

Zambia

Zambia is a landlocked country in Southern Africa with eight neighboring countries: Angola, Botswana, Congo DRC, Malawi, Mozambique, Namibia, Tanzania, and Zimbabwe. The country gained its independence from Great Britain in 1964. Finland and Zambia entered into diplomatic relations in 1968.

Zambia is a politically stable lower middle-income country (LMIC), with one of the youngest populations in the world. The official language of Zambia is English. The country has a free media.

Zambian market opportunities

After the democratic and peaceful elections in 2021, times are optimistic in Zambia. The new government emphasizes private-sector development, good governance and improving macroeconomic conditions. Despite economic challenges, Zambia offers a peaceful and stable operating environment with many market opportunities. Interesting sectors for Finnish actors include circular economy, renewable energy, agriculture and forestry, education, ICT, as well as the mining and environmental technology sectors.

Strong bilateral relations between Finland and Zambia, along with a positive Finnish country image in Zambia, create favorable conditions for business activities. A relatively easy operating environment reduces the threshold to investigate market opportunities, and interest in the annual Finland Business Week organized by the Finnish Embassy in Lusaka has been widespread.

Finland's Ministry for Foreign Affairs supports the AGS programme (Accelerated Growth for SMEs in Zambia), among others focusing on supporting cooperation between Finnish and Zambian stakeholders.

Renewable Energy: During the last decades, Zambian demand for energy has increased by around 6% annually due to economic growth. Around 30% of the population is connected to the electrical grid and around 7% have electricity through an off-grid solution. The government targets to increase the share of the population with access to electricity to 50% by 2030. Current electricity production fails to meet the demand, and economic and social development further increases the pressure to increase supply.

Over 85% of Zambia's electricity production comes from hydropower. Droughts do however cause challenges to hydropower production and a diversification of the energy mix as well as increasing off-grid solutions are current priorities. In addition to hydropower potential, Zambia has ample opportunities and natural resources related to solar, wind, geothermal and bioenergy production. As such, increasing availability of electricity in an environmentally sustainable manner creates good market opportunities in Zambia.

Circular economy: CE solutions in Zambia are in their infancy. Zambia's Ministry of Green Economy and Environment has a target to develop Zambia's CE solutions, and government entities have set regulations to support sustainable production. The Ministry's green growth strategy is also planned to include a CE roadmap. There is a lot of demand for CE solutions in Zambia, offering many good business opportunities for Finnish actors. For the first time the World Circular Economy Forum organized by Sitra is taking place in Africa (Rwanda), and one of the remote studios will be organized in Zambia on 6.-7.12.2023.

The Finnish-funded AGS private sector programme is currently conducting a market study on CE opportunities in Zambia.

Education: Finnish-Zambian education sector cooperation has a long history. Zambia's current administration has plans to reform the education system, creating opportunities for educational technology and curriculum development. Finnish education know-how is respected in Zambia, and there is interest towards, for instance, teacher training, early childhood development and vocational training solutions. Finnish higher education institutions have active cooperation with their Zambian counterparts related to agriculture, private-sector development, and curriculum development activities.

Digitalization and ICT: Digital transformation is high on the Zambian government's agenda. The Ministry of Technology and Science is currently developing a new digital transformation strategy, which supports the government's plan to enable country-wide development. Currently around one half of the population is reached by digital services but providing digital access to the whole population is challenging due to lacking electricity and internet connections. In the last few years there has been significant development in the fields of digital infrastructure, financial services, and digital platforms. The COVID-19 pandemic was an additional catalyst to this development. There are, however, many gaps in digital skills and digital entrepreneurship in Zambia.