while each country has its own inter-ministerial technical working group and Battery Council Technical Committee responsible for the implementation of the initiative (UNECA, 2024). A Centre of Excellence for Advanced Battery Research has been set up at the University of Lubumbashi in collaboration with the University of Zambia, Copperbelt University, Steinbeis Institute of Germany, and UNECA (UNECA, 2022). Thereafter, in December 2022, the US government signed a memorandum of understanding (MoU) with the two governments to support the development of a complete EV battery value chain in the CAC. The MoU is legally non-binding and does not guarantee US support (Byamungu, 2023). The DRC, Zambia, Afreximbank (as financier), and UNECA (as technical advisor) signed the framework agreement for the establishment of SEZs for the JI in March 2023. UNECA and Afreximbank will also lead in the creation of an operating company for the SEZs (UNECA, 2023). In May 2023, ARISE Integrated Industrial Platforms (IIP) was contracted to conduct a pre-feasibility study, which was reviewed and validated in April 2024 (UNECA, 2024). The government has been reluctant to publish the findings of the pre-feasibility despite attempts by local CSOs to make them public; this is a situation that extends to various mining and mining-related agreements that have been signed. In 2025, the Battery Council held a capacity-building workshop for micro, small, and medium enterprises to participate in the project (UNECA, 2025).

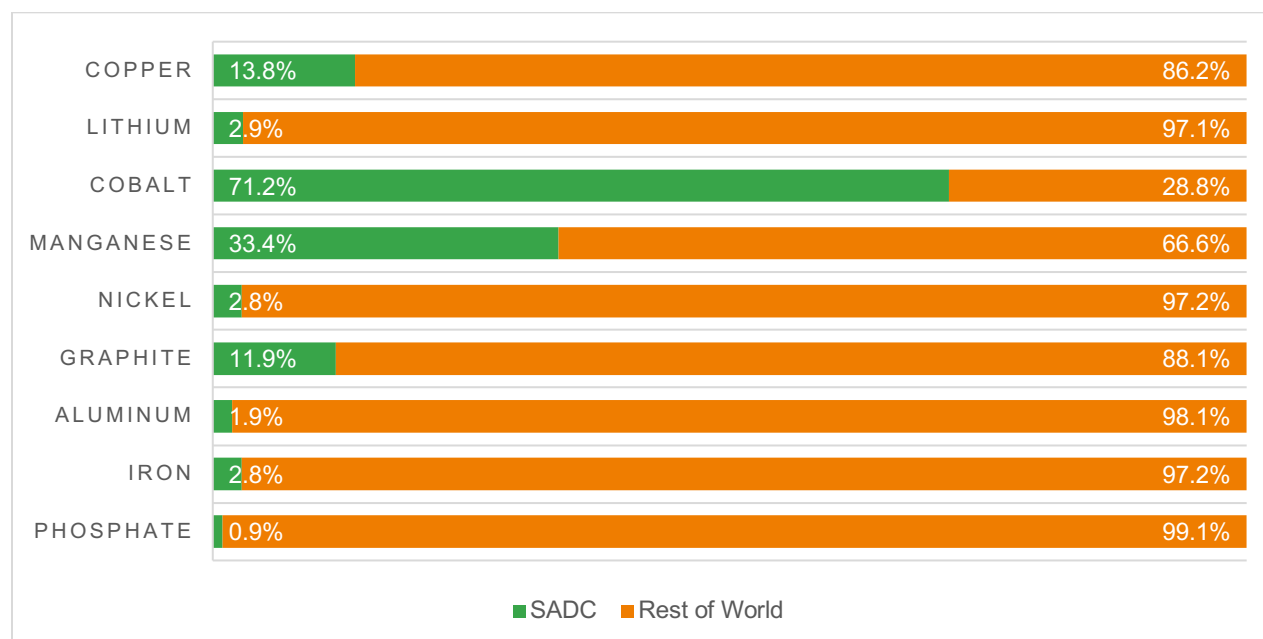
Figure 13: Copper and Cobalt Production in DRC and Zambia (2019–2023)



Source: *World Mining Data (2024)*

The battery initiative is seen as an opportunity for SADC member states to pool resources to upgrade their role in the battery minerals value chain. The African Green Minerals Strategy and the African Mining Vision promote mineral-led industrialisation (Mususa, Shengo, 2024; Olan'g, Thomas, 2023). **Figure 13** shows that, together, the DRC and Zambia account for 13.3% and 68.8% of global copper and cobalt production, respectively. BloombergNEF's modelling suggests there is sufficient cobalt (16,000Mt per annum) to support production of 100,000Mt per annum of NMC-622. However, the two countries need to boost nickel and manganese output or import these inputs to meet the required demand (BloombergNEF, 2021). Since both countries are not major producers of nickel and manganese, additional investment in exploration and exploitation of the minerals is required. This creates an opportunity for regional producers to participate in the value chain. Moreover, neither country currently refines battery-grade cobalt, nickel, and manganese, and a sustainable battery manufacturing industry would require a regional value chain to easily adapt to innovation in battery technologies and chemistries. Thus, the initiative is seen as an opportunity to establish a regional value chain with nodes in several countries. However, regionalisation or domestication of supply chains in some countries is likely to be constrained by national governments' limited control of mining output. For instance, the dominance of large-scale mining in Zambia has limited domestic off-takers' access to copper. A regionally integrated value chain would potentially offset regional and national mineral deficits among off-takers (such as the potential phase-out of cobalt) (Steenkamp, Kioni, 2024; Mususa, Shengo, 2024; Olan'g, Thomas, 2023). **Figure 14** shows that the SADC region produced 2.9% of the world's lithium production, 71.2% of cobalt, 33.4% of manganese, 2.8% of nickel, 13.8% of copper, 11.9% of graphite, 1.9% of aluminium, 0.9% of phosphate, and 2.8% of iron between 2019 and 2023. Establishing regional battery mineral value and supply chains is essential for value chain security and sustainability, considering the rapidly changing battery technologies and chemistries (i.e., the phasing-out of cobalt materials) (Steenkamp, Kioni, 2024; Mususa, Shengo, 2024; Olan'g, Thomas, 2023).

Figure 14: SADC Battery Minerals Productions (2019–2023)

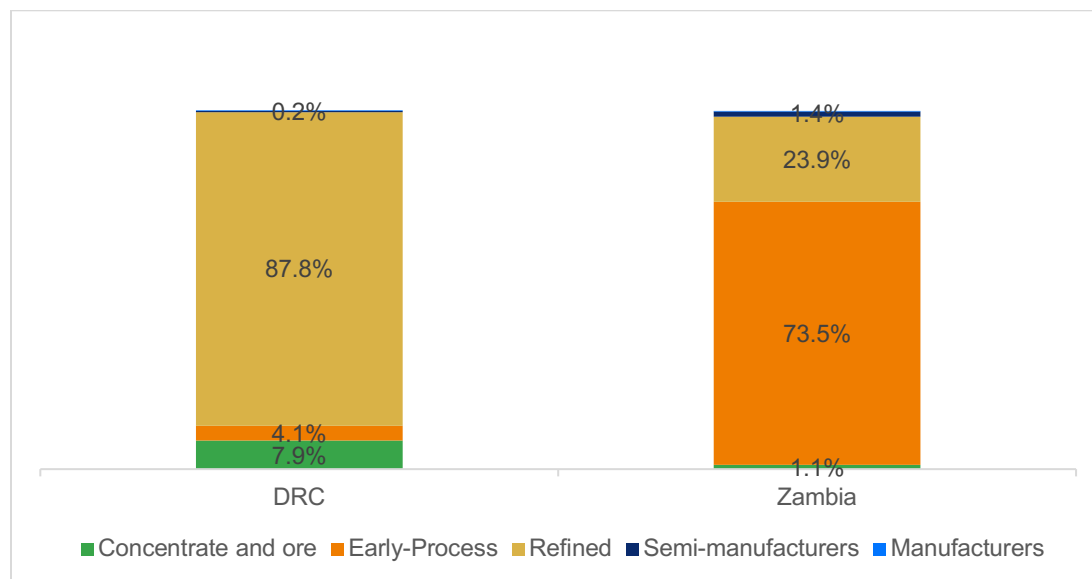


Source: World Mining Data (2024)

Domestic processing and refining of battery minerals are constrained by energy shortages, inadequate infrastructure, policy and regulatory instability, and limited domestic capital, with neither country currently refining cobalt into the required cobalt sulphate (Olan'g, Thomas, 2023). There is limited midstream value addition, such as processing copper into rods, cables, and wires. Similarly, despite producing close to 70% of the world's cobalt, the DRC mainly exports the metal as concentrate and ore. Thus, the two countries are pushing for industrial upgrading in the electric battery value chain as a means of promoting domestic value addition. Upscaling industrial capacity in the processing of copper and cobalt is an essential step in this upgrading. Currently, several projects are underway to expand copper and cobalt refining. In Zambia, new copper refining projects include the EU-supported Kobaloni Energy, Africa's first cobalt sulphate refinery, and the US-supported investment in the Kazozu mine, to extract and process copper and cobalt, in north-western Zambia (Logan, Acheampong, 2025; Nyabiage, 2025; USTDA, 2025). In the DRC, Chinese-backed Tengyuan Cobalt Industry is investing in copper and cobalt refining, Eurasian Resource Group is building a metallurgical plant for copper and cobalt, and Buenassa Resource is also developing a copper and cobalt refinery (African Mining Markets, 2025; Buenassa, 2025; Eurasian Resources Group, 2023). There is also increased investment in upstream activities, including extraction and exploration, with the Zambian government conducting an aerial geological survey. The CAC has continued to receive investment from a diversified pool of investors, including

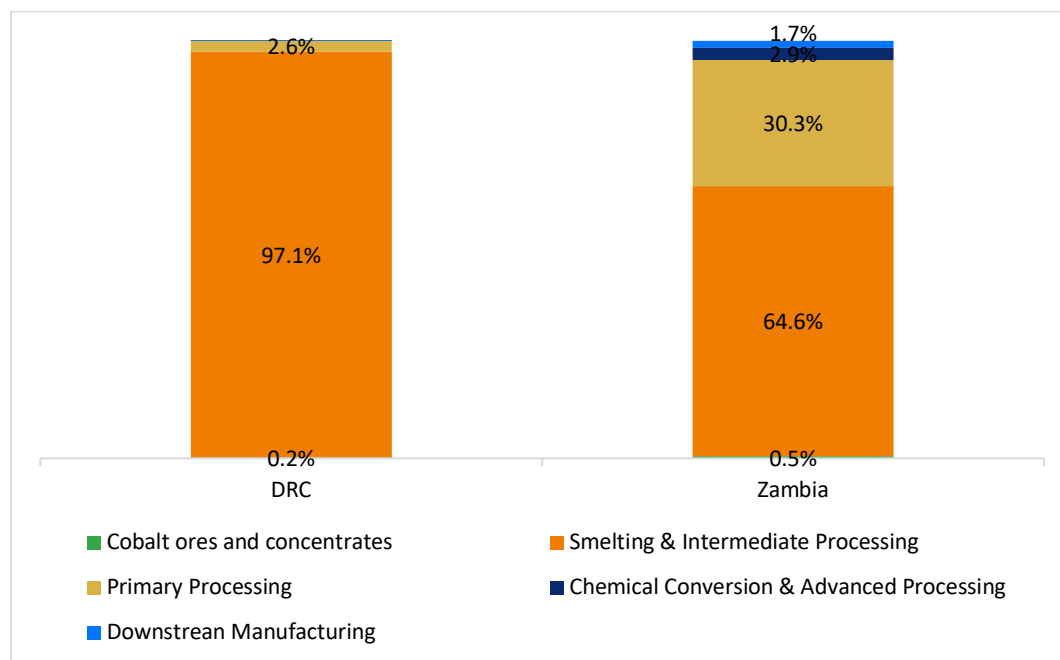
the US, European Union, Gulf Cooperation countries, and China, reflecting increased demand for critical minerals and geopolitical competition.

Figure 15: Export value of copper products (2019–2023)



Source: Authors' Computation using World Mining Data (2024)

Figure 16: Share of export value of cobalt products (2019–2023)



Source: Authors' Computation using World Mining Data (2024)



Building an electric battery regional value chain in the CAC and beyond requires regional harmonisation and integration of plans, policies, and regulations to promote collaboration (AfDB, 2025; Hampwaye et al., 2015; Makgetla et al., 2019). RECs could promote the idea of regional benefit-sharing mechanisms that ensure a net benefit in participating countries to minimise the risks of policies that prioritise national interests in member states. This could be achieved by promoting regional infrastructure linkages, seamless movement of raw materials, semi-skilled and high-skilled labour, and capital equipment and technology. “Nationalistic” industrial policies promote duplication, reduce economies of scale, and lead to a no-win situation or zero-sum game (Mizner, 2024; Mususa, Shengo, 2024; Olan’g, Thomas, 2023). For instance, Zambia’s decision to levy an import duty on copper concentrate in 2017, particularly for revenue-generation purposes, undermined its domestic refining by raising the cost of feedstock for local smelters. Additionally, it promoted domestic value addition in the DRC by making refining cheaper there than exporting to Zambia. Harmonised regulation can help uphold ESG standards across regional supply chains. Moreover, similarities in mineral profiles and concerns associated with sourcing minerals from the DRC allow Zambia to complement the partnership by using its more established regulatory framework to strengthen the initiative’s credibility.

Policy harmonisation could also be used to promote domestic and regional market formation. There is a need for deliberate EV and green energy policies that promote the utilisation of green technologies, such as electric batteries, EVs, home and industrial solar systems, and others (Mususa, Shengo, 2024). Moreover, to ensure access to sufficient inputs for various activities, governments should promote dynamic local and regional content in specific segments of the value chain (i.e., extraction, processing, refining, and manufacturing of precursors) (Barwick, 2025; Kragelund, 2024). With the current trend of domestication of capital, there might be an added incentive to do so. Regional content could be promoted through Joint Ventures and Joint Initiatives. Dynamic local content, which seeks to upgrade the capabilities of local suppliers, promotes domestic manufacturing and processing industries and promotes local participation (Kragelund, 2024). To ensure sufficient supply of minerals for the DRC–Zambia battery value chain initiative and other mineral-related value chains, the government should ensure that sufficient minerals are available for local off-takers. This could be done by facilitating (i) off-taker agreements between mining companies and local downstream industries; (ii) strengthening oversight and control of artisanal and small-scale mining (ASM) operations to enable aggregation of their output for the domestic market; and (iii), where possible, embedding domestic supply policies in mining contracts (Mususa, Shengo, 2024; Olan’g, Thomas, 2023). For example, First Quantum Minerals (FQM) Kansanshi Mine supplied Metal Fabricators of Zambia Plc (ZAMEFA) copper to manufacture wire and cables for its



S3 Expansion project; Mopani Copper Mines has a policy to reserve 20% of its output for local off-takers.

In addition, skills development and transfer, technology transfer, and investment in energy and infrastructure are essential to support the initiative. The SEZ will be situated in the CAC providing access to the Lobito, TAZARA, North–South, Western (Caprivi–Walvis Bay), and Nacala–Beira Corridors. With the region undergoing an energy deficit, investment is needed to support all activities from exploitation to exploration and manufacturing. Local content strategies provide a starting point for technology transfers; however, joint ventures are considered as an avenue for both local participation and technology transfer. Foreign direct investment of US\$900 million (out of a total of US\$1 billion) and US\$1.5 billion (out of a total of US\$1.7 billion) is being considered for the DRC and Zambia, respectively. Skills gaps have been identified for electrochemistry, technical and process engineering, and for various Technical and Vocational Education and Training (TVET) skills. To bridge the gap, academic institutions in the two countries are working at introducing new programmes and upgrading others to equip students with the necessary skills for the emerging industry.

The DRC–Zambia battery initiative offers the CAC and beyond an opportunity to leverage its minerals and regional capacities to upgrade its role and share in the electric battery value chain. However, the success of the JI hinges on the ability to bridge the infrastructure gap, develop transparent, effective and efficient governance frameworks, incentivise investments and promote sustainable growth, and build links with existing downstream industries in the global chains by establishing mutually beneficial and workable collaborations (joint ventures that possibly include off-takers) and a conducive environment for the private sector. The initiative has received national political support in both countries, with their presidents sitting as chairpersons of the Battery Councils. This situation reflects both nations’ desire to improve their benefits from the mineral endowments. The two presidents are supported by their respective inter-ministerial technical working groups and Battery Council committees. Nonetheless, in the case of Zambia, the initiative is being largely handled at the national level, with limited participation of institutions and industries on the Copperbelt and North-Western Provinces, which might constrain local participation and integration.

ARISE Integrated Industrial Platforms, the firm contracted to undertake the pre-feasibility study, develop the multi-facility economic zones (MFEZs), and conduct the full-feasibility study, concluded the pre-feasibility study and submitted the financial and technical proposal for review. Before the end of 2025, the technical and financial proposals had been approved by the two countries, and a joint development agreement was signed. However, the timelines and viability of the project can only be ascertained through a full feasibility study. There is limited information on the status of the full feasibility study.



5. Outlook and Recommendations for Zambia and the Region

5.1 Outlook

The increased demand for critical minerals has put a spotlight on Zambia and the southern and central African region. While the past high demand for minerals, notably in the 1960s and 2000s, spurred economic growth, it never translated into economic diversification and industrialisation. Economic cooperation in the Southern African region during the early post-colonial era was hindered by a lack of political cohesion in light of the struggle against white settler states in the region. The boycott against South Africa and Southern Rhodesia, the civil wars in Angola, and divisive Cold War tactics all prevented regional integration. The post-apartheid era was marked by structural adjustment programmes (SAPs), which led to a process of de-industrialisation and a continued dominance of South Africa's economic role in the SADC region. Other important dynamics during this era are the decline of the old colonial-linked capital (i.e. Anglo-American) and the rise of state capital (China, Gulf States). Moreover, the relationship between South Africa, a BRICS member state and the largest economy in the region,⁴ and the US has deteriorated in recent years. The question then is whether these new power dynamics will result in a more muscular form of policymaking that favours local policies, including trade, regional integration and industrialisation, thereby leading to the structural transformation once envisaged.

The increased demand for critical minerals could potentially leverage national and regional policy options. There are already signs that the SADC countries are moving away from externally imposed policy regimes and have embraced a new round of resource nationalism. Disruption to institutions like the World Trade Organization (WTO) also potentially gives policy space to governments. Current bilateral and regional collaboration schemes could facilitate industrialisation. Deterrents could be the forces that might tie investments to developed countries' geopolitical goals. Another uncertainty is how political transitions and policy uncertainty at the national level might impact intraregional cooperation. Other concerns are nationalism versus regionalism. The East–West rivalry is playing out in the Lobito and TAZARA Corridors.

Zambia will continue to play a critical role in mineral production, which could lead to industrialisation and structural transformation of the country. Its geographical position, political stability, and proximity to the DRC make it an attractive destination for foreign direct investment from both Eastern and Western countries due to the increased demand for copper, cobalt, nickel, and manganese. This is supported by the development of trade corridors, turning Zambia into a regional transport and logistical hub. There is a policy

⁴ BRICS is an intergovernmental organisation comprising ten countries: Brazil, China, Egypt, Ethiopia, India, Indonesia, Iran, Russia, South Africa, and the United Arab Emirates.

momentum in Zambia, notably the development of the 9th National Development Plan, the ongoing drafting of Zambia's industrial policy, and, from August 2027, the President of Zambia will chair SADC, with an aim to shift the focus towards economic development.

5.2 Policy Recommendations

Based on the analyses contained in the report, this section provides several policy recommendations for RECs (especially the SADC), national governments, and other stakeholders to help decision-makers enhance industrialisation potential and move towards regional integration in Southern Africa.

5.2.1 Regional (SADC)

Develop a coordinated regional critical minerals strategy. While most mineral-dependent SADC member states have either developed or are developing critical minerals strategies, it is important that SADC and other RECs formulate regional critical minerals strategies. This is to ensure appropriate framing of these resources and their importance to the energy transition and to regional industrial development. The strategy should promote regional collaboration and cooperation in the management of critical minerals (i.e., trade, taxation, and surveillance) and embed incentives for the regional value chain to facilitate the development of downstream industries. SADC and COMESA should support the establishment of local and transboundary Special Economic Zones (SEZs) by regionally harmonising and streamlining policies that ensure the global competitiveness of their products and incentivise local and foreign investment. In line with its management of programmes, the role of championing this initiative should be assigned to a specific member state.

Establish a regional strategy for collective bargaining. Compared to the days of the 1970s and 1980s, the constraints are no longer around regional instability. However, as was the case in the 1970s with CIPEC, the SADC region will only have international leverage with improved control of mineral production, mineral trading, domestic and regional market formation, and value addition. To strengthen its bargaining power, the region will have to take a position of collective bargaining, instead of weakening its position through individual negotiations. SADC could lead the negotiations to ensure well-streamlined agreements that promote mutually beneficial regional industrialisation and integration through the participation of all member states.

Further, in line with the mineral resource endowment, it is critical to coordinate a Zambia–DRC–Zimbabwe minerals value chain. This should involve establishing a joint SADC negotiating platform, so Zambia and the DRC pursue complementary roles (e.g.,



copper cathode/cobalt sulphate vs. cobalt hydroxide) rather than competing for the same investment, thereby preventing a regulatory race-to-the-bottom and strengthening collective leverage with external buyers.

Design infrastructure for industry, not just extraction. The region should develop and condition regional infrastructure financing (Nacala, Lobito, North–South Corridor, Southern African Power Pool) on power off-take points and rail links serving domestic processing, not just port-bound ore. Zambia should be given governance representation in corridor bodies proportional to its role as a mineral source, not just a transit country.

Treat corridors as development corridors, not export corridors. Redesign corridor agreements (Lobito, North–South, Nacala) to mandate industrial parks/SEZs, local procurement and employment targets, and feeder infrastructure connecting corridor towns to the main route. Include labour, civil society, and local communities in corridor governance, and extend corridor-linked energy investment to local industrial and household users, turning transit infrastructure into productive industrial areas.

Promote equitable distribution of opportunities and benefits across member states. SADC member states could work towards adopting a policy of balanced regional industrialisation along the value chains. This should involve allocating different segments of the value chains to particular countries where they best fit, based on the potential comparative advantages of resource endowment and technical expertise. For instance, linking the DRC–Zambia transboundary electric battery value chain to other member states will ensure the development of a regionally integrated value chain and to benefit other member states through the supply of minerals and other goods and services. In addition, the government should continue enhancing private sector development initiatives by providing incentives that promote diversification through production for regional markets. Intra-African trade is mainly in basic processed and manufactured goods like chemicals, food, and beverages, making regional markets essential for nurturing industrialisation in and among member states.

Prioritise clean energy for industrialisation. RECs (SADC and COMESA) and member states should prioritise investment in clean electricity generation, transmission, and distribution to support industrialisation. Mineral beneficiation and value addition are more electricity-intensive than mining (mineral extraction). For African countries to achieve a mineral-based industrialisation, a cleaner, reliable, and affordable power supply is indispensable. RECs and member states should also prioritise expanding electricity generation capacity through a diversified and resilient energy mix. This is important given the vulnerability of hydropower to droughts and the need for baseload to support intermittent renewable energy sources, such as solar and wind power. Clean Energy



investment must align with ESG standards to safeguard investment interests, local communities and populations, as well as the environment and market access. In addition, transmission and distribution infrastructure must be extended to connect emerging agricultural, mining, and industrial areas. If economically efficient, cross-border grid connections could allow new industrial areas to connect to the nearest transmission network in neighbouring countries rather than relying on national grids. The SAPP provides a regional framework for a regionally beneficial electricity system that drives regional trade and industrialisation.

To achieve this, the regional body can pool risk to finance green industrialisation.

Expand regional blended-finance vehicles (SADC Development Finance Resource Centre , Development Bank of Southern African style facilities), co-capitalised across member states, to de-risk large beneficiation and renewable-energy projects that Zambia's post-restructuring fiscal space cannot support alone. Tie access to local content and labour standards.

Identifying joint economic interest is crucial, notably in clean energy, infrastructure, and skills. Africa currently has an infrastructure and skills financing gap. Thus, infrastructure (i.e., transport and energy) and skills development initiatives would be attractive to most member states. SADC could identify the priority projects for regional integration and facilitate the establishment of regional agencies to coordinate the cross-border projects. Recent examples are the Lobito Corridor Transit Transport Facilitation Agency and the Kazungula Bridge Authority.

Local participation and ownership are crucial to ensure the domestic supply of critical minerals. Although the region is currently among the top producers of critical minerals, most mining firms are owned by investors from outside the region. Some national governments have been trying to address this by increasing their share in mining projects or promoting local participation in mining. ASM is increasingly being seen as an avenue or entry point for locals, particularly in areas with a small domestic capital class. ASM operators should be supported with extension services and marketing. Local ownership and participation could help provide local off-takers access to critical minerals and spur industrialisation. Nonetheless, this will need complementary policies to facilitate industrialisation, local content requirements or investment finance, especially for local small businesses, and a well-organised services sector in terms of ICT, transport, logistics, and telecommunications. For example, the Zambian government has been floating the idea of production sharing and having marketing rights as a means to ensure domestic copper supply.



Leverage geopolitics to increase demand for local processing and value addition.

The current geopolitical and geoeconomic interests have increased interest in critical minerals in the SADC region. This interest has led to increased investment from the US, European Union, Gulf Cooperation countries, China, and others. African critical minerals have emerged as central to the West's economic competitiveness, national security, and interest in decoupling China's dominance of the critical mineral supply chain. Amid the competing forces, SADC countries are in a position to leverage their position to bring midstream industrial activities onshore. Mineral beneficiation and value addition have become a precondition for investment in most regional countries. Furthermore, there is increased interest by competing nations in investing in midstream activities in the region.

Promote technological upgrading. It has become evident that the low participation of SADC member states in higher value chains points to a weak industrial base, especially outside South Africa. The production of energy transition equipment and other products is knowledge intensive. To achieve industrialisation through RVC in critical minerals, the SADC member states will have to make significant interventions that will not only trigger value addition but also promote continued technological upgrading. Member states should promote joint ventures between their local enterprises and foreign investors and also leverage local content requirements to ensure local participation in value chains and technology transfers. Furthermore, the industrial leaders, like South Africa, should be encouraged to pursue a regionally integrated industrial upgrade strategy with transboundary value chain nodes.

Strengthen and accelerate skills development. The limited participation of member states in critical minerals-based RVCs is partially explained by inadequate skills for an innovative ecosystem around technology, engineering, and digital literacy. Addressing this constraint requires deliberate regional and national scientific skills development policies aimed at upskilling and reskilling the workforce for industrialisation. Thus, RECs and member states should promote targeted investment in skills development, particularly in areas of industrial interest. To ensure the availability of sufficient, address skills gaps and mismatches, RECs should promote the creation of consortia and collaborative programmes dedicated to research, innovations, and advanced skills development in specific industrial activities or products. An example is the African Centre of Excellence for Research and Innovation on Batteries, a consortium of regional learning institutions, developed under the framework of the DRC–Zambia Battery Initiative. In addition, such consortia and collaboration should harmonise curricula and qualifications to facilitate regional mobility of skilled labour to spread the mutual benefits of industrial upgrade initiatives.



Invest in research and development: Energy transition products are high-technology products that require intensive research and development efforts. Production will not only be achieved by intensive skill development but also by extensive research and development into technological innovations. The region and individual governments should invest in R&D with appropriate patenting of the products while supporting the uptake of such technologies by the private sector. In this regard, the mining member states could invest in regional Critical Minerals Research and Innovation hubs to facilitate the transformation of regional mineral wealth into high-tech products for global consumption. Close cooperation with member states in R&D and skills development offers the potential for mass production of the required skills while integrating the individual member states into regional value chain development. This can be achieved through harmonising frameworks and collaborative approaches to continuous skills development. Additionally, policymakers must incentivise private sector investment into R&D of new priority products and service areas.

5.2.2 Zambia-specific recommendations

Stabilise mining fiscal terms through a cross-party settlement. A stable fiscal regime is critical for the attraction of investments in the economy, especially in mining and industry. In this regard, Zambia should lock in royalty, tax, and state-equity terms via an independent body, so they survive changes in government, rather than being renegotiated every electoral cycle. This should be paired with Extractive Industry Transparency Initiative-(EITI) aligned transparency that tracks not just how much revenue is collected, but where it is reinvested—with a statutory requirement that a defined share of mining revenue is channelled into productive, non-mining investment, rather than only general budget or debt-service allocation. Fiscal stability and visible reinvestment should be presented as one reform, not two: stability without reinvestment risks simply preserving copper dependence more efficiently.

Sequence beneficiation to measurable milestones, not just broad policy interventions or slogans. The country should tie investment incentives (power tariffs, tax holidays, land) to time-bound local value-addition targets, prioritising lower-capital entry points such as cobalt/copper sulphate for the battery chain. Power supply constraints should be addressed directly, since beneficiation is as much an energy problem as a policy one. Finally, Copperbelt technical skills pipelines should be built ahead of investment. Thus, rather than mandating beneficiation as a general aspiration, the government must instead build a specific, sequenced pathway, namely the right entry point, the right incentives, the right infrastructure, and the right workforce for beneficiation.

Further, the government should create a dedicated mechanism for reinvesting mining revenue into industry. In this regard, it should establish a legally mandated financing vehicle—separate from general treasury—that channels a fixed, legislated percentage of mining royalties and taxes into industrial development: renewable energy manufacturing, agro-processing infrastructure, beneficiation co-financing, and SME industrial lending. The fund should be structured as a development finance/co-investment vehicle (not just a reserve fund) that leverages private capital, report publicly on project-level outcomes, and be shielded from being raided during fiscal crises.

Build diversification on independent political constituencies: Zambia should fund diversification (agro-processing, renewables manufacturing) through a legislated share of mineral royalties directed into a diversification fund, insulated from annual budget politics rather than subject to discretionary allocation. To avoid the fund itself becoming a new patronage target, it should be modelled explicitly on comparable sovereign wealth/development fund structures (e.g., Botswana's Pula Fund governance, or Chile's copper-revenue stabilisation fund), with an independent board, published disbursement criteria, and parliamentary—not executive—oversight of withdrawals. Equally important is building the political muscle of non-mining sectors: strengthening cooperatives and agribusiness associations so they can lobby and hold the fund accountable, rather than the fund simply being a top-down disbursement mechanism with no organised constituency to defend it.

Formalise binding community and labour inclusion in the mining regions, particularly the Copperbelt. The Zambian government should mandate enforceable community development agreements (à la South Africa's Social and Labour Plans) for mine expansion, closure, and beneficiation decisions. The process should create a regulated pathway for artisanal/small-scale miners and require binding post-closure transition plans, given the Copperbelt's ageing mines. This requirement should enable communities in mining areas to be legally protected and have a seat at the table, not just be affected by top-down decisions by others.

Zambia and SADC member states should intensify exploration for critical minerals. Although SADC member states supply a substantial share of several critical minerals, most remain underexplored. Member states will need to intensify exploration for critical minerals to benefit from the green transition and be able to leverage their minerals for industrialisation. In addition to increasing the supply of minerals, new discoveries could offer governments the opportunity to restructure the mining industry from one predominantly owned by foreign investors to an industry that mandates and supports local ownership and participation in new mining projects, which are de-risked by initial government exploration.

Improve research to inform industrial policy. Zambia has implemented several policies to revamp its industrial output. Moreover, little research has been done to inform policy design and how it affects industrialisation. It is therefore important that a closer examination of various policies and strategies is undertaken to inform the design of future development plans and policies. Such studies could explore the extent to which government can pursue industrial development that catalyses backward and forward linkages within the economy. Further, a cross-country comparative analysis could better inform national industrial policy developments.

Finally, Zambia exports value-added products to regional markets. It is recommended that the country should leverage these regional markets to foster national sovereignty, resilient value chains and inclusive and sustainable industrialisation.



Bibliography

- AfDB. (2025). Optimizing value chain enablers to unlock South Africa's mineral potential, Abidjan. [Online]. Available at: https://www.afdb.org/sites/default/files/documents/publications/south_africas_mineral_potential_4.pdf
- AMDC. (2024). Africa's Green Minerals Strategy. African Union. Available at: https://au.int/sites/default/files/documents/44539-doc-AGMS_Final_doc.pdf
- African Mining Markets. (2025). Tengyuan to construct US\$134.2 million mineral processing plant DRC | African Mining Market. <https://africanminingmarket.com/tengyuan-to-construct-usd134-2-million-mineral-processing-plant-drc/21841/>
- African Union. (2009). Africa Mining Vision. Addis Ababa: African Union Commission. [Online]. Available at: <https://au.int/en/ti/amv/about>
- African Union (2025). Regional Integration Report: Strengthening the Implementation of Regional Frameworks to fully Leverage Continental Achievements (African Union, Ethiopia). [Online]. Available at: https://au.int/sites/default/files/documents/45243-doc-20250722_African_Integration_Report_main_report_EN_1_1.pdf
- Barotse Highway Limited Toll Concession. (2025). Environmental & Social Impact Assessment Studies, for the Proposed Rehabilitation and Upgrade of the 371km Road Between Mutanda and Kaoma in the North-Western and Western Provinces of Zambia by Barotse Highway Limited Toll Concession (BHL-TC). [Online] Available at: <https://www.zema.org.zm/docs/eis-proposed-rehabilitation-and-upgrade-of-the-371km-road-between-mutanda-and-kaoma-in-the-north-western-and-western-provinces-of-zambia/>
- Barton, S.J. (2015). Why Zambia failed. *Journal of Institutional Economics*, 11(4), 803–821. <https://doi.org/10.1017/S1744137414000526>
- Barton, S.J. (2016a). 'Exclusion: Centralisation and Contraction (1970–1974)', *Policy Signals and Market Responses*, pp. 66–90, Palgrave Macmillan UK, London. https://doi.org/10.1057/9781137390981_4
- Barton, S.J. (2016b). 'Zambia's 50-year Relationship with Foreign Capital', *Policy Signals and Market Responses*, pp. 177–192, Palgrave Macmillan UK, London. https://doi.org/10.1057/9781137390981_9
- Barwick, P. J., Kwon, H.-S., Li, S., & Zahur, N. B. (2025). It's Not Just Subsidies: How China's EV Battery Firms Learned Their Way to Dominance. [Online]. Available at:



https://fsi9-prod.s3.us-west-1.amazonaws.com/s3fs-public/2025-08/learning_by_doing_8.15.25_0.pdf

Baskaran, G. (2024). How to reform the DFC to meet U.S. critical minerals security needs. Centre for Strategic and International Studies (CSIS). [Online]. Available at: <https://www.csis.org/analysis/how-reform-dfc-meet-us-critical-minerals-security-needs>

Bebbington, A., Abdulai, A.-G., Bebbington, D.H., Hinfelaar, M., Sanborn, C.A., Achberger, J., Huber, C.G., Hurtado, V., Ramírez, T. & Odell, S.D., (2018), 'The Politics of Natural Resource Extraction in Zambia', Governing Extractive Industries, pp. 116–151, Oxford University Press, Oxford.
<https://doi.org/10.1093/oso/9780198820932.003.0004>

Borodyna, O., Shieh, S. and Chen, Y. (2025) Powering the future: China's role in Zambia's drive for energy security. ODI Global Report. London: ODI Global. [Online]. Available at: www.odi.org/en/publications/powering-the-future-chinas-role-in-zambias-drive-for-energy-security/

Bhole, O. (2023). China's partnerships with the world. ORCA Asia. [Online]. Available at: <https://orcasia.org/article/347/chinas-partnerships-with-the-world>.

Black, A., Edwards, L., Ismail, F., Makundi, B., & Morris, M. (2021). The role of regional value chains in fostering regional integration in Southern Africa. Development Southern Africa, 38(1), 39-56. <https://doi.org/10.1080/0376835X.2020.1834354>

BloombergNEF. (2021). The Cost of Producing Battery Precursors in the DRC. <https://about.bnef.com/insights/clean-energy/producing-battery-materials-in-the-drc-could-lower-supply-chain-emissions-and-add-value-to-the-countrys-cobalt/>

Buenassa. (2025). Buenassa Refinery | Buenassa. [Online]. Available at: <https://www.buenassa.com/about-6>

Byamungu, C. G. N. (2023). The U.S.-Zambia-DRC Agreement on EV Batteries Production: What Comes Next? [Online]. Available at: <https://www.csis.org/analysis/us-zambia-drc-agreement-ev-batteries-production-what-comes-next>

Byiers, B., Karaki, K., Woolfrey, S., (2018a). The political economy of regional industrialisation strategies. ECDPM Discussion Paper No 237. [Online]. Available at: <https://ecdpm.org/application/files/7116/5546/8705/DP-237-The-political-economy-of-regional-industrialisation-strategies.pdf>

Byiers, B., Vanheukelom, J., & Woolfrey, S. (2018b). SADC Industrialisation: Where regional agendas meet domestic interests. 232. [Online]. Available at: www.ecdpm.org/dp232



Canpolat, E., Lokanc, M., Bakx, J., Baker, S., & Kaplan, K. (2025). “Fostering a Just Transition in the Energy Transition Minerals Sector in the Eastern and Southern Africa Region.” Washington, DC: World Bank. [Online]. Available at: <https://doi.org/10.1596/43928>

Caramento, A. (2023). Resource Nationalism and Indigenous Capital Accumulation: Interrogating the Motivations Behind the Zambia Industrial and Mining Corporation (ZIMCO) Bond Redemptions, 1969–1975. *Journal of Southern African Studies*, 49(3), 455–475. <https://doi.org/10.1080/03057070.2023.2271599>

Čerňák, J. (2024). The Role of Copper in Zambia. *EDAMBA 2023: Conference Proceedings*, 43–53. <https://doi.org/10.53465/EDAMBA.2023.9788022551274.43-53>

Cheelo, C. & Msiska, F. (2022). Towards Addressing the Economic and Public Finance: Challenges to AfCFTA Implementation. COMESA. Available at: <https://www.comesa.int/wp-content/uploads/2020/09/Addressing-AfCFTA-Implementation-Challenges.pdf>

Chipili, J. (2019). Copper Price and Exchange Rate Dynamics in Zambia. AERC Research Paper 364. Nairobi: African Economic Research Consortium. [Online]. Available at: <https://publication.aercafricalibrary.org/server/api/core/bitstreams/d6c9770a-a750-4667-8d78-7baa7d129361/content>

Mulenga, C. (2023, April). Ministerial Statement by the Minister of Commerce, Trade and Industry (Mr Chipoka Mulenga), MP, on the Zambia-Democratic Republic of Congo Joint Initiative to Establish a Value Chain in the Electric Battery and Clean Energy Sector [Broadcast]. [Online]. Available at: https://www.parliament.gov.zm/sites/default/files/images/publication_docs/Ministerial%20Statement%20-%20On%20Zambia-Congo%20DR%20Joint%20Initiative%20on%20Electric%20Battery.pdf

Chiwele, D., Phiri, M., Banda, B., & Mumba, A. (2024). Zambia’s Industrial Policy. In H. Chitonge, C. M. Fundanga, V. Songwe, & M. Kabinga (Eds.), *The Oxford Handbook of the Zambian Economy* (1st ed.). Oxford University Press. <https://doi.org/10.1093/oxfordhb/9780192864222.013.25>

Chongo, C. (2019). A Good Measure of Sacrifice: Aspects of Zambia’s Contribution to the Liberation Wars in Southern Africa, 1964-1975. *Zambia Social Science Journal*, 6(1), 1–23. Available at: <https://api.semanticscholar.org/CorpusID:197796073>

Chongo, C. (2022). A hostage economy: The impact of Rhodesia’s Unilateral Declaration of Independence on Zambia, 1965-79. *Journal for Contemporary History*, 4–29. <https://doi.org/10.38140/sjch.v47i2.6556>



CFR (2025). US vs China: China-United States and Critical Chokepoint Minerals. [Online]. Available at: <https://www.cfr.org/article/china-united-states-and-critical-chokepoint-minerals>

Cloete, D., Jentel, L., Wolf, N., Mzinyathi, L., Benkenstein, A. & Joseph, A., 2023, Exploring the Critical Minerals Ecosystem in SADC Country Barriers and Enablers Special Report 1 FUTURES: CRITICAL MINERALS. [Online]. Available at: https://saiia.org.za/wp-content/uploads/2023/09/SAIIA_Futures_SR_CMsEcosystemCountryBarriers.pdf

Dorn, G.J. (2025). 'Red gold: Copper and the U.S. mobilization campaign, 1950–3', The Economic History Review, 78(3), 933–951. <https://doi.org/10.1111/ehr.13371>

Esser, L., 2017, The bridge over the Zambezi at Katima Mulilo is a symbol of freedom and cornerstone of economic development | KfW Stories. [Online]. Available at: <https://www.kfw.de/stories/kfw/stories/economy/infrastructure/sambesi-bruecke/>

Eurasian Resources Group. (2023, October 23). ERG in Africa breaks ground on a hydrometallurgical plant at COMIDE to produce copper and cobalt in the DRC. <https://www.eurasianresources.lu/pt/news/ERG%20in%20Africa%20breaks%20ground%20on%20a%20hydrometallurgical%20plant%20a.html>

European Commission. (2023). EU-Zambia Strategic Minerals and Value Chain Development. [Online]. Available at: https://www.eeas.europa.eu/delegations/zambia/eu-zambia-strategic-partnership-sustainable-raw-materials_en?s=128

European Commission. (2025). Commissioner Síkela announces over €200 million in Team Europe investments to boost Zambia's industrial development and local value chains. Available at: https://www.eeas.europa.eu/delegations/zambia/commissioner-s%C3%ADkela-announces-over-%E2%82%AC200-million-team-europe-investments-boost-zambia%E2%80%99s-industrial_en

Filippini, M. (2025). The Lobito Corridor: Key players, Future Risks, and the Imperative for a Responsible Impact, Italian Institute for International Political Studies <https://www.ispionline.it/en/publication/the-lobito-corridor-key-players-future-risks-and-the-imperative-for-a-responsible-impact-222257>.

Fraser, A. (2008). 'Zambia: Back to the Future?', The Politics of Aid, pp. 299–328, Oxford University Press, Oxford. <https://doi.org/10.1093/oso/9780199560172.003.0012>

Friedhoff, K. (2025). Can the US Reduce its Dependence on China for Critical Minerals? Chicago Council on Global Affairs. [Online]. Available at:



<https://globalaffairs.org/commentary/analysis/can-us-reduce-its-dependence-china-critical-minerals>

Froland, H.O., 2022, 'Regional Cartel, International Commodity Agreement, and the Role of the US Government Copper Stockpile', in R. Declercq, D. Money & H. Otto Froland (eds.), *Born with a Copper Spoon: A Global History of Copper, 1830-1980*, University of British Columbia (UBC) Press.

Fundanga, C. (2005) Zambia's economic outlook - what have we learnt in the last 40 years and where do we go from here? Bank for International Settlements Review 2005/5. Available at: <https://www.bis.org/speeches/20060808-future-zambian-economy-balanced-look.pdf>

Fundanga, C. M., & Mwaba, A. (1997). *Privatisation of Public Enterprises in Zambia: An Evaluation of the Policies, Procedures and Experiences by African Development Bank.* [Online]. Available at: <https://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/00157604-FR-ERP-35.PDF>

Fundira, T. (2023). Africa's Trade liberalization and intra-African trade performance Review. Tralac Trade Brief No> G23tr062023. Stellenbosch. [Online]. Available at: <https://www.tralac.org/publications/article/16250-africa-s-trade-liberalisation-and-intra-africa-trade-performance-10-year-review.html>

Good, K. (1987). Zambia and the Liberation of South Africa. *The Journal of Modern African Studies*, 25(3), 505–540. Available at: <https://www.jstor.org/stable/160833>

Governance and Economic Policy Centre (2025). *Geopolitics of Critical Minerals: An Analysis of the strategic gains and risks offered by the EU Strategic Partnership, Lobito Corridor, and Minerals for Security deals on East and Southern Africa's Critical Transition Minerals.* [Online]. Available at: <https://gepc.or.tz/an-analysis-of-the-geopolitical-gains-and-risks-of-eu-strategic-partnerships-lobito-corridor-and-minerals-for-security-deals-on-east-and-southern-africas-critical-transition-minerals/>

Hampwaye, G., Kaleng'a, W. C., & Siame, G. (2015). Regional mineral value chains: implications for Zambia's copper sector industrialization-oriented beneficiation. *Trade & Industrial Policy Strategies.* [Online]. Available at: <https://www.tips.org.za/research-archive/annual-forum-papers/2015/item/2940-regional-mineral-value-chains-implications-for-zambia-s-copper-sector-industrialisation-oriented-beneficiation>

Hinfelaar, M. & Achberger, J. (2017). "The politics of natural resource extraction in Zambia," *Global Development Institute Working Paper Series esid-080-17*, GDI, The University of Manchester. <https://ideas.repec.org/p/bwp/bwppap/esid-080-17.html>



IEA (2024). Global Critical Minerals Outlook 2024. [Online]. Available at: <https://iea.blob.core.windows.net/assets/ee01701d-1d5c-4ba8-9df6-abeeac9de99a/GlobalCriticalMineralsOutlook2024.pdf>

IEA (2025). Critical Mineral Supply Chain concentration: Risks become Reality. [Online]. Available at: <https://www.iea.org/commentaries/with-new-export-controls-on-critical-minerals-supply-concentration-risks-become-reality>.

IRENA (2023). Geopolitics of the Energy Transition: Critical Materials. [Online]. Available at: <https://www.irena.org/Digital-Report/Geopolitics-of-the-Energy-Transition-Critical-Materials>.

Jamasmie, C., 2025, US invests \$1.4M in Zambian mine expansion to rival China - MINING.COM. Available at: <https://www.mining.com/us-invests-1-4m-in-zambian-mine-expansion-to-rival-china/>

Karkare, P. & Byiers, B. (2025). The Lobito Corridor: Between European geopolitics and African agency. ECDPM. [Online]. Available at: <https://ecdpm.org/work/lobito-corridor-between-european-geopolitics-and-african-agency>

Kawasaki, T., Kobayashi, M. & Shibasaki, R., 2021, 'Southern Africa: Overcoming corridor and border challenges for landlocked countries', Global Logistics Network Modelling and Policy, pp. 301–320, Elsevier. <https://doi.org/10.1016/B978-0-12-814060-4.00015-0>

Kragelund, P. (2024). The Mining Industry and Local Content Policy in Zambia. In H. Chitonge, C. M. Fundanga, V. Songwe, & M. Kabinga (Eds.), The Oxford Handbook of the Zambian Economy. Oxford University Press. <https://doi.org/10.1093/oxfordhb/9780192864222.013.45>

Khan, M. (2010). Political Settlements and the Governance of Growth-Enhancing Institutions. Growth-Enhancing Governance (SOAS working paper). [Online]. Available at: <https://soas-repository.worktribe.com/output/389203/political-settlements-and-the-governance-of-growth-enhancing-institutions>

Konga, K. (2007). Debates - Wednesday, 24th January, 2007 | National Assembly of Zambia, Debates - National Assembly of Zambia. [Online]. Available at: <https://www.parliament.gov.zm/node/1930>

Lee, C.K. (2014). 'The Spectre of Global China', New Left Review, 2(89), 28–65. <https://doi.org/10.64590/euc>

Lee, D., Taylor, I. & Williams, P. (2006). The New Multilateralism in South African Diplomacy. Palgrave Macmillan. [Online]. Available at:



<https://ndl.ethernet.edu.et/server/api/core/bitstreams/8975d215-f192-42f7-912b-1d88233abbbc/content>

Leonard, T. M. (2012). Intergovernmental Council of Copper Exporting Countries (CIPEC). In Encyclopedia of U.S.-Latin American Relations. CQ Press.
<https://doi.org/10.4135/9781608717613.n467>

Lobito Corridor Investment Promotion Authority. (2024). The Lobito Corridor: What It Is and Why It Matters. Lobito Corridor Investment Promotion Authority. Available at:
<https://www.lobitocorridor.org/history-background>

Logan, S., & Acheampong, T. (2025). From ore to more: Mineral partnerships for African industrialisation. European Council on Foreign Relations. [Online]. Available at:
<https://ecfr.eu/publication/from-ore-to-more-mineral-partnerships-for-african-industrialisation/>

Makgetla, N., Levin, S., & Mtanga, S. (2019). Moving up the copper value chain in Southern Africa (Vol. 2019). UNU-WIDER. <https://doi.org/10.35188/UNU-WIDER/2019/686-9>

Makuyana, G., & Odhiambo, N. M. (2014). Public investment versus private investment: the case of Zambia. In Journal of Governance and Regulation (Vol. 3, Issue 2).
https://doi.org/10.22495/jgr_v3_i2_p3

Malisase, R., (2021). 'Privatisation of State Owned Enterprises in Zambia: Winners and Losers', World Journal of Social Sciences and Humanities, 7(1), 10–17. Available at:
<https://www.sciepub.com/wjssh/abstract/12954>

Mingst, K.A., 1976, 'Cooperation or illusion: an examination of the intergovernmental council of copper exporting countries', International Organization, 30(2), 263–287.
<https://doi.org/10.1017/S0020818300018270>

Mizner, A. (2024, November 6). Cobalt, Congo and corporate sustainability - African Law & Business. [Online]. Available at:
<https://www.africanlawbusiness.com/news/21797-cobalt-congo-and-corporate-sustainability/>

Mkandawire, T. & Mistree, D. (2017). 'State Capacity, History, Structure, and Political Contestation in Africa', in M.A. Centeno, A. Kohli & D.J. Yashar (eds.), States in the Developing World, pp. 184–216, Cambridge University Press.
<https://doi.org/10.1017/CBO9781316665657.008>



Money, D. (2019). 'Aliens' on the Copperbelt: Zambianisation, Nationalism and Non-Zambian Africans in the Mining Industry. *Journal of Southern African Studies*, 45(5), 859–875. <https://doi.org/10.1080/03057070.2019.1658406>

Mudenda, D. (2009). "Trade and Industrialisation Policies Experienced from Zambia." Industrial Policy Thematic Working Group. Southern African Development Research Network. Available at: <https://www.tips.org.za/projects/past-projects/green-economy/item/1891-trade-and-industrialisation-policies-experiences-from-zambia>

Mudenda, D. & Ndikumana, L., 2024, Dark Spots in the International Commodity Value Chain: The Cases of Copper, Gemstones, and Gold in Zambia. Political Economy Research Institute. Available at: <https://peri.umass.edu/wp-content/uploads/2024/02/WP592b.pdf>

Munalula, M. (2001). A critique of the legal framework governing sovereign debt in Zambia. *Zambia Law Journal*, 33, 62–82. Available at: <https://www.africabib.org/rec.php?RID=23979513X>

Mungule, K. O. (2004). The determinants of the real exchange rate in Zambia. African Economic Research Consortium. Available at: <https://publication.aercafriclibrary.org/handle/123456789/515>

Mususa, P., & Shengo, S. M. (2024). A battery industry in the Central African Copperbelt? The Nordic Africa Institute. [Online]. Available at: <https://afripoli.org/a-battery-industry-in-the-central-african-copperbelt-regional-and-geopolitical-dimensions>

Mwansa, S., Shaikh, J. & Mubanga, P., 2020, 'Special Economic Zones: An Evaluation of Lusaka South - Multi Facility Economic Zone', *Journal of Social and Political Sciences*, 3(2). Available at SSRN: <https://ssrn.com/abstract=3637237>

Mwitwa, C. & Kabemba, C. (2007). Copper Boom in Zambia: Boom for Whom?, *Resource Insight*, No. 3, pp. 1–20. Southern Africa Resource Watch. [Online]. Available at: <https://resourcegovernance.org/sites/default/files/ZamCopperBoom.pdf>

Nantulya, P. (2024). China's Critical Minerals Strategy in Africa. African Center for Strategic Studies. Available at: <https://africacenter.org/wp-content/uploads/2026/02/Chinas-Mineral-Strategy.pdf>

Nantulya, P. (2025). Japan Innovates to Deepen Africa Relations. African Center for Strategic Studies. Available at: <https://africacenter.org/spotlight/japan-innovates-africa-relations/>

Ndulo, M. & Mudenda, D. (2010). Trade Policy Reform and Adjustment in Zambia. Available at: https://www.academia.edu/6965995/Trade_Policy_Reform_and_Adjustment_in_Zambia



- Nkala, Oscar. (2024). Zambia tallies the costs of mining for electric batteries. Oxpeckers. Available at: <https://oxpeckers.org/2024/04/zambia-electric-vehicles/>
- Nyabiage, J. (2025, September 11). US invests in Zambia project in bid to loosen China's grip on critical minerals | South China Morning Post. <https://www.scmp.com/news/china/diplomacy/article/3326103/us-invests-zambia-project-bid-loosen-chinas-grip-critical-minerals>
- Olan'g, S., & Thomas, S. (2023, December 24). The DRC-Zambia Battery Plant: Key Considerations for Governments in 2024. <https://resourcegovernance.org/publications/drc-zambia-battery-plant-key-considerations-governments-2024>
- Onyango, C. (2021, December 1). Electric battery manufacturing – could this be Africa's next big thing? <https://www.howwemadeitinafrica.com/electric-battery-manufacturing-could-this-be-africas-next-big-thing/133592/>
- Organisation of African Unity (1980). Lagos Plan of Action for the Economic Development of Africa 1980–2000. Available at: <https://www.nepad.org/publication/lagos-plan-of-action>
- Oxford Institute for Energy Studies (2024). Responding to the China challenge: Diversification and de-risking in new energy supply chains. Available at: <https://www.oxfordenergy.org/wpcms/wp-content/uploads/2024/12/OEF-142.pdf>
- Panayotou, T., 1979, 'OPEC as a Model for Copper Exporters: Potential Gains and Cartel Behavior', The Developing Economies, 17(2), 203–219. <https://doi.org/10.1111/j.1746-1049.1979.tb00695.x>
- Phiri, C. (2024). A Review of Import Substitution Industrialisation (ISI) Policy in Selected Industries in Zambia, 1964 –1991. Zambia Journal of History, 11(1), 48–66. Available at: <https://journals.unza.zm/index.php/zjh/article/view/1374/967>
- Putnam, R.D., 1988, "Diplomacy and Domestic Politics: The Logic of Two-Level Games," International Organization, 42(3), 427–460. [Online]. Available at: <https://www.jstor.org/stable/2706785>
- Radmann, W., 1973, 'CIPEC — The copper exporting countries', Intereconomics, 8(8), 245–249. <https://doi.org/10.1007/BF02927699>
- Rakner, Lise. (2003). Political and economic liberalisation in Zambia, 1991-2001. Nordic Africa Institute; Distributor in North America, Transaction Publishers. Available at: <https://www.cmi.no/publications/1682-political-and-economic-liberalisation-in-zambia>



Road Development Agency (2024). Government Signs Concession Agreement for Construction on the Mutanda-Kasempa-Kaoma road. Available at: <https://www.rda.org.zm/?p=3969>.

Sadden, E. (2025). Infographic: Energy transition sparks global contest for critical minerals. Available at: <https://www.spglobal.com/energy/en/news-research/latest-news/metals/061025-energy-transition-sparks-global-contest-for-critical-minerals>.

SADC (2012) Regional Infrastructure Development Master Plan Tourism (TFCAs) Sector Plan. Available at: <https://www.sadc.int/sites/default/files/2021-08/Regional Infrastructure Development Master Plan Tourism Sector Plan..pdf>

SADC (2017) Action plan for SADC industrialization strategy and roadmap. <https://www.sadc.int/sites/default/files/2021-08/Action Plan for SADC Industrialization Strategy and RoadmaP..pdf>

SADC (2020), Regional Indicative Strategic Development Plan (RISDP), 2020-2030, <https://www.sadc.int/pillars/regional-indicative-strategic-development-plan-2020-2030>

SADC. (2020, February 21). *Unpacking the SADC Mining Protocol* | SADC. <https://www.sadc.int/pt-pt/node/1101>

SADC. (2021). *REQUEST FOR EXPRESSION OF INTEREST SELECTION OF INDIVIDUAL CONSULTANT CONSULTANCY TO DEVELOP A BUSINESS PLAN FOR THE ESTABLISHMENT OF A SADC REGIONAL MINING VISION UNIT*. <https://www.sadc.int/sites/default/files/2022-03/RMV Unit Business Plan REOI - Regional Mining Vision Unit Business Plan 13102021.pdf>

SADC (2022). 'Member States'. Available at: <https://www.sadc.int/member-states>.

SADC. (2026) Mining SADC. [Online]. Available at: <https://www.sadc.int/pillars/mining>

Seekings, J., & Tembo, A. (2019). The Economic History of Zambia. In *The Politics of Social Protection in Eastern and Southern Africa*, University of Cape Town (UCT), https://humanities.uct.ac.za/sites/default/files/content_migration/humanities_uct_ac_za/1380/files/IDCPPA.WP28.SeekingsTembo.pdf.

Shimoda, Y. (2009). The Triangle of Hope: Promoting Investment in Zambia through Malaysian Experiences. Available at: https://openjicareport.jica.go.jp/pdf/12082285_02.pdf

Shinyekwa, I.M.B., Lakuma, C.P. & Munu, M.L., 2019, 'The Effects of Regional Economic Communities on Industrialization: The Case of COMESA', *African Development Review*, 31(4), 506–516. <https://doi.org/10.1111/1467-8268.12407>



Sikamo, J., Mwanza, A., & Mweemba, C. (2016). Copper mining in Zambia - History and future. *Journal of the Southern African Institute of Mining and Metallurgy*, 116(6), 491–496. Available at: https://scielo.org.za/scielo.php?script=sci_arttext&pid=S2225-62532016000600003

Situmbeko, L.C. & Zulu, J.J. (2004). How the IMF and World Bank have undermined development. Available at: https://www.sarpn.org/documents/d0000817/P933-Zambia_WDM_April2004.pdf

Simutanyi, N., 1996, 'The politics of structural adjustment in Zambia', *Third World Quarterly*, 17(4), 825–839. Available at: <https://www.econbiz.de/Record/the-politics-of-structural-adjustment-in-zambia-simutanyi-neo/10001335220>

Soest, C. von. (2007). How does neopatrimonialism affect the African state's revenues? The case of tax collection in Zambia. *The Journal of Modern African Studies*, 45(4), 621–645. <https://doi.org/10.1017/S0022278X0700290X>

State House. (2025). Construction of the Mutanda – Kasempa – Kaoma road starts. Available at: <https://www.sh.gov.zm/construction-of-mutanda-kasempa-kaoma-road-to-start/>

Steenkamp, N.C. & Kioni, E. B. (2024). Cobalt market product and demand shift. *Southern African Institute of Mining and Metallurgy*. [Online]. Available at: https://www.saimm.co.za/Conferences/files/battery-materials-2024/02_BM01-Steenkamp.pdf

TAZARA (2025). Our history. Available at: <https://www.tazarasite.com/our-history>

Thakur, S. (2024). Local Economic Development: An Alternative Development Approach for Zambia. *Journal of Global Economy, Business and Finance*, 6(8), 6–15. [https://doi.org/10.53469/jgebf.2024.06\(08\).02](https://doi.org/10.53469/jgebf.2024.06(08).02)

Thomas, P. A. (1968). *Zambian Economic Reforms*. *Canadian Journal of African Studies / Revue Canadienne Des Études Africaines*, 2(1), 13–26. <https://doi.org/10.1080/00083968.1968.10803496>

Tralac, 2023, *Intra-Africa trade: Facts and figures 2022 - tralac trade law centre*. <https://www.tralac.org/resources/infographic/16253-intra-africa-trade-facts-and-figures-2022>

UNCOMTRADE. (2026). UN Comtrade Database. Accessed January 5 2026, from <https://comtradeplus.un.org/>

UNCTAD (2016). *A Commitment to Inclusive Trade*. Available at: https://unctad.org/system/files/official-document/dom2017_en.pdf



UNECA. (2022, November 22). Centre of Excellence for Advanced Battery Research in DRC Officially launched | United Nations Economic Commission for Africa.

<https://www.uneca.org/stories/centre-of-excellence-for-advanced-battery-research-in-drc-officially-launched>

UNECA. (2023, March 27). ECA and Afreximbank sign Framework Agreement to establish Special Economic Zones for the production of Battery Electric Vehicles in DRC and Zambia | United Nations Economic Commission for Africa.

<https://www.uneca.org/stories/eca-and-afreximbank-sign-framework-agreement-to-establish-special-economic-zones-for-the>

UNECA. (2024, April 15). Zambia and DRC to implement an Innovative transboundary battery and Electric vehicle Special Economic Zone | United Nations Economic Commission for Africa. <https://www.uneca.org/stories/zambia-and-drc-to-implement-an-innovative-transboundary-battery-and-electric-vehicle-special>

UNECA. (2025, September 11). ECA capacitates Micro Small and Medium Enterprises in DRC and Zambia to tap battery and electric vehicle value chain opportunities | United Nations Economic Commission for Africa. <https://www.uneca.org/stories/eca-capacitates-micro-small-and-medium-enterprises-in-drc-and-zambia-to-tap-battery-and>

USTDA. (2025, September 18). USTDA Diversifies Critical Minerals Supply Chains Through Zambia Partnership – USTDA. <https://www.ustda.gov/ustda-diversifies-critical-minerals-supply-chains-through-zambia-partnership/>

United Nations Zambia. (2024). Potential Impact of the Lobito Corridor and Support to the Regional Transformation Agenda.

[https://www.undp.org/sites/g/files/zskgke326/files/2024-10/lobito-corridor-policy-brief.up .pdf](https://www.undp.org/sites/g/files/zskgke326/files/2024-10/lobito-corridor-policy-brief.up.pdf)

Whitfield, L., Therkildsen, O., Buur, L. & Kjær, A.M., 2015, 'The Case for Economic Transformation and Industrial Policy', in Lindsay Whitfield, Ole Therkildsen, Lars Buur & Anne Mette Kjær (eds.), The Politics of African Industrial Policy: A Comparative Perspective, pp. 37–59, Cambridge University Press, Cambridge.

<https://doi.org/10.1017/CBO9781316225509.002>

Woolfrey, S., & Verhaeghe, E. (2017). Understanding the COMESA industrialisation agenda. Regional Integration, Cooperation or Learning. Available at:

<https://ecdpm.org/application/files/8716/6135/1997/COMESA-Industrialisation-Background-Paper-PEDRO-Political-Economy-Dynamics-Regional-Organisations-Africa-ECDPM-2017.pdf>

World Bank, 2007, Zambia Joint IDA-IMF Staff Advisory Note on the Poverty Reduction Strategy Paper (Fifth National Development - FNDP). Available at:



<https://documents1.worldbank.org/curated/en/932451468334759827/pdf/401270IDA1SecM200710496main.pdf>

World Bank, 2020, The African Continental Free Trade Area: Economic and Distributional Effects, Washington, DC. Available at:

<https://documents1.worldbank.org/curated/en/216831595998182418/pdf/The-African-Continental-Free-Trade-Area-Economic-and-Distributional-Effects.pdf>

World Bank (2025). Repositioning Zambia to Leverage Energy Transition Minerals for Economic Transformation: A Roadmap

<https://thedocs.worldbank.org/en/doc/bbb54f26c0fa462055e87f123cfa279f-0400012025/original/Full-Report-ETM-Roadmap-for-Zambia-final.pdf>

World Bank. (2026). World Development Indicators | DataBank. Accessed January 13 2026, from <https://databank.worldbank.org/source/world-development-indicators>

Yongzhong, W. Amineh, M. (2024) 'The-Geopolitical-Economy-of-Energy-Transition-Comparing-Chinas-Belt-and-Road-Initiative-and-the-European-Union'

<https://ieem.org.mo/wp-content/uploads/2024/04/The-Geopolitical-Economy-of-Energy-Transition-Comparing-Chinas-Belt-and-Road-Initiative-and-the-European-Union.pdf>

Zambia Statistical Agency (1995). 1990 Census of Population, Housing and Agriculture: National Analytical Report, Lusaka. Available at: <https://www.zamstats.gov.zm/wp-content/uploads/2023/12/1990-Census-of-Population-and-Housing-and-Agriculture-volume-10-Part-A.pdf>

Zambia Statistical Agency (2003). 2000 Census of Population and Housing, Lusaka. Available at: <https://www.zamstats.gov.zm/wp-content/uploads/2023/12/2000-Census-of-population-and-housing-report.pdf>

Zambia Statistics Agency, 2026, *Zambia Statistics Agency (ZamStats) Monthly Bulletin - January 2026*. https://www.zamstats.gov.zm/wp-content/uploads/2026/06/Vol-274-of-2026-The_Monthly_January.pdf



Appendices

Table A1: Region destinations of Zambian exports (%)

	2012	2015	2019	2020	2021	2022	2023	Average
Angola	1.0	0.2	0.2	0.1	0.2	0.3	0.7	0.4
Botswana	2.6	2.1	2.2	1.7	3.1	3.0	7.6	3.2
Comoros	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Congo, Dem. Rep.	23.5	30.5	52.2	58.0	49.7	51.7	44.6	44.3
Eswatini	0.3	0.7	0.1	0.2	0.1	0.1	0.0	0.2
Lesotho	0.1	0.2	0.1	0.2	0.0	0.1	0.3	0.1
Madagascar	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.0
Malawi	7.6	7.3	7.5	7.6	7.2	5.7	5.7	6.9
Mauritius	2.0	0.6	0.7	0.1	1.4	1.2	0.9	1.0
Mozambique	0.8	0.9	1.2	1.2	1.5	1.3	1.4	1.2
Namibia	6.3	2.3	3.1	4.8	5.4	6.7	6.3	5.0
Seychelles	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
South Africa	34.2	33.2	21.1	14.2	15.7	12.6	14.4	20.8
Tanzania	4.0	3.3	4.5	4.2	4.3	4.6	5.7	4.4
Zimbabwe	17.6	18.7	7.0	7.5	11.4	12.5	12.3	12.4

Table A2: Electricity trade by country

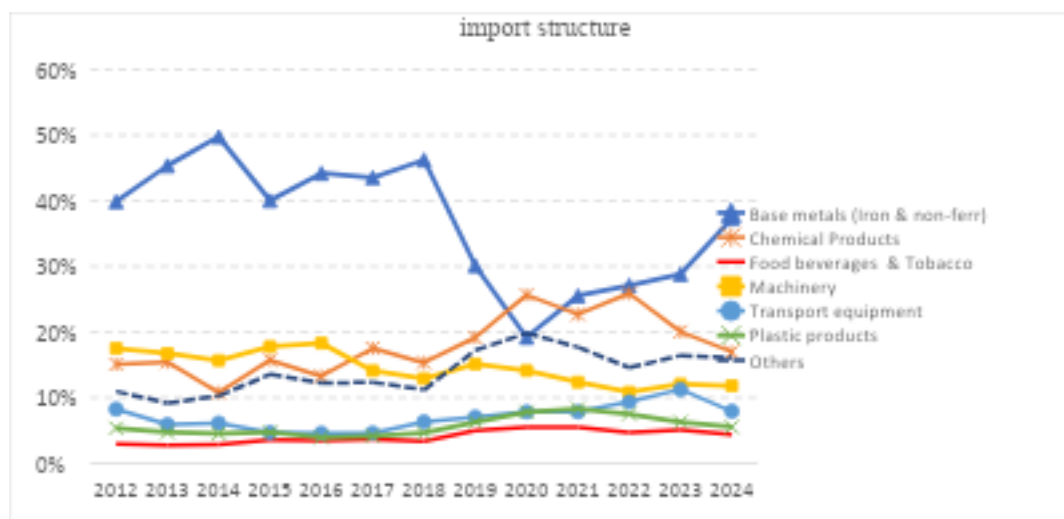
Year	Botswana	Eswatini	Lesotho	Malawi	Mozambique	Namibia	South Africa	Zambia	Zimbabwe
2008	-	(20)	-	-	104,284	(8.21)	(41,293.4)	2,711	(25,821)
2013	(239,955)	(60,712)	-	-	(16,823)	(0.06)	407,018.2	125,126	(63,107)
2014	(149,156)	(13,964)	-	845	(63,820)	(8.94)	352,082.5	77,956	(37,187)
2015	(103,105)	-	(9,683)	701	67,596	(4.71)	280,130.6	72,038	(13,394)
2018	(3)	(51,393)	(26,526)	(1,745)	184,503	(0.67)	309,158.2	66,377	(100,356)
2019	(96,662)	(65,861)	(34,019)	(3,192)	263,011	(4.51)	480,081.8	83,252	(77,966)
2020	(195,768)	(69,513)	(22,577)	(519)	250,573	-	403,926.5	120,446	(147,771)
2021	(143,278)	(154,850)	(32,662)	-	290,402	-	473,784.6	162,330	(149,044)
2022	(101,019)	(83,476)	(42,844)	-	347,180	-	388,047.6	265,594	(182,018)
2023	(155,803)	(85,188)	(44,140)	-	448,063	-	272,608.9	380,726	(156,553)
2024	-	-	-	-	-	-	422,006.6	-	(189,320)



Table A4: Electricity trade by country

Year	Botswana	Eswatini	Lesotho	Malawi	Mozambique	Namibia	South Africa	Zambia	Zimbabwe
2008	-	(20)	-	-	104,284	(8.21)	(41,293.4)	2,711	(25,821)
2013	(239,955)	(60,712)	-	-	(16,823)	(0.06)	407,018.2	125,126	(63,107)
2014	(149,156)	(13,964)	-	845	(63,820)	(8.94)	352,082.5	77,956	(37,187)
2015	(103,105)	-	(9,683)	701	67,596	(4.71)	280,130.6	72,038	(13,394)
2018	(3)	(51,393)	(26,526)	(1,745)	184,503	(0.67)	309,158.2	66,377	(100,356)
2019	(96,662)	(65,861)	(34,019)	(3,192)	263,011	(4.51)	480,081.8	83,252	(77,966)
2020	(195,768)	(69,513)	(22,577)	(519)	250,573	-	403,926.5	120,446	(147,771)
2021	(143,278)	(154,850)	(32,662)	-	290,402	-	473,784.6	162,330	(149,044)
2022	(101,019)	(83,476)	(42,844)	-	347,180	-	388,047.6	265,594	(182,018)
2023	(155,803)	(85,188)	(44,140)	-	448,063	-	272,608.9	380,726	(156,553)
2024	-	-	-	-	-	-	422,006.6	-	(189,320)

Figure A1: Composition of Imports for Zambia



Abbreviations

8NDP	Eighth National Development Plan
AAC	Anglo-American Corporation
ACP	African, Caribbean, and Pacific
AFC	Africa Finance Corporation
AfCFTA	African Continental Free Trade Area
AfDB	African Development Bank
AGOA	American Growth Opportunity Act
AIDA	Accelerated Industrial Development of Africa
ALSF	African Legal Support Facility
AMDC	African Minerals Development Centre
AMREC	African Minerals and Energy Resources Classification System
AMV	African Mining Vision
ANC	African National Congress
ASM	Artisanal and small-scale mining
AU	African Union

AUC	African Union Commission
AUDA-NEPAD	African Union Development Agency – New Partnership for Africa’s Development
BADEA	Arab Bank for Economic Development in Africa
BHL	Buks Haulage Limited
BHL-TC	Barotse Highway Limited Toll Concession
BRI	Belt and Road Initiative
CAC	Central African Copperbelt
CCECC	China Civil Engineering Construction Corporation
CEC	Copperbelt Energy Commission
CEEC	Citizens Economic Empowerment Commission
CEN-SAD	Community of Sahel-Saharan States
CFR	Council on Foreign Relations
CIPEC	Intergovernmental Council of Copper Exporting Countries
COMESA	Common Market for Eastern and Southern Africa



COP	Conference of the Parties
CSO	Civil society organisation
CTI	Commercial, Trade and Industrial policy
DAM	Day-Ahead Market
DBSA	Development Bank of Southern Africa
DFRC	Development Finance Resource Centre
DRC	Democratic Republic of the Congo
EAC	East African Community
EBA	Everything but Arms (EU initiative)
ECCAS	Economic Community of Central African States
ECOWAS	Economic Community of West African States
EITI	Extractive Industries Transparency Initiative
EPA	Economic Partnership Agreement
EPZ	Export processing zone
ERB	Energy Regulation Board
ERMA	European Raw Materials Alliance
ETM	Energy transition minerals
EV	Electric Vehicle
FDI	Foreign Direct Investment
FINDECO	Finance Development Corporation
FISP	Farmer Input Support Programme
FNDP	First National Development Plan
FPM-M	Forward Physical Market – Monthly
FPM-W	Forward Physical Market – Weekly
FQM	First Quantum Minerals Operations Limited
FSP	Fertiliser Support Programme
FTZ	Free trade zone

GATS	General Agreement on Trade in Services
GATT	General Agreement on Tariffs and Trade
GDP	Gross domestic product
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (German Agency for International Cooperation)
GSP	Generalised System of Preferences
HIPC	Heavily Indebted Poor Countries
ICT	Information and communication technology
IDC	Industrial Development Corporation
IDM	Intra-Day Market
IEA	International Energy Agency
IGAD	Intergovernmental Authority on Development
IIP	Integrated Industrial Parks
IMF	International Monetary Fund
INDECO	Industrial Development Corporation
IPP	Independent Power Producer
IRENA	International Renewable Energy Agency
ITC	International Trade Centre
JI	Joint Initiative
JICA	Japan International Cooperation Agency
LuSE	Lusaka Securities Exchange
MES	Metroprop Energy Solutions
MFEZ	Multi-Facility Economic Zone
MGEE	Ministry Of Green Economy and Environment
MINDECO	Mines Development Corporation
MMD	Movement for Multi-party Democracy
MMMD	Ministry Of Mines and Mineral Development



MoE	Ministry Of Energy
MOF	Ministry of Finance and National Planning
MoU	Memorandum of Understanding
MRC	Minerals Regulation Commission
MVA	Manufacturing value-added
NAZ	National Assembly of Zambia
NCCM	Nchanga Consolidated Copper Mines
NDP	National Development Plan
NERP	New Economic Recovery Programme
NIP	National Industrial Policy
NMC	Nickel–manganese–cobalt
NTB	Non-tariff barriers
NTP	National Trade Policy
OECD	Organisation for Economic Co-operation and Development
OPEC	Organization of the Petroleum Exporting Countries
PARC	Pan-African Resource Reporting Code
PFP	Policy Framework Papers
PRSP	Poverty Reduction Strategy Paper
PSDRP	Public Sector Development Reforms Programme
PTA	Preferential Trade Area
R&D	Research and Development
RCM	Roan Consolidated Mines
RDA	Road Development Agency
REA	Rural Electrification Authority
REC	Regional economic community
RIDMP	Regional Infrastructure Development Master Plan
RISDP	Regional Indicative Strategic Development Plan
RoW	Rest of the World

RST	Roan Selection Trust
RVC	Regional value chain
SABF	Southern African Business Forum
SACU	Southern African Customs Union
SADC	Southern African Development Community
SADCC	Southern African Development Coordinating Committee or Southern African Development Coordination Conference
SAP	Structural Adjustment Programme
SAPP	Southern Africa Power Pool
SEZ	Special Economic Zone
SIDO	Small Industries Development Organisation
SME	Small and medium-sized enterprises
SOE	State-owned enterprises
SPS	Sustainable Power Solutions
SPV	Special Purpose Vehicle
TAZAMA	Tanzania–Zambia Mafuta (pipeline)
TAZARA	Tanzania-Zambia Railway Authority
TFA	Trade Facilitation Agreement
TFTA	Tripartite Free Trade Area
TOH	Triangle of Hope
TRIPS	Agreement on Trade-Related Aspects of Intellectual Property Rights
TVET	Technical and Vocational Education and Training
UDI	Unilateral Declaration of Independence
UMA	Union du Maghreb Arabe (Arab Maghreb Union)
UNCTAD	UN Trade and Development
UNECA	United Nations Economic Commission for Africa



UNFCCC	United Nations Framework Convention on Climate Change
UNIDO	United Nations Industrial Development Organization
UNIP	United National Independence Party
US	United States
USTDA	United States Trade and Development Agency
WTO	World Trade Organization
ZAMPOST	Zambia Postal Services
ZAMEFA	Metal Fabricators of Zambia Plc
ZAMTEL	Zambia Telecommunication Company Limited

ZANACO	Zambia National Commercial Bank
ZARENA	Zambia Renewable Energy Association
ZCCM-IH	Zambia Consolidated Copper Mines Investment Holdings
ZCM	Zambia Chamber of Mines
ZDA	Zambia Development Agency
ZEMA	Zambia Environmental Management Agency
ZESCO	Zambia Electricity Supply Corporation
ZIMCO	Zambia Industrial and Mining Corporation
ZRA	Zambia Revenue Authority