



# FOREIGN PRIVATE INVESTMENT AND INVESTOR PERCEPTIONS IN ZAMBIA - 2018

*Enhancing Investment for Export Promotion and Industrialisation towards Inclusive Growth*





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# Foreign Private Investment and Investor Perceptions in Zambia

## 2018

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**List of Acronyms**

|           |   |
|-----------|---|
| AGOA      | African Growth and Opportunity Act  |
| BoZ       | Bank of Zambia  |
| BoP       | Balance of Payments   |
| BoPSC     | Balance of Payments Statistical Committee                                       |
| BPM6      | Balance of Payments and International Investment Position Manual, Sixth Edition |
| CDIS      | Coordinated Direct Investment Survey  |
| COMESA    | Common Market for Eastern and Southern Africa                                   |
| CSO       | Central Statistical Office  |
| CSR       | Corporate Social Responsibility   |
| EMDEs     | Energy Markets and Developing Economies   |
| ESGP      | Economic Stabilization and Growth Programme                                     |
| EU        | European Union  |
| FAL       | Foreign Assets and Liabilities  |
| FATS      | Foreign Affiliates Trade in Services  |
| FDI       | Foreign Direct Investments  |
| FPC       | Foreign Private Capital   |
| FPC-CBP   | Foreign Private Capital Capacity Building Programme                             |
| FPI       | Foreign Portfolio Investment  |
| FPI & IP  | Foreign Private Capital and Investor Perceptions                                |
| GATS      | General Agreement on Trade in Services  |
| GDP       | Gross Domestic Product  |
| ICT       | Information Communication Technology  |
| IFCA-ISIC | ISIC, Rev.4 Categories for Foreign Affiliates in Services                       |
| IIP       | International Investment Position   |
| ISIC      | International Standard Industrial Classification of All Economic Activities     |
| MCTI      | Ministry of Commerce, Trade and Industry  |
| MEFMI     | Macroeconomic and Financial Management Institute of Eastern and Southern Africa |
| IMF       | International Monetary Fund   |
| MFEZs     | Multi Facility Economic Zones   |
| M & As    | Mergers and Acquisitions  |
| MOFAs     | Majority-Owned Foreign Affiliates   |
| MSITS     | Manual on Statistics for International Trade in Services                        |
| NTEs      | Non-Traditional Exports   |
| OECD      | Organisation for Economic Cooperation and Development                           |
| OPEC      | Oil Producing and Exporting Countries   |
| PACRA     | Patents and Company Registration Agency   |
| PCF       | Private Capital Flows   |
| PSD-IJC   | Private Sector Development Industrialisation and Job Creation                   |
| PSED      | Private Sector External Debt  |
| PSEL      | Private Sector External Lending   |
| RECs      | Regional Economic communities   |
| SADC      | Southern African Development Community  |
| SNDP      | Sixth National Development Plan   |
| SSA       | Sub-Saharan Africa  |
| UNCTAD    | United Nations Conference on Trade and Development                              |
| UNDP      | United Nations Development Programme  |
| VAT       | Value Added Tax   |
| WB        | World Bank  |
| WEO       | World Economic Outlook  |
| WIR       | World Investment Report   |
| ZDA       | Zambia Development Agency   |
| ZRA       | Zambia Revenue Authority  |



## ii. Acknowledgements

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The Core Project Team, comprising representatives from the lead institutions, namely Ms. Chisala Sofia Ngandwe, Ms. Mwika Mwenechanya, Dr. Francis Muma, Mr Mutemwa Malimba, Mr Francis Mbao, Ms Christabel Mwananshiku, Mr Kafula Longa, Mr Emmanuel Chokwe, Mr. Godwin Sichone and Mr. Wachisa Sibale from the Bank of Zambia. Ms. Sombo Kaweza, Ms. Suwilanji Muleza and Mr. Chisanga Pule from the Zambia Development Agency (ZDA); and Mr. Nkandu Kabibwa, Ms Salome Naluyele and Mr. Victor Bwalya from the Central Statistical Office (CSO), wishes to put on record its appreciation to staff from BoZ, ZDA, CSO, the Ministry of Commerce, Trade and Industry (MCTI) and the Ministry of Tourism and Arts that took part in the data collection exercise. We are also grateful to all staff from the three lead institutions that provided logistical support during the dissemination workshop.

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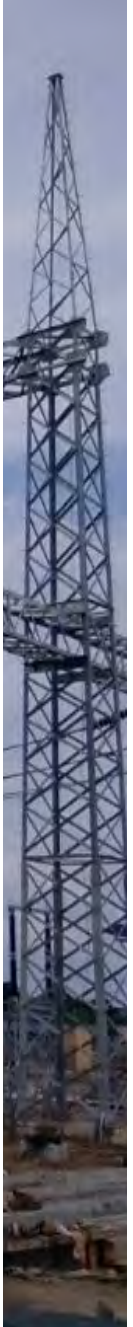


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## VI. EXECUTIVE SUMMARY





## vi. Executive Summary

The key drivers in attracting investment include economic and political stability, an abundance of attractive investment opportunities and appropriate structural policies such as the strengthening of economic and political institutions, the legal and regulatory framework, and improving the quality of transport and communication infrastructure. These remain important to fostering strong private investment, growth and most importantly employment creation.

To this effect, Government continued to offer fiscal incentives to both domestic and foreign investment. These incentives were supported by enhanced public investment in infrastructure such as roads, airports and bridges among others. Various incentives are provided for under the Zambia Development Agency (ZDA) Act, which offers a wide range of incentives in form of allowances, exemptions and concessions. It also provides for investment thresholds that investors have to meet to qualify for fiscal and non-fiscal incentives.

During the year under review the ZDA undertook investment promotion initiatives which showcased Zambia as an ideal investment destination. Amongst the activities undertaken, included facilitation of investor missions and investor forums. The Agency undertook seven (7) outward investment promotion missions to Israel, Spain, China, Japan and South Africa. Further, a total of sixty seven (67) inward missions were recorded during the period under review.

Zambia's net foreign direct investment inflows significantly improved to US \$1,179.6 million from US\$486.1 million in 2016. This was mainly due to an increase in Foreign Direct Investment (FDI) liabilities inflows, following a growth of 67.1 percent to US \$1,107.5 million from US \$662.8 million in 2016, largely reflecting increased investment in the mining and quarrying industry. This was after a rebound in commodity prices on the international market and improvements in the electricity supply, which supported production. FDI assets, however, reduced by US \$72.0 million following a repayment of debt by non-resident parent companies owed to domestic enterprises.

Nonetheless, private sector foreign liabilities inflows, declined by 3.1 percent to US \$1,045.4 million from US \$1,078.9 million recorded in 2016. The decline was mainly explained by a reduction in other investment inflows, which recorded a net outflow of US \$71.0 million against a net inflow of US \$400.9 million in 2016, due to debt repayments.

FDI liabilities inflows in 2017 were mainly from Switzerland, India, South Africa, Nigeria, Canada, Ireland and China, with the manufacturing industry accounting for 31.3 percent share of the total inflows.

Private sector holdings of foreign assets abroad increased by 63.2 percent to US \$665.2 million. The rise in asset flows was mainly on account of increased accumulation of assets in form of other investments explained by a rise in commercial banks' deposits of currency in nostro accounts mainly held in China PR, the United States and the United Kingdom.

As at end-2017, Private Sector External Debt stock (PSED) was US \$15,288.2 million, 5.1 percent higher than the end-2016 stock position of US \$14,757.5 million, due to net debt disbursements largely from affiliates. With regards, to the source country, Switzerland accounted for the bulk of the stock with the mining and quarrying industry having the largest share at 63.0 percent.

In 2017, the enumerated 193 Majority-Owned Foreign Affiliates (MOFAs) registered increases in profitability, sales and value added coupled with higher employment creation and taxes paid.

With regard to investor perceptions, the survey found that the overall ease of doing business in Zambia was generally conducive. This was supported by market potential amid political stability and good governance structures. The survey further revealed that other fundamentals such as a favourable legal environment and availability of resources were equally important in the decision making process for respondents to place their investments and their continued stay in Zambia. Factors with adverse impact on doing business in Zambia were; relatively high lending interest rates, government accumulation of arrears to suppliers, bureaucracy encountered in paying taxes and trading across borders.



## 1.0 INTRODUCTION





## 1.0 INTRODUCTION

Zambia's economic policy, as enshrined in the 2019 - 2021 Green Paper, aims to implement reforms under the Economic Stabilization and Growth Programme (ESGP) in order to sustain macroeconomic stability and to support and promote broad based and inclusive growth. It is therefore important that the positive achievements recorded in the previous medium term plan periods such as, stabilization in the exchange rate and reducing and sustaining inflation to single digits. Challenges, nevertheless, remain with expenditure pressures mainly associated with the rising public debt service and growing domestic arrears which have led to an overall expansion in fiscal deficit.

In this regard, Government's objective is to strengthen macroeconomic resilience by narrowing the fiscal deficit through scaling back on borrowing, increasing domestic revenue mobilisation and realigning expenditures, by implementing austerity measures. Further, Government continues to prioritize agriculture, mining, manufacturing and tourism as the key strategic sectors for the creation of decent employment opportunities in order to reduce poverty and inequality.

Having achieved relative macroeconomic stability and positive economic growth which has remained above the average for sub-Saharan Africa in recent years, Government is firmly resolved to respond to the current economic challenges that the country is facing. Key objectives include achieving fiscal consolidation by limiting expenditure to priority sectors such as health and education; enhancing domestic revenue mobilisation; and scaling down debt contraction. Furthermore, as investment promotion continues to be an important policy strategy consistent with the overall macroeconomic targets aimed at attaining sustainable economic growth for Zambia, the theme of this report for 2018 remains unchanged. "Enhancing Investment for industrialization and export promotion towards inclusive growth.

This report summarises the survey findings on foreign assets and liabilities and investor perceptions in Zambia. The report provides highlights to the magnitude, types and direction of foreign private capital assets and liabilities, Foreign Affiliates Trade in Services (FATS) as well as investor perceptions.

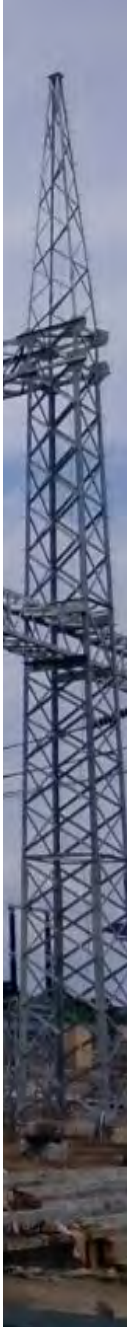
The survey was undertaken on a quarterly basis and the annual survey was concluded between July and August 2018. It covered the calendar year 2017 and first half of 2018. A total of 314 enterprises out of which 193 enterprises Majority Owned Foreign Affiliates (MOFAs) were covered during the survey, of which 279 responded, translating into a response rate of 89.0 percent.

The survey was undertaken in conformity with the latest International Monetary Fund (IMF) Balance of Payment and International Investment Position Manual Sixth Edition (BPM6), the Coordinated Direct Investment Survey (CDIS), Organisation for Economic Co-operation and Development (OECD) Benchmark definition of Foreign Direct Investment and the 2010 Manual on Statistics for International Trade in Services (MSITS 2010). The survey further complied with the United Nations Conference on Trade and Development (UNCTAD) requirements for compilation of Foreign Affiliates Trade in Services (FATS).

The rest of the report is structured as follows: Chapter 2 discusses the theme of the report focusing on enhancing investment for export promotion and industrialization towards inclusive growth. Chapter 3 gives the recent macroeconomic and foreign investment trends and prospects. In Chapters 4, 5, 6, 7, and 8 the quantitative survey findings are presented and analysed, relating to foreign liabilities, private sector external debt, private sector foreign assets, foreign affiliates trade in services and corporate social responsibility. This is followed by Chapter 9, which provides a detailed discussion of investor perceptions on the investment climate in Zambia, and Chapter 10 outlines the proceedings of the dissemination workshop whilst Chapter 11 concludes and highlights policy recommendations. The survey methodology and detailed annexes of tables and other information analysed are provided in the Annexure section at the end of this report.



## **2.0 OVERVIEW OF THE INVESTMENT CLIMATE**



## 2.0 OVERVIEW OF THE INVESTMENT CLIMATE

### 2.1 Overview

The investment climate in any country is determined by the stability of macroeconomic policies, the strength of economic and political institutions, the functioning of the legal and regulatory framework, and the quality of infrastructure, among others. A good investment climate enhances productive private investment and economic growth by creating opportunities for the private sector to invest, create jobs, and lay the foundations for long-term business success.

### 2.2 The Investment Climate in Zambia

Zambia is a private sector driven economy with no restrictions on the current and capital accounts, coupled with favourable investment legal framework that has provided for various incentives aimed at encouraging private sector participation in the economy. Additionally, the country's strategic location in the central region of Southern Africa, as well as a combination of the following key strengths below makes it an ideal investment destination: -

- Abundance of strategic natural resources;
- Political stability and functioning democracy;
- Presence of an investment promotion institution that facilitates both local and foreign direct investment in the country;
- Access to big markets, through bilateral and multilateral agreements such as African Growth and Opportunity Act (AGOA) and membership to the Regional Economic Communities (RECs) such as COMESA and SADC with a combined population of over 500 million.
- Existence of money and capital markets; and
- Prevailing private driven economy, following privatisation of most of the previously state owned enterprises, thus encouraging an entrepreneurial culture.

#### 2.2.1 The Investment Incentives

Government has continued to offer incentives to both domestic and foreign investors. These incentives are supported by enhanced public investment in infrastructure such as roads, airports, bridges among others. Various incentives are provided for under the Zambia Development Agency (ZDA) Act which offers a wide range of incentives in form of allowances, exemptions and concessions. It also provides for investment thresholds that investors have to meet to qualify for fiscal and non-fiscal incentives. Under the fiscal incentives, the following are provided for; accelerated depreciation of capital equipment and machinery (fixed assets) and zero percent import duty rate on capital equipment and machinery for five years, introduction of an online platform for filing and paying taxes, one-stop border posts, thereby making exporting and importing easier. In addition, non-fiscal incentives include investment guarantees and protection against state nationalisation and free facilitation for application of immigration permits, secondary licences, land acquisition and utilities.

Zambia was ranked 4th in both COMESA and SADC regions and 6<sup>th</sup> in Sub-Saharan Africa (SSA), according to the World Bank Ease of Doing Business Report of 2019. It should also be noted that Zambia improved on the institutional framework by making enforcing contracts easier through making judgments rendered in commercial matters at the appellate and Supreme Court levels available to the general public online.

### 2.3 Investment Opportunities

The Zambian economy is one of the best investment destinations in SSA as evidenced by rising FDI in a number of sectors beyond mining such as manufacturing, construction and energy. A lot of effort has been made by the Government to improve the investment climate for both local and foreign investors as evidenced by Zambia's ranking as number six in the World Bank's ease of doing business in SSA. This is reflected in well anchored macroeconomic stability, coupled with a number of investment opportunities in agriculture, mining, tourism, manufacturing, transport and energy among others.

#### 2.3.1 Agriculture

Zambia has potential to expand agricultural production given the vast resource endowment in terms of arable, fertile and virgin land, labour, and water that the country possesses. The country's total land area of 75 million hectares (752,000 square Km), 58.0 percent (42 million hectares) is classified as medium to high potential for agricultural



production. The rainfall pattern which ranges between 800 mm to 1,400 mm annually is suitable for the production of a broad range of crops, fish, and livestock. However, the total land in Zambia is not fully exploited as only 14.0 percent of total agricultural land is currently being utilized. It is for this reason that Government has identified farming blocks earmarked for large-scale farming and is providing basic infrastructure such as feeder roads, communication and power.

The country is endowed with ample surface and underground water resources, with many rivers, lakes, and dams, accounting for about 45.0 percent of the total fresh water resources of the Southern African region. This, with abundant underground water aquifers in many areas, offers excellent prospects for supplying water for irrigation, home, and industrial use. However, these water bodies are largely equally unexploited. The country's irrigation potential is estimated at 423,000 hectares, with only about 50,000 hectares currently under irrigation. Therefore, Zambia has a resource endowment for development of a wide range of crops, livestock, and fish for export. Further, Zambia has excellent weather for floricultural and horticultural products, as well as sugar, tobacco, coffee, wheat, soybeans, bean and cotton that can be produced by irrigation.

Given the potential in agriculture, there are prospects for agro-based industries both through the forward and backward linkages. From the backward linkage, there are opportunities for investment in agro-chemical production and the manufacturing of other inputs. Under the forward linkage, there are prospects for value addition to raw materials along the agriculture value chain for both domestic and export.

### 2.3.2 Mining

Zambia has abundant mineral deposits comprising of about 6.0 percent of the world's known copper reserves among other mineral resources such as cobalt, zinc, gold, coal, nickel, lead and others. The country produces about 20.0 percent of the world's emeralds. During the period under review, mining sector growth has been positive due to the stability in power supply to the mining companies and higher commodity prices. Government remains committed to providing a conducive environment for mining as a business by updating current legislation and geological information which allow for extensive exploration work. The total geological mapped area in the country is about 61.0 percent and provides mining players with the much needed information for further investment. Further investment opportunities include exploitation of gold, zinc, coal, nickel, and gemstones (emeralds, aquamarine, topaz, opal, amethyst). Diamond and uranium reserves have also been identified and further explorations have been embarked upon.

### 2.3.3 Manufacturing

Zambia's manufacturing sector has considerable investment potential as evidenced by abundant natural resources, relatively skilled labour force, abundant land, water, legal framework and a stable and resilient banking and financial system. A number of measures have been put in place to support growth within the sector. These include the creation of Multi-Facility Economic Zones (MFEZs) and Industrial Parks, industrial skills training and strengthened access to credit by adopting a new Movable Property Act and by setting up a new collateral registry. So far, MFEZs and Parks in Lusaka, Chambishi and Ndola have been operationalised. Other areas identified include Chembe, Kalumbila, Kabwe and Kafue. Incentives have been offered to both Zambian and foreign firms operating in these Zones and Parks to stimulate production, export activities, technological development, skills transfer and job creation.

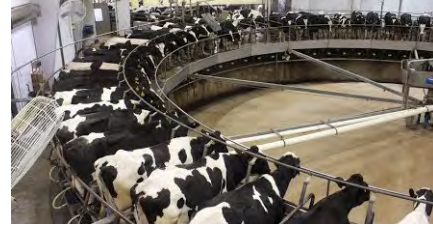
Some of the potential areas of investment in the identified Zones and Parks include cement production, textiles and clothing apparels, agro-processing, processed and refined foods, leather products, wood processing, mineral processing (copper, cobalt, gemstones), vehicle parts manufacturing and assembly, refining of petroleum, and light engineering.

### 2.3.4 Tourism

Tourism is one of the fast growing sectors in Zambia contributing about 7.3 percent to the country's GDP in 2017. In the Seventh National Development Plan (SNDP), the tourism sector has been identified as one of the priority sectors with potential to develop the country into an excellent one-stop destination. This prospect emanates from the fact that Zambia has a good climate with 19 national parks and 34 game management areas totalling 65, 000 square kilometres devoted to the conservation of a spectacular and rare variety of animals.

The scope for an integrated quality tourism related investment is very attractive. The hotel industry has a lot of potential for investment in most tourist attractions (game parks, beaches, and valleys) including the 7th natural wonder of the world, the Victoria Falls and about 19 other waterfalls.





Government has focussed on the sustainability and conservation of Zambia's wildlife and its eco-system, development of infrastructure and marketing of tourism. This has provided an enabling environment to attract higher investments in the sector.

### 2.3.5 Energy

Zambia possesses 6,000 megawatts (MW) worth of potential energy from hydropower generation, yet the country has only developed 2,389 MW of that potential. Owing to the increased economic activities in the country and the region, there has been a huge demand for electricity underscoring the opportunity for developing power generation in areas such as solar, bio-energy and hydro-power. In this regard, Government has therefore provided incentives aimed at making Zambia a net exporter of power. The projects being undertaken include among others the 750 megawatts, Kafue Gorge Lower Hydro Power Station, upgrading of the Lusiwasi Hydro Power Project and the 300 megawatts of the second phase Maamba coal-fired thermal power plant. Further, the 2,400 megawatts Batoka hydropower plant, co-financed by Zambia and Zimbabwe, is being developed to increase power generation.

In the petroleum sub-sector, exploration works are being carried out in various locations mainly in the North Western and Northern Provinces, following positive results from earlier tests. Further, in order to meet the increasing demand, investments in new projects, delivery systems and storage depots in strategic locations offer prospects for private sector investment. In addition, Zambia has high production of solid waste. This offers an opportunity for a lot of waste recycling projects to be established as biomass energy source.

#### Other Opportunities

As a strategy of reducing the cost of doing business, Government has embarked on a number of programs which include the development of inland dry ports in strategic locations such as Chipata, Kapiri Mposhi and Livingstone as a way of providing logistical support to importers and exporters in order to decongest borders. Further, Government has established border trading zones in border areas such as Kasumbalesa, Nakonde, Chirundu and Kazungula to take advantage of the high volumes of trade between Zambia and the Democratic Republic of Congo, Tanzania, Zimbabwe and Botswana. With regard to Bulk Water Supply/ Irrigation Systems Project, Government has established huge water dams near the declared farm blocks across the country.

The Construction sector on average contributes 7.0 per cent to Growth Domestic Product (GDP). It has been one of the fast growing sectors with growth averaging 10.0 per cent per annum. This growth has been driven by strong demand from residential, commercial and public infrastructure construction projects across the country. The coming on of new cement manufacturing companies has contributed to increased supply of cement on the market, and supporting growth in the sector. Opportunities for investment in the sector are available for construction of infrastructure and upgrading of existing ones in the education, health, energy, agriculture and road sectors.

### 2.4 Diversification and Industrialisation

The Government has continued to make positive strides in its efforts towards diversification and industrialisation. Economic diversification will be attained through value addition and industrialisation anchored on agriculture, mining and tourism. Government will continue to play its role of improving the policy and business environment. Key reforms will be pursued in the areas of land administration and management, financial sector, business regulation, labour market, public service, Information Communication and Technology (ICT) and trade facilitation within the context of a decentralised system of governance. Further, quality, innovation, local content and intellectual property reforms and regulations will be strengthened. The Government will also continue undertaking, promoting and facilitating the establishment of multi-facility economic zones and Industrial parks across different sectors to bridge the infrastructure gap and at the same time promote value addition to raw materials.

### 2.5 Recent Investment Promotion Efforts

The ZDA undertook investment promotion initiatives during the year under review which showcased Zambia as an ideal investment destination. The interventions included facilitation of investor missions and investor forums. During these activities, investment guidelines were provided and joint venture initiatives mooted between Zambians and foreign investors in various sectors of the economy.

During the year 2017, the Agency undertook seven (7) outward investment promotion missions to Israel, Spain, China, Japan and South Africa. Other investment promotion activities included facilitation of inward missions from various countries with interests to invest in different sectors of the economy. A total of sixty Seven (67) inwards



missions were received during the period under review.

Zambia continued to attract investments in various sectors of the economy. In 2017, total investment pledges soared to US \$17,402 million from US \$3,564 million recorded in 2016, reflecting improved investor confidence. The increase was mainly attributed to the high level of investment pledges in the energy and agriculture sectors at US \$ 8,402.0 (US \$878.0 million) and US \$6,705.0 million (US \$524.0 million), respectively. These pledges are expected to generate 56,897 jobs (16,284) when fully executed (Table 2.1).

**Table: 2.1 Investment and Employment Registered by Sector, 2016 - 2017**

| Industry      | Value in 2016<br>USD million | Jobs in 2016  | Value in 2017<br>USD million | Jobs in 2017  |
|---------------|------------------------------|---------------|------------------------------|---------------|
| Agriculture   | 6,705                        | 34,154        | 524                          | 2,189         |
| Construction  | 606                          | 1,740         | 298                          | 1,371         |
| Health        | 35                           | 285           | 4                            | 56            |
| Education     | 1,3                          | 22            | 0                            | 0             |
| Energy        | 8,402                        | 4,168         | 878                          | 661           |
| ICT           | 259                          | 152           | 98                           | 561           |
| Manufacturing | 843                          | 6,704         | 738                          | 4,492         |
| Mining        | 219                          | 1,669         | 186                          | 1,224         |
| Real Estate   | 102                          | 4,219         | 301                          | 2,621         |
| Service       | 74                           | 1,372         | 102                          | 2,045         |
| Tourism       | 114                          | 1,120         | 178                          | 655           |
| Transport     | 43                           | 1,292         | 44                           | 409           |
| <b>Total</b>  | <b>17,402</b>                | <b>56,897</b> | <b>3,564</b>                 | <b>16,284</b> |

Source: Zambia Development Agency



Construction industry continues to be a major contributor to economic growth



### **3.0 RECENT MACROECONOMIC AND FOREIGN INVESTMENTS TRENDS AND PROSPECTS**





### 3.0 RECENT MACROECONOMIC AND FOREIGN INVESTMENTS TRENDS AND PROSPECTS

#### 3.1 Recent Global Economic Developments and Prospects

In 2017, the global economy continued to grow. Global GDP growth grew by 3.7 percent, compared with the 3.3 percent recorded in 2016. The rise in global economic growth was mainly attributed to improvements in demand, increase in commodity prices, relatively loose monetary conditions and low inflation in advanced economies. In addition, improved trade and manufacturing output in Asia contributed to the pick-up in growth.

Growth in Emerging Markets and Developing Economies (EMDEs) in 2017 continued to be strong at 4.7 percent, up from 4.4 percent in 2016, largely on account of increased private consumption. China and India grew by 6.9 percent and 6.7 percent respectively, thereby accounting for the largest share of growth in EMDEs. The current account deficits narrowed in most emerging market economies in 2017 largely reflecting a general rebound in commodity prices. During the period under review, emerging market currencies strengthened largely on account of increased portfolio inflows due to a relatively depreciated US dollar.

Growth in the SSA region, at 2.7 percent in 2017, was higher than 1.4 percent recorded in 2016 largely due to the continued rise in commodity prices coupled with a recovery in the agricultural output explained by favourable rainfall during the 2016/2017 crop season in the regions previously hit by drought, especially East Africa. In addition, continued infrastructure investment in some non-resource rich economies contributed to increased economic growth in SSA.

In the first half of 2018, global growth moderated as economic activity in some advanced economies slowed down. However, growth in the US continued to be robust, leveraged by fiscal stimulus. In the EMDEs, aggregate growth stabilised as emerging Asia continued to grow strongly owing to strong domestic demand especially in India which offset the negative impact of slowing activities in china. In SSA and the Middle East, rising oil prices fuelled growth.

Projections for global economic growth for both 2018 and 2019 was revised downwards to 3.7 percent (IMF World Economic Outlook, WEO October 2018), from 3.9 percent in the July 2018 WEO on account of anticipated slowdown in global trade due to trade disputes and tightening financial conditions. The growth forecasts for EMDEs for both 2018 and 2019 was estimated at 4.7 percent, down from the July estimate of 4.9 percent and 5.1 percent, respectively.

Growth in China is projected at 6.6 percent and 6.2 percent in 2018 and 2019, respectively, from 6.9 percent in 2017. The downside risks to China's growth include a potential full-blown trade war between China and the United States, a cooling domestic property market and financial deleveraging. In Sub-Sahara Africa, growth is projected to rise to 3.1 percent in 2018 and 3.8 percent in 2019 from 2.4 percent in 2017. However, growth will remain below pre-crisis averages, partly reflecting a struggle in larger economies to boost private investment.

Inflation outturn in 2017 varied across regions. In advanced economies, inflation continued to trend upwards due to higher energy prices, sustained recovery in economic activity coupled with increases in wages. However, inflation in EMDEs continued to decline reaching 4.1 percent in 2017 from 4.3 percent in 2016. In SSA, inflation also declined. The strengthening of domestic currencies of most countries coupled with low food prices owing to favourable weather conditions during the 2016/2017 farming season largely contributed to the decline in inflation in this region.

##### 3.1.1 Commodity Prices

The prices of both copper and crude oil prices rose notably by at least 26.0 percent in 2017. On the back of a strong demand, the average price of copper rose by 26.7 percent to US \$6,170.0/ton in 2017 from US \$4,871.3/ton recorded in 2016. Crude oil prices increased by 28.9 percent to US \$53.1/barrel in 2017 from US \$41.2/barrel in 2016. This was due to supply cuts by OPEC and non-OPEC member countries, geopolitical tensions in the Middle East, and a pickup in global economic activity. On the other hand, agriculture commodity prices declined in 2017 due to favourable weather conditions. In particular, maize prices, at US \$154.5/mt in 2017, were lower than US \$159.2/mt recorded in 2016. However, wheat prices rose to US \$174.2/mt from US \$166.6/mt over the same period, mainly attributed to unfavourable weather conditions in the US, which resulted in lower yields.

##### 3.1.2 Global Financial Markets

The global equity market annualised performance from leading equity indices remained strong in 2017, a reflection of global economic growth and modest inflation that propelled robust corporate earnings growth, and capital market returns. To this effect, Germany, Japan, Brazil and India all posted double-digit returns. The UK, however, bucked the trend; the FTSE 100 Index rose by a relatively subdued 7.6 percent over the year as Brexit-related uncertainties took their toll on corporate, consumer and investor sentiment.



In the US, the Federal Reserve (FED) implemented its third interest-rate increase of 2017, raising the federal funds rate to a range of 1.25 percent to 1.5 percent. US equity indices were propelled to new all-time highs by the news of tax reforms that had been approved by US lawmakers. The Dow Jones Industrial Average Index rose by 25.1 percent over 2017 as a whole, rising by more than 5,000 points.

According to the Bank of Japan's quarterly Tankan Survey of Business, business confidence continued to improve supported by strengthened export activity. Credit ratings agency Moody's affirmed Japan's "A1" rating and maintained its "stable" outlook, but warned against Japan's "extraordinarily high" debt burden. The Nikkei 225 Index surged by 19.1 percent over the year.

### 3.2 Recent Macroeconomic Developments and Prospects for Zambia

During 2017, macroeconomic performance improved with the achievement of low and stable inflation, narrowing current account deficit and relative stability in the exchange rate. In addition, lending interest rates declined but remained elevated and thus contributed to dampening private sector credit growth.

#### 3.2.1 Gross Domestic Product (GDP)

Real GDP growth slowed down to 3.4 percent, from the 3.8 percent recorded in 2016. The slowdown was largely on account of poor performance in the agriculture sector owing to unfavourable weather conditions.

#### 3.2.2 Inflation

Inflation slowed down further to 6.1 percent at end-December 2017 from 7.5 percent at end-December 2016 mainly due to improvements in food supply and the relative stability of the exchange rate of the Kwacha against other major currencies.

As at end third quarter 2018, inflation surged with annual overall inflation rising to 7.9 percent from 6.6 percent during the same period in 2017. This followed the upward adjustment in petroleum prices and the pass-through effects of a depreciated exchange rate of the Kwacha against the US dollar. During the period under review, annual food inflation rose to an average of 8.6 percent from 6.6 percent as at end-third quarter 2017. However, non-food inflation had moderating effect as it declined to an average of 7.3 percent from 8.4 percent during the review period.

#### 3.2.3 Foreign Exchange Market

During the period under review, the exchange rate of the Kwacha against major trading partner currencies strengthened with the exception of the South African rand. The relative strong performance of the Kwacha was underpinned by net supply of foreign exchange largely from the mines owing to the rebound of copper prices on the international market. The Kwacha appreciated by 7.5 percent against the US dollar to an average of K9.53/US\$ in 2017 from K10.31/US\$ in 2016. With regard to the Pound Sterling and the euro, the Kwacha appreciated by 12.3 percent and 5.6 percent to an average of K12.28/£ and K10.77/€, respectively. In contrast, the Kwacha weakened by 2.1 percent against the South African Rand to an average of K0.71/ZAR.

As at end third quarter of 2018, in nominal terms, the Kwacha depreciated by 15.9 percent against the US dollar to a quarterly average of K10.8858 from K9.3949 at end-September 2017. The depreciation of the Kwacha against the US dollar was mainly due to sustained increase in the pipeline demand mainly stemming from Government (Ministry of Energy and Ministry of Agriculture) and other corporates, mainly in the telecommunication sector.

In addition, sustained negative market sentiments arising from Moody's and S&P downgrade of the Government of Zambia's credit ratings, contributed to the depreciation. This was mainly because of the challenges surrounding the fiscal deficit and concerns over the external debt position. The Kwacha also depreciated against the Euro by 14.2 percent to a quarterly average of K12.7775 from K11.1925 in third quarter 2017 mainly on account of the lesser depreciation of the Euro against the US dollar following rate hike by the Fed. Similarly, the Kwacha depreciated against the Pound by 14.3 percent to K14.3105 from K12.5207 during the same period. This was mainly because of a weaker pound due to continued uncertainty surrounding Brexit negotiations. Further, the Kwacha weakened against the South African rand by 3.9 percent to K0.7431 during the period under review.

#### 3.2.4 External Sector

Preliminary data show that Zambia recorded an overall Balance of Payments (BoP) surplus of US \$83.3 million in 2017 from a deficit of US \$180.9 million in 2016. This outturn was mainly due to the favourable performance in the current account. The current account deficit narrowed to US \$741.1 million, representing 3.0 percent of GDP, from US \$953.8 million (4.9 percent of GDP) mainly due to improvements in the balance on goods and the secondary income. However, the country's primary income and services accounts dampened the improvement in the current account.



Further, the financial account surplus declined by 3.4 percent to US \$756.3 million due to higher loan repayments and a rise in accumulation of foreign assets by non-financial institutions. The capital account surplus marginally increased to US \$58.4 million from US \$55.0 million in 2016. The current account deficit was mainly financed by the financial account surplus and a drawdown in reserves.

As at end third quarter of 2018, balance of goods recorded a surplus of US \$562.0 million compared to US \$524.9 million surplus registered in September 2017. This outturn was mainly due to significant growth in exports relative to the rise in imports in the review period. The increase in exports were largely due to stronger earnings from copper exports, which rose by 21.7 percent to US \$5,177.4 million, driven by higher copper prices and enhanced copper production..

**Table 3.1: Selected Macroeconomic Performance Indicators, 2011 - 2017**

| Selected Economic Indicators                   | 2011    | 2012    | 2013     | 2014     | 2015    | 2016    | 2017    |
|--|---------|---------|----------|----------|---------|---------|---------|
| Real GDP growth (end-year percent)             | 5.6     | 7.6     | 5.1      | 4.7      | 2.9     | 3.6     | 4.1     |
| GDP per capita (end-year US \$)                | 1,732.0 | 1,814.0 | 1,897.0  | 1,886.0  | 1,376.0 | 1,322.3 | 1,407.5 |
| Annual Inflation end-period (percent)          | 7.2     | 7.3     | 7.1      | 7.9      | 21.1    | 7.5     | 6.1     |
| Comm. banks ALR (percent)                      | 24.0    | 16.1    | 16.4     | 20.4     | 23.8    | 29.5    | 24.6    |
| Exchange Rate (Annual Average)*                | 4,860.5 | 5,142.0 | 5.4      | 6.2      | 8.6     | 10.3    | 9.5     |
| Non-Traditional Exports [fob] (US \$ millions) | 1,690.3 | 2,851.7 | 3,558.4  | 2,272.0  | 1,848.6 | 1,770.2 | 1,752.8 |
| Total Exports [fob] (US \$ million)            | 8,753.6 | 9,520.8 | 10,843.4 | 10,220.2 | 7,362.0 | 6,534.8 | 8,215.5 |
| Imports [fob] (US \$ millions)                 | 6,454.2 | 7,925.5 | 9,195.4  | 8,594.8  | 7,436.2 | 6,538.5 | 7,851.5 |

Source: Bank of Zambia Annual Reports, IMF, CSO  
Note: \* In 2013 the Kwacha was rebased

### 3.2.5 Macroeconomic Prospects

Real GDP growth in Zambia is expected to be above 4.0 percent in 2018 and 2019. Mining, agriculture, manufacturing, and construction sectors are expected to be the major drivers of GDP growth in the medium term. Mineral output is expected to continue rising with copper production expected to exceed 800,000 metric tonnes at the close of 2018. This is because of no major production disruptions in the recent past and the full operation of most mines.

However, higher than programmed fiscal deficits, rising Government debt, weak credit growth, and elevated non-performing loans continue to pose downside risks to broader and robust economic growth. Similarly, inflation is projected to breach the upper bound of the 6-8 percent target range as upside risks dominate but is broadly expected to return to the target range by the end of 2019.

## 3.3 Recent Global FDI Trends and Prospects

### 3.3.1 Global FDI Inflows

Global FDI flows fell significantly in 2017, declining to US \$1.43 trillion, a drop of 23 percent from the US \$1.87 trillion recorded in 2016. This performance was in spite of robust growth in GDP and trade. According to the UNCTAD World Investment Report (2018), the decline in FDI was largely attributed to a decrease in the value of net cross-border Mergers and Acquisitions (M&As) to US \$694 billion from US \$887 billion in 2016. In contrast to 2016, FDI inflows to developing economies were stable while they fell sharply to developed and transition economies. The inflows to Africa fell by 21.5 percent to US \$41.8 billion in 2017 from US \$53.2 billion. The decreasing flows were largely explained by the weak oil prices and the lingering effects of the 2015-2016 commodity price decline, particularly in countries which are natural resource endowed.

Developed countries' share of global FDI inflows decreased to 49.8 percent from 60.7 percent while that of developing countries rose to 46.9 percent from 35.9 percent. The remaining 3.3 percent of the flows were accounted for by transition economies.

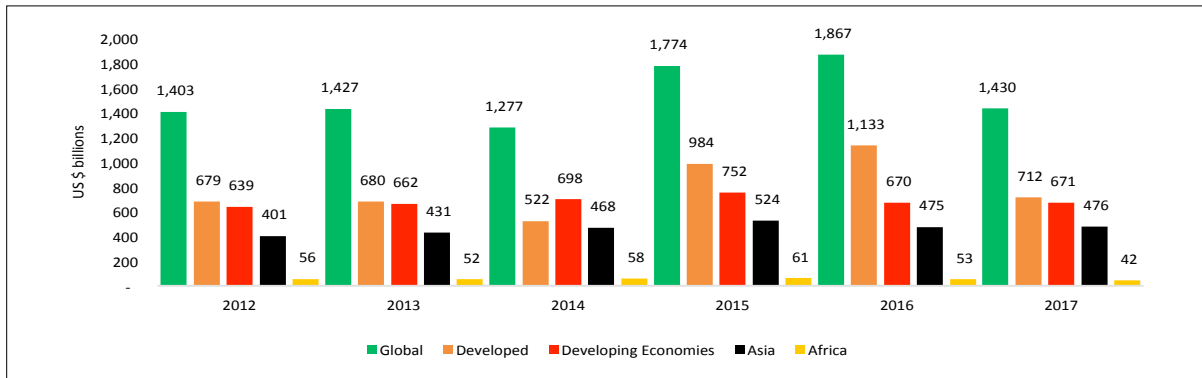
### 3.3.2 Global FDI Outflows

According to the UNCTAD World Investment Report (2018), global FDI outflows fell by 2.9 percent to US \$1.43 trillion in 2017 from US \$1.47 trillion in 2016. The outflows from both developing and developed countries decreased, with those from the developing economies falling more significantly. Developing countries FDI outflows at US \$380.8 billion from US \$406.7 billion represented a decline of 6.4 percent. This decline of investment from developing countries and China in specific was primarily on account of policies clamping down on outward FDI, this move was in response to significant capital outflows in the previous years.

Foreign direct investment outflows from developed countries declined by 3.1 percent to US \$1.01 trillion from US \$1.04 trillion. In contrast, flows from transition economies rose by 59 percent to US \$40 billion.



**Figure 3.1: Global FDI Inflows (US \$ billions), 2012 - 2017**



Source: UNCTAD World Investment Report, 2018

### 3.3.3 Global FDI Prospects

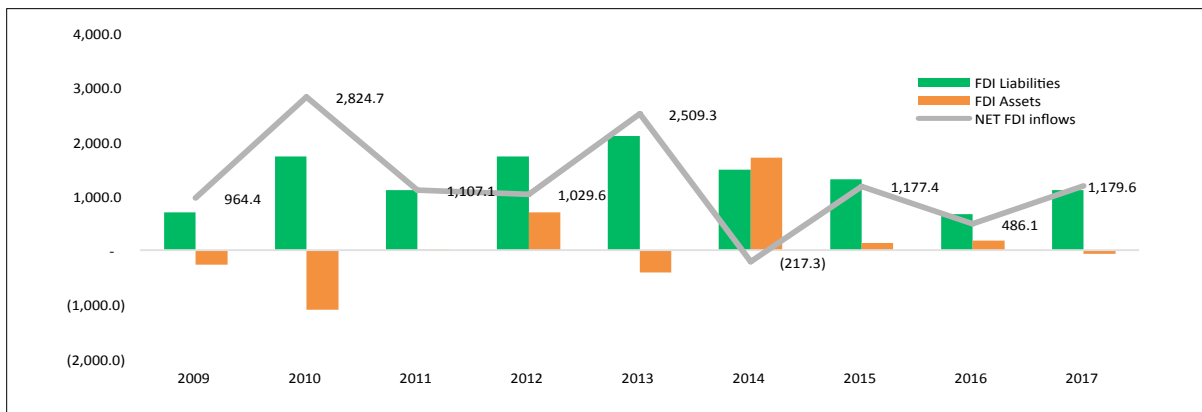
FDI flows are projected to increase by up to 10 percent. The recovery expected in FDI flows in 2018 and beyond is premised on positive economic growth in some regions (UNCTAD, World Investment Report, 2018). However there are potential risks on account of policy uncertainty, widening trade tensions that could negatively affect investment. In addition tax reforms in the US could bring about greater tax competition that could affect global investment patterns.

### 3.4 Recent Foreign Direct Investment Trends and Prospects in Zambia

#### 3.4.1 Zambia FDI Trends

Net FDI inflows more than doubled to US \$1,179.6 million from US\$486.1 million in 2016 (Figure 3.2). This was mainly due to an increase in FDI liabilities inflows following a growth of 67.1 percent to US \$1,107.5 million from US \$662.8 million in 2016. This growth largely reflected increased investment in the mining and quarrying industry, after a rebound in commodity prices on the international market and improvements in the electricity supply which supported production. However, FDI assets reduced by US \$72.1 million following repayment of debt by non-resident parent companies owed to domestic enterprises.

**Figure 3.2: Net FDI in Zambia, (US \$ Millions) 2009 - 2017**



Source: Foreign Private Investment and Perceptions Survey, 2017 and 2018

#### 3.4.2 Zambia FDI Prospects

Over the medium term, prospects of FDI inflows remain buoyant with expected inflows in sectors such as construction, power generation, agriculture and manufacturing. Public Private Partnership projects such as construction of the Lusaka-Ndola dual carriage way, the development of three farm blocs, six Multi Facility Economic Zones and Industrial Parks are likely to contribute to the growth in FDI inflows. However, FDI inflows to the mining sector may slow down, partly because of a reduction in major outstanding projects following completion of some major projects in 2018.

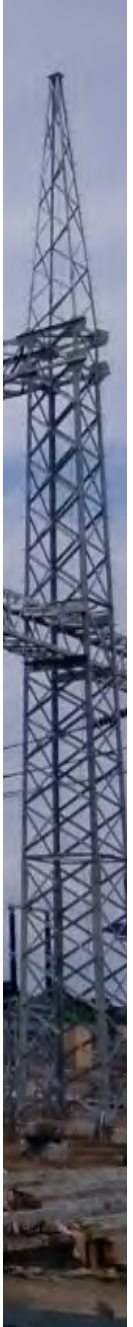




## 4.0 PRIVATE SECTOR FOREIGN LIABILITIES







## 4.0 PRIVATE SECTOR FOREIGN LIABILITIES

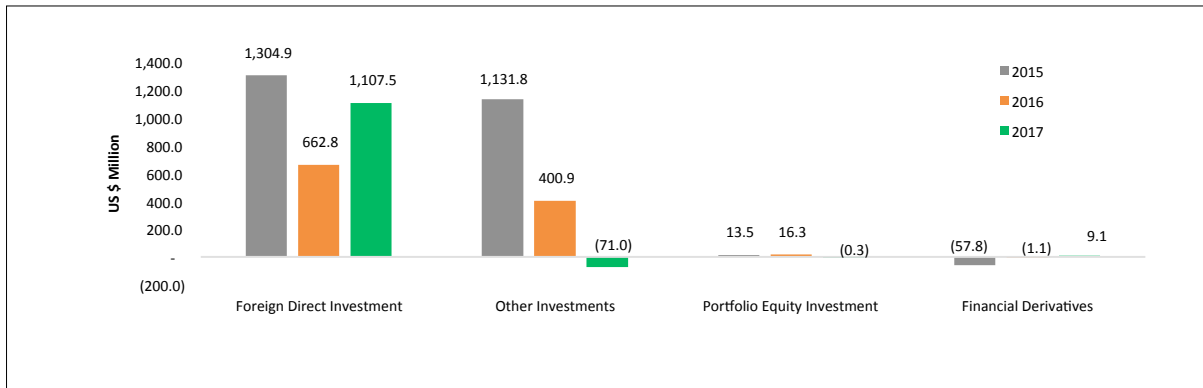
### 4.1 Composition of Private Sector Foreign Liability Flows

In 2017 private sector foreign liability flows declined by 3.1 percent to US \$1,045.4 million from US \$1,078.9 million recorded in 2016. The decline was mainly explained by a reduction in other investment inflows which recorded net outflows of US \$71.0 million against net inflows of US \$400.9 million in 2016 due to debt repayments. This was mostly in the agriculture, forestry and fishing; mining and quarrying; and manufacturing industries.

Despite the decline, FDI liability flows continued to be the highest contributor to total private capital inflows, following a growth of 67.1 percent to US \$1,107.5 million from US\$ \$662.8 million in 2016. This was driven by increased investment in the mining and quarrying industry. Portfolio Equity Investment recorded a net outflow of US \$0.3 million whilst financial derivatives registered a net inflow of US \$9.1 million, (Figure 4.1).

Preliminary findings show that liability flows were relatively low in the first half of 2018, dropping by 10.9 percent to US \$602.6 million from US \$676.2 million recorded in the first half of 2017. This is a concern as it suggests lower FDI flows in 2018 as a whole if this trend continues, (Table 4.1).

**Figure 4.1: Composition of Private Sector Foreign Liability Flows, 2015 - 2017**



Source: Foreign Private Investment and Perceptions Survey, 2017 and 2018

**Table 4.1: Inflows of Private Sector Foreign Liability by Type (US \$ millions), 2016 - Q2 2018**

| Type                        | 2016    | Q1 2017 | Q2 2017 | 2017 1st Half | 2017    | Q1 2018 | Q2 2018 | 2018 1st Half |
|-----------------------------|---------|---------|---------|---------------|---------|---------|---------|---------------|
| Foreign Direct Investment   | 662.8   | 200.1   | 399.7   | 599.8         | 1,107.5 | 97.6    | 336.5   | 434.1         |
| Portfolio Equity Investment | 16.3    | (0.0)   | (0.0)   | 0.0           | (0.3)   | 0.1     | 13.8    | 13.9          |
| Other Investments           | 400.9   | 1.7     | (88.3)  | (86.5)        | (71.0)  | 86.1    | 72.8    | 158.9         |
| Financial Derivatives       | (1.1)   | 160.7   | 2.2     | 162.9         | 9.1     | 7.4     | (11.7)  | (4.3)         |
| Total                       | 1,078.9 | 362.6   | 313.6   | 676.2         | 1,045.4 | 191.2   | 411.4   | 602.6         |

Source: Foreign Private Investment and Perceptions Survey, 2017 and 2018

### 4.2 Composition of the Stock of Private Sector Foreign Liabilities

The stock of private sector foreign liabilities in 2017 rose by 4.2 percent to US \$23,874.1 million from US \$22,912.5 million recorded at end-2016. The change in the stock of private sector foreign liabilities was largely explained by FDI that grew by 5.4 percent to US \$19,866.5 million from US \$18,855.1 million in the previous period. FDI continued to dominate the stock of private sector foreign liabilities, accounting for 83.2 percent of the total stock, followed by other investments at 16.4 percent. Portfolio equity investment and financial derivatives liabilities accounted for the difference, (Table 4.2).

Preliminary data indicate that during the first half of 2018, the stock of private sector foreign liabilities declined by 15.1 percent to US \$19,524.1 million at end-June 2018 from US \$22,989.6 million registered at end-June 2017 explained by reduced growth in other investments and FDI mainly due to a reduction in borrowing. The stock of portfolio equity investment increased whilst financial derivatives recorded a decrease during the period under review, (Table 4.2).

<sup>5</sup>The numbers for the first half of 2018, are based on the sub-sample of the annual survey. Refer to Annex I survey methodology

<sup>6</sup>Other investments are a residual category which includes positions and transactions other than those included in direct investment, portfolio investment and financial derivatives (IMF 2009). These include currency and deposits, trade credit and advances, and other foreign borrowings from unrelated parties. In addition, this category includes non-tradable/negotiable equity of less than 10 percent held by non-residents and equity in international organisations.



**Table 4.2: Stock of Private Sector Foreign Liabilities by Type (US \$ millions), 2016 - Q2 2018**

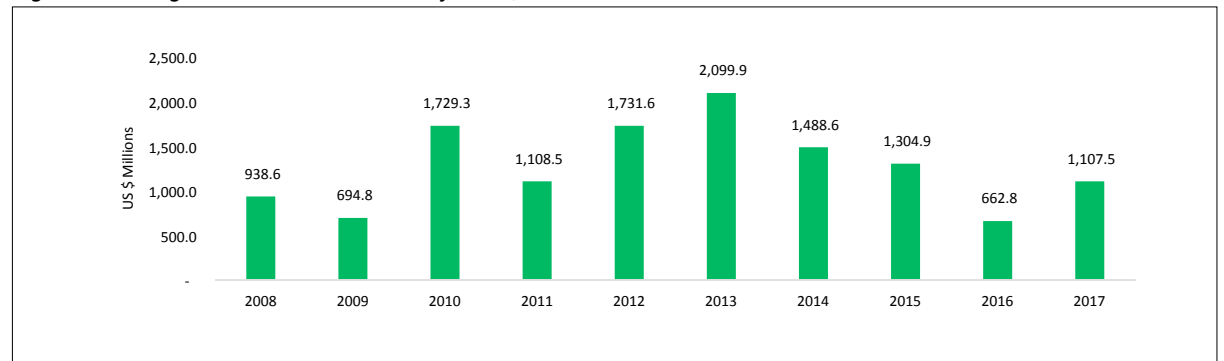
| Type                        | Dec-16          | Dec-17          | Jun-17          | Jun-18          |
|-----------------------------|-----------------|-----------------|-----------------|-----------------|
| Foreign Direct Investment   | 18,855.1        | 19,866.5        | 17,911.0        | 16,515.8        |
| Portfolio Equity Investment | 3,960.6         | 3,909.9         | 5,005.6         | 2,916.25        |
| Other Investments           | 84.2            | 83.9            | 37.4            | 74.4            |
| Financial Derivatives       | 12.6            | 13.8            | 35.6            | 17.7            |
| <b>Total</b>                | <b>22,912.5</b> | <b>23,874.1</b> | <b>22,989.6</b> | <b>19,524.1</b> |

Source: Foreign Private Investment and Perceptions Survey, 2017 and 2018

### 4.3 Foreign Direct Investment Liability Flows

Zambia's FDI liability flows rose by 67.1 percent to US \$1,107.5 million in 2017, after declining to US \$662.8 million in 2016. The growth in FDI liability flows was driven by retained earnings that rose to US \$646.9 million from US \$124.6 million registered in 2016. An upswing in profits mostly in the mining sector, following the rebound in commodity prices on the international market, as well as an improvement in electricity supply explained this development. In addition, increased borrowing from related parties, which rose by 41.7 percent to US \$560.5 million contributed to the outturn, (Figure 4.2).

**Figure 4.2: Foreign Direct Investment Liability Flows, 2008 - 2017**



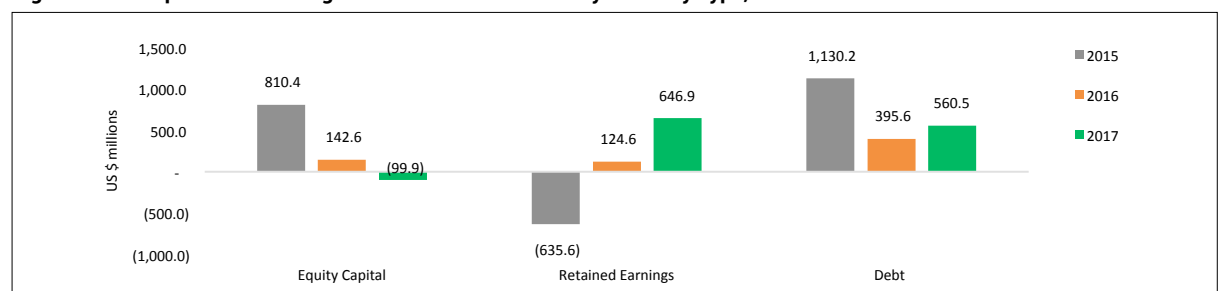
Source: Foreign Private Investment and Perceptions Survey, 2017 and 2018

#### 4.3.1 Foreign Direct Investment Liability Flows by Type

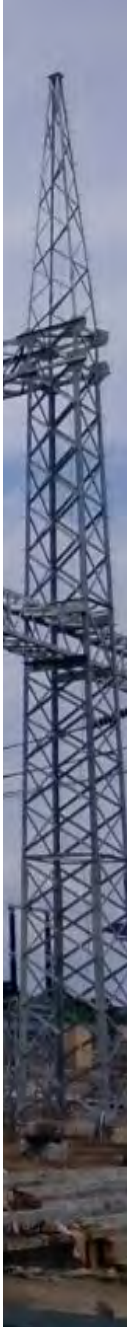
During the review period, foreign direct investment liability flows increased largely on account of a substantial increase in retained earnings to US \$646.9 million from US \$124.6 million due to higher profits mostly in the mining industry. Similarly, borrowing from foreign affiliates rose by 41.7 percent to US \$560.5 million from US \$395.6 million recorded in 2016, (Figure 4.3 and Table 4.3).

In the first half of 2018, preliminary results indicate a slow-down in FDI liability flows to US \$434.1 million from US \$599.8 million recorded in the first half of 2017. This is premised on lower profits in most enterprises especially the mining industry due to higher debt servicing from borrowings incurred in the previous year to support their operations and expansion projects. Retained earnings dropped, recording a retained profit of US \$206.9 million from US \$296.3 million. Borrowing from affiliates and equity capital slowed down during the period. Given the outturn in FDI in the first half of 2018 and a decline in copper prices in the second half of 2018, total FDI in 2018 could be lower than that realised in 2017. The decline in copper prices could signal a reduction in profitability in the mining industry, the largest recipient of FDI, which may lead to a fall in borrowings from related parties and a decline in retained earnings.

**Figure 4.3: Composition of Foreign Direct Investment Liability Flows by Type, 2015 - 2017**



Source: Foreign Private Investment and Investor Perceptions Survey, 2017 and 2018



**Table 4.3: Foreign Direct Investment Liability Flows (US \$ millions), 2016 - Q2 2018**

| FDI by Type       | 2016         | 2017           | 2017 Q1      | 2017 Q2      | 2017 1st Half | 2018 Q1     | 2018 Q2      | 2018 1st Half |
|-------------------|--------------|----------------|--------------|--------------|---------------|-------------|--------------|---------------|
| Equity Capital    | 142.6        | (99.9)         | 19.7         | 9.9          | 29.7          | (5.5)       | (9.7)        | (15.2)        |
| Retained Earnings | 124.6        | 646.9          | 121.0        | 175.3        | 296.3         | 112.8       | 94.1         | 206.9         |
| Debt Instrument   | 395.6        | 560.5          | 59.4         | 214.5        | 273.9         | (9.6)       | 252.1        | 242.5         |
| <b>Total</b>      | <b>662.8</b> | <b>1,107.5</b> | <b>200.1</b> | <b>399.7</b> | <b>599.8</b>  | <b>97.6</b> | <b>336.5</b> | <b>434.1</b>  |

Source: Foreign Private Investment and Perceptions Survey, 2017 and 2018

#### 4.3.2 Foreign Direct Investment Liability Stocks by Type

The stock of FDI liabilities grew by 5.4 percent to US \$19,866.5 million from US \$18,855.1 million recorded at end-2016. Borrowing from affiliates at US \$11,649.7 million representing 58.6 percent of the stock accounted for the largest share, followed by equity capital stock (25.6 percent) and accumulated retained earnings 15.8 percent, (Table 4.4).

During the first half of 2018, however, the stock of FDI liabilities declined by 7.8 percent to US \$ 16,515.8 million from US \$17,911.0 million recorded at end-June 2017 explained by a reduction in equity capital and borrowing from affiliates. The stock of FDI liabilities were mainly by borrowing from affiliates accounting for 56.8 percent of the stock. This was followed by equity capital which contributed 22.4 percent of the stock and accumulated retained earnings accounted for the remainder which improved during the first half of 2018 (Table 4.4).

**Table 4.4: Foreign Direct Investment Liabilities Stocks by Type (US \$ millions), 2016 - Q2 2018**

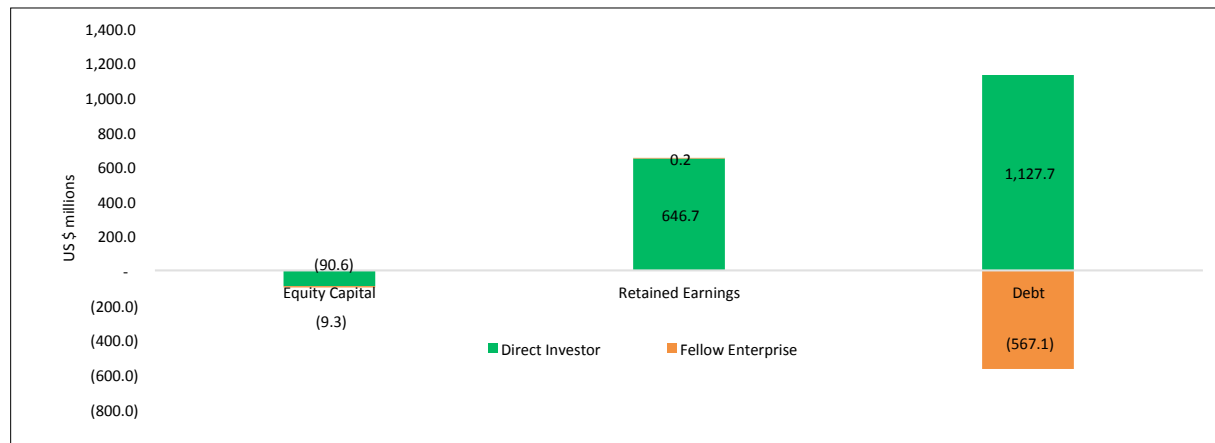
| Type               | 2016            | Transactions   | Exchange Rate Changes | Other Changes | 2017            | 2017 Q2         | 2018 Q2         |
|--------------------|-----------------|----------------|-----------------------|---------------|-----------------|-----------------|-----------------|
| Retained Earnings  | 2,577.2         | 646.9          | (84.7)                | (5.8)         | 3,133.5         | 2,755.7         | 3,445.0         |
| Debt               | 11,030.9        | 560.5          | (15.0)                | 73.2          | 11,649.7        | 9,933.4         | 9,378.9         |
| Equity capital     | 5,247.0         | (99.9)         | (61.6)                | (2.2)         | 5,083.3         | 5,222.0         | 3,691.9         |
| <b>Grand Total</b> | <b>18,855.1</b> | <b>1,107.5</b> | <b>(161.3)</b>        | <b>65.2</b>   | <b>19,866.5</b> | <b>17,911.0</b> | <b>16,515.8</b> |

Source: Foreign Private Investment and Investor Perceptions Survey, 2018

#### 4.3.3 Foreign Direct Investment Liability Flows by Relationship

In 2017, Foreign Direct Investment liability flows by relationship were mainly from direct investors and largely in form of debt, mostly loans, from affiliates at US \$1,127.7 million. Inflows from direct investors in form of retained earnings were US \$646.7 million, whilst equity capital registered a net outflow of US \$90.6 million. Fellow enterprises recorded a net outflow of US \$567.1 million mainly due to loan repayments (Figure 4.4).

**Figure 4.4 Foreign Direct Investment Liability flows by Relationship, 2017**



Source: Foreign Private Investment and Investor Perceptions Survey, 2018

#### 4.3.4 Foreign Direct Investment Liability Stocks by Relationship

Foreign direct investment liability stock by relationship in 2017 were predominantly from direct investors at US \$16,462.4 million, representing 82.9 percent of the stock, whilst fellow enterprises accounted for 17.1 percent. The stock of FDI from direct investors was largely in form of debt instruments (41.8 percent), followed by equity capital (25.3 percent), and accumulated retained earnings (15.8 percent). The stock of FDI liabilities from fellow enterprises were mainly in form of debt instruments, (Table 4.5).



**Table 4.5: Foreign Direct Investment Liability flows and Stocks by Relationship (US \$ millions), 2016 - 2017**

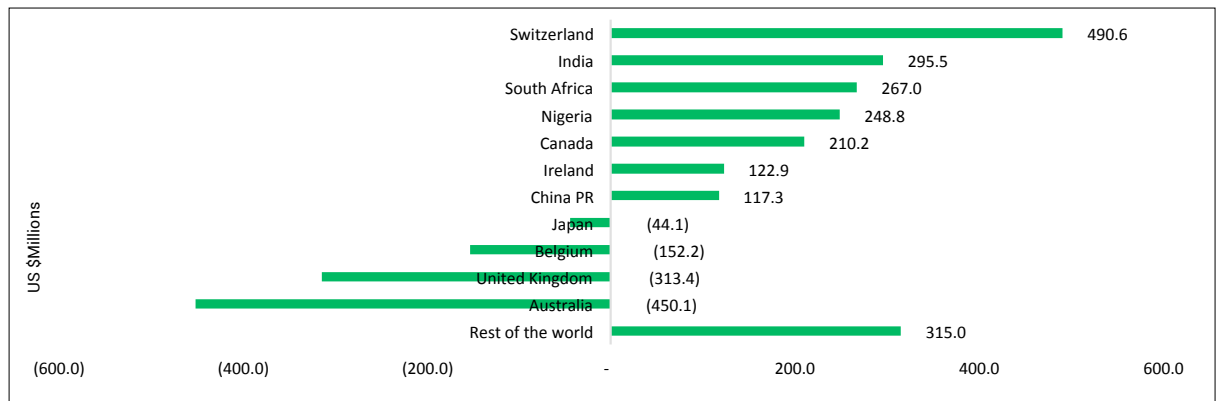
| Investment Relationship and Instrument Type | 2016            | Transactions   | Exchange Rate Changes | Other Changes | 2017            |
|---|-----------------|----------------|-----------------------|---------------|-----------------|
| Direct Investor (DI)                        | 14,888.4        | 1,683.7        | (168.9)               | 59.1          | 16,462.4        |
| Equity Capital                              | 5,175.5         | (90.6)         | (61.6)                | (2.3)         | 5,021.0         |
| Retained Earnings                           | 2,576.5         | 646.7          | (84.7)                | (5.9)         | 3,132.6         |
| Debt  | 7,136.4         | 1,127.7        | (22.6)                | 67.3          | 8,308.8         |
| Loans                                       | 7,050.8         | 1,123.1        | (23.2)                | 55.3          | 8,206.0         |
| Other Accounts Payable                      | 33.3            | 3.8            | 0.0                   | 0.0           | 37.1            |
| Trade Credits and Advances                  | 52.3            | 0.8            | 0.6                   | 12.0          | 65.7            |
| Fellow Enterprises (FE)                     | 3,966.7         | (576.2)        | 7.6                   | 6.0           | 3,404.1         |
| Equity Capital                              | 71.5            | (9.3)          | 0.0                   | 0.1           | 62.3            |
| Retained Earnings                           | 0.7             | 0.2            | 0.0                   | 0.0           | 0.9             |
| Debt  | 3,894.5         | (567.1)        | 7.6                   | 5.9           | 3,340.9         |
| Currency and Deposits                       | 1.4             | 0.0            | 0.0                   | (0.1)         | 1.4             |
| Loans                                       | 3,582.2         | (584.0)        | 8.8                   | (0.6)         | 3,006.4         |
| Other accounts payable                      | 10.3            | (0.1)          | (0.0)                 | -             | 10.3            |
| Trade credits and advances                  | 300.6           | 16.9           | (1.3)                 | 6.6           | 322.8           |
| <b>Grand Total</b>                          | <b>18,855.1</b> | <b>1,107.5</b> | <b>(161.3)</b>        | <b>65.2</b>   | <b>19,866.5</b> |

Source: Foreign Private Investment and Investor Perceptions Survey, 2018

#### 4.3.5 Foreign Direct Investment Liability Flows by Source Country

The survey findings showed that net FDI liability inflows in 2017 were mainly from Switzerland, followed by India, South Africa and Nigeria. These countries collectively accounted for 80.5 percent of the total FDI liability inflows amounting to US \$1,301.9 million. Australia and the United Kingdom collectively recorded total net outflows amounting to US \$763.5 million representing 79.6 percent of the total FDI liability outflows during the period under review, (Figure 4.5).

**Figure 4.5: Foreign Direct Investment Liability Flows by Source Country, 2017**



Source: Foreign Private Investment and Investor Perceptions Survey, 2018

#### 4.3.6 Foreign Direct Investment Liability Stocks by Source Country

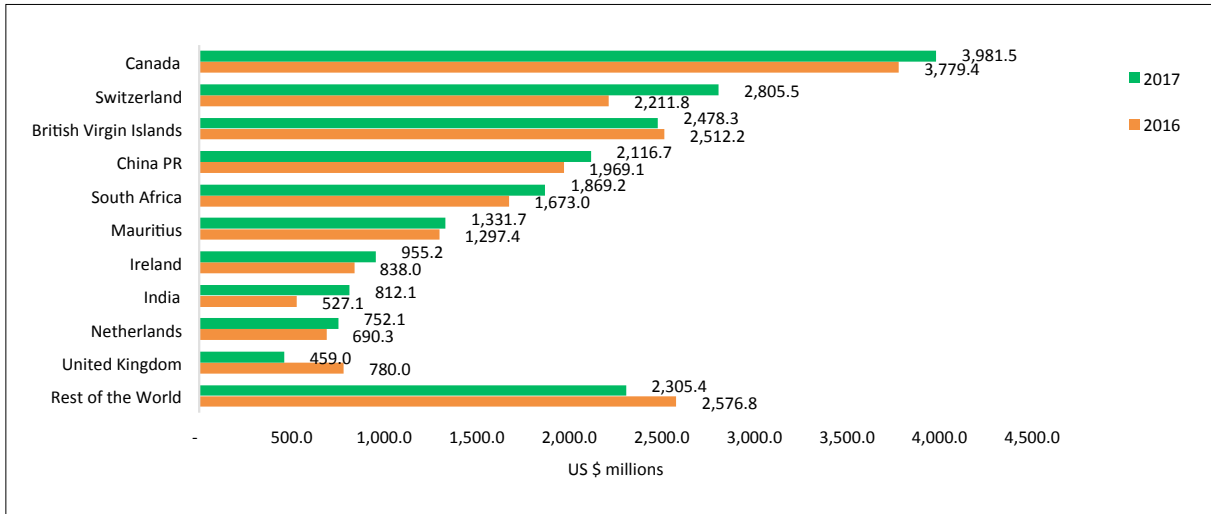
In terms of stock of FDI liabilities, the major source countries were Canada, Switzerland, British Virgin Islands, China, South Africa and Mauritius. These countries collectively accounted for 73.4 percent of the total stock. The rest accounted for the remaining 26.6 percent, (Figure 4.6).



Packaged Copper Cathodes ready for export.



**Figure 4.6: Foreign Direct Investment Liability Stocks by Source Country, 2016 - 2017**



Source: Foreign Private Investment and Investor Perceptions Survey, 2018



An aerial view of the newly opened US\$ 500 million Investment Sinoma Cement Plant in Chongwe District

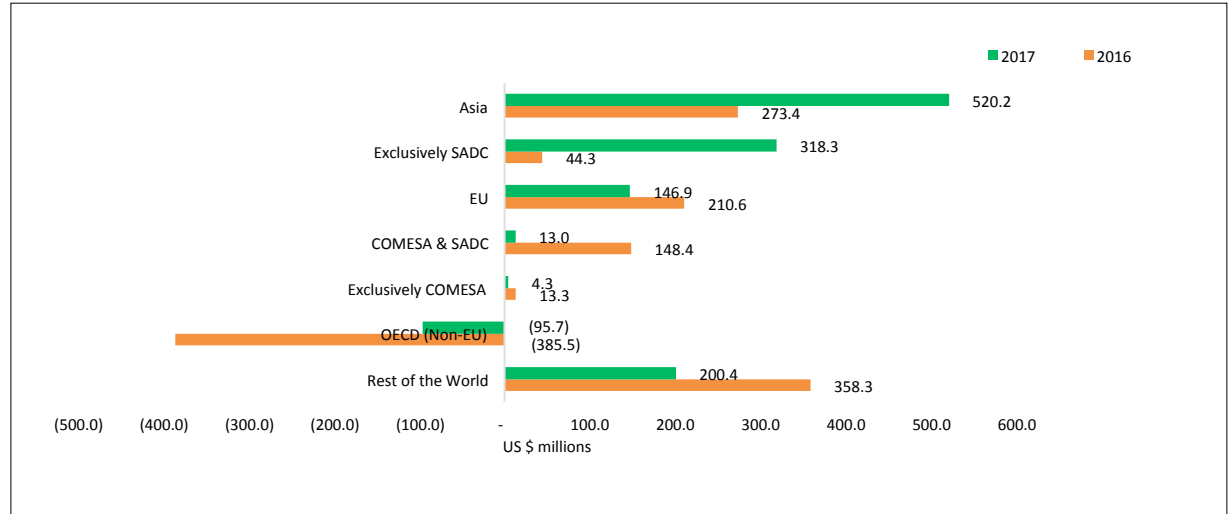
#### 4.3.7 Foreign Direct Investment Liability Flows by Regional Grouping

Zambia's FDI liabilities flows in 2017 were largely from Asia which significantly rose by 90.3 percent to US \$520.2 million from US \$273.4 million in 2016. Asia accounted for 47.0 percent of the total inflows followed by SADC (exclusively) (28.7 percent), the EU (13.3 percent) and COMESA and SADC (dual) (1.2 percent). Net outflows however, were recorded for the OECD (Non-EU) member countries, (Figure 4.7).

<sup>5</sup>These are countries that belong to SADC only.



**Figure 4.7: FDI Liability Flows by Regional Grouping, 2017**

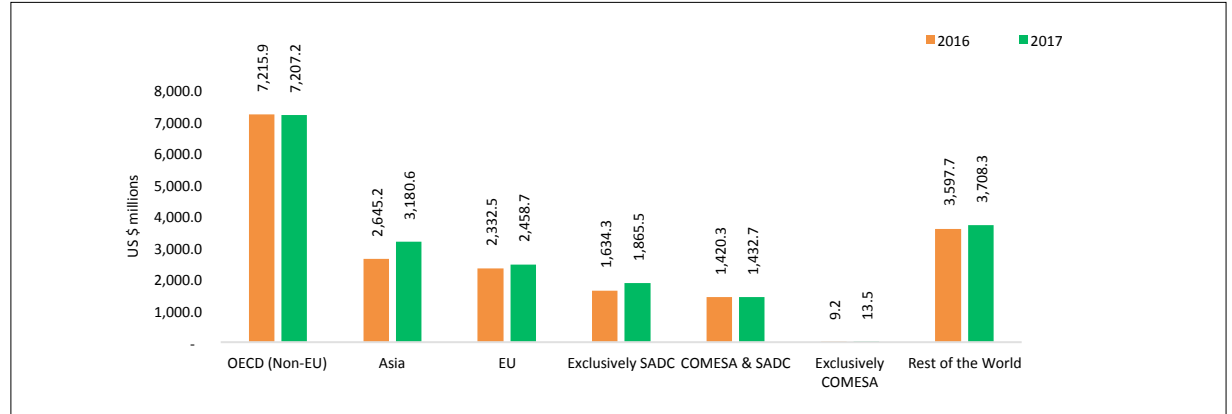


Source: Foreign Private Investment and Investor Perceptions Survey, 2018

#### 4.3.8 Foreign Direct Investment Liability Stocks by Regional Grouping

The stock of FDI liabilities by regional economic grouping was dominated by OECD (Non-EU) countries at 36.3 percent, followed by Asia (16.0 percent) and the EU (12.4 percent). SADC (exclusively), COMESA and SADC (dual) and COMESA (exclusively)<sup>6</sup> collectively accounted for 16.7 percent of the total stock, (Figure 4.8).

**Figure 4.8: Foreign Direct Investment Liability Stocks by Regional Grouping, 2016 - 2017**



Source: Foreign Private Investment & Investor Perceptions Survey, 2018

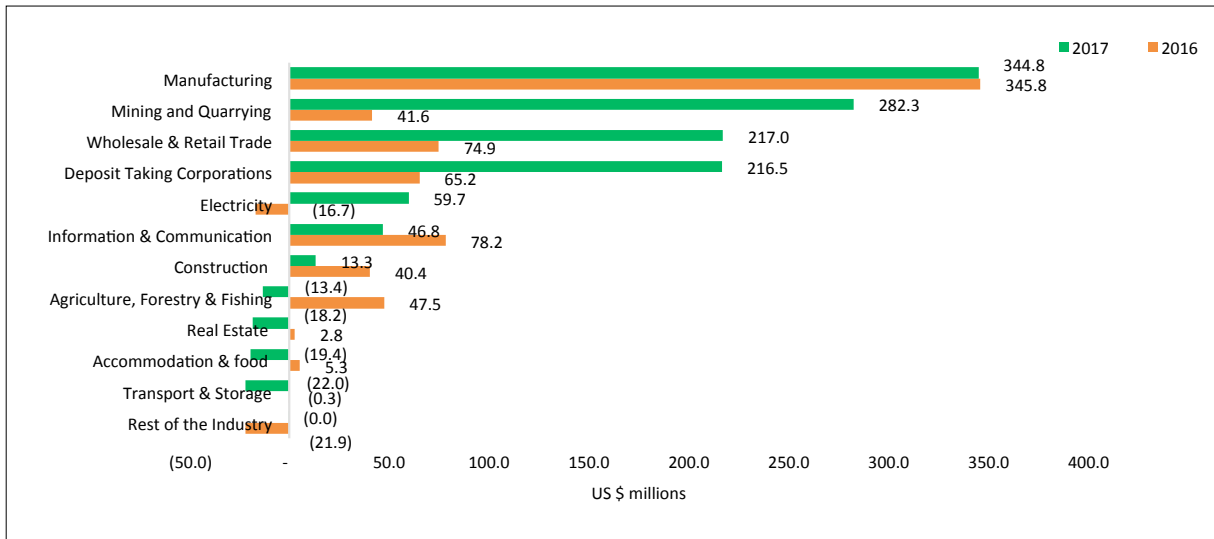
#### 4.3.9 Foreign Direct Investment Liability Flows by Industry

FDI inflows by industry in 2017, show that manufacturing (mainly cement, vegetable/oil fats, and metal related) was the major recipient of net inflows at US \$344.8 million and accounted for 31.3 percent of the total inflows. This was followed, by mining and quarrying which significantly grew to US \$282.3 million from US \$41.6 million in 2016. Other recipient industries were wholesale and retail trade (19.6 percent), deposit taking corporations (19.5 percent), electricity (17.3 percent), Information and communication (4.2 percent) and construction (1.2 percent). On the other hand, agriculture, forestry and fishing, real estate, accommodation and food and transport and storage industry recorded a total net outflow of US \$73.0 million during the same period, (Figure 4.10).

<sup>5</sup>These are countries that belong to SADC only.  
<sup>6</sup>These are countries that belong to COMESA only.



**Figure 4.9: Foreign Direct Investment Liability Flows by Industry, 2017**

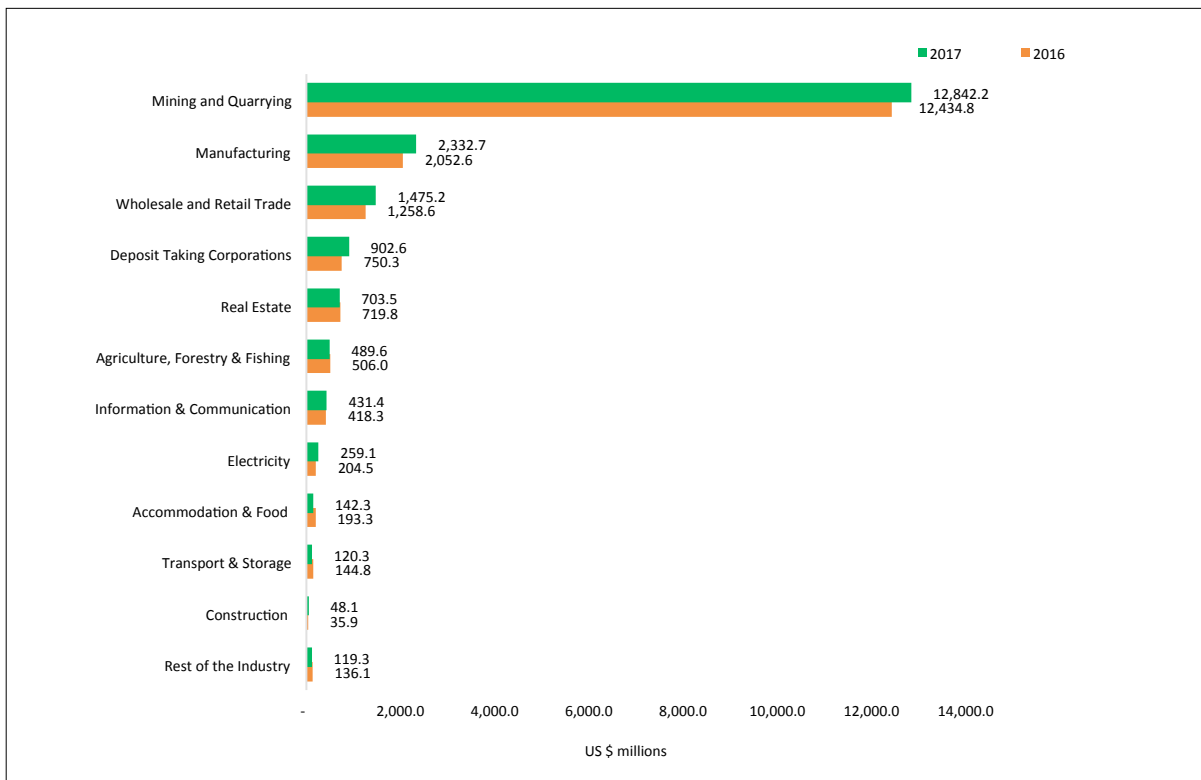


Source: Foreign Private Investment & Investor Perceptions Survey, 2018

#### 4.3.10 Foreign Direct Investment Liability Stocks by Industry

In 2017, FDI liability stocks were concentrated in the mining and quarrying industry at US \$12,797.0 million, representing 64.8 percent of the total stock. This was followed by manufacturing (11.8 percent), wholesale and retail trade (7.4 percent) and deposit taking corporations (4.6 percent). The real estate; agriculture, forestry and fishing; information and communication; electricity, gas and water; accommodation and food; transport and storage; and construction industries collectively contributed (11.4 percent) to the total stock, (Figure 4.10).

**Figure 4.10: Foreign Direct Investment Liability Stocks by Industry, 2016 - 2017**



Source: Foreign Private Investment & Investor Perceptions Survey, 2018



#### 4.3.11 Return on Equity by Industry

The overall profitability attributed to FDI, portfolio equity investment and other equity investments improved significantly to US \$912.7 million from the US \$228.6 million registered in 2016. The upswing was mainly on account of higher profits recorded by the mining and quarrying industry reflecting favourable copper prices on the international market, coupled with increased production which was supported by improved electricity supply. The overall return on equity (ROE) improved in most sectors at 11.0 percent and was 7.9 percentage points higher than the 3.1 percent recorded in 2016.

Analysis by industry showed that construction had the highest rate of return on equity at 44.0 percent. The electricity, gas and water was second at 30.8 percent; then information and communication (29.5 percent); and deposit-taking corporations (21.3 percent). However, negative ROE was recorded in the agriculture, forestry and fishing, real estate and accommodation and food industries, (Table 4.6).

**Table 4.6: Return on Equity by Industry (US \$ millions), 2016 - 2017**

| Industry                          | Profit by Industry |              | Average of opening and closing stock of Equity 2017 | Return on equity 2016 (%) | Return on equity 2017 (%) |
|-----------------------------------|--------------------|--------------|---|---------------------------|---------------------------|
|                                   | 2016               | 2017         |   |                           |                           |
| Mining and Quarrying              | (85.9)             | 411.4        | 3,598.2   | (2.1)                     | 11.4                      |
| Manufacturing                     | 225.6              | 180.2        | 1,511.0   | 17.9                      | 11.9                      |
| Wholesale and Retail Trade        | 53.1               | 78.5         | 1,032.7   | 10.6                      | 7.6                       |
| Deposit Taking Corporations       | 77.7               | 171.4        | 804.7   | 14.8                      | 21.3                      |
| Real Estate                       | (17.1)             | (29.0)       | 350.1   | (9.3)                     | (8.3)                     |
| Electricity, gas and steam        | (52.1)             | 72.1         | 234.2   | (9.0)                     | 30.8                      |
| Agriculture, Forestry and Fishing | 15.8               | (33.1)       | 230.1   | 43.4                      | (14.4)                    |
| Accommodation and Food            | (6.5)              | (1.6)        | 145.7   | 3.2                       | (1.1)                     |
| Transport and Storage             | 3.4                | 6.4          | 128.4   | 12.5                      | 5.0                       |
| Information and Communication     | 14.3               | 23.7         | 80.3  | 32.3                      | 29.5                      |
| Construction                      | 22.4               | 20.3         | 46.2  | 20.6                      | 44.0                      |
| Rest of the Industry              | (22.1)             | 12.3         | 150.9   | (8.7)                     | (51.2)                    |
| <b>Overall Return On Equity</b>   | <b>228.6</b>       | <b>912.7</b> | <b>8,312.4</b>                                      | <b>3.1</b>                | <b>11.0</b>               |

Source: Foreign Private Investment and Investor Perceptions Survey, 2018



Mining Industry continues to be a major recipient industry for FDI in Zambia

#### 4.4 Foreign Portfolio Investment

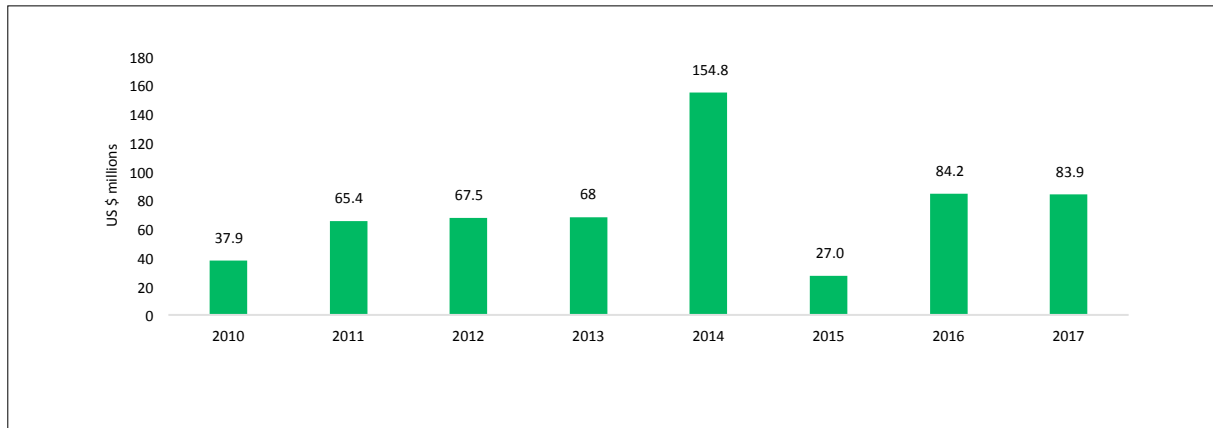
##### 4.4.1 Portfolio Investment Flows and Stocks

In 2017, foreign portfolio equity investment flows recorded a marginal net outflow of US \$0.3 million compared with a net inflow of US \$15.0 million in 2016. The stock of portfolio equity investment decreased marginally by 0.3 percent to US \$83.9 million from US \$84.2 million in 2016, (Figure 4.11).





**Figure 4.11: Portfolio Equity Investment Stocks, 2010 - 2017**



Source: Foreign Private Investment and Investor Perceptions Survey, 2018

#### 4.4.2 Portfolio Equity Investment Flows and Stocks by Source Country

The preliminary survey results showed that portfolio equity investment inflows were from Luxembourg, Tunisia and the Netherlands, which collectively contributed US \$0.5 million to the total flows. Net out flows, however, were recorded by the United Kingdom, South Africa, Saudi Arabia and Zimbabwe, (Table 4.7).

**Table 4.7: Portfolio Equity Investment Inflows and stocks by Source Country (US \$ millions), 2016 - 2017**

| Source country    | 2016        | Transactions | Exchange Rate Changes | Other Changes | 2017        |
|-------------------|-------------|--------------|-----------------------|---------------|-------------|
| Ireland           | 20.8        | 0.0          | 0.0                   | 0.0           | 20.8        |
| United States     | 18.9        | 0.0          | 0.0                   | 0.0           | 18.9        |
| United Kingdom    | 17.7        | (0.4)        | 0.0                   | 0.1           | 17.4        |
| China PR          | 4.7         | 0.0          | 0.0                   | 0.0           | 4.7         |
| Luxembourg        | 1.3         | 0.2          | 0.0                   | (0.0)         | 1.4         |
| Tunisia           | 1.3         | 0.2          | 0.0                   | (0.0)         | 1.4         |
| Netherlands       | 0.9         | 0.1          | 0.0                   | (0.0)         | 1.0         |
| Saudi Arabia      | 0.1         | (0.0)        | 0.0                   | 0.0           | 0.1         |
| Zimbabwe          | 0.0         | (0.0)        | 0.0                   | 0.0           | (0.0)       |
| South Africa      | 0.0         | (0.1)        | 0.0                   | 0.0           | (0.1)       |
| Rest of the World | 18.4        | (0.2)        | 0.0                   | (0.1)         | 18.2        |
| <b>Total</b>      | <b>84.2</b> | <b>(0.3)</b> | <b>0.0</b>            | <b>0.0</b>    | <b>83.9</b> |

Source: Foreign Private Investment and Investor Perceptions Survey, 2018

As at end-2017, the stock of portfolio equity investment was dominated by Ireland at US \$20.8 million, representing 24.8 percent of the total portfolio equity stock. The United States, the United Kingdom and China PR contributed 22.5 percent, 20.7 percent and 5.6 percent, respectively, (Table 4.7).

#### 4.4.3 Portfolio Equity Investment Flows and Stocks by Industry

In terms of industry, manufacturing registered net portfolio inflows of US \$1.6 million. With regard to stocks, manufacturing dominated at US \$63.7 million, whilst insurance and other financial institutions accounted for US \$15.8 million, with the construction industry contributing US \$4.7 million to the total stock, (Table 4.8).

**Table 4.8: Portfolio Equity Investment Inflows and Stocks by Industry (US \$ millions), 2016 - 2017**

| Industry                                   | 2016        | Transactions | Exchange Rate Changes | Other Changes | 2017        |
|--|-------------|--------------|-----------------------|---------------|-------------|
| Accommodation and Food                     | (0.2)       | (0.0)        | 0.0                   | 0.0           | (0.2)       |
| Construction                               | 4.7         | 0.0          | 0.0                   | 0.0           | 4.7         |
| Insurance and Other financial Institutions | 17.6        | (1.7)        | 0.0                   | (0.2)         | 15.8        |
| Manufacturing                              | 62.0        | 1.6          | 0.0                   | 0.2           | 63.7        |
| Wholesale and Retail Trade                 | 0.0         | (0.2)        | 0.0                   | 0.0           | (0.1)       |
| <b>Total</b>                               | <b>84.2</b> | <b>(0.3)</b> | <b>0.0</b>            | <b>0.0</b>    | <b>83.9</b> |

Source: Foreign Private Investment and Investor Perceptions Survey, 2018

#### 4.5 Financial Derivatives

In 2017, Zambia recorded a net inflow of US \$9.1 million arising from financial derivative liabilities, largely in form of options. Net inflows were from the United Kingdom and South Africa. Net inflows from the United Kingdom were in the form of forward type contracts at US \$4.9 million from the mining and quarrying industry. Financial derivative liabilities from South Africa recorded net inflows amounting to US \$4.2 million, (Table 4.9).



**Table 4.9: Financial Derivatives Inflows by Source Country (US \$ millions), 2016 - 2017**

| Source Country     | 2016        | Transactions | Valuation Changes | 2017        |
|--------------------|-------------|--------------|-------------------|-------------|
| South Africa       | 12.5        | 4.2          | (10.2)            | 6.6         |
| Forward            | 2.9         | (2.8)        | (0.2)             | (0.0)       |
| Options            | 9.7         | 6.9          | (10.0)            | 6.6         |
| United Kingdom     | 0.0         | 4.9          | 2.3               | 7.3         |
| Forward            | 0.0         | 4.9          | 2.3               | 7.3         |
| <b>Grand Total</b> | <b>12.6</b> | <b>9.1</b>   | <b>(7.8)</b>      | <b>13.8</b> |

Source: Foreign Private Investment and Investor Perceptions Survey, 2018

**Table 4.10: Financial Derivatives Inflows and Stocks by Industry (US \$ millions), 2016 - 2017**

| Industry & Instrument Type    | 2016        | Transactions | Valuation Changes | 2017        |
|-------------------------------|-------------|--------------|-------------------|-------------|
| Deposit Taking                | 12.5        | 4.1          | (10.1)            | 6.4         |
| Forward                       | 2.8         | (2.8)        | (0.1)             | (0.1)       |
| Options                       | 9.7         | 6.9          | (10.0)            | 6.6         |
| Information and Communication | 0.0         | 0.0          | 0.9               | 0.9         |
| Forward                       | 0.0         | 0.0          | 0.9               | 0.9         |
| Mining & Quarrying            | 0.1         | 4.9          | 1.4               | 6.5         |
| Forward                       | 0.1         | 4.9          | 1.4               | 6.5         |
| <b>Grand Total</b>            | <b>12.6</b> | <b>9.1</b>   | <b>(7.8)</b>      | <b>13.8</b> |

Source: Foreign Private Investment and Investor Perceptions Survey, 2018

#### 4.6 Other Investments

Other investment liabilities registered net outflows in 2017 of US \$71.0 million compared to net inflows of US \$400.9 million recorded in 2016, mainly due to debt repayments. The stock at US \$3,909.9 million was 1.3 percent higher than US \$3,960.6 million recorded the previous year mainly due to valuation effects, (Table 4.11).

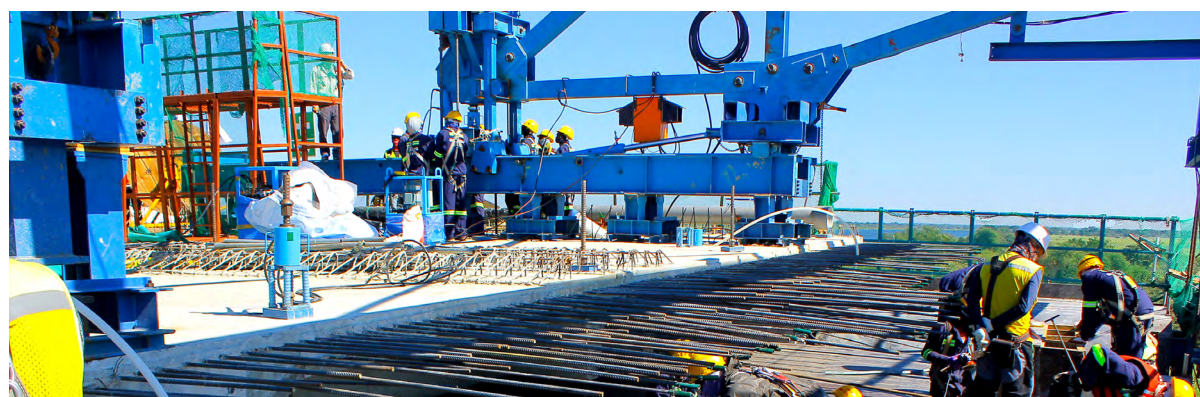
**Table 4.11: Other Investment Inflows and Stocks (US \$ millions), 2016 - 2017**

| Type of Instrument                    | 2016           | Transactions  | Exchange Rate Changes | Other Changes | 2017           |
|---------------------------------------|----------------|---------------|-----------------------|---------------|----------------|
| <b>Equity</b>                         | <b>223.8</b>   | <b>(6.3)</b>  | <b>(1.2)</b>          | <b>45.1</b>   | <b>261.3</b>   |
| Retained Earnings                     | 47.1           | (13.0)        | (0.1)                 | 21.8          | 55.8           |
| Equity Capital                        | 176.7          | 6.6           | (1.2)                 | 23.3          | 205.5          |
| <b>Debt</b>                           | <b>3,736.8</b> | <b>(64.6)</b> | <b>(9.0)</b>          | <b>(14.6)</b> | <b>3,648.6</b> |
| Loans                                 | 3,362.3        | (10.4)        | (33.1)                | 0.4           | 3,319.2        |
| Currency and Deposits                 | 202.0          | (45.3)        | 1.3                   | (15.0)        | 143.1          |
| Other accounts payable                | 85.0           | 0.0           | 0.0                   | 0.0           | 85.0           |
| Trade credits and advances            | 71.8           | (3.5)         | 0.1                   | (0.5)         | 67.9           |
| Debt Securities                       | 12.1           | (5.5)         | 22.5                  | 0.0           | 29.1           |
| Life Insurance Technical Reserves     | 2.2            | 0.0           | 0.0                   | 0.4           | 2.6            |
| Pension Entitlements/Claims           | 1.3            | 0.0           | 0.0                   | (0.3)         | 1.1            |
| Non-Life Insurance Technical Reserves | 0.1            | 0.0           | 0.2                   | 0.1           | 0.4            |
| Standardised guarantees               | 0.0            | 0.0           | 0.0                   | 0.2           | 0.2            |
| <b>Total</b>                          | <b>3,960.6</b> | <b>(71.0)</b> | <b>(10.2)</b>         | <b>30.5</b>   | <b>3,909.9</b> |

Source: Foreign Private Investment and Investor Perceptions Survey, 2018

##### 4.6.1 Other Foreign Investment Inflows by Source Country

The Netherlands was the major source country of other investments inflows at US \$49.3 million. Other main source countries were the United Kingdom, NORDEA, Egypt and Cayman Islands. However, significant net outflows amounting to US \$208.5 were recorded for South Africa (Figure 4.12).



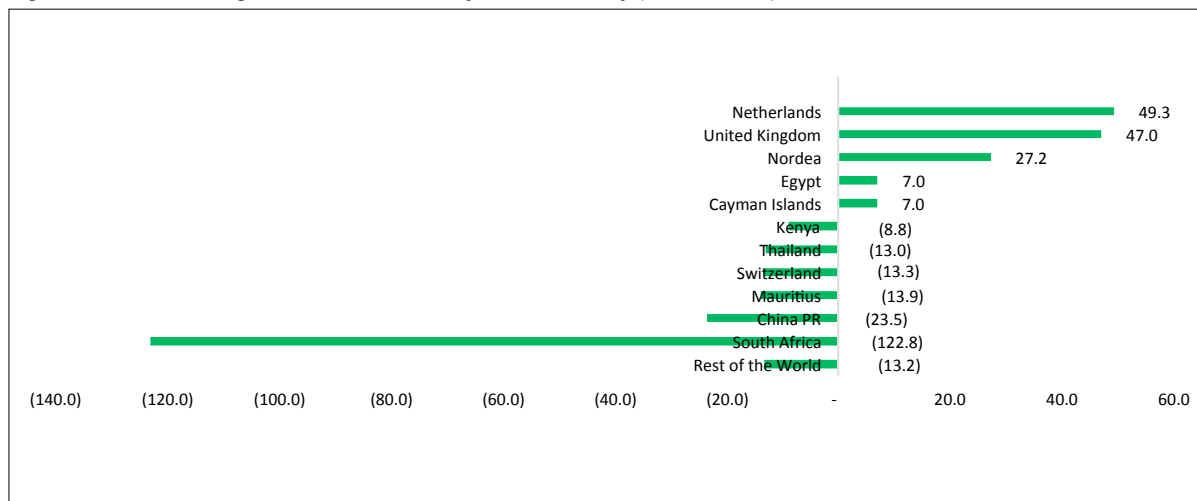
Infrastructure development, key to attracting investment (Construction of the Kazungula Bridge)

<sup>7</sup>A financial derivative contract is a financial instrument that is linked to another specific financial instrument or indicator or commodity and through which specific financial risks (such as interest rate risk, foreign exchange risk, equity and commodity price risks, credit risk, and so on) can be traded in their own right in financial markets. There are two broad types of financial derivatives—options and forward-type contracts (IMF 2009).

<sup>8</sup>Other investments are a residual category which includes positions and transactions other than those included in direct investment, portfolio investment and financial derivatives (IMF 2009). These include currency and deposits, trade credit and advances, and other foreign borrowings from unrelated parties. In addition, this category includes non-tradable/negotiable equity of less than 10 percent held by non-residents and equity in international organisations.



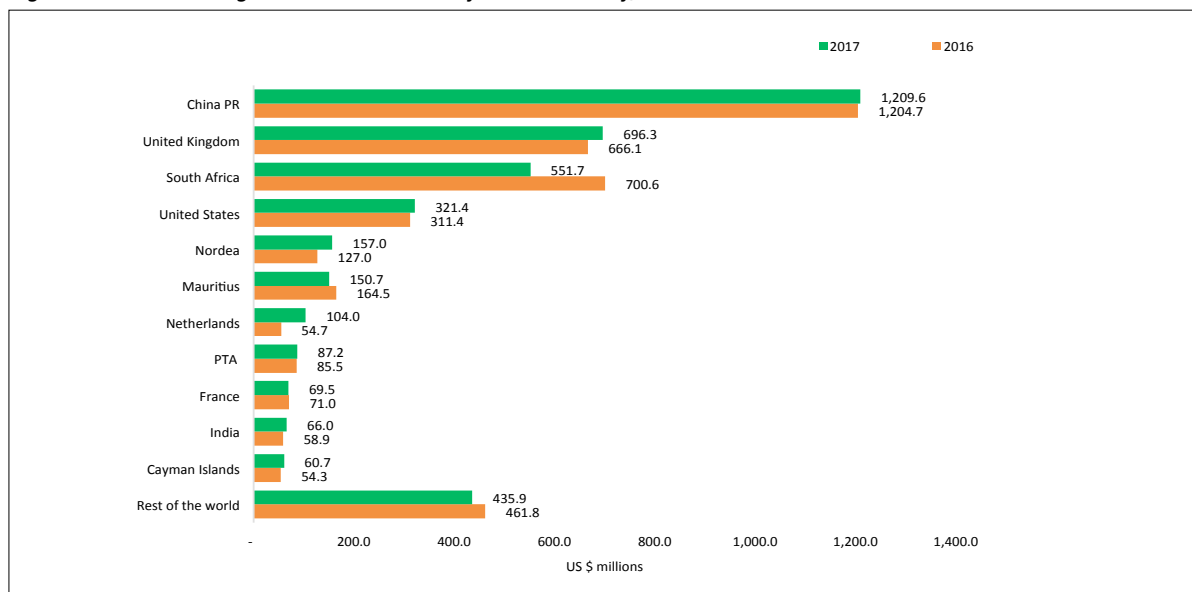
**Figure 4.12: Other Foreign Investment Inflows by Source Country (US \$ millions), 2017**



Source: Foreign Private Investment and Investor Perceptions Survey, 2018

As at end-2017, China PR accounted for the largest share of stocks of other investments at US \$1,209.6 million in 2017, representing 30.9 percent. The United Kingdom was second at 17.8 percent, followed by South Africa and the United States of America at 14.1 percent and 8.2 percent, respectively. The rest of the countries collectively accounted for 29.0 percent of the total stock, (Figure 4.13).

**Figure 4.13: Other Foreign Investment Inflows by Source Country, 2017**



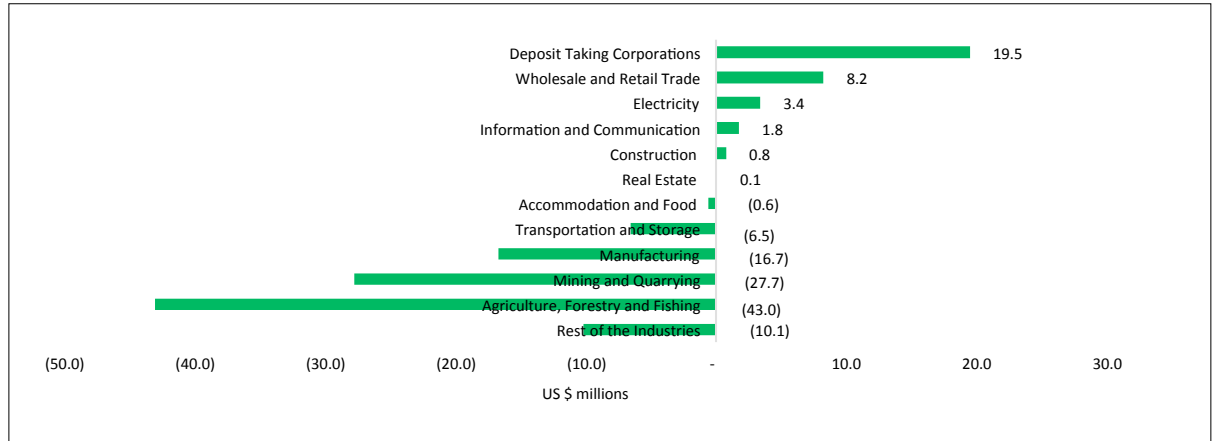
Source: Foreign Private Investment and Investor Perceptions Survey, 2018

#### 4.6.2 Other Foreign Investment Liability Flows and Stocks by Industry

In 2017, other foreign investment liability inflows at US \$463.8 million were mainly concentrated in the deposit taking corporations. This was followed by wholesale and retail trade at US \$8.2 million and electricity, gas and water at US \$3.4 million. Information and communication, construction and real estate collectively contributed US \$2.7 million to the total net inflows. However, net outflows of US \$94.5 million were collectively recorded for agriculture, forestry and fishing; mining and quarrying; manufacturing; transport and storage; and accommodation and food; (Figure 4.14).



**Figure 4.14: Other Foreign Investment Inflows by Industry, 2017**



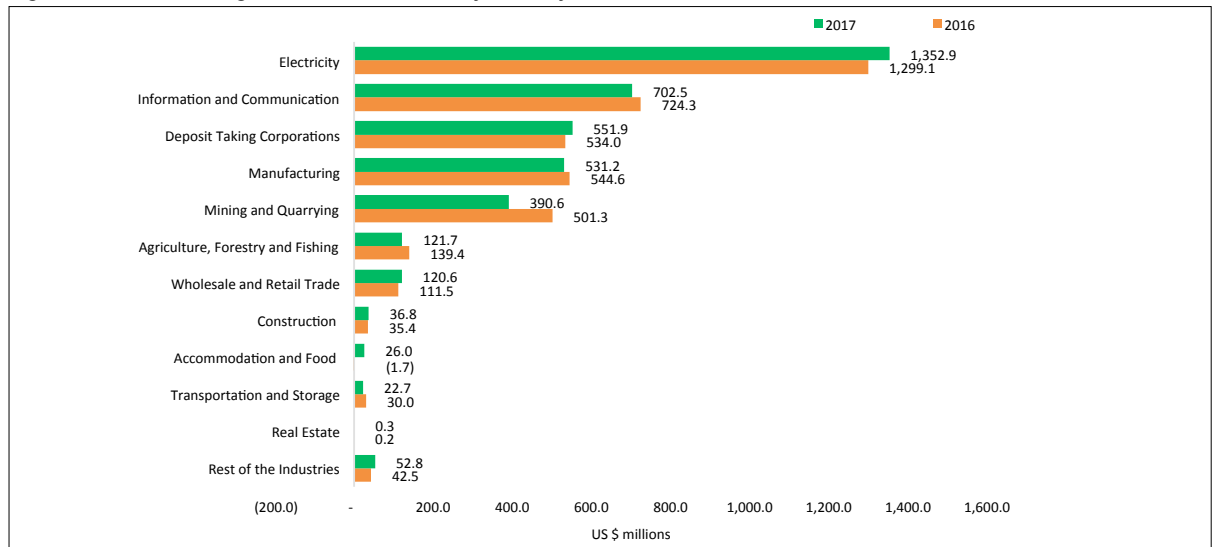
Source: Foreign Private Investment & Investor Perceptions Survey, 2018

With regard to the stock breakdown, the electricity, gas and water industry dominated at US \$ 1,352.9 million representing 34.6 percent of the other investment total stock. This was followed by Information and communication, deposit taking corporations, manufacturing and the mining and quarrying, (Figure 4.15).



Newly constructed Kenneth Kaunda International Airport in Lusaka

**Figure 4.15: Other Foreign Investments Stocks by Industry, 2016 - 2017**



Source: Foreign Private Investment & Investor Perceptions Survey, 2018



## 5.0 PRIVATE SECTOR EXTERNAL DEBT STOCK





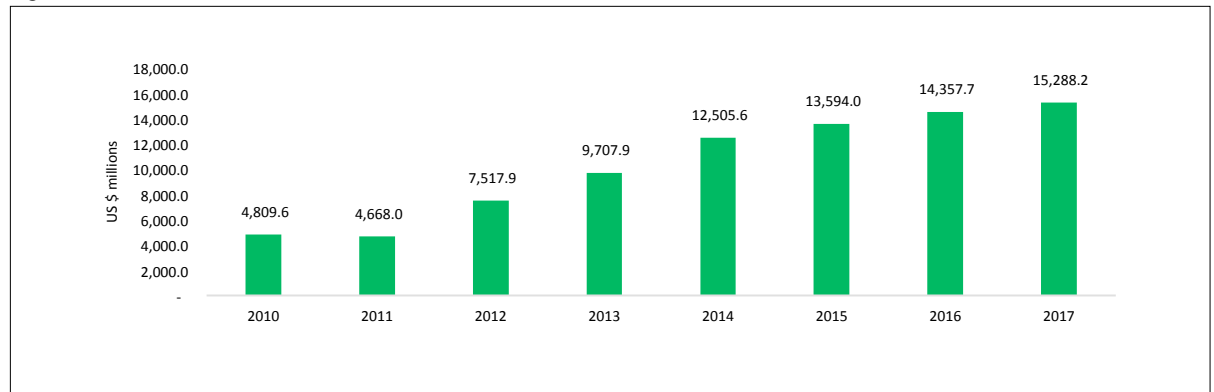
## 5.0 PRIVATE SECTOR EXTERNAL DEBT STOCK

Private Sector External Debt stock (PSED) constitutes long and short-term borrowing from affiliates (FDI related borrowing) and non-affiliates. PSED stock includes loans, debt securities, trade credits and advances, currency and deposits, life and non-life insurance technical reserves, pension entitlements, standardised guarantees and other accounts payable.

### 5.1 Private Sector External Debt Stock Trend

The survey findings showed that PSED at end-2017 was US \$15,288.2 million, 3.6 percent higher than US \$14,757.7 million as at end-2016. This growth was due to net debt disbursements, (Figure 5.1).

Figure 5.1: Stock of Private Sector External Debt Trend, 2010 - 2017

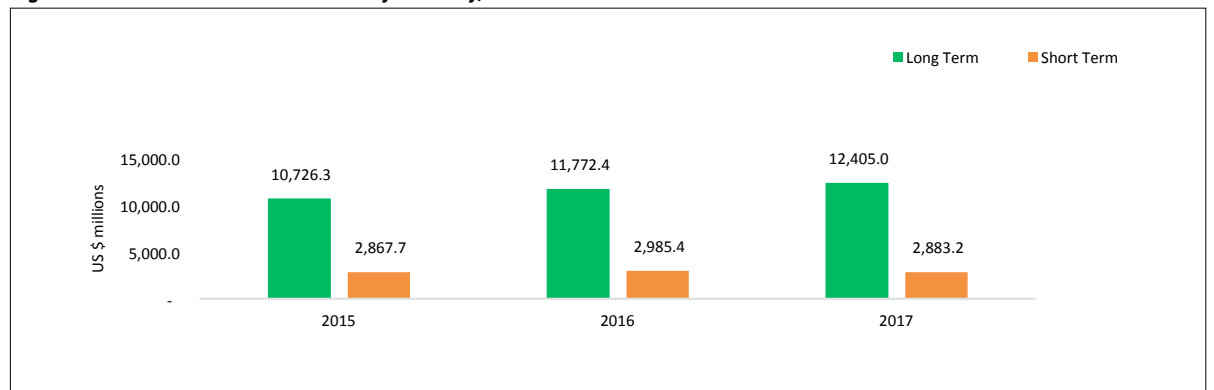


Source: Foreign Private Investment & Investor Perceptions Survey, 2018

### 5.2 Private Sector External Debt Stock by Maturity and Type

In 2017, the total stock of PSED, long-term borrowing continued to rise at US \$12,405.0 million and accounted for 81.1 percent, while the short term borrowing declined to US \$2,883.2 million (18.9 percent), (Figure 5.2) and (Table 5.1).

Figure 5.2: Private Sector Debt Stock by Maturity, 2015 - 2017



Source: Foreign and Private Investment and Investor Perception Survey, 2018

Table 5.1: Private Sector Debt Stock by Maturity (US \$ millions), 2016 - 2017

| Maturity     | 2016            |               | 2016                  |               |       | Stock           |
|--------------|-----------------|---------------|-----------------------|---------------|-------|-----------------|
|              | Stock           | Transactions  | Exchange rate changes | Other Changes | Stock |                 |
| Long term    | 11,772.4        | 619.57        | (43.70)               | 56.8          |       | 12,405.0        |
| Short term   | 2,985.4         | (123.67)      | 19.68                 | 1.82          |       | 2,883.2         |
| <b>Total</b> | <b>14,757.7</b> | <b>495.91</b> | <b>(24.02)</b>        | <b>58.60</b>  |       | <b>15,288.2</b> |

Source: Foreign Private Investment and Investor Perceptions Survey, 2018

As at end-2017, the survey findings revealed that loans continued to be the main type of debt at US \$14,521.5 million representing 95.0 percent of the overall debt stock. This was followed by trade credits at 3.0 percent, while currency and deposits, other accounts payable, debt securities, life and non-life insurance technical reserves, pension



entitlements/claims and standardised guarantees collectively accounted for 2.0 percent.

The stock of loans grew by 3.8 percent to US \$14,521.5 million at end-2017 from US \$13,985.3 million registered at end-2016. Trade credits and advances were 7.5 percent higher at US \$456.4 million from US \$424.7 million, whilst other accounts payable grew by 2.9 percent to US \$132.4 million from US \$128.6 million recorded the previous year. Debt securities more than doubled to US \$29.1 million from US \$12.1 million. Currency and deposits however, declined by 29.0 percent to US \$144.5 million from US \$203.4 million during the same period.

**Table 5.2: Private Sector Debt Stock by Type (US \$ millions), 2016 - 2017**

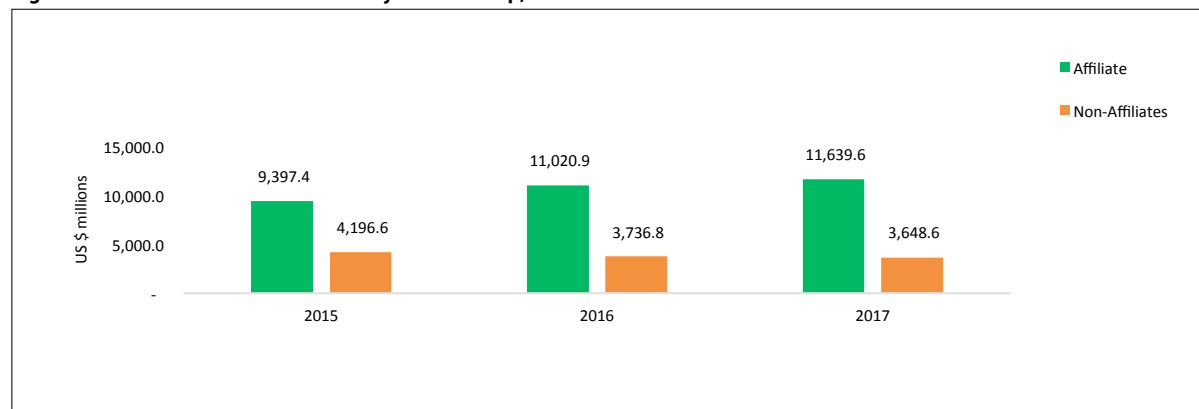
| Debt Type   | 2016            | Transactions  | Exchange Rate Changes | Other Changes | 2017            |
|---|-----------------|---------------|-----------------------|---------------|-----------------|
| <b>Currency and Deposits</b>                          | <b>203.4</b>    | <b>(45.2)</b> | <b>1.4</b>            | <b>(15.0)</b> | <b>144.5</b>    |
| Long Term   | 95.1            | 15.5          | 2.8                   | 3.2           | 116.5           |
| Short Term  | 108.3           | (60.7)        | (1.4)                 | (18.2)        | 27.9            |
| <b>Debt Security</b>                                  | <b>12.1</b>     | <b>-5.5</b>   | <b>22.5</b>           | <b>0.0</b>    | <b>29.1</b>     |
| Long Term   | 6.2             | 0.9           | 8.0                   | 0.0           | 15.0            |
| Short Term  | 6.0             | -6.4          | 14.5                  | 0.0           | 14.1            |
| <b>Life and Non-Life Insurance Technical Reserves</b> | <b>2.3</b>      | <b>0.0</b>    | <b>0.2</b>            | <b>0.6</b>    | <b>3.0</b>      |
| Long Term   | 0.0             | 0.0           | 0.0                   | 0.0           | 0.0             |
| Short Term  | 2.3             | 0.0           | 0.2                   | 0.6           | 3.0             |
| <b>Loans</b>  | <b>13,985.3</b> | <b>528.7</b>  | <b>(47.5)</b>         | <b>55.0</b>   | <b>14,521.5</b> |
| Long Term   | 11,359.5        | 597.6         | (54.1)                | 53.6          | 11,956.6        |
| Short Term  | 2,625.8         | (68.9)        | 6.7                   | 1.5           | 2,565.0         |
| <b>Other Accounts Payable</b>                         | <b>128.6</b>    | <b>3.8</b>    | <b>(0.0)</b>          | <b>0.0</b>    | <b>132.4</b>    |
| Long Term   | 72.2            | 0.0           | 0.0                   | 0.0           | 72.2            |
| Short Term  | 56.4            | 3.8           | (0.0)                 | 0.0           | 60.2            |
| <b>Trade Credits and Advances</b>                     | <b>424.7</b>    | <b>14.2</b>   | <b>(0.6)</b>          | <b>18.1</b>   | <b>456.4</b>    |
| Long Term   | 239.5           | 5.6           | (0.3)                 | 0.0           | 244.7           |
| Short Term  | 185.2           | 8.6           | (0.3)                 | 18.1          | 211.7           |
| <b>Pension Entitlements/Claims</b>                    | <b>1.3</b>      | <b>0.0</b>    | <b>0.0</b>            | <b>18.1</b>   | <b>1.1</b>      |
| Long Term   | 0.0             | 0.0           | 0.0                   | 0.0           | 0.0             |
| Short Term  | 1.3             | 0.0           | 0.0                   | 18.1          | 1.1             |
| <b>Standardised Guarantees</b>                        | <b>0.0</b>      | <b>0.0</b>    | <b>0.0</b>            | <b>0.2</b>    | <b>0.2</b>      |
| Long Term   | 0.0             | 0.0           | 0.0                   | 0.0           | 0.0             |
| Short Term  | 0.0             | 0.0           | 0.0                   | 0.2           | 0.2             |
| <b>Grand Total</b>                                    | <b>14,757.7</b> | <b>495.9</b>  | <b>(24.0)</b>         | <b>76.9</b>   | <b>15,288.2</b> |

Source: Foreign Private Investment and Investor Perceptions Survey, 2018

### 5.3 Private Sector External Debt Stock by Investor Relationship

During the period under review, borrowing by domestic enterprises continued to be dominated by foreign affiliates. In 2017, borrowing from foreign affiliates at US \$11,639.6 million, accounted for 76.1 percent of the total stock. The remainder was from non-affiliates, which fell by 2.4 percent to US \$3,648.6 million from US \$3,736.8 million in 2016, (Figure 5.3).

**Figure 5.3: Private Sector Debt Stock by Relationship, 2015 - 2017**



Source: Foreign and Private Investment and Investor Perception Survey, 2018

As at end-2017, stock of external debt from both affiliates and non-affiliates was mainly in form of loans. Out of the debt stock from foreign affiliates of US \$11,639.6 million, loans were at US \$11,202.3 million, representing 96.2 percent. The other forms of debt from foreign affiliates included trade credits and advances accounting for 3.3 percent share of the debt stock. The value of other accounts payable, and currency and deposits, collectively



accounted for 0.5 percent.

Total borrowing from non-affiliates, during the review period, was US \$3,648.6 million of which loans were US \$3,319.2 million, accounting for 91.0 percent. Other forms of borrowing collectively contributed 9.0 percent to the total external debt stock of non-affiliates in 2017, (Table 5.3).

**Table 5.3: Private Sector Debt Stock by Type by Relationship (US \$ millions), 2016 - 2017**

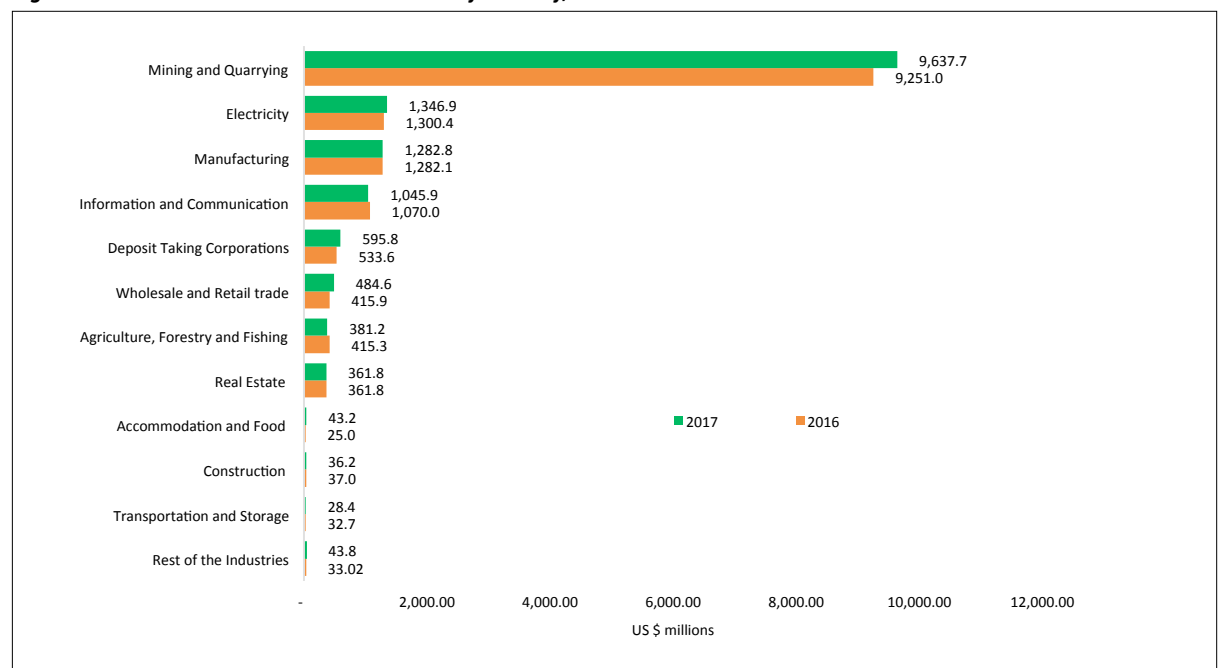
| Instrument Type                                       | 2016            | Transactions  | Exchange Rate Changes | Other Changes | 2017            |
|---|-----------------|---------------|-----------------------|---------------|-----------------|
| <b>Currency and Deposits</b>                          | <b>203.4</b>    | <b>(45.2)</b> | <b>1.4</b>            | <b>(15.0)</b> | <b>144.5</b>    |
| Affiliate   | 1.4             | 0.0           | 0.0                   | (0.1)         | 1.4             |
| Non-Affiliates  | 202.0           | (45.3)        | 1.3                   | (15.0)        | 143.1           |
| <b>Debt Security</b>                                  | <b>12.1</b>     | <b>-5.5</b>   | <b>0.8</b>            | <b>0.0</b>    | <b>29.1</b>     |
| Affiliate   | 0.0             | 0.0           | 0.0                   | 0.0           | 0.0             |
| Non-Affiliates  | 12.1            | -5.5          | 0.8                   | 0.0           | 29.1            |
| <b>Life and Non-Life Insurance Technical Reserves</b> | <b>2.3</b>      | <b>0.0</b>    | <b>0.2</b>            | <b>0.6</b>    | <b>3.0</b>      |
| Affiliate   | 0.0             | 0.0           | 0.0                   | 0.0           | 0.0             |
| Non-Affiliates  | 2.3             | 0.0           | 0.2                   | 0.6           | 3.0             |
| <b>Loans</b>  | <b>13,985.3</b> | <b>528.7</b>  | <b>(47.5)</b>         | <b>55.0</b>   | <b>14,521.5</b> |
| Affiliate   | 10,623.0        | 539.1         | (14.4)                | 54.7          | 11,202.3        |
| Non-Affiliates  | 3,362.3         | (10.4)        | (33.1)                | 0.4           | 3,319.2         |
| <b>Other Accounts Payable</b>                         | <b>128.6</b>    | <b>3.8</b>    | <b>(0.0)</b>          | <b>0.0</b>    | <b>132.4</b>    |
| Affiliate   | 43.6            | 3.8           | (0.0)                 | 0.0           | 47.4            |
| Non-Affiliates  | 85.0            | 0.0           | 0.0                   | 0.0           | 85.0            |
| <b>Trade Credits and Advances</b>                     | <b>424.7</b>    | <b>14.2</b>   | <b>(0.6)</b>          | <b>18.1</b>   | <b>456.4</b>    |
| Affiliate   | 352.9           | 17.7          | (0.7)                 | 18.6          | 388.5           |
| Non-Affiliates  | 71.8            | -3.5          | 0.1                   | (0.5)         | 67.9            |
| <b>Pension Entitlements/Claims</b>                    | <b>1.3</b>      | <b>0.0</b>    | <b>0.0</b>            | <b>(0.3)</b>  | <b>1.1</b>      |
| Affiliate   | 0.0             | 0.0           | 0.0                   | 0.0           | 0.0             |
| Non-Affiliates  | 1.3             | 0.0           | 0.0                   | (0.3)         | 1.1             |
| <b>Standardised guarantees</b>                        | <b>0.0</b>      | <b>0.0</b>    | <b>0.0</b>            | <b>0.2</b>    | <b>0.2</b>      |
| Affiliate   | 0.0             | 0.0           | 0.0                   | 0.0           | 0.0             |
| Non-Affiliates  | 0.0             | 0.0           | 0.0                   | 0.2           | 0.2             |
| <b>Grand Total</b>                                    | <b>14,757.7</b> | <b>495.9</b>  | <b>(45.7)</b>         | <b>58.6</b>   | <b>15,288.2</b> |

Source: Foreign Private Investment and Investor Perceptions Survey, 2018

#### 5.4 Private Sector External Debt Stock by Industry

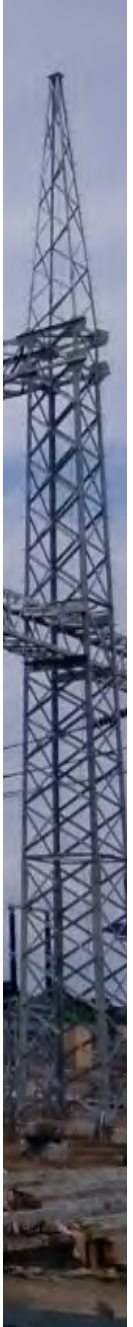
In 2017 the mining and quarrying industry continued to dominate at US \$6,637.7 million, representing 63.0 percent share of the total stock of external debt. This was followed by electricity, gas, and water (8.0 percent); manufacturing (8.4 percent); and information and communications at 6.8 percent. Other industries accounted for the remaining share of 13.8 percent, (Figure 5.4).

**Figure 5.4: Private Sector External Debt Stock by Industry, 2016 - 2017**



Source: Foreign and Private Investment and Investor Perception Survey, 2018



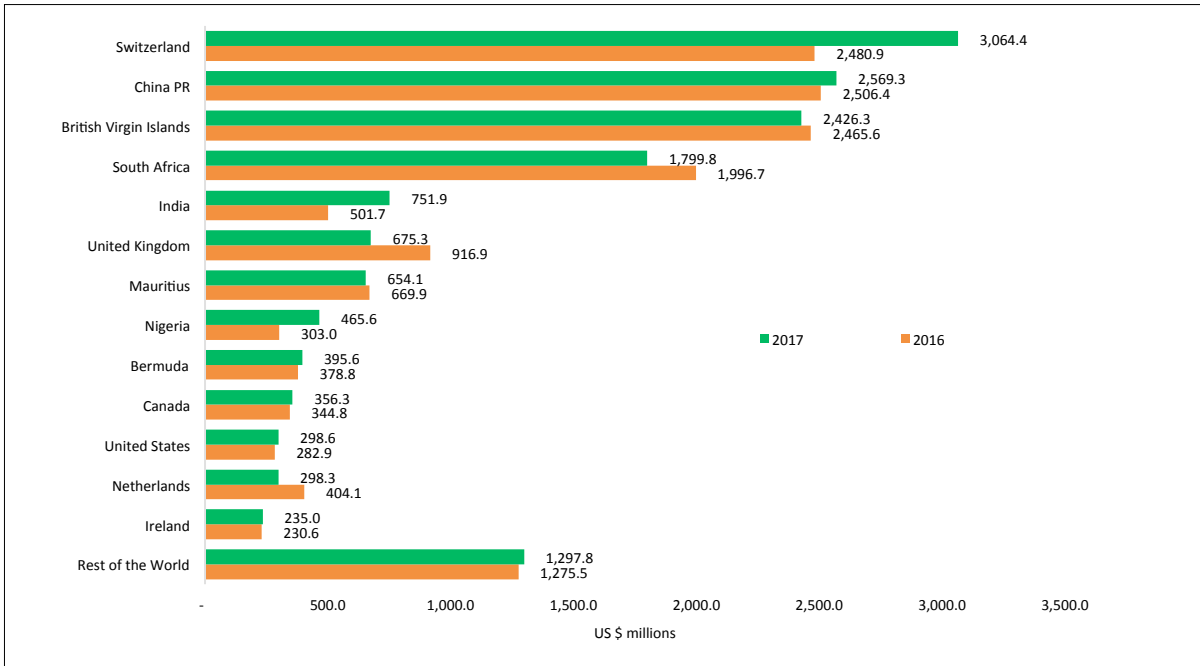


Wholesale and Retail Trade Industry has grown over the years (newly constructed Total Zambia Offices, Off Great East Road, Lusaka).

**5.5 Private Sector External Debt Stock by Source Country**

At a global level, the main source countries for most of the PSED stock were Switzerland (20.0 percent), China (16.8 percent), British Virgin Islands (15.9 percent) and South Africa (11.8 percent) collectively accounting for 64.5 percent (Figure 5.5).

**Figure 5:5 Private Sector External Debt Stock by Source Country, 2016 - 2017**



Source: Foreign and Private Investment and Investor Perception Survey, 2018

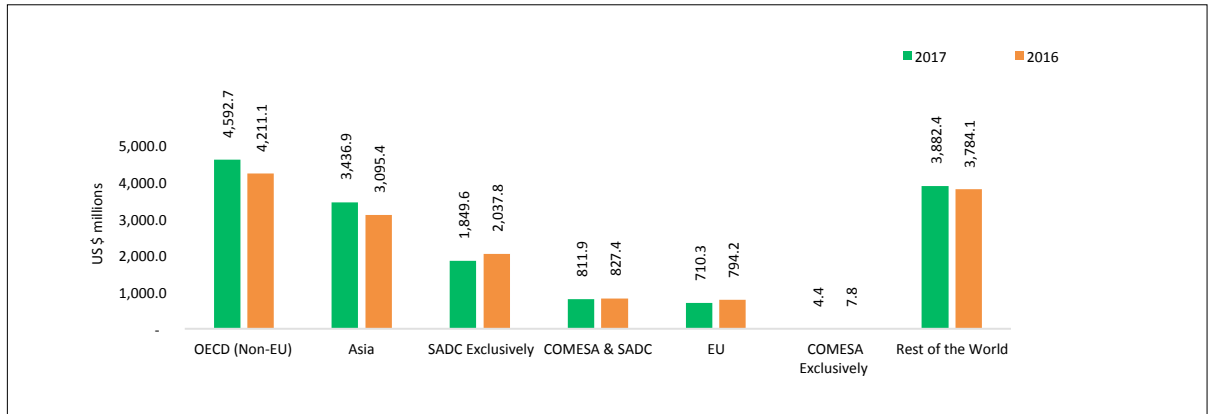
**5.6 Private External Debt Stock by Region**

The main source regions for the bulk of PSED stock were OECD (non-EU) , Asia and SADC (exclusively), which collectively accounted for 64.6 percent (Figure 5.6). The OECD (non-EU) accounted for 30.0 percent, followed by Asia (22.5 percent) and SADC (exclusively) (12.1 percent) of the stock, (Figure 5.6).



Packaging of vegetables at York Farm in Lusaka

Figure 5.6: Private Sector External Debt Stock by Region, 2016 - 2017



Source: Foreign and Private Investment and Investor Perception Survey, 2018

In terms of growth of PSED stock, Asia recorded the highest growth rising by 11.0 percent to US \$3,436.9 million followed by the OECD whose stock increased by 9.1 percent to US \$ 4,592.7 million. The EU bloc, COMESA and SADC (dual membership countries) SADC (exclusively) and COMESA (exclusively) regions however recorded declines in the PSED stock at end- 2017.

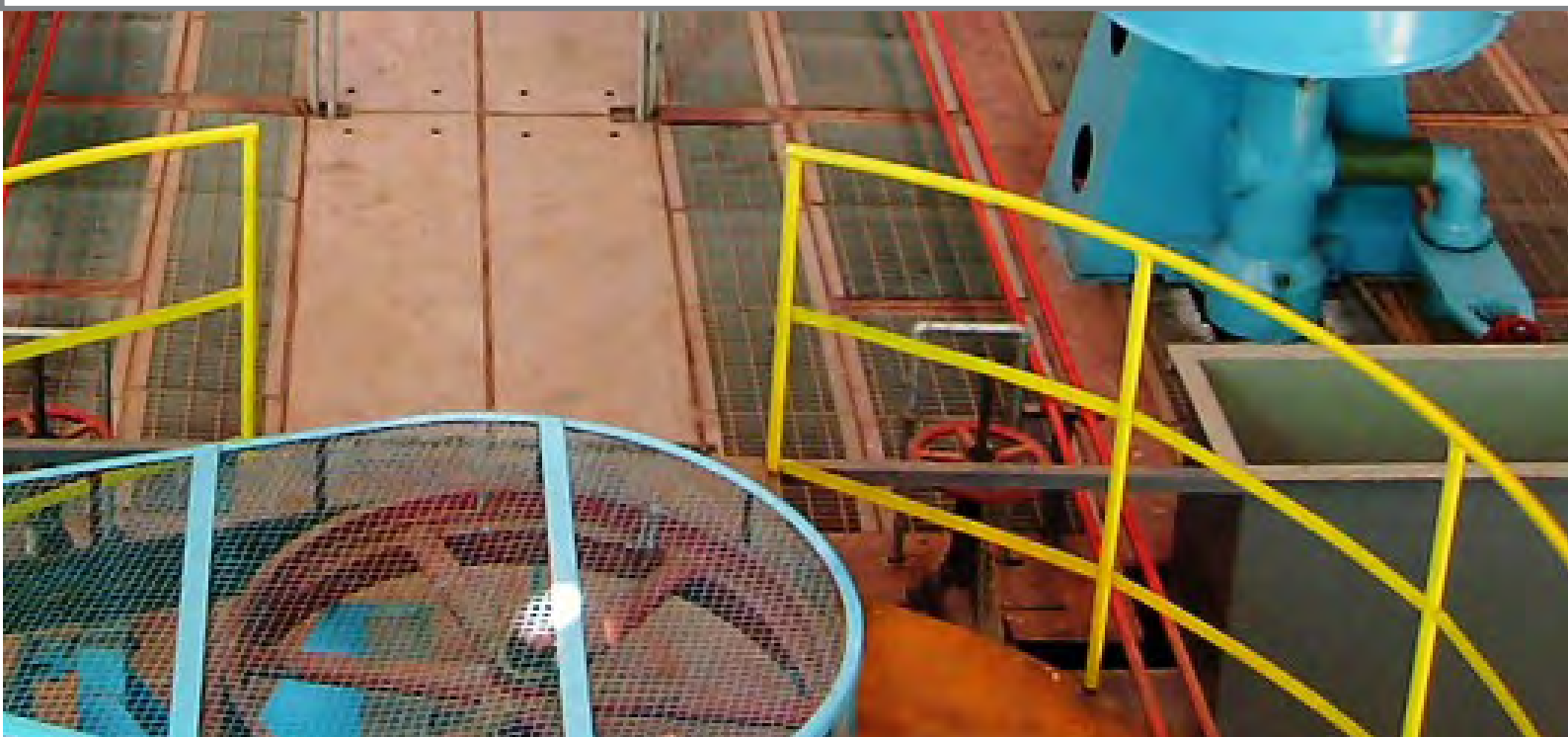


Road Infrastructure a major lever to investment (Chingola - Solwezi Road)





## 6.0 PRIVATE SECTOR FOREIGN ASSETS





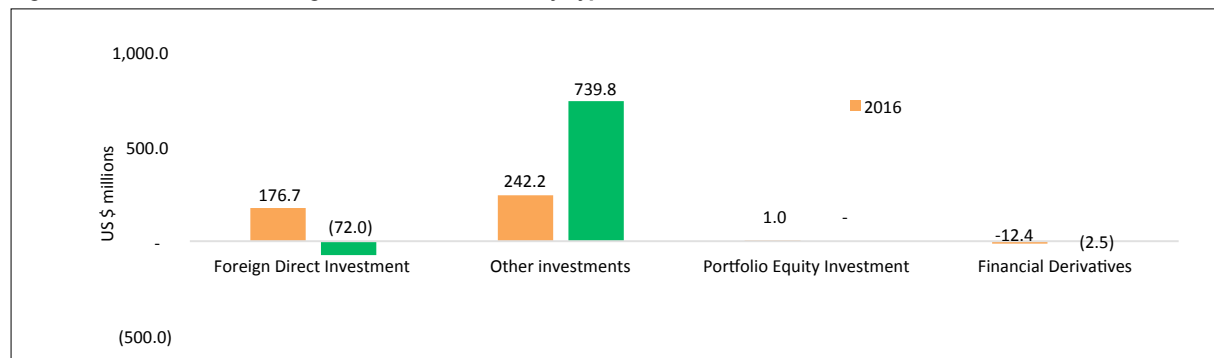
## 6.0 PRIVATE SECTOR FOREIGN ASSETS

### 6.1 Private Sector Foreign Assets Flows by Type

In 2017, Zambia's private sector transactions in foreign assets increased by 63.2 percent to US \$665.2 million from US \$407.5 million recorded in 2016 mainly on account of increased accumulation of assets in form of other investments. This increase was mainly explained by a rise in commercial banks' deposits of currency in nostro accounts mainly held in China PR (27.2 percent), the United States of America (24.0 percent) and the United Kingdom (24.0 percent). Financial derivatives recorded a net drawdown of US \$2.5 million compared to a net drawdown of US \$12.4 million in 2016.

During 2017, transactions in FDI assets recorded a net decrease of US \$72.0 million in comparison to a net increase of US \$176.7 million in 2016. This was on account of repayment of debt by non-resident fellow enterprises to domestic firms especially in the mining and quarrying industry. These fellow enterprises were mainly located in the United Kingdom, Switzerland and Congo DR. There were no transactions in portfolio equity investments during the year under review, (Figure 6.1).

Figure 6.1: Private Sector Foreign Assets Transactions by Type, 2016 - 2017



Source: Foreign Private Investment and Investor Perceptions Survey, 2018

### 6.2 Private Sector Foreign Assets Stocks by Type

The stock of private sector foreign assets rose by 15.4 percent to US \$ 4,710.5 million from US \$4,082.4 million recorded at end-2016. A rise in the stock of other investments assets by 30.0 percent to US \$3,031.2 million from US \$ 2,332.0 million recorded at end-2016 was largely attributed to an increase of deposits by commercial banks abroad. The stock of portfolio equity investments assets also increased, rising by 7.6 percent to US \$32.9 million from US \$30.5 million at end-2016. However, the stock of FDI and financial derivative assets declined by 4.0 percent and 35.7 percent to US \$1,636.3 million and US \$10.2 million from US \$1,703.9 million and US \$15.9 million, recorded at end-2016, respectively, (Figure 6.2). The stock of FDI assets declined due to repayment of debt liabilities held by fellow enterprises to domestic firms especially in the mining and quarrying industry.

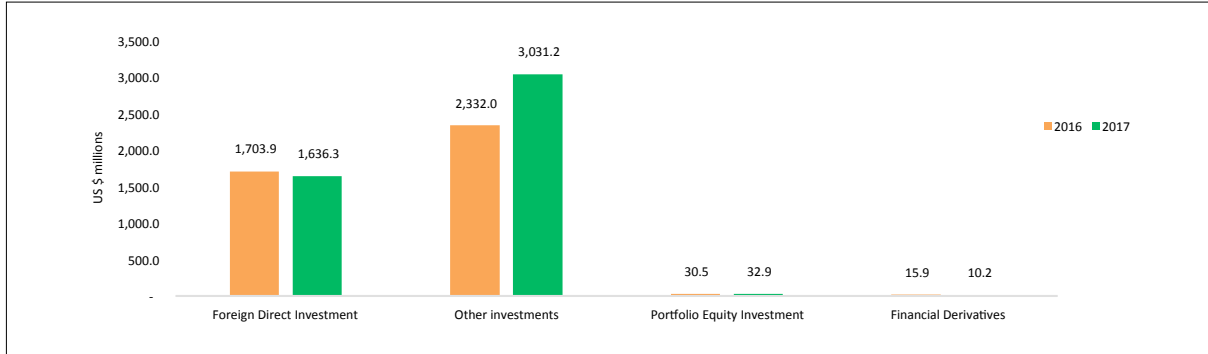


Agriculture a priority industry for diversification - Soya beans

<sup>10</sup>Countries with membership in both the membership in both the Southern Africa Development Community (SADC) and the Common Market for Eastern and Southern Africa (COMESA)



Figure 6.2: Private Sector Foreign Assets Stocks by Type, 2016 - 2017



Source: Foreign Private Investment and Investor Perceptions Survey, 2018

Table 6.1: Private Sector Foreign Assets Stocks by Type (US \$ million), 2016 - 2017

| Relationship                | End 2016       | Transactions | Exchange Rate Changes | Other Changes | End 2017       |
|-----------------------------|----------------|--------------|-----------------------|---------------|----------------|
| Foreign Direct Investment   | 1,703.9        | -72.0        | 4.4                   | 0.1           | 1,636.3        |
| Other investments           | 2,332.0        | 739.8        | -5.2                  | -35.4         | 3,031.2        |
| Portfolio Equity Investment | 30.5           | 0.0          | 1.9                   | 0.4           | 32.9           |
| Financial Derivatives       | 15.9           | -2.5         | 0.0                   | -3.2          | 10.2           |
| <b>Grand Total</b>          | <b>4,082.4</b> | <b>665.2</b> | <b>1.1</b>            | <b>-38.2</b>  | <b>4,710.5</b> |

Source: Foreign Private Investment and Investor Perceptions Survey, 2018

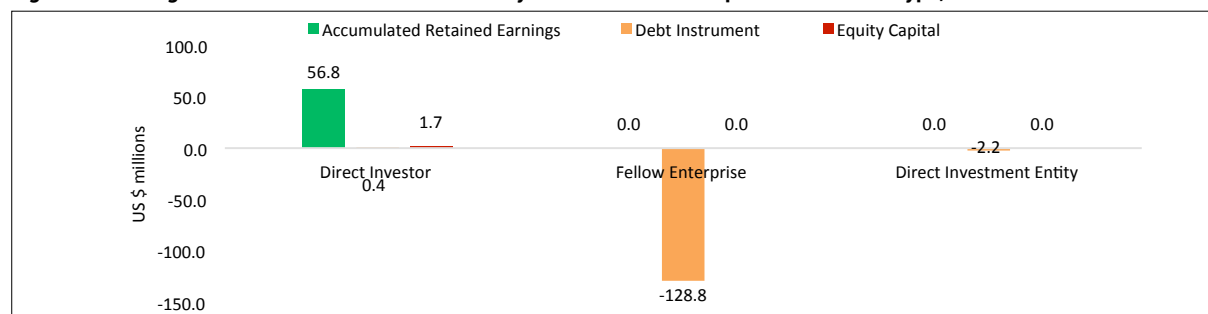


Zambia continues to attract investment in the Transport Industry

### 6.3 Foreign Direct Investment Assets Flows by Investor Relationship

Zambia's FDI asset flows reduced by US \$72.0 million in 2017 after increasing by US \$176.7 million in 2016. The decline was explained by a reduction in debt assets held abroad resulting from debt liability repayments by non-resident fellow enterprises to domestic mining firms. Debt assets with non-resident fellow enterprises declined by US \$130.6 million. The decline in debt held abroad by domestic mining firms was moderated by an increase in accumulated retained earnings and equity capital of US \$56.8 million and US \$1.7 million, respectively. In addition, retained earnings of manufacturing industries whose Direct Investment Entities (DIEs) are based in Congo DR increased by US \$60.4 million. Further, equity capital investment by domestic manufacturing firms whose DIEs are based in South Africa increased by US \$1.7 million, (Figure 6.3).

Figure 6.3: Foreign Direct Investment Assets Flows by Investor Relationship and Instrument Type, 2017



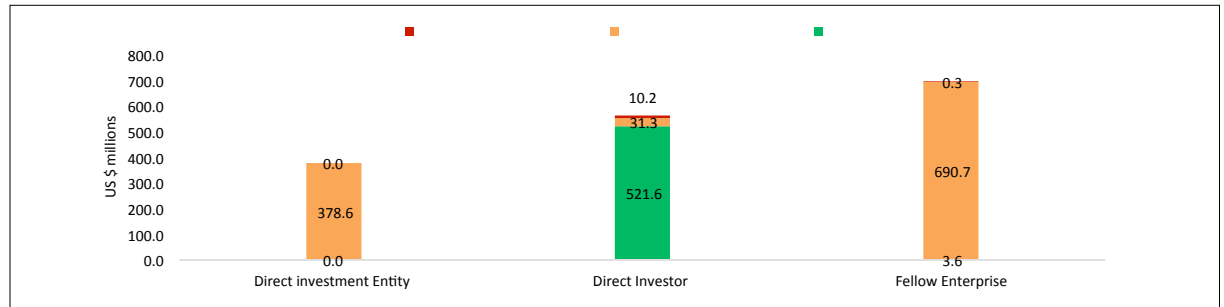
Source: Foreign Private Investment and Investor Perceptions Survey, 2018



#### 6.4 Foreign Direct Investment Assets Stocks by Investor Relationship

At the end of 2017, FDI assets held by fellow enterprises accounted for the largest share at 42.4 percent down from 47.4 percent recorded in 2016. This was followed by direct investors and direct investment entities at 34.4 percent and 23.1 percent, both up from 30.2 percent and 22.3 percent, respectively. In terms of instrument type, 67.3 percent of the assets were held in form of debt instruments, down from 72.0 percent recorded in 2016. The share of accumulated retained earnings and equity capital increased to 32.1 percent and 0.6 percent from 27.4 percent and 0.5 percent, respectively, (Figure 6.4).

Figure 6.4: Foreign Direct Investment Assets Stocks by Investor Relationship and Instrument Type, 2017

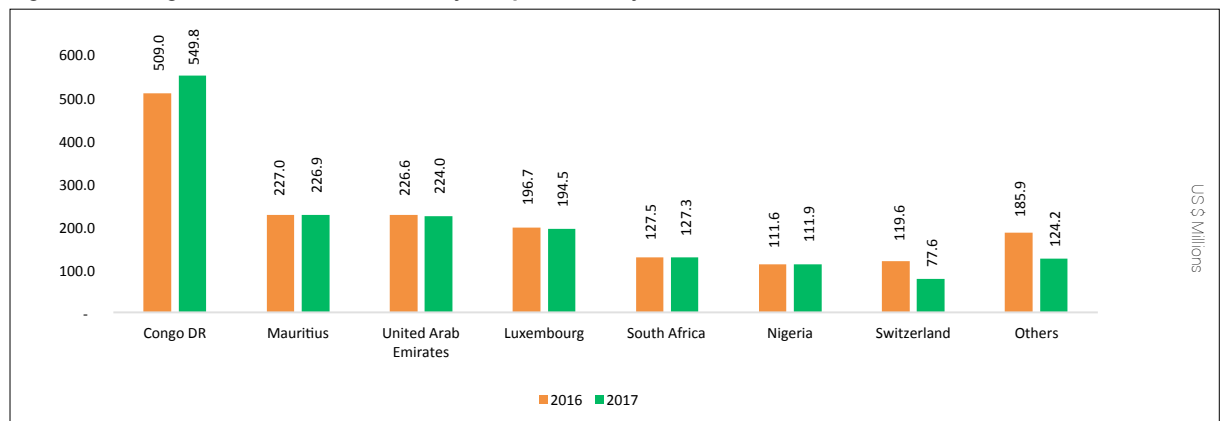


Source: Foreign Private Investment and Investor Perceptions Survey, 2018

#### 6.5 Foreign Direct Investment Assets by Recipient Country

Survey findings show that FDI assets, by recipient country, were dominated by the DRC at US \$549.8 million. This was followed by Mauritius at US \$ 226.9 million, United Arab Emirates (US \$224.0 million), Luxembourg (US \$194.5 million), South Africa (US \$127.3 million), Nigeria (US \$111.9 million), and Switzerland (US \$77.6 million), (Figure 6.5). These countries accounted for a combined share 92.4 percent, of Zambia's total assets abroad in 2017, up from 89.1 percent recorded in 2016.

Figure 6.5: Foreign Direct Investment Assets by Recipient Country, 2016 - 2017



Source: Foreign Private Investment and Investor Perceptions Survey, 2018

#### 6.6 Portfolio Equity Investments Abroad

Portfolio equity investments abroad increased by 7.6 percent to US \$ 32.9 million from US \$30.5 million recorded in 2016. The increase was attributed to exchange rate and other price changes in portfolio equity capital held in listed enterprises in Germany. The concerned enterprises are in the insurance and other financial activities industry, (Table 6.2).

Table 6.2: Stock of Portfolio Equity Investment Assets (US \$ millions), 2016 - 2017

| Country      | End-2016    | Transactions | Exchange Rate Changes | Other price changes | End-2017    |
|--------------|-------------|--------------|-----------------------|---------------------|-------------|
| Germany      | 30.5        | 0.0          | 1.9                   | 0.4                 | 32.9        |
| <b>Total</b> | <b>30.5</b> | <b>0.0</b>   | <b>1.9</b>            | <b>0.4</b>          | <b>32.9</b> |

Source: Foreign Private Investment and Investor Perceptions Survey, 2018



## 6.7 Financial Derivative Foreign Assets

During the period under review, financial derivative assets contracted by 35.7 percent to US \$10.2 million from US \$15.9 million at end-2016. This was driven by a 44.4 percent decline in forward contracts to US \$7.6 million from US \$13.6 million in 2016. Options on the other hand increased by 14.6 percent to US \$2.7 million from US \$2.3 million recorded in the previous year. Forward contracts were held by deposit taking corporations based in South Africa, United Kingdom and the United States while options were held by the same institutions in South Africa (Table 6.3).

**Table 6.3: Financial Derivative Foreign Assets (US \$ millions), 2016 - 2017**

| Destination Country | End 2016    | Transaction | Valuation Changes | End 2017    |
|---------------------|-------------|-------------|-------------------|-------------|
| South Africa        | 10.0        | 2.6         | -3.4              | 9.3         |
| United Kingdom      | 4.8         | -4.0        | 0.1               | 1.0         |
| United States       | 1.0         | -1.1        | 0.0               | 0.0         |
| <b>Total</b>        | <b>15.9</b> | <b>-2.5</b> | <b>-3.2</b>       | <b>10.2</b> |

Source: Foreign Private Investment and Investor Perceptions Survey, 2018

## 6.8 Other Investments Abroad

The stock of other Investment assets held abroad by the private sector, amounted to US \$3,031.2 million in 2017 from US \$2,332.0 million recorded in 2016, representing an increase of 30.0 percent. During the period under review, other investments abroad constituted almost entirely of debt instruments which amounted to US \$3,031.1 million while equity capital at US \$19,295.1 constituted less than 0.1 percent. Debt instruments assets were largely in the form of currency and deposits held in nostro accounts abroad by domestic deposit taking corporation at 66.8 percent, followed by manufacturing at 27.6 percent and mining and quarrying at 5.5 percent. The destination counties of debt instruments assets held abroad were dominated by China PR at 33.0 percent, the United Kingdom at 18.7 percent, United States at 14.0 percent and South Africa at 10.0 percent.

### 6.8.1 Other Investment Assets Flows and Stocks by Investor Relationship

The total flows of Zambia's other investment assets increased by US \$739.8 million in 2017. The increase in flows of assets held by non-affiliates (NA) almost entirely accounted for the increase in other investment assets flows at more than 99.99 percent with others accounting for less than 0.001 percent. Similarly, debt instruments at US \$739.8 million almost entirely accounted for other investment assets flows with almost no flows recorded in equity capital.

The stock of other investment assets held by non-affiliates (NA) accounted for the largest share at US \$3,031.1 million, representing an increase of 22.5 percent from US \$2,332.0 million recorded at end of 2016. Other entities only accounted for a paltry US \$0.1 million. Other investment assets were mainly held as debt instruments in the form of currency and deposits held in nostro accounts abroad by domestic deposit taking corporation, (Table 6.4).

**Table 6.4: Other Investment Assets Stocks by Investor Relationship, (US \$ millions), 2017**

|                       | 2016           | 2017           |
|-----------------------|----------------|----------------|
| <b>Non-Affiliates</b> | <b>2,332.0</b> | <b>3,031.1</b> |
| Debt Instruments      | 2,332.0        | 3,031.1        |
| Equity capital        | 0.0            | 0.0            |
| <b>Other</b>          | <b>0.0</b>     | <b>0.1</b>     |
| Debt Instruments      | 0.0            | 0.1            |
| Equity capital        | 0.0            | 0.0            |
| <b>Grand Total</b>    | <b>2,332.0</b> | <b>3,031.2</b> |

Source: Foreign Private Investment and Investor Perceptions Survey, 2018

### 6.8.2 Other Investments Abroad by Recipient Country

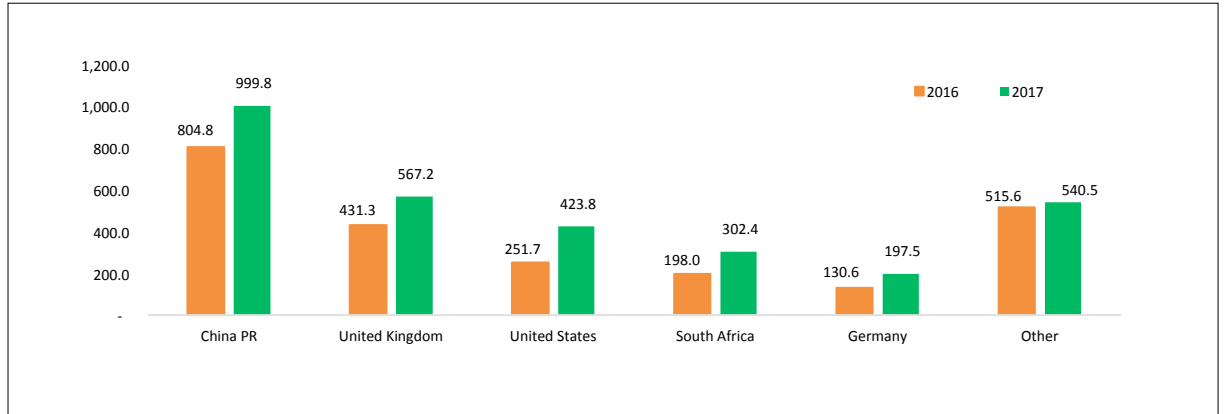
The concentration of other investment assets was predominantly held in the People's Republic of China accounting for US \$999.8 million (75.7 percent), at end-2017. This was followed by the United Kingdom at US \$567.2 million, the United States of America at US \$423.8 million and South Africa US \$302.4 million, (Figure 6.6).

<sup>11</sup>A forward contract (forward) is an unconditional contract by which two counterparties agree to exchange a specified quantity of an underlying item (real or financial) at an agreed price (the strike price) on a specified date.

<sup>12</sup>An option is a contract (option) where the purchaser acquires from the seller a right to buy or sell (depending on whether the option is a call (buy) or a put (sell)) a specified underlying item at a strike price on or before a specified date.



**Figure 6.6: Other Investments Abroad by Recipient Country, 2016 - 2017**



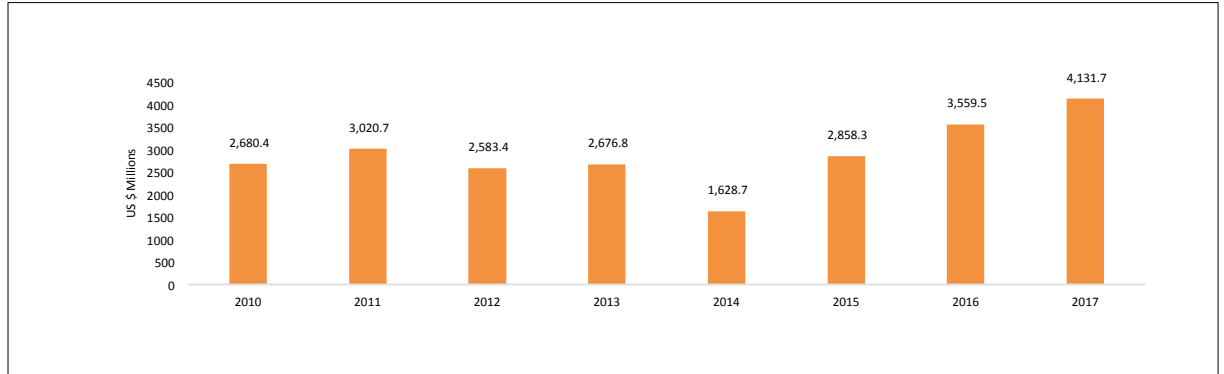
Source: Foreign Private Investment and Investor Perceptions Survey, 2018

### 6.9 Private Sector External Lending (PSEL)

The stock of Private Sector External Lending (PSEL) recorded at end-2017 was US \$4,131.7 million compared to US \$3,559.5 million recorded at end-2016, representing a 16.1 percent rise (Figures 6.7). The increase in the stock of PSEL in 2017 was largely due to increased lending abroad to non-affiliates, which increased to US \$3,031.1 million from US \$2,332.0 million. Lending to Non-Affiliates at US \$3,031.1 million accounted for 73.4 percent of total PSEL. The stock of PSEL to Fellow Enterprises (FE) at US \$690.7 million accounted for 16.7 percent followed by direct investment entities and direct investors at 9.2 percent and 0.8 percent respectively.

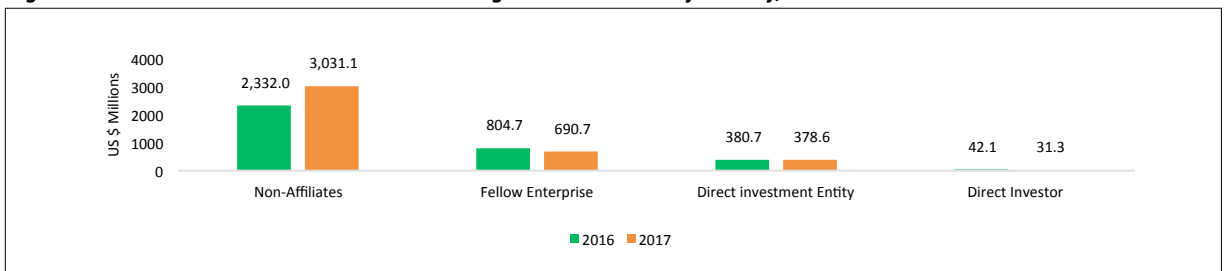
In terms of annual changes, private sector lending to non-affiliates increased by 30.0 percent. However, lending to direct investors, fellow enterprises, and direct investment entities declined by 25.5 percent, 14.2 percent, and 0.6 percent respectively. Major lending instruments continued to be trade credits and advances (36.6 percent), currency and deposits (36.6 percent) and loans (22.5 percent). The countries that dominated PSEL continued to be China PR (24.2 percent), the United Kingdom (13.7 percent), United States (10.3 percent) and South Africa (10.1 percent).

**Figure 6.7: Total Stock of Private Sector External Lending, 2010 - 2017**



Source: Foreign Private Investment and Investor Perceptions Survey, 2018

**Figure 6.8: Stock of Private Sector External Lending to Non-Affiliates by Country, 2015 - 2016**



Source: Foreign Private Investment and Investor Perceptions Survey, 2018





### 6.9.2 Stock of Private Sector External Lending to Direct Investment Enterprises

The stock of PSEL to Direct Investment Enterprises (DIE) declined by 0.6 percent to US \$378.6 million from US \$380.7 million recorded in 2016. The PSEL to DIE was mainly to Luxembourg Mauritius (51.4 percent) and Mauritius (48.6 percent), (Table 6.5)

**Table 6.5: Stock of Private Sector External Lending to DIE Recipient Country (US \$ millions), 2016 - 2017**

| Recipient Country  | End 2016     | End 2017     |
|--------------------|--------------|--------------|
| Luxembourg         | 196.7        | 194.5        |
| Mauritius          | 184.0        | 184.0        |
| <b>Grand Total</b> | <b>380.7</b> | <b>378.6</b> |

Source: Foreign Private Investment and Investor Perceptions Survey, 2018

### 6.9.3 Stock of Private Sector External Lending to Fellow Enterprises

The stock of PSEL to fellow enterprises rose to US \$690.7 million from US \$804.7 million recorded in 2016. This was mainly dominated by United Arab Emirates (32.4 percent), Nigeria (16.2 percent), South Africa (12.5 percent), Switzerland (11.2) and Congo DR (9.9 percent) (Table 6.6).

**Table 6.6: Stock of Private Sector External Lending to FE Recipient Country (US \$ millions), 2016 - 2017**

| Recipient country    | End 2016     | End 2017     |
|----------------------|--------------|--------------|
| United Arab Emirates | 226.6        | 224.0        |
| Nigeria              | 111.4        | 111.8        |
| South Africa         | 86.9         | 86.2         |
| Switzerland          | 119.6        | 77.6         |
| Congo DR             | 87.8         | 68.2         |
| India                | 30.1         | 33.0         |
| France               | 22.8         | 22.3         |
| Mozambique           | 12.8         | 12.9         |
| Rest of the World    | 106.8        | 54.9         |
| <b>Grand Total</b>   | <b>804.7</b> | <b>690.7</b> |

Source: Foreign Private Investment and Investor Perceptions Survey, 2018

### 6.9.4 Stock of Private Sector External Lending to Direct Investors

The stock of PSEL to Direct Investors (DI) marginally increased by 25.5 percent to US \$31.3 million from US \$42.1 million recorded in 2016. PSEL to DI was largely dominated by the South Africa (97.7 percent) and Mauritius (28.3 percent), (Table 6.7).

**Table 6.7: Stock of Private Sector External Lending to DI Recipient Country (US \$ millions), 2016 - 2017**

| Destination Country | End 2016    | End 2017    |
|---------------------|-------------|-------------|
| South Africa        | 31.9        | 30.6        |
| Mauritius           | 8.9         | 8.8         |
| Kenya               | 0.4         | 0.9         |
| Tanzania            | 0.5         | 0.5         |
| India               | 0.1         | 0.2         |
| Rest of the World   | 0.3         | -9.7        |
| <b>Total</b>        | <b>42.1</b> | <b>31.3</b> |

Source: Foreign Private Investment and Investor Perceptions Survey, 2018

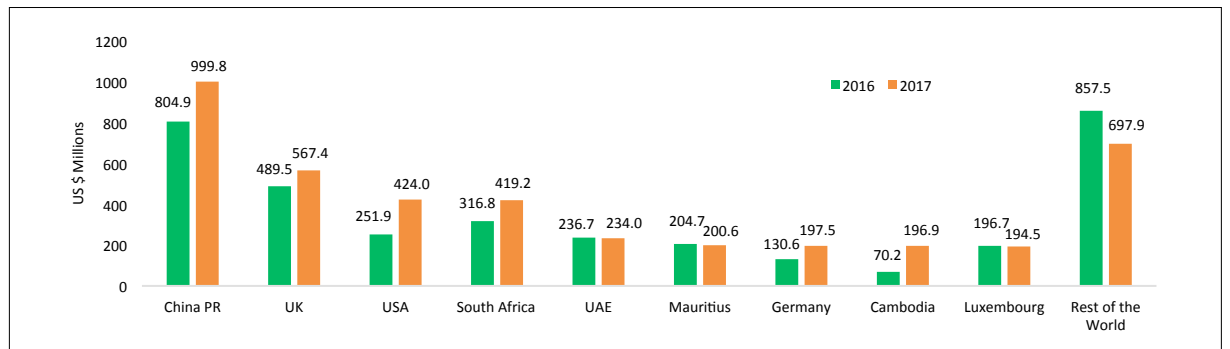
### 6.9.5 Private Sector External Lending by Recipient Country

Survey findings indicated that at end-2017, the stock of private sector external debt advanced by enterprises resident in Zambia were mainly to China PR (24.2 percent), United Kingdom (13.7 percent), United States (10.3 percent), South Africa (10.1 percent), United Arab Emirates (5.7 percent), Mauritius (4.9 percent), Germany (4.8 percent), Cambodia (4.8 percent) and Luxembourg (4.7 percent). The combined PSEL to these countries accounted for 83.1 percent of the total lending, (Figure 6.9).



Packaging of Hippo Detergent Powder at Trade Kings, the largest Fast Moving Consumer Goods (FMCG) manufacturing company in Zambia

Figure 6.9: Stock of Private Sector External Lending by Recipient Country, 2016 - 2017



Source: Foreign Private Investment and Investor Perceptions Survey, 2018



ZAMBEEF the largest vertically integrated food retailing brand in Zambia



## 7.0 FOREIGN AFFILIATES STATISTICS





## 7.0 FOREIGN AFFILIATES STATISTICS

This Chapter analyses overall inward Foreign Affiliates Statistics (FATS), showing the contribution of Majority Owned Foreign Affiliates (MOFAs) to the Zambian economy. The analysis of the performance of the foreign affiliates is at the sector level and by the immediate partner country of the affiliates' parent companies. The survey captured all economic variables recommended by the Manual on Statistics of International Trade in Services (MSITS 2010).

### 7.1 Overall Foreign Affiliates Statistics

#### 7.1.1 Main Findings

In 2017, the survey enumerated 193 Majority-Owned Foreign Affiliates (MOFAs) compared with 182 in 2016. The performance of these enterprises significantly improved in the year under review as evidenced by an increase in profitability, sales and value added. Further, the contribution of these companies to formal employment creation and taxes paid rose.

During the review period, the performance of the MOFAs was better than that in 2016, as profits increased by 93.8% to US\$512.3 million. The MOFAs in the mining and quarrying industry significantly drove profitability, after their profits rose to US\$411.4 million from losses of US\$85.9 million. The rise in profitability was largely on account of higher sales/turnover by MOFAs in most of the industries. Consequently, sales/turnover grew by 27.1 percent to US\$14,169.8 million, with the MOFAs in the mining and quarrying industry accounting for much of the growth

Further, value added rose by 43.6 percent to US\$9,381.9 million in 2017 largely attributed to the mining and quarrying, manufacturing and electricity industries.

During the year under review, the number of employed persons in the MOFAs increased by 2.3 percent to 85,525. Higher net personnel recruitment in the mining and quarrying, electricity and manufacturing industries accounted for the most of the increase in employment. Despite an increase in employment, compensation of employees by MOFAs fell by 14.8 percent to US\$1,089.7 million. In contrast, the contribution of MOFAs to corporate taxes more than trebled to US\$675.5 million largely on account of higher taxes paid by the mining and quarrying, electricity and the deposit-taking corporations industries, (Table 7.1).



Mining industry continues to be a major player in the economy

<sup>13</sup>The variables include: number of enterprises, sales/turnover, output, employment, value added, exports and imports of goods and services, assets, total liabilities (excluding equity), net worth, compensation of employees, gross fixed capital formation, taxes on income, research and development expenditures, purchases of domestic goods and services, net operating surplus (or loss), profits/loss after tax, management fees, payment of royalties and license fees, and total dividends distributed/ declared.

<sup>14</sup>These are resident enterprises with a single foreign enterprise, or an associated group of foreign investors acting in consent, owning more than 50.0 percent of the ordinary shares or voting power. The concept of majority ownership is used to ensure final management control of MOFAs by the foreign investors. Control in this context is the ability to determine the general policy of an enterprise by choosing appropriate directors, if necessary. In the context of Zambia, FATS, like Foreign Direct Investment (FDI) other financial account statistics are compiled on an immediate partner country basis.



**Table 7.1: Summary of Inward Foreign Affiliates Statistics by Category (US \$ millions), 2015 - 2017**

| DESCRIPTION   | 2015     | 2016     | 2017     |
|---|----------|----------|----------|
| Number of Enterprises                                 | 181      | 182      | 193      |
| Sales/Turnover  | 11,795.4 | 11,147.1 | 14,169.8 |
| Gross Output  | 11,337.5 | 11,165.8 | 13,884.5 |
| Employment (Number of employees)                      | 77,570.0 | 83,601.0 | 85,525.0 |
| Assets at end of Year                                 | 26,977.1 | 27,314.8 | 27,239.6 |
| Net Worth at end Year                                 | 7,343.2  | 6,483.9  | 6,585.7  |
| Value-added   | 4,141.3  | 6,533.6  | 9,381.9  |
| Exports of Goods & Services                           | 5,753.9  | 5,319.7  | 7,060.6  |
| Of which to foreign affiliates                        | 2,131.4  | 2,149.5  | 2,876.4  |
| Of Which Goods  | 5,734.7  | 5,226.7  | 2,867.5  |
| Of Which Services                                     | 19.2     | 93.0     | 8.9      |
| Imports of Goods & Services                           | 3,223.2  | 3,287.6  | 3,837.6  |
| Of which from foreign affiliates                      | 391.5    | 334.4    | 1,112.3  |
| Of Which goods  | 3,153.0  | 2,772.3  | 950.6    |
| Of Which Services                                     | 70.1     | 515.3    | 11.67    |
| Compensation of Employees                             | 1,278.8  | 1,271.2  | 1,089.7  |
| Net Operating Surplus (or loss)                       | 794.8    | 501.8    | 1,473.7  |
| Taxes on Income                                       | -35.0    | 203.8    | 675.5    |
| Net Profit After Tax (Earnings)                       | -1,344.1 | 264.3    | 512.3    |
| Total Dividends Distributed/Declared                  | 149.3    | 129.3    | 248.0    |
| Research and Development                              | 132.0    | 390.3    | 551.9    |
| Purchases of Domestic Goods and Services              | 4,426.1  | 4,105.8  | 3,652.3  |
| Of which Goods  | 2,485.4  | 2,911.5  | 2,888.0  |
| Of which Services                                     | 1,763.6  | 1,060.2  | 992.4    |
| Gross Fixed Capital Formation                         | 1,937.8  | 2,036.8  | 1,850.0  |
| Of which: Machinery and Equipment                     | 789.5    | 616.6    | 815.8    |
| Management Fees                                       | 91.6     | 89.4     | 118.2    |
| Stock of domestic borrowing from banks as at 31st Dec | 195.8    | 223.4    | 458.5    |

Source: Foreign Private Investment and Investor Perceptions Survey, 2018

## 7.1.2 Inward FATS Analysed by Immediate Investing Country

### 7.1.2.1 Sales/Turnover by Immediate Partner Country (Charts)

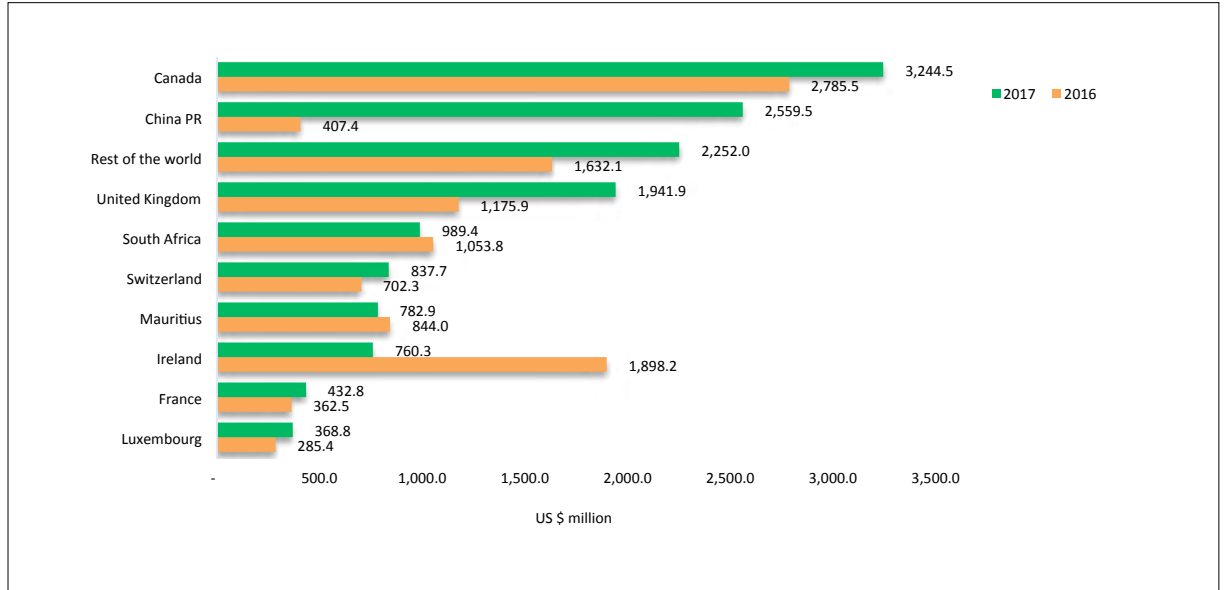
In 2017, sales by MOFAs recovered by 27.1 percent to US\$14,169.8 million after a 5.5 percent decline in 2016. For the third consecutive year, Canadian MOFAs accounted for the largest proportion of sales, amounting to 22.9 percent. Thereafter, Chinese MOFAs accounted for 18.1 percent, followed by United Kingdom (13.7 percent), South African (8.7 percent) and the rest of the MOFAs (36.6 percent). Further, MOFAs of the aforementioned countries (except South Africa) contributed to the significant rise in sales/turnover. By contrast, United States, Netherlands and Irish MOFAs experienced notable declines in sales/turnover (Figure 7.1).



Larfarge Cement Plant in Lusaka



**Figure 7.1: Sales/Turnover of MOFAs by Partner Country (US\$ millions), 2016 - 2017**

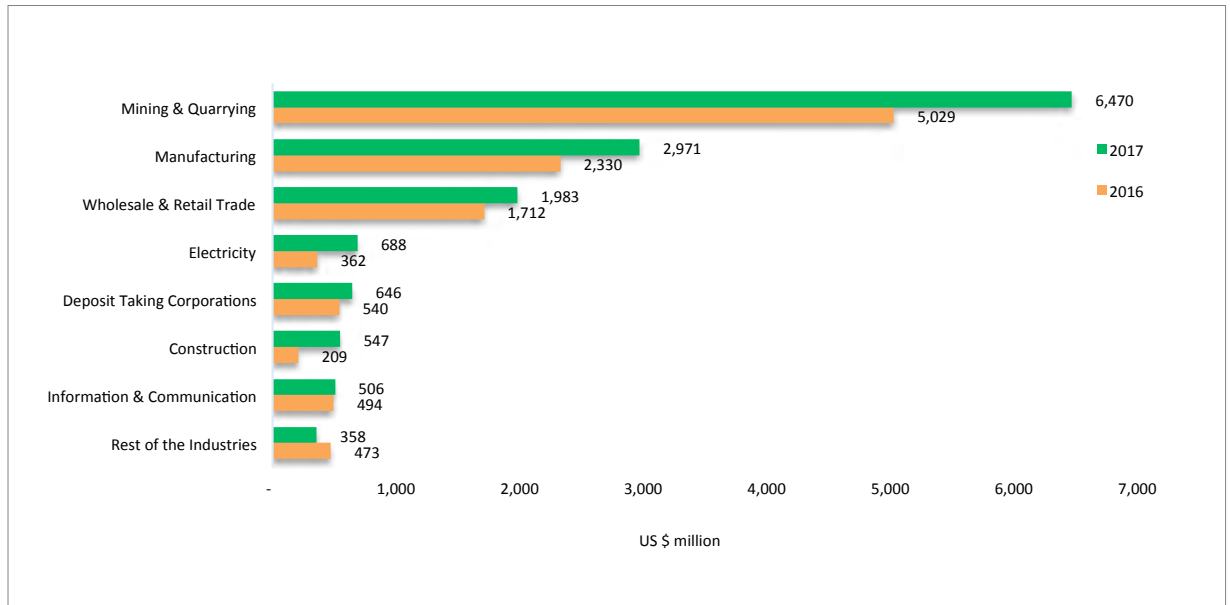


Source: Foreign Private Investment and Investor Perceptions Survey, 2018

#### 7.1.2.2 Sales/Turnover by Recipient Industry

In 2017, the largest contributors to the increase in sales/turnover were MOFAs in the mining and quarrying industry with revenues of US\$6,470.2 million from US\$5,028.6 million in 2016, (Figure 7.2). The sector accounted for 45.7 percent of the total sales/turnover. Higher copper prices on the international market and higher export volumes accounted for the favourable performance of the industry. The MOFAs in the manufacturing industry had the second largest share at 21.0 percent, followed by MOFAs in wholesale and retail trade (14.0 percent), electricity, gas and water (4.9 percent), deposit-taking corporations (4.6 percent), construction (3.9 percent), information and communications (3.6 percent) and the rest of the industries (2.5 percent).

**Figure 7.2: Sales/Turnover of MOFAs by Industry (US\$ millions), 2016 - 2017**



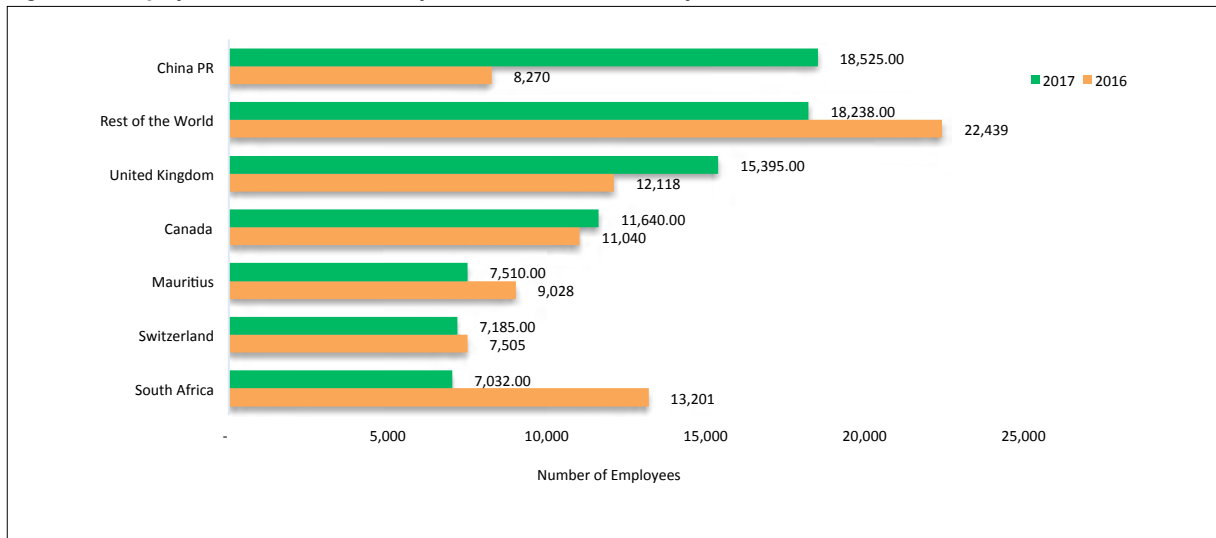
Source: Foreign Private Investment and Investor Perceptions Survey, 2018



### 7.1.2.3 Employment Levels of MOFAs by Immediate Partner Country

During the review period, jobs in MOFAs increased by 2.3 percent to 85,525 people. Chinese, United Kingdom and Canadian MOFAs collectively accounted for 53.3 percent of the total number of employees in these affiliates. In addition, there were significant rises in employment in Chinese, United Kingdom, Isle of Man and British Virgin Islands MOFAs. However, South African, Mauritian and Belgian MOFAs recorded reduction in staff, (Figure 7.3).

Figure 7.3: Employment Levels of MOFAs by Immediate Partner Country, 2016 - 2017



Source: Foreign Private Investment and Investor Perceptions Survey, 2018

### 7.1.2.4 Employment Levels of MOFAs by Industry

The MOFAs in the mining and quarrying industry dominated with jobs amounting to 32,744 represented 38.3 percent of the total number of workers in the MOFAs. MOFAs in manufacturing (18.7 percent) were second, followed by construction (16.0 percent), wholesale and retail trade (10.0 percent), and the rest of the industries (17.0 percent).

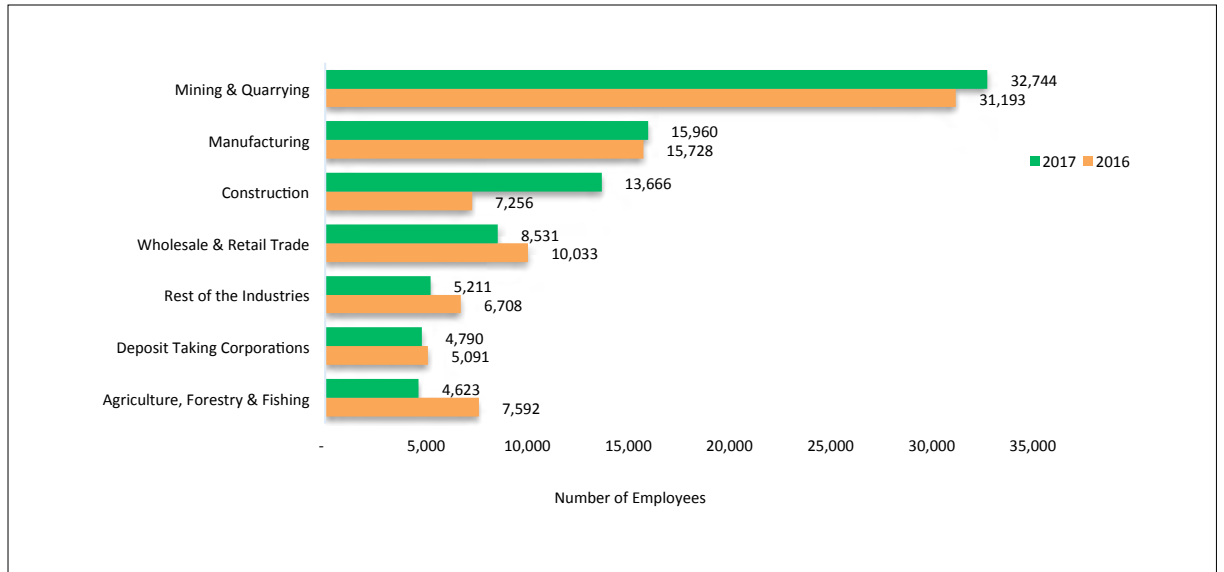
During 2017, the construction industry registered the largest increase in jobs created with a growth of 88.3 percent. MOFAs in the electricity, gas and water industry were second, with growth of 5.3 percent, followed by mining and quarrying (5.0 percent) and manufacturing (1.5 percent). In contrast, some industries registered a decrease in the number of workers, among them, agriculture, forestry and fishing (39.1 percent), accommodation and food (27.8 percent), transport and storage (24.1 percent), and deposit-taking corporations (5.9 percent), (Figure 7.4).



Mining industry a contributor to employment creation



**Figure 7.4: Employment Levels of MOFAs by Industry, 2016 - 2017**

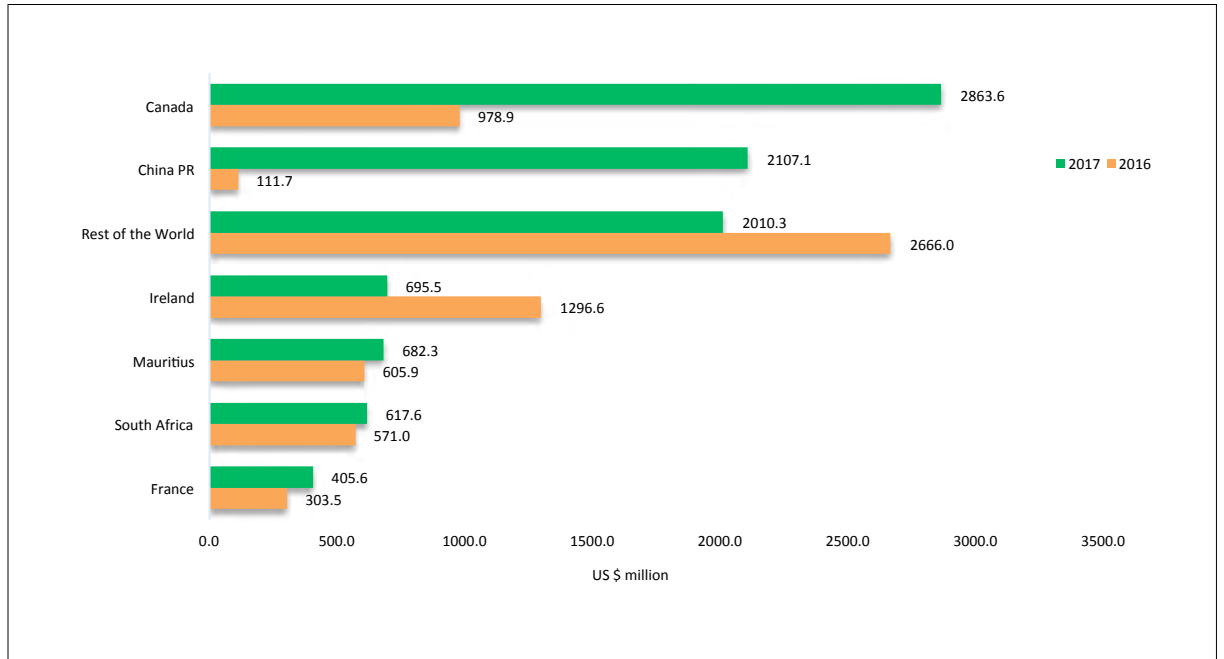


Source: Foreign Private Investment and Investor Perceptions Survey, 2018

**7.1.2.5 Value Added of MOFAs by Immediate Partner Country**

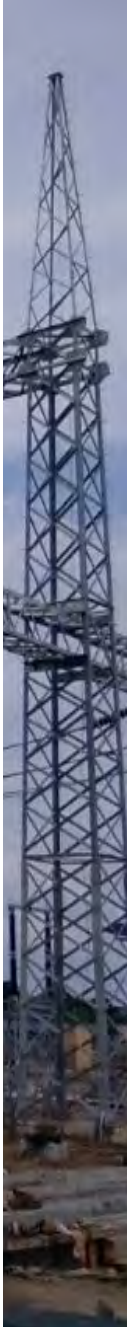
During the review period, value added by MOFAs increased by 43.6 percent to US \$6,533.6 million. Canadian MOFAs dominated value addition, accounting for 30.5 percent of total value generated from various economic activities. Chinese (22.5 percent), Irish (7.4 percent), Mauritian (7.3 percent), South African (6.6 percent) and the remainder accounted for 18.0 percent of value added. Further, Canadian and Chinese MOFAs registered the most significant improvements in value addition, (Figure 7.5)

**Figure 7.5: Value Added of MOFAs by Immediate Partner Country, 2016 - 2017**



Source: Foreign Private Investment and Investor Perceptions Survey, 2018

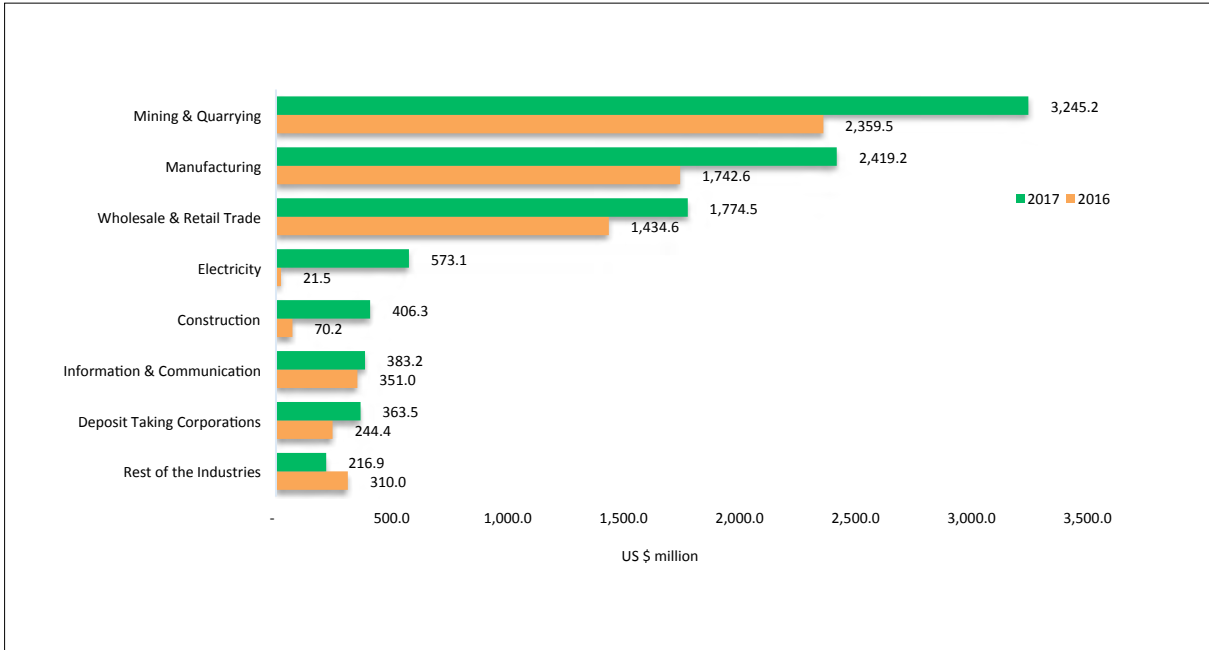




**7.1.2.6 Value Added of MOFAs by Industry**

The MOFAs in the mining and quarrying industry dominated value addition, generating 34.6 percent of total value added. Value addition in copper and cobalt production explained the outturn. Further, MOFAs in the manufacturing industry were second accounting for 25.8 percent of value addition, followed by wholesale and retail (18.9 percent), electricity, gas and water (6.1 percent), construction (4.3 percent) and the rest of the industries (10.3 percent). The mining and quarrying, and the manufacturing industries registered the most significant improvements in value addition compared to the previous year, (Figure 7.6).

**Figure 7.6: Value Added of MOFAs by Industry, 2016 - 2017**



Source: Foreign Private Investment and Investor Perceptions Survey, 2018

**7.1.2.7 Taxes on Income by MOFAs by Immediate Partner Country**

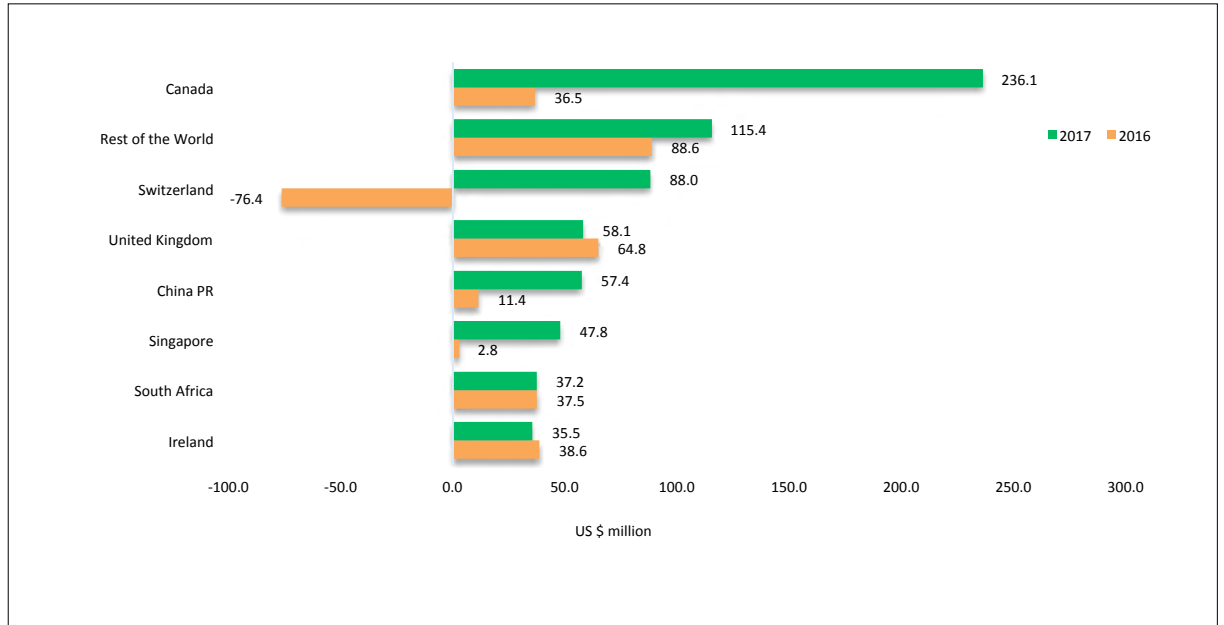
In 2017, net taxes paid on income by MOFAs rose for the second consecutive year to US \$675.5 million, which is more than a threefold increase. Canadian MOFAs accounted for the largest share of net taxes on income paid, representing 35.0 percent. MOFAs from Switzerland were second accounting for 13.0 percent; followed by the United Kingdom (8.6 percent), China (8.5 percent) and the rest of the world (27.5 percent). Further, MOFAs from Canada and China registered the most growth in net corporate tax payments, (Figure 7.7).



Mining industry a major contributor to taxes



**Figure 7.7: Taxes on Income of MOFAs by Immediate Partner Country, 2016 - 2017**

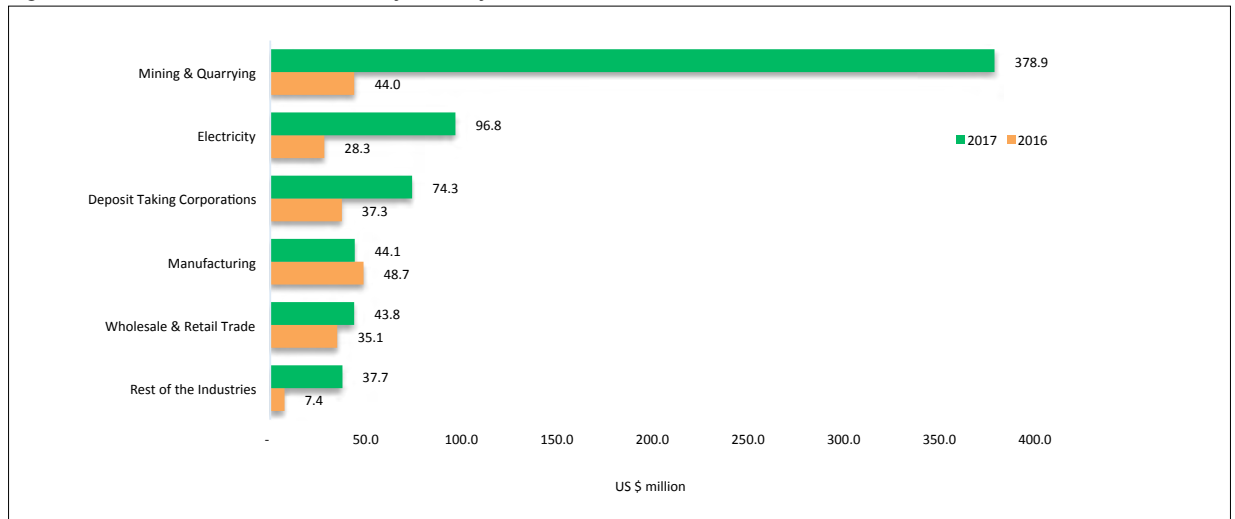


Source: Foreign Private Investment and Investor Perceptions Survey, 2018

#### 7.1.2.8 Taxes on Income of MOFAs by Industry

Corporate tax payments by MOFAs in the mining and quarrying significantly increased in 2017, accounting for 56.1 percent of total tax payments. The MOFAs in the electricity, gas and water industry were second, accounting for 14.3 percent, followed by deposit taking corporations (11.0 percent) and the rest of the industries (18.6 percent). Further, MOFAs in the aforementioned top three industries registered substantial growth in corporate tax payments relative to 2016. Nonetheless, MOFAs in manufacturing registered a decline in tax payments, (Figure 7.8).

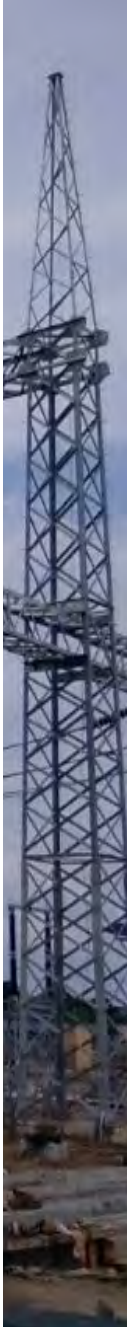
**Figure 7.8: Taxes on Income of MOFAs by Industry, 2016 - 2017**



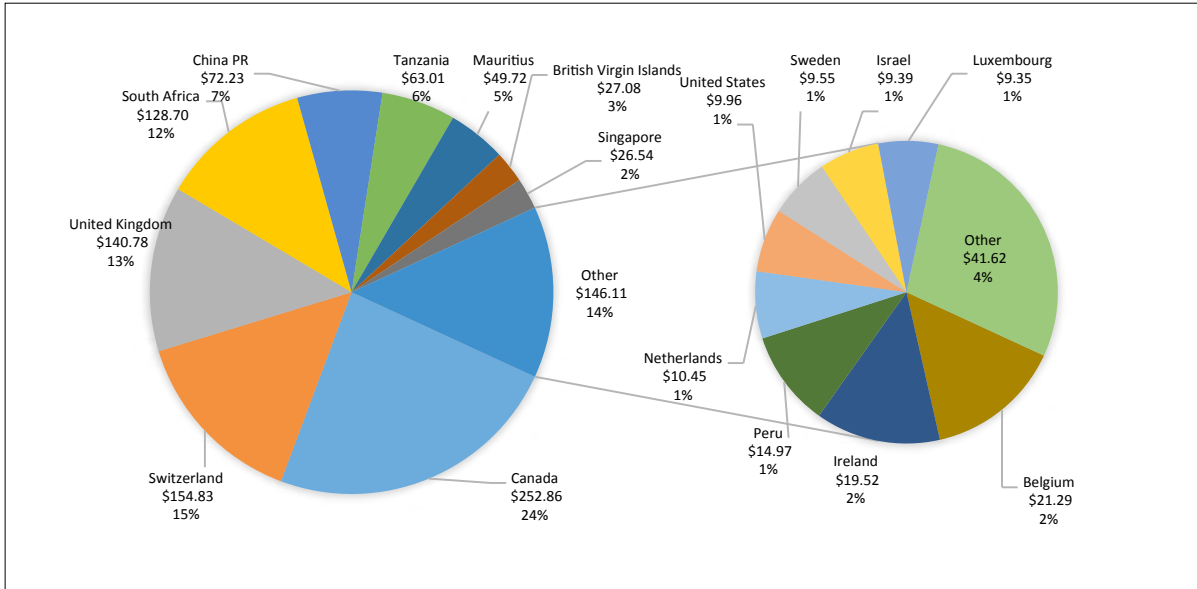
Source: Foreign Private Investment and Investor Perceptions Survey, 2018

#### 7.1.2.9 Salaries and Wages by Immediate Partner Country

In 2017, the total compensation of employees by MOFAs from Canada, the United Kingdom, Switzerland, South Africa and China collectively accounted for \$1,089.7 million representing 68.8 percent. Canadian MOFAs accounted for the highest share at 23.2 percent, (Figure 7.9).



**Figure 7.9: Salaries and Wages by Immediate Partner Country, 2017**

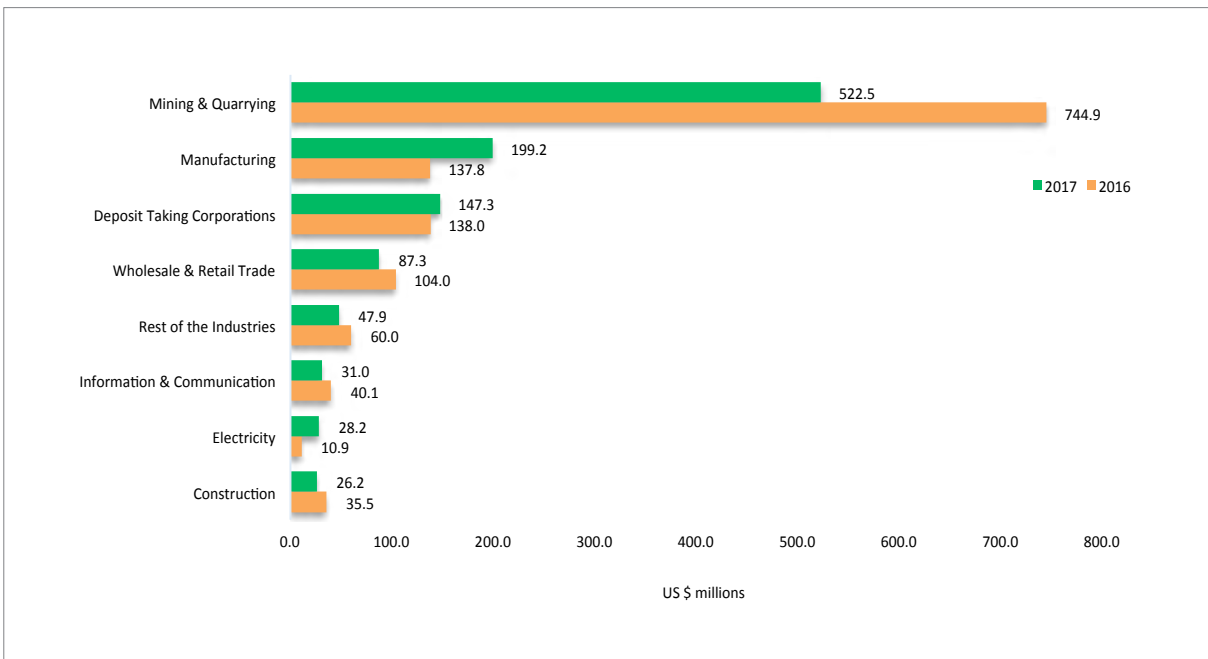


Source: Foreign Private Investment and Investor Perceptions Survey, 2018

**7. 1.2.10 Salaries and Wages of Employees by Industry**

The MOFAs in the mining and quarrying industry continued to dominate compensation of employees accounting for 48.0 percent, followed by manufacturing (18.5 percent), deposit taking corporations (13.5 percent), wholesale and retail trade (8.0 percent) and the rest (12.2 percent). MOFAs in the mining and quarrying, agriculture, forestry and fishing, and transport and storage industries recorded notable reductions in 2017. However, manufacturing, and deposit taking corporations recorded significant growth in compensation of employees, (Figure 7.10).

**Figure 7.10 Salaries and Wages by Industry, 2015 - 2016**



Source: Foreign Private Investment and Investor Perceptions Survey, 2018



## 8.0 CONTRIBUTION TO CORPORATE SOCIAL RESPONSIBILITY





## 8.0 CONTRIBUTION TO CORPORATE SOCIAL RESPONSIBILITY

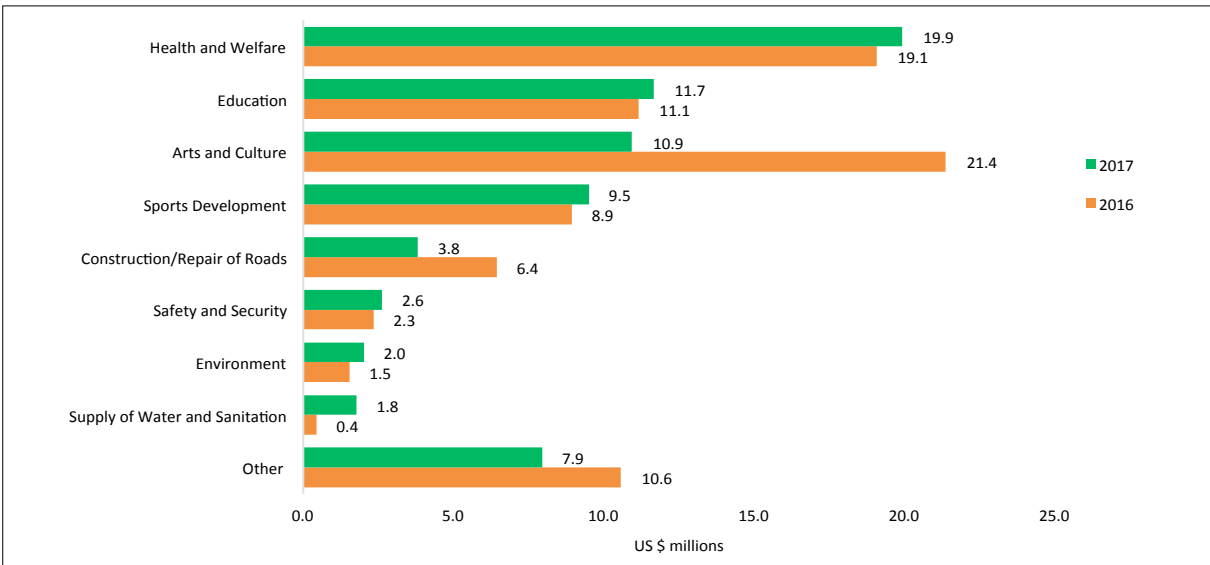
During the period under review, surveyed companies continued to add value to the communities in which they operate by volunteering time and resources towards alleviating various community challenges. To this effect, surveyed firms spent a total of US \$70.2 million on Corporate Social Responsibility (CSR) activities. However, this represented a 14.2 percent reduction from the US \$81.8 million recorded in 2016. The most predominant CSR activities included health and welfare, education, arts and culture, and sports development in that order. CSR expenditure on these activities collectively accounted for 74.1 percent of total CSR expenditure.

### 8.1 Corporate Social Responsibility Expenditure by Category

Analysis of CSR expenditure showed that the health and welfare category recorded the highest share at US \$19.9 million, representing 28.4 percent. This was followed by education (16.6 percent), arts and culture (15.6 percent), sports development (13.5 percent) and construction and repair of roads (5.4 percent) among others.

Total CSR expenditure declined largely on account of sharp contractions in arts and culture, and construction and roads repair categories. The arts and culture category recorded the highest decline by 48.8 percent to US \$10.9 million while expenditure on construction and roads repair declined by 40.7 percent to US \$3.8 million. Most individual categories on the other hand, recorded incremental changes. The supply of water and sanitation category recorded the highest increase to US \$1.8 million from US \$0.4 million, followed by environment and safety and security to US \$2.0 million and US \$2.6 million from US \$2.5 million and US \$2.3 million respectively, (Figure 8.1).

**Figure 8.1: Corporate Social Responsibility Expenditure by Category, 2016 - 2017**



Source: Foreign Private Investment and Investor Perceptions Survey, 2018



One of the peer mentors addresses First Quantum's 2018 girls' mentorship camp

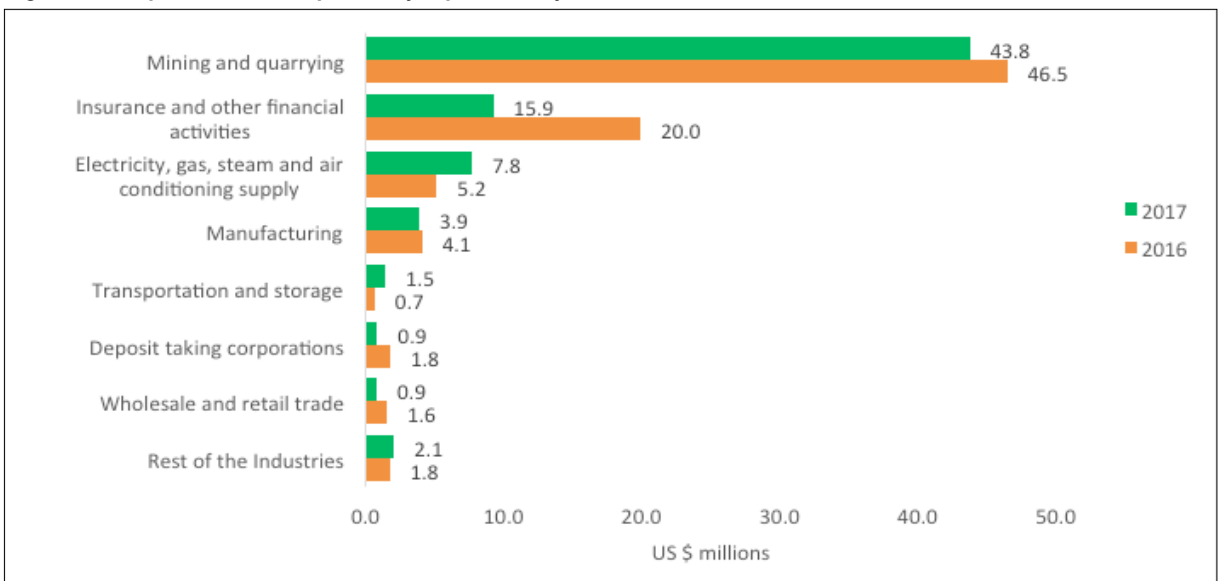


## 8.2 Corporate Social Responsibility Expenditure by Industry

A disaggregation of CSR expenditure by industry indicated that the mining and quarrying industry continued to dominate other industries. At US \$43.8 million, the mining and quarrying industry had the highest contribution in 2017, representing 62.4 percent of total CSR expenditure. This was followed by insurance and other financial activities (13.3 percent); electricity, gas and water (11.0 percent); and manufacturing (5.6 percent). Collectively, the four industries accounted for 92.3 percent of total CSR contribution.

In terms of changes from the previous year, the electricity, gas and water industry recorded the highest increase in CSR expenditure to US\$7.8 million from US\$ 5.2 million. This was followed by the transportation and storage industry that registered US \$1.5 million from US \$0.7 million in 2016. On the other hand, insurance and other financial activities industry recorded the largest fall in CSR expenditure by 53.4 percent to US \$9.3 million in 2017 from US \$20.0 million in 2016, (Figure 8.2).

Figure 8.2: Corporate Social Responsibility Expenditure by Sector, 2016 - 2017



Source: Foreign Private Investment and Investor Perceptions Survey, 2018



Citi Bank main sponsor Habitat for Humanity Banker Build 2018



## 9.0 INVESTOR PERCEPTIONS





## 9.0. INVESTOR PERCEPTIONS

### 9.1 Introduction

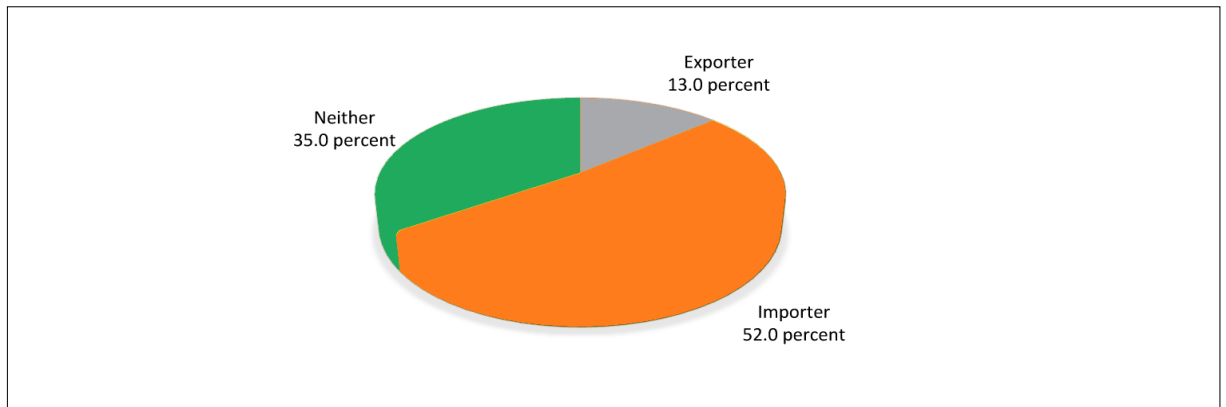
This Chapter analyses Investor perceptions on the investment climate and policy environment, and concludes with private industry investor outlook and expansion strategies.

### 9.2 Key Findings

#### 9.2.1 International Trade Orientation of Respondents

The Survey findings show that respondents who reported to belong to the importer category continued to dominate international trade at 52.0 percent in 2017 compared to 36.0 percent in 2016. Exporters were 13.0 percent in 2017 (16.0 percent in 2016), whilst 35.0 percent of the respondent enterprises were neither exporters nor importers, (Figure 9.1).

Figure 9.1: International Trade Orientation (Percent), 2017



Source: Foreign Private Investment and Investor Perceptions Survey 2018

#### 9.2.2 Enterprises' Market Destination

The survey findings indicated that 84.2 percent of the enterprises' market in 2018 was predominantly domestic, increasing by 8.7 percentage points from the previous year. This was in contrast to respondents who indicated that the international market was the main destination for their goods. Of these exporters, those exporting to SADC/COMESA (dual) declined to 8.5 percent from 12.7 percent. Similarly, those exporting to Europe, recorded a decrease to 1.7 percent from 5.4 percent in 2017, (Figure 9.2).

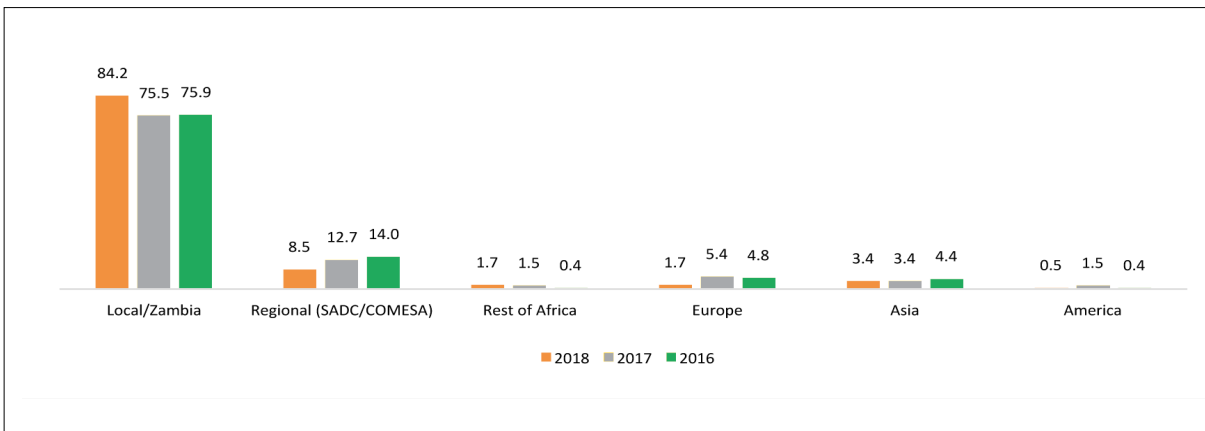


Copper wire cable (ZAMEFA)





**Figure 9.2: Enterprises' Markets Destination (Percent), 2016 - 2018**

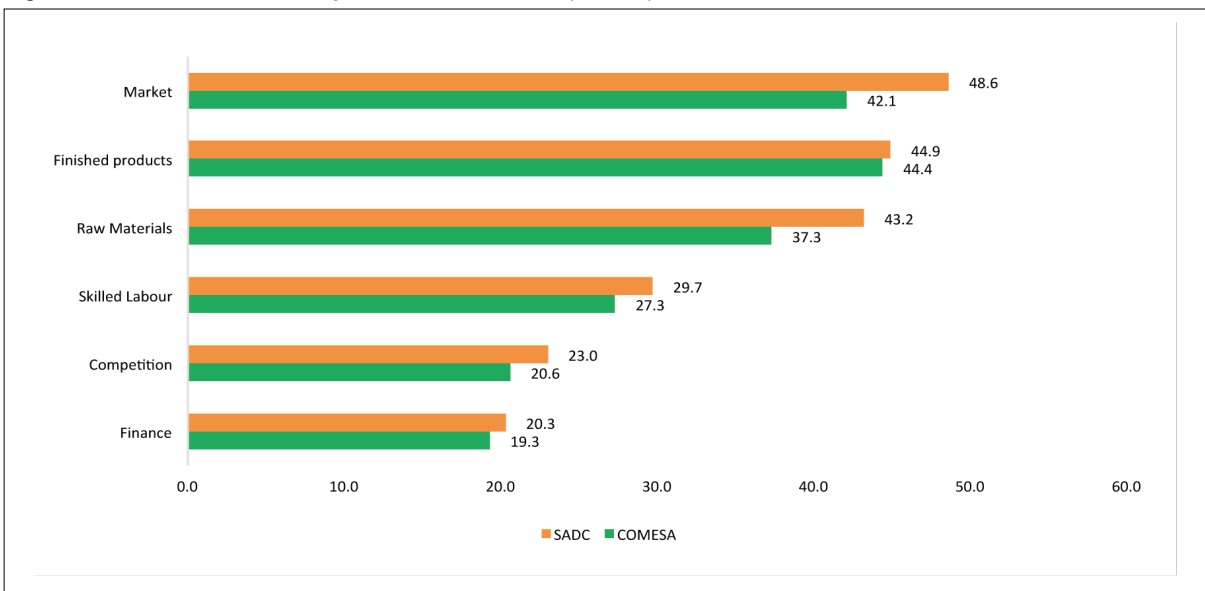


Source: Foreign Private Investment and Investor Perceptions Survey 2018

### 9.2.3 Impact of SADC and COMESA Membership

The majority of surveyed companies in 2018 who export to and import from the SADC and COMESA economic blocs indicated that they derived benefits from the country's membership in terms of source and destination markets for raw materials, finished products, skilled labour, competition and finance. In this regard, the survey findings revealed that 48.6 percent and 42.1 percent of the respondent companies had access to SADC and COMESA markets, respectively. Further, 44.9 percent and 44.4 percent respondents indicated having exported finished products to COMESA and SADC markets, respectively, (Figure 9.3).

**Figure 9.3: Benefits of Membership in SADC and COMESA (Percent), 2017**



Source: Foreign Private Investment and Investor Perceptions Survey 2018

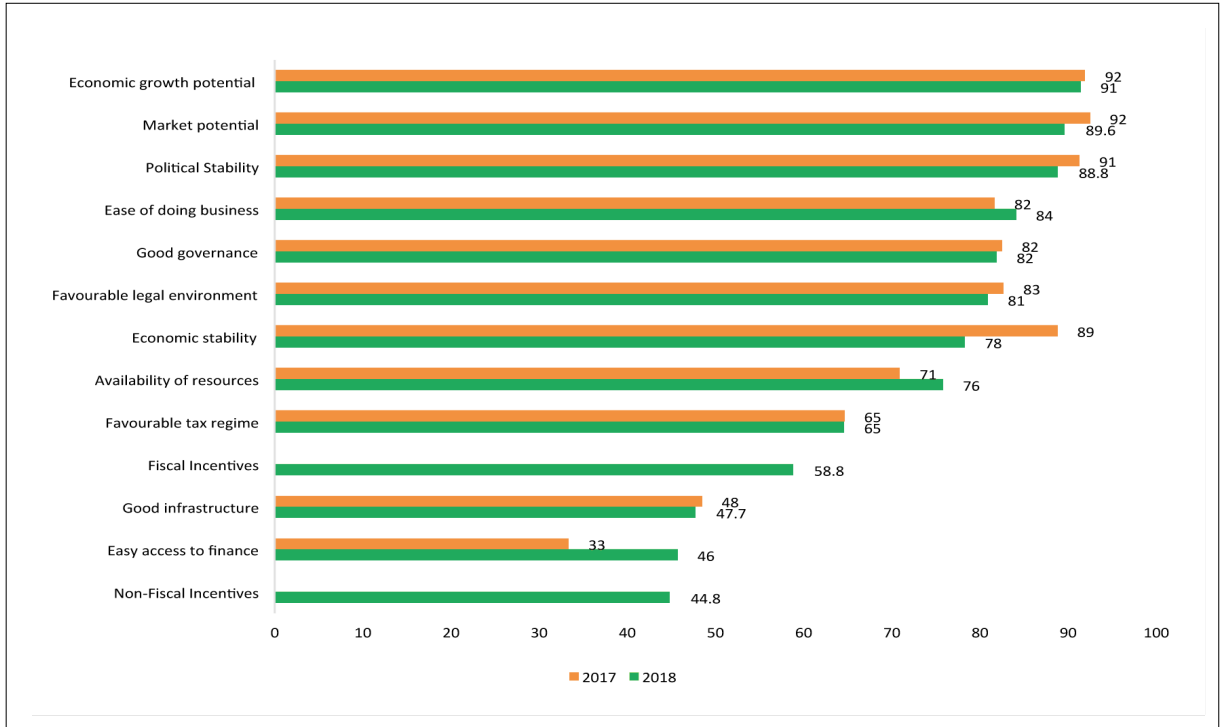
### 9.2.4 Main Motivation for Investing in Zambia

The main motivating factors for investing in Zambia according to the respondents were economic growth at 91.0 percent and market potential (89.6 percent). This was followed by political stability (88.8 percent), ease of doing business (84.0 percent) and good governance (82.0 percent). The survey further revealed that other factors such as favourable legal environment at 81.0 percent, economic stability at 78.0 percent and availability of resources at 76.0 percent, were equally important in the decision making process for respondents to place their investments in Zambia (Figure 9.4).





**Figure 9.4: Main Motivation for Investing in Zambia (Percent), 2017 - 2018**

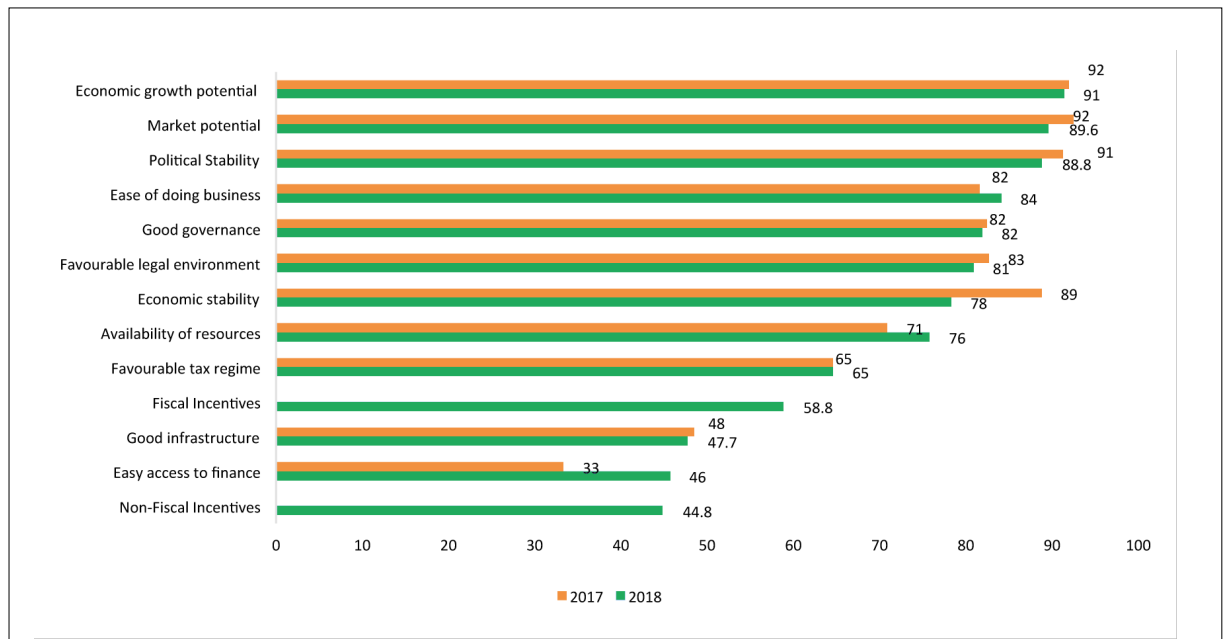


Source: Foreign Private Investment and Investor Perceptions Survey 2018

### 9.2.5 Motivation Factors for Continued Investing in Zambia

The survey revealed that the top eight pull factors that influenced the placing of the initial investments in Zambia, were the same ones that influenced their continued stay in Zambia. There was a strong correlation between the two sets of factors. The results of the survey revealed that 91 percent of the surveyed respondents indicated that the main motivating factor of their continued investment in Zambia was economic growth potential. This was followed by the market potential (89.6 percent), political stability (88.8 percent), ease of doing business (84.0 percent), good governance (82 percent), legal environment (81.0 percent) and economic stability (78.0 percent) (Figure 9.4.1).

**Figure 9.4.1: Main Motivation Factors for Continued Investing in Zambia (Percent), 2017**



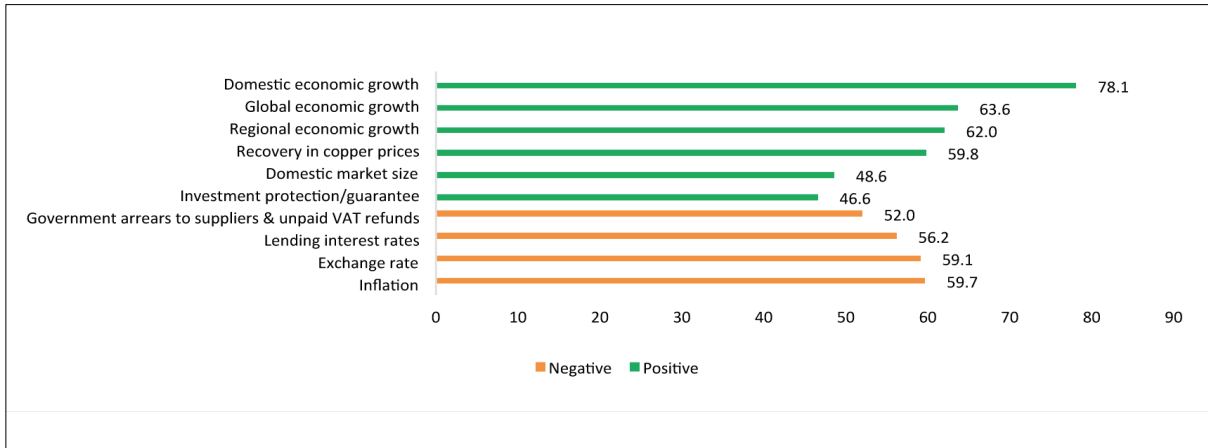
Source: Foreign Private Investment and Investor Perceptions Survey 2018



### 9.2.6 Economic and Financial Factors that Influenced Investments

The Survey findings revealed that of the identified economic and financial factors, six were rated by respondents as having positively impacted their businesses as follows: domestic economic growth (78.1 percent), global economic growth (63.6 percent), regional economic growth (62.0 percent), recovery in copper prices (59.8 percent), domestic market size (48.6 percent) and investment protection agreement guarantees (46.6 percent). On the other hand, inflation, exchange rate fluctuations relatively high lending interest rates, Government arrears to suppliers and none payment of VAT refunds adversely impacted the b businesses of the respondent enterprises, (Figure 9.5).

Figure 9.5: Main Risks to Increased Investment (Percent), 2017

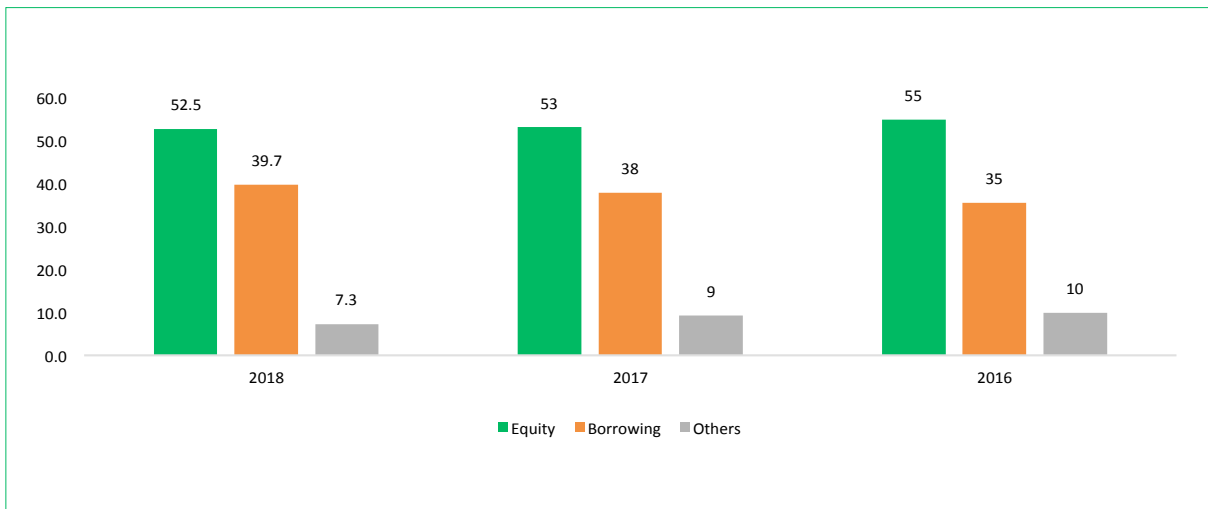


Source: Foreign Private Investment and Investor Perceptions Survey 2018

### 9.2.7 Source of Financing

The Survey findings showed that 52.5 percent of the respondent enterprises' used equity as a main source of funding compared to 53.0 percent in 2017. On the other hand, in 2018, 39.7 percent of the respondents used borrowing compared to 38.0 percent in the previous year, (Figure 9.6).

Figure 9.6: Respondents' Sources of Financing (Percent), 2018



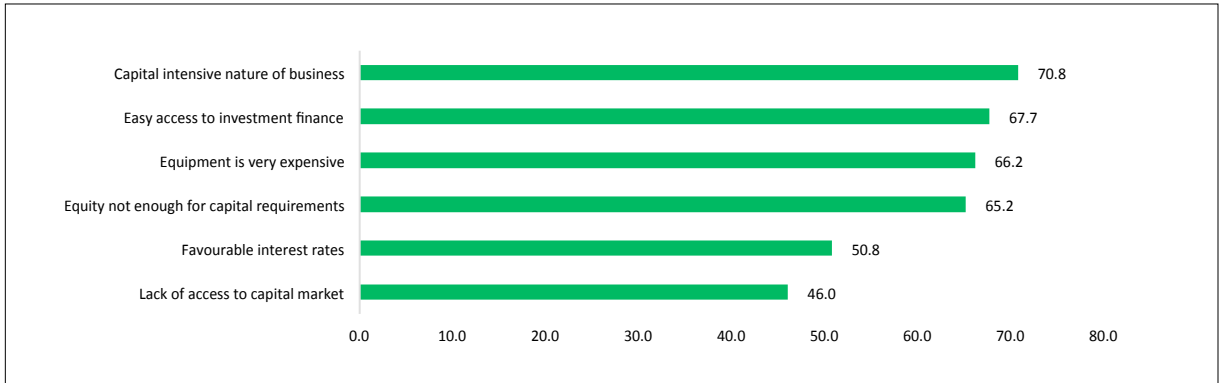
Source: Foreign Private Investment and Investor Perceptions Survey 2018

#### 9.2.7.1 Proportion of Respondents by Reason for Borrowing

According to the Survey findings, 70.8 percent of the respondent enterprises cited the capital intensive nature of their businesses as the main reason for borrowing. This was followed by 67.7 percent of respondents for easy access to finance; 66.2 percent for high cost of equipment and 65.2 percent for lack of equity to meet capital requirements, (Figure 9.7).



**Figure 9.7: Proportion of Respondents by Reason for Borrowing (Percent), 2018**

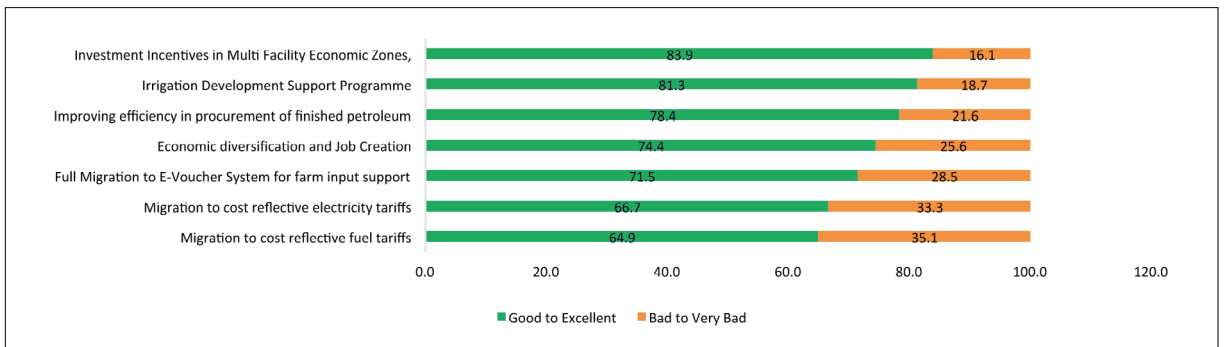


Source: Foreign Private Investment and Investor Perceptions Survey 2018

**9.2.8 Assessment of Government Policies in Promoting Private Industry Growth and Investment Strategies in the 2018 National Budget**

The Government’s investment policy measures that were outlined in the 2018 national budget and included in the Survey were generally well received by respondents. In this regard, the survey findings indicated that 83.9 percent of the respondents were in favour of investment incentives in Multi-facility Economic Zones (MFEZ), followed by irrigation development support programme (81.3 percent), and improving procurement efficiency of finished petroleum products (78.4 percent), and improving procurement efficiency of finished petroleum products (78.4 percent), (Figure 9.8).

**Figure 9.8: Government Policies and Strategies in the 2018 National Budget (Percent)**

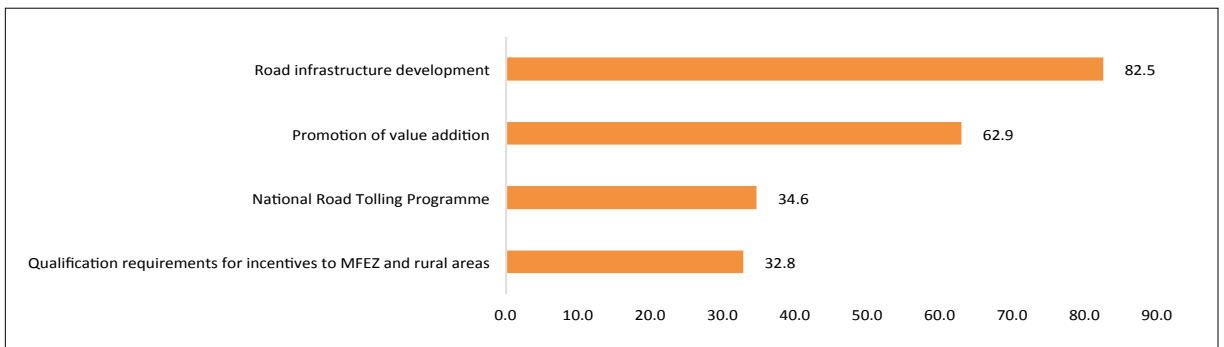


Source: Foreign Private Investment and Investor Perceptions Survey 2018

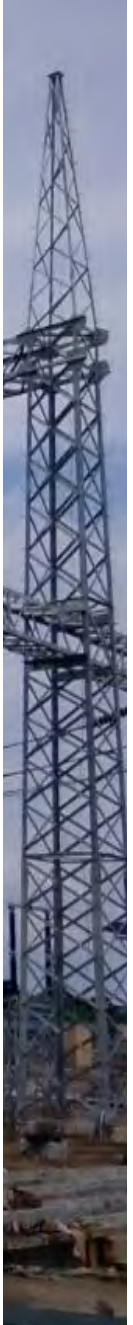
**9.3 Assessment of effect of Government Policy Measures on Enterprise Business**

The Survey results revealed that 82.5 percent of the respondents positively rated the road infrastructure development. This was followed by 62.9 percent for promotion of value addition, national road tolling (34.6 percent) and qualifications requirements for incentives to MFEZ (32.8 percent), (Figure 9.9).

**Figure 9.9: Assessment of Effect of Government Policy Measures on Enterprise Business (Percent), 2018**



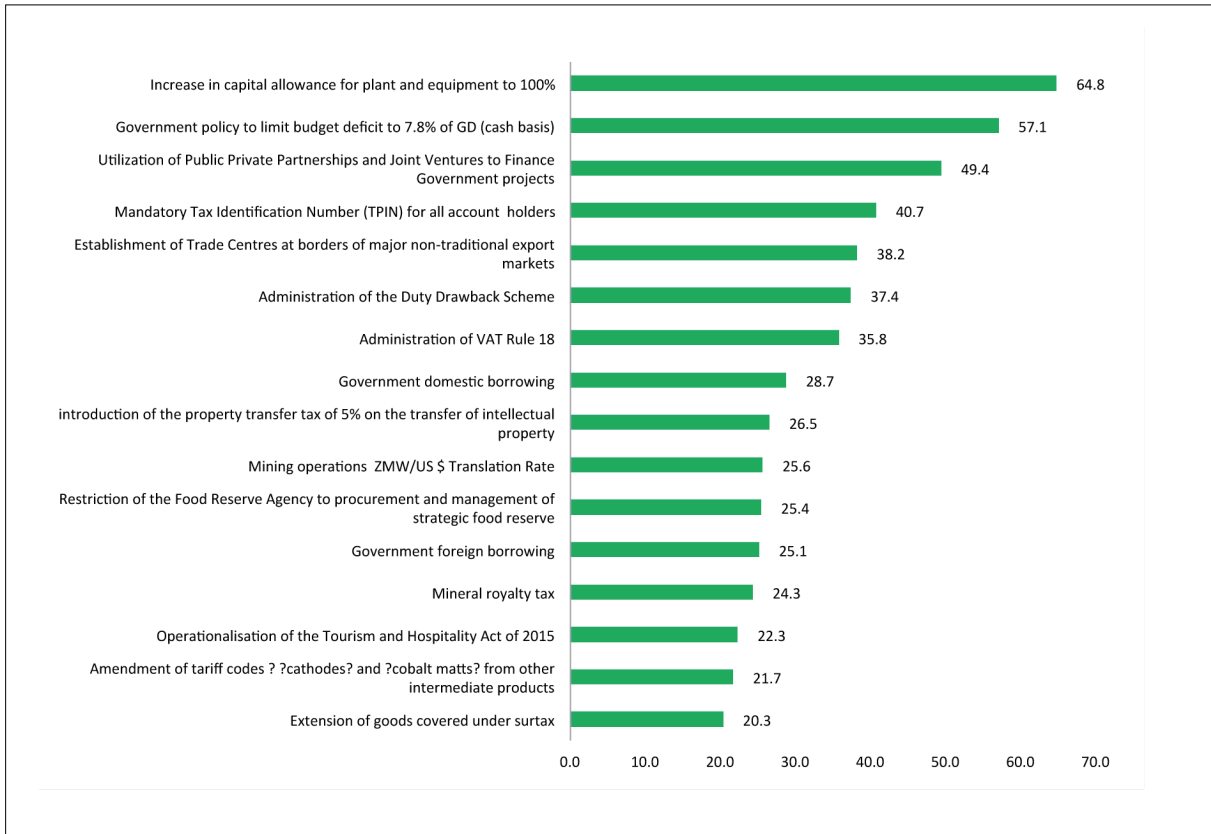
Source: Foreign Private Investment and Investor Perceptions Survey 2018



#### 9.4 Assessment of the Impact of the recent Fiscal Policy Measures on Private Sector Investment

The overall responses to the effect of Government fiscal policy measures were mixed. The policy to allow 100 percent increase in capital allowances on equipment and machinery was the most appreciated by 64.8 percent of respondents, followed by Government intention to limit budget deficit (57.1 percent), utilisation of public private partnerships to finance Government projects (49.4 percent) and mandatory tax permanent identification number (TPIN) (40.7 percent), (Figure 9.10).

Figure 9.10: Impact of Recent Fiscal Policy Measures in Sustenance of the Private Sector Investment (Percent), 2018



Source: Foreign Private Investment and Investor Perceptions Survey 2018

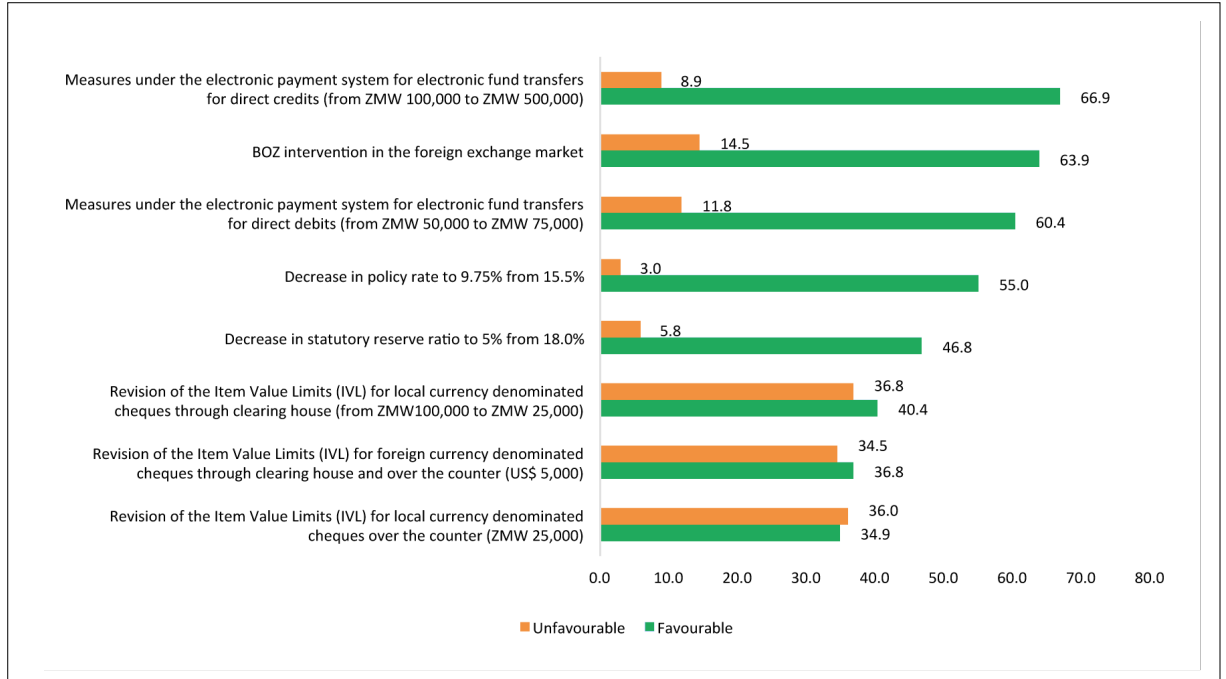
#### 9.5 Proportion of Respondents by Assessment on impact of the recent Monetary Policy Measures on Private Sector Investment

The effects of recent monetary policy measures on business enterprises were generally assessed to be favourable. The upward revision of the electronic fund transfers for direct credits from ZMW 100, 000.00 to ZMW 500, 000.00 was well received by 66.9 percent of respondents, at followed by the Bank of Zambia intervention in the foreign exchange market (63.9 percent). The other measure that received a favourable response was the increase in the item value limits for direct debits from ZMW 50, 000 to ZMW 75,000 (60.4 percent).

Further, the reduction in the BoZ policy rate and the reduction in the statutory reserve ratios were favoured by 55.0 percent and 46.8 percent of respondents, respectively. However, the revision of the Item Value Limits (IVL) for over the counter local currency denominated cheques (ZMW 25,000), for foreign currency denominated cheques through clearing house (USD 5, 000) and for local currency denominated cheques through clearing house (from ZMW 100, 000 to ZMW 25,000) were assessed to have had a negative bearing on their business with 36.0 percent, 36.8 percent and 36.0 percent of the respondents (Figure 9.11).



**Figure 9.11: Recent Monetary Policy Measures Impact on Private Sector Investment (Percent), 2018**

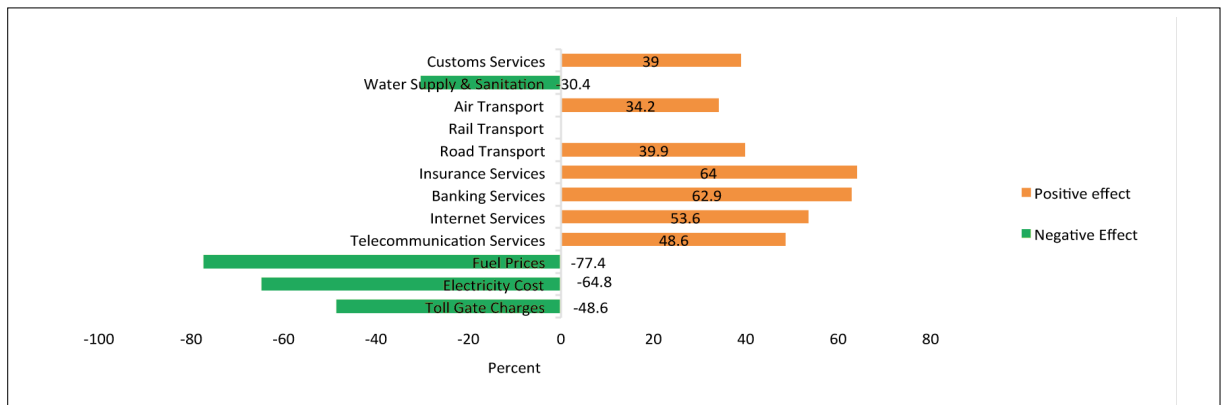


Source: Foreign Private Investment and Investor Perceptions Survey 2018

### 9.6 Efficiency and Cost of Infrastructure and Services

The survey findings showed that Insurance services were assessed favourably by 64.0 percent of respondents followed by banking services (62.9 percent), internet services (53.6 percent) and telecommunication Services (48.6 percent). However, fuel prices, electricity tariffs and fuel prices posted negative responses at 77.4 percent, 64.8 percent and 48.6 percent, respectively (Figure 9.12). It should also be noted that for the other factors that were selected by 30.0 to 40.0 percent of the respondents were equally rated by significant percentages of respondents as not having any effect on their business, except for Road Transport, that had almost equal percentages of respondents for negative and positive impact on the enterprises. The conclusion was that these factors were not crosscutting in their effects on the enterprises.

**Figure 9.12: Effect of Services, Transport and Energy Factors (Percent), 2018**



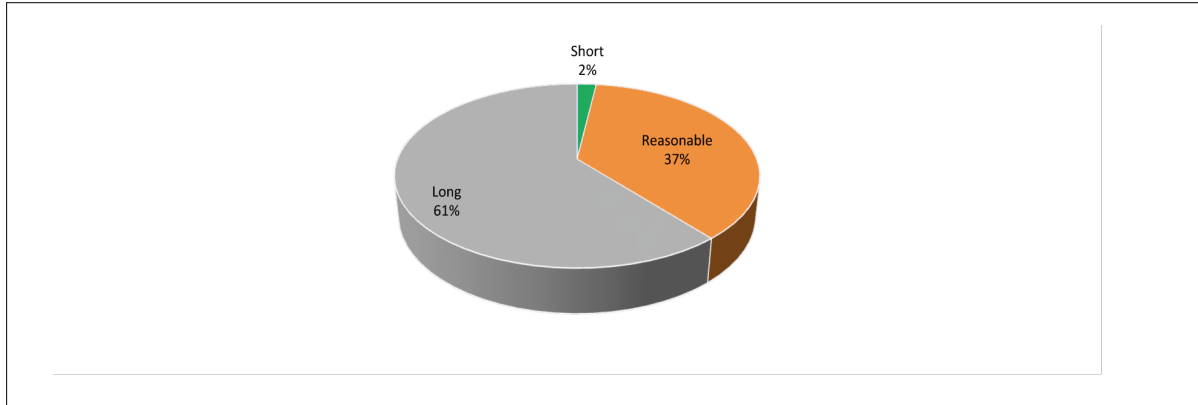
Source: Foreign Private Investment and Investor Perceptions Survey 2018

#### 9.6.1 Time and Efficiency of Clearing Goods Process at the Border

The survey findings indicate that 61.0 percent of the respondents felt customs clearing process was slow, 37.0 percent felt it was reasonable whilst 2.0 percent felt it was short.



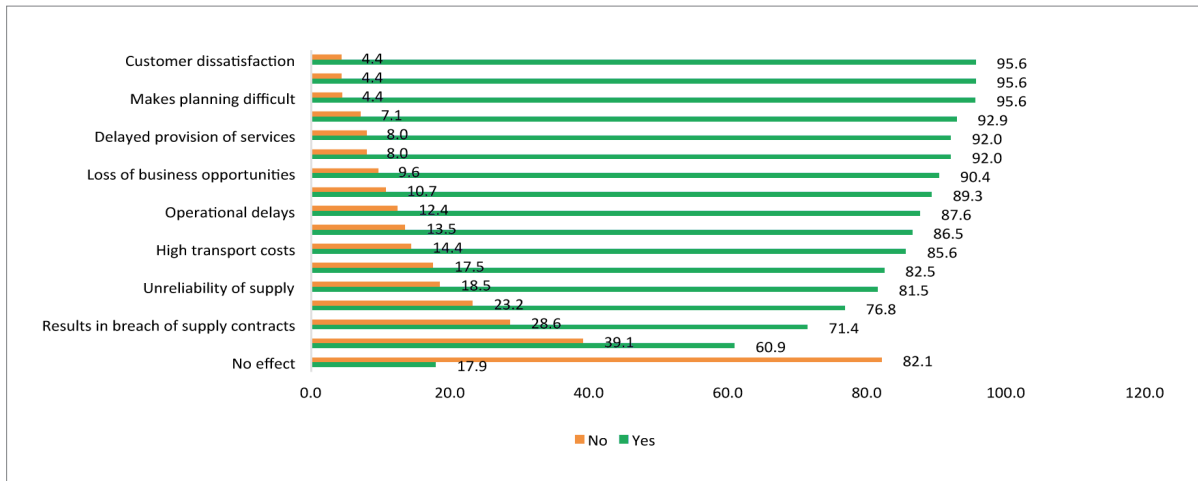
**Figure 9.13: Time and Efficiency of Clearing Goods Process at the Border (Percent), 2018**



Source: Foreign Private Investment and Investor Perceptions Survey 2018

The survey findings showed that the congestion at the borders impacts their business in various forms. About 95.6 per cent to 90 per cent of the respondents identified the negative outcomes incidental to delays in the customs clearing processes; customer dissatisfaction, loss of efficiency, difficulties in planning, delays in the turn-around time, delayed provision of services, delayed completion of projects and loss of business opportunities. 89.3 to 80.0 percent of the respondents identified the following as the negative outcomes that affected their enterprises; increased risk of thefts, operational delays, high storage costs, high transport costs, delayed production and unreliable supply. Whilst 76.8 percent to 60.9 percent identified the following negative outcomes on their business performance; bred corruption, resulted in breach of supply contracts and reduced shelf life for perishables, (Figure 9.14).

**Figure 9.14: Time of Clearing Goods Process at the Border (Percent), 2018**

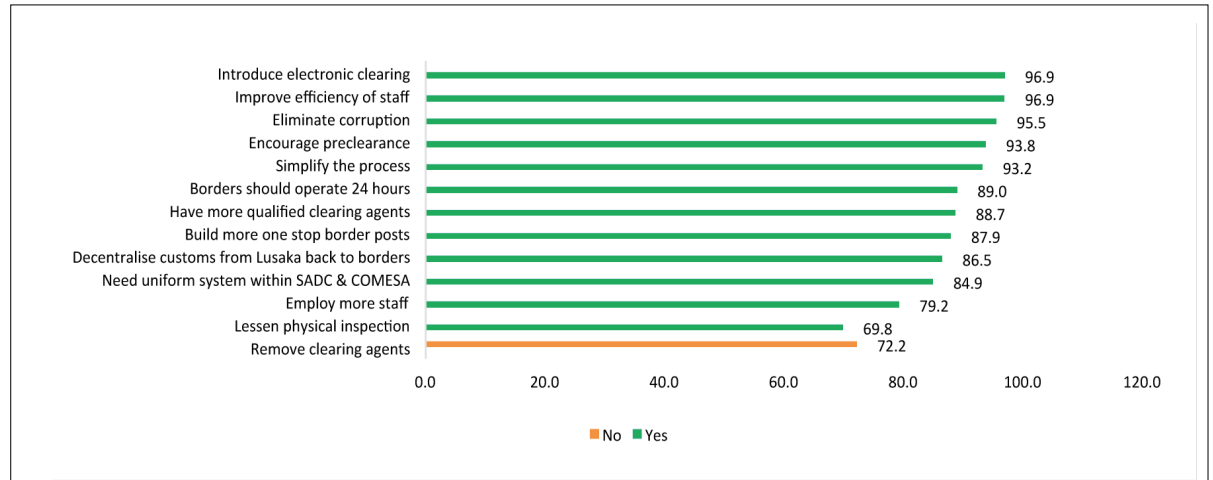


Source: Foreign Private Investment and Investor Perceptions Survey 2018

Overall, the survey established that delays in customs clearance adversely impacted many facets of the business therefore it was imperative that the process was smoothened. The survey findings indicated that introducing electronic clearance and improving efficiency of staff at 96.9 percent were the most favoured measures aimed at speeding up the process of clearing goods. This was followed by eliminating corruption (95.5 percent), encouraging preclearance (93.8 percent), operation of borders 24 hours daily (89.0), having qualified clearing agents (88.7 percent), building more one stop border posts (87.9 percent), decentralised customs from Lusaka back to borders (86.5 percent), need uniform system within SADC & COMESA (84.9 percent), employ more staff (79.2 percent) and lessen physical inspection. However, the survey findings revealed that removing clearing agents posted a negative response of 72.2 percent (Figure 9.15).



**Figure 9.15: Measures to Speed up the Process of Clearing Goods (Percent), 2018**



Source: Foreign Private Investment and Investor Perceptions Survey 2018

### 9.7 Service Delivery by Government Ministries and Statutory Bodies

The assessment of the Government Agencies' service delivery was generally favourable. The agencies whose service delivery was assessed as good to excellent included the Patents and Company Registration Agency (PACRA) with 90.2 percent of respondents, followed by National Pension Scheme Authority (NAPSA) (89.1 percent), Zambia Electricity Supply Corporation (ZESCO), Zambia Revenue Authority (72.3 percent), Road Transport & Safety Agency (70.5 percent) and the Zambia Development Agency (ZDA) (68.3 percent).

The agencies that were ranked as poor in service delivery were Zambia Public Procurement Authority (49.4 percent) Ministry of Transport and Communication (48.9 percent), Ministry of Lands Ministry of Tourism and Arts (44.4 percent), Zambia Police (ZP) (43.6 percent), (Ministry of Agriculture Ministry of Livestock and Fisheries (42.2 percent) (Table 9.1).

**Table 9.1: Service Delivery by Government Ministries and Statutory Bodies (Percent), 2016 - 2018**

| Institution   | 2018 | 2017 | 2016 |
|---|------|------|------|
| Patents and Company Registration Authority (PACRA)                  | 90.2 | 90.5 | 91.3 |
| National Pension Scheme Authority (NAPSA)                           | 89.1 | 85.6 | 85.3 |
| Zambia Electricity Supply Corporation (ZESCO)                       | 72.5 | 74.3 | 52.2 |
| Zambia Revenue Authority (ZRA)                                      | 72.3 | 75.0 | 77.8 |
| Road Transport and Safety Agency (RTSA)                             | 70.5 | 76.0 | 76.9 |
| Zambia Development Agency (ZDA)                                     | 68.3 | 77.1 | 80.4 |
| Ministry of Finance   | 67.6 | 77.1 | 67.5 |
| Zambia Bureau of Standards (ZABS)                                   | 66.7 |      |      |
| Department of Immigration (DOI)                                     | 66.1 |      |      |
| Zambia Environmental Management Agency                              | 65.7 | 69.7 | 65.9 |
| Zambia Information and Communication Technologies Authority (ZICTA) | 64.4 | 71.6 | 68.1 |
| Bank of Zambia (BOZ)  |      | 88.1 | 89.1 |
| Ministry of Commerce Trade and Industry                             | 63.5 | 69.5 | 66.1 |
| Energy Regulation Board (ERB)                                       | 61.1 | 63.8 | 61.4 |
| Competition and Consumer Protection Commission (CCPC)               | 61.0 |      |      |
| Road Development Agency (RDA)                                       | 59.0 | 68.8 | 68.6 |
| Utilities Companies   | 53.4 | 60.2 | 54.1 |
| Ministry of Works and Supply  | 52.0 | 48.5 | 50.4 |
| Local Authorities (Councils)  | 51.4 | 43.3 | 42.4 |
| Zambia Public Procurement Authority                                 | 49.4 | 52.0 | 51.1 |
| Ministry of Transport and Communication                             | 48.9 | 58.1 | 53.7 |
| Ministry of Lands   | 48.4 | 39.2 |      |
| Ministry of Tourism and Arts  | 44.4 | 46.5 | 48.7 |
| Zambia Police (ZP)  | 43.6 | 42.7 | 44.5 |
| Ministry of Agriculture   | 42.2 | 45.1 |      |
| Ministry of Livestock and Fisheries                                 | 40.9 | 38.8 |      |
| Business Regulatory Agency  |      | 63.7 | 65.0 |

Source: Foreign Private Investment and Investor Perceptions Survey, 2018





### 9.8 Proportion of Respondents by Assessment of Ease of Doing Business

The surveyed respondents were asked to rate the ease of doing business in Zambia based on factors provided using a scale from excellent to very bad. To this effect, the results of the survey indicated that Government's efforts in promoting investment were rated favourably with starting a business receiving the highest approval rating at 78.9 percent of the respondents. The overall ease of doing business was second at 77.3 percent, labour market regulation (75.56 percent) and paying taxes (76.7 percent) (Table 9.2).

**Table 9.2: Proportion of Respondents by Assessment of Ease of Doing Business (Percent), 2018**

| Factor                         | 2018 | 2017 | 2016 | 2015 | 2014 |
|--------------------------------|------|------|------|------|------|
| Starting a business            | 78.9 | 84.7 | 83.8 | 81.3 | 80.3 |
| Overall Ease of Doing Business | 77   | 78.3 | 75.4 | 73.1 | 71.3 |
| Paying Taxes                   | 76.7 | 76.4 | 70.2 | 67.2 | 72.3 |
| Labour Market Regulation       | 75.6 | 77.4 |      | 51.5 | 74.7 |
| Registering Property           | 57.4 | 47.6 | 54.1 | 50   | 63.1 |
| Protecting Investors           | 54.7 | 55.7 | 49.4 | 51.5 | 73.4 |
| Trading Across Borders         | 52   | 45.5 | 48.5 | 59.1 | 59.6 |
| Dealing with Permits           | 47.4 | 39.8 | 57.3 | 47.1 | 51.6 |
| Enforcing Contracts            | 45.1 | 43.7 | 46.4 | 59.1 | 59.6 |
| Getting Credit                 | 44.6 | 39.7 | 39.5 | 50   | 47.6 |
| Closing a Business             | 33.3 | 32.1 | 25.8 | -    | 52.7 |

Source: Foreign Private Investment and Investor Perceptions Survey 2017 and Zambia Development Agency

\* A new question introduced in the Doing Business 2016 Report for the first time.



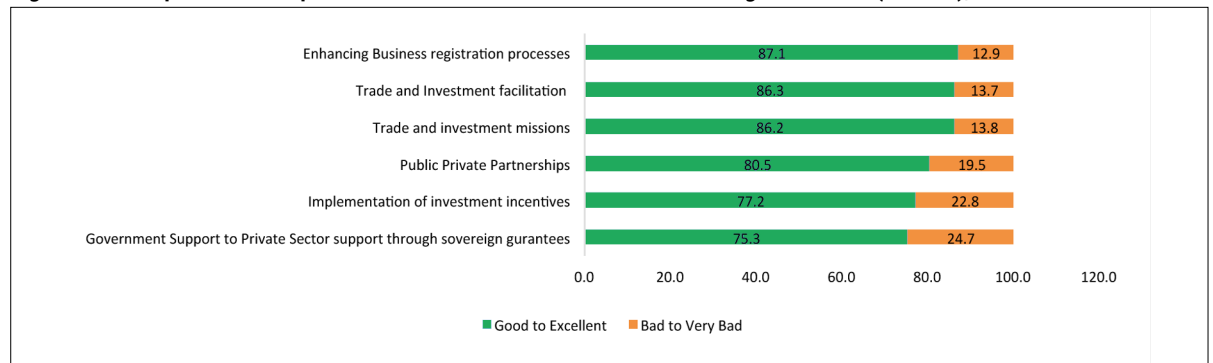
Michael Chilufya Sata Toll Plaza along Ndola-Kitwe Road



### 9.9 Proportion of Respondents on Government's efforts in Promoting Investment

Government's efforts in promotion of investment were well received by respondents. The most applauded factor was the business registration process, with 87.1 percent of respondents rating it as good to excellent. This was followed by trade and investment facilitation (86.3 percent), trade and investment missions (86.2 percent), public private sector partnerships (80.5 percent), implementation of investment incentives (77.2 percent) and Government support through sovereign guarantees, (Figure 9.16). In addition, most firms highlighted a number of other factors that are necessary for enhancing productivity and profitability. These included exchange rate stability, political stability, consistency in government policy, stable and sustainable tax system, efficiency in public service, fighting corruption, infrastructure development, and reduction of interest rates.

**Figure 9.16: Proportion of Respondents on Government's Efforts in Promoting Investment (Percent), 2018**



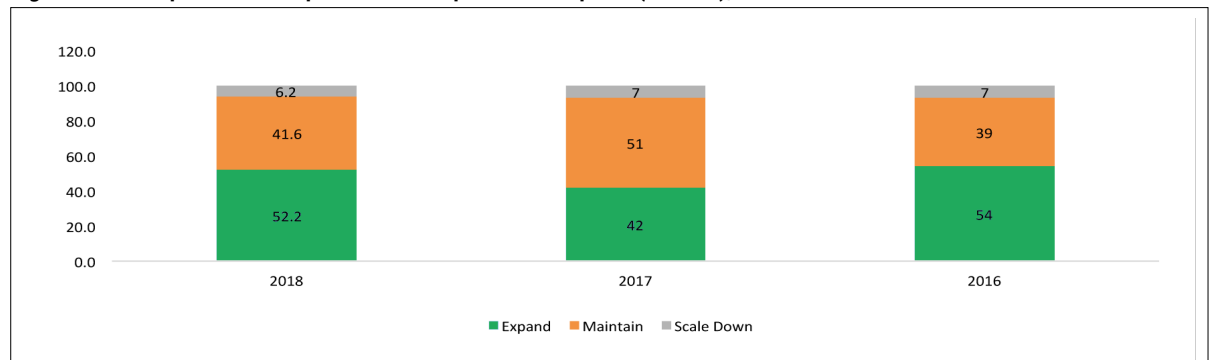
Source: Foreign Private Investment and Investor Perceptions Survey 2018

### 9.10 Investor Outlook and Expansion Strategies

#### 9.10.1 Expansion Prospects and Strategies

The survey findings revealed that the majority of respondents at 52.2 percent would expand their businesses, while 41.6 percent of the respondents would maintain the current levels. The remaining 6.2 percent indicated that they would scale down their businesses, (Figure 9.17).

**Figure 9.17: Proportion of Respondents on Expansion Prospects (Percent), 2018**

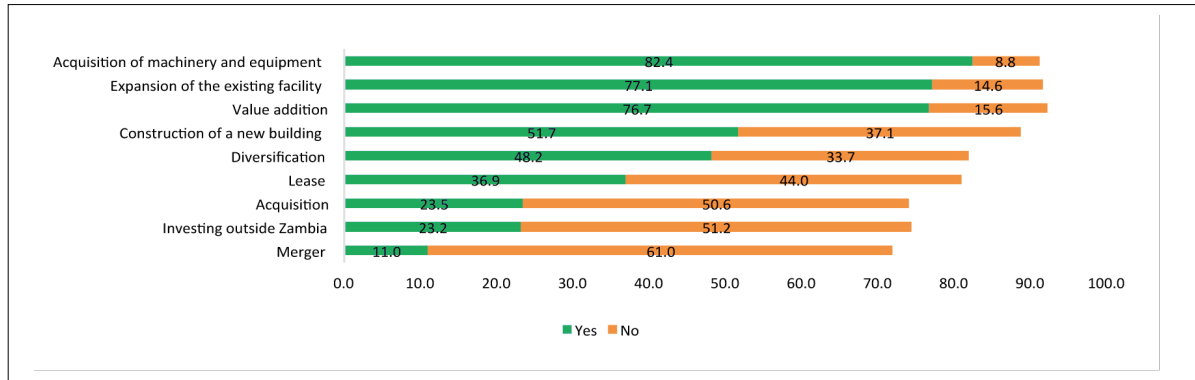


Source: Foreign Private Investment and Investor Perceptions Survey 2018

In terms of expansion strategies, the most preferred ones were the acquisition of machinery and equipment rated by 82.4 percent of respondents, followed by the expansion of the existing facility (77.1 percent) and value addition (76.7 percent), construction of new buildings (51.7 percent) and diversification (48.2 percent). The least preferred expansion strategies considered were through mergers (11 percent), investing outside (23.2 percent) and acquisition (23.5 percent) (Figure 9.18).



**Figure 9.18: Expansion Strategies (Percent), 2018**

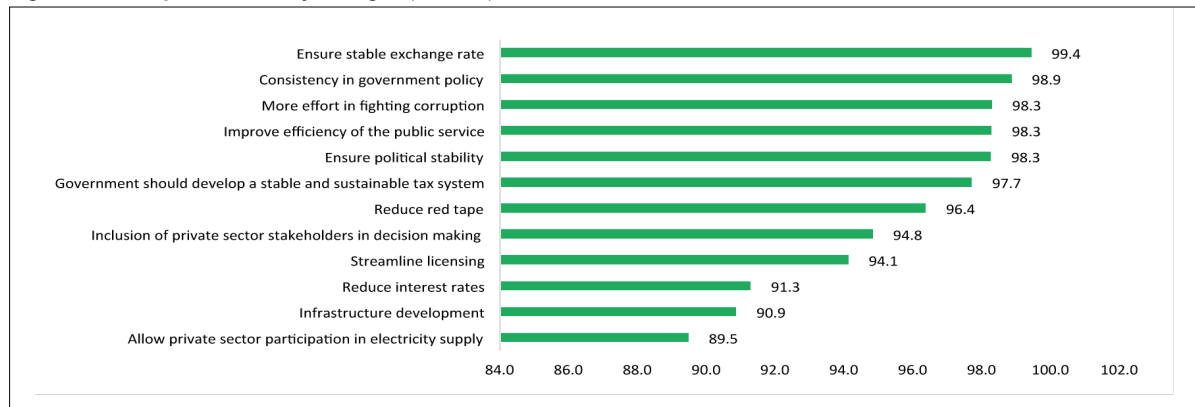


Source: Foreign Private Investment and Investor Perceptions Survey 2018

**9.11 Proposals of Policy Measure Changes**

The results of the survey brought to the fore, areas where policy makers needed to pay more attention in order to improve the business environment. The major factors of concern were ensuring a stable exchange rate at 99.4 percent of the respondents. This was followed; by policy consistency (98.9 percent); fight against corruption (98.3 percent); improve efficiency of the public service (98.3 percent); ensure political stability (98.3 percent); to develop a stable and sustainable tax regime (97.7 percent); and reduce red tape (96.4 percent) among others (Figure 9.19).

**Figure 9.19: Proposal for Policy Changes (Percent), 2018**



Source: Foreign Private Investment and Investor Perceptions Survey 2017



Agriculture a potential industry for increased exports (Buya Bamba Potatoes, Lusaka)





## 10.0 REPORT ON THE PROCEEDINGS OF THE PCF DISSEMINATION





## 10.0 REPORT ON THE PROCEEDINGS OF THE PCF DISSEMINATION WORKSHOP

### Opening Remarks by the Governor of the Bank of Zambia

Dr. Denny Kalayala, the Governor, officially opened the dissemination workshop on behalf of the Bank of Zambia, Zambia Development Agency and Central Statistics Office. The Governor expressed his gratitude to the Balance of Payments Technical Committee for conducting the survey. The Governor also expressed his gratitude to the respondents of the survey and assured them that the survey design minimizes the inconvenience caused to them. The Governor also summarized the main findings of the survey and mentioned that the data collected in this year's response rate was 89.0 percent.

Permanent Secretary of Ministry Commerce and Industry (MCTI), Ms. Kayula Siame also gave remarks, she reiterated that her Ministry has a mandate to promote investment and the Ministry was proud to be associated with the survey. The investor perception findings were vital to the Ministry's mandate and determining the impacts of policy implementation on the business environment. She made note that the findings were consistent with those in the 2019 World Bank Doing Business Report where Zambia had been ranked number 87 on Ease of Doing Business in the world. In addition, Zambia is 8th in Africa, 6th in sub-Saharan Africa, 4th in COMESA and 4th in SADC on the ease of doing business, the rankings are good and encouraging.

She further mentioned, from the policy perspective that the Government was implementing various policies aimed at stimulating economic growth. An industrial policy was implemented in 2018 to further support inclusive investment toward industrialization, the National Export Strategy to further facilitate NTE'S into the economy as well as the Investment Promotion Strategy.

### Discussion and comments on the Survey Findings

The first presentation was made by Dr. Ivan Zyuulu; Assistant Director-Economics from the Bank of Zambia. Question and Answer Session

1. A member of staff from Bank of Zambia suggested that insights be given on Zambia's economic potential, for example, on tourism.

#### Response:

In his response, Mr. Zyuulu agreed with the sentiments that not much is done about potential. The Governor further challenged the participants to work towards realizing the potential by taking the necessary risks. Further, He argued that the locals needed to be active partners in development. Private sector players are needed as investors are looking for partners. He encouraged the participants not to take up the challenge.

2. A representative from ZANACO wanted clarity on the types of financial derivatives used.

#### Response:

In his response, Mr. Zyuulu mentioned that most of these instruments are from the mining sector, who cover their transactions in terms of sale of products as well as purchase of other items, which are inputs from the mining sector.

3. A representative from ZANACO wanted an explanation on why Retained Earnings were considered as investment inflow.

#### Response:

In his response, Dr. Zyuulu, explained that residence of the firm's shareholders determines whether the retained earnings are treated as foreign direct investment inflows or not. For example, when an investor resident in the United Kingdom, and holds more than 10 percent shares in a company in Zambia, when profits are made and retained in the company, 10 percent of the reinvested earnings, will be considered as an inflow to Zambia from the United Kingdom.

4. A representative from Ministry of Labor wanted to know the classification of jobs and if they can be validated by NAPSA.

#### Response:

In his response, Mr. Zyuulu said that the survey is not validated using any other external data sources. However, care was taken to accurately report the numbers obtained from the survey.



5. A representative from Kenyan High Commission suggested that Zambia needed to diversify from mining and look at other avenues. She noted that there was too much concentration on mining. Further, she congratulated Zambia on her ranking in the Ease of doing Business.

**Response:**

In his response, Mr. Zyuulu, agreed and said that there was much potential to be realized from other sectors like manufacturing and the retail and wholesale.

**Discussion and Comments on the Investor Perceptions Findings**

The second presentation was made by Mrs. Jessica Chombo; Manager Policy and Planning at the Zambia Development Agency.

1. A representative from COMESA wanted to know what the ZDA is doing to protect the local investors.

**Response:**

In her response, Mrs. Chombo, indicated that the ZDA had the mandate of investment promotion and that the mandate to protect local investors was under the ambit of the Citizen Economic Empowerment Commission (CEEC). Further she mentioned that there was a diversification strategy that was in place to attract investors in other sectors.

2. A participant suggested that the inclusion of existing investors on the survey be done and find out if they are getting adequate returns on their investment.

**Response:**

In her response Mrs. Chombo, she explained the ZDA carries out enterprise monitoring and collects information against projections at the time of registration, as well as any information that can help know the challenges that investor's face

**Private Sector Presentation by Zambeef**

The presentation detailed the company's profile and the interventions implemented to increase the company's profitability. Further, company's vision and future expansion plans were highlighted.

1. A representative from Hitachi wanted to know the CSR activities of Zambeef.

**Response:**

In his response, Mr. Koplande explained that Zambeef has over 7000 employees on full time and contributes to GDP by 1%. He stated that the company was involved in various CSR activities such as maintaining roads, sponsoring traditional ceremonies and schools.

2. A representative from JCHX wanted clarity on whether ZDA makes follow-ups on investors.

**Response:**

Mr. Ngoma responded that the ZDA, under the Monitoring and Evaluation unit does monitor the enterprises, especially the first 3 years after registration at ZDA.

**Closing Remarks by the Acting Director General – Zambia Development Agency**

In his closing remarks Mr. Cosam Ngoma Acting Director General indicated that the gathering was fruitful and the interactions beneficial for the public and private sectors, as well as the cooperating partners. Further, he mentioned that the fact that monitoring and analysis of private capital flows to Zambia had received increased attention in recent years, it reflects recognition of the growing importance to collect and collate timely and accurate data on private capital flows to Zambia to feed into a wide range of policy making processes.

He also thanked the various Government agencies who contributed to the success of the survey and the dissemination workshop.



## **11.0 CONCLUSION AND RECOMMENDATIONS**





## 11.0 CONCLUSION AND RECOMMENDATIONS

In 2017, Zambia maintained a macroeconomic environment that was conducive to the domestic and foreign investments as evidenced by a relatively stable kwacha against major foreign currencies and inflation that stayed within the target band. Notwithstanding, a rise in non-performing loans the overall performance of the financial system, particularly, banking sector, remained satisfactory. Further, the Government through the Private Sector Development Industrialisation and Job Creation (PSD-IJC) at Cabinet Office continued to implement cross-cutting measures aimed at enhancing the legal and regulatory framework and the ease of doing business.

Further, through various initiatives the Government has continued to improve the quality of infrastructure and communication services. Further, the country continued to experience political stability. The prevailing political, social and economic environment created abundant investment opportunities in various sectors of the economy such as tourism, agriculture, manufacturing, construction and energy. In this regard, Zambia's membership in COMESA and SADC creates a potential market for investors seeking to achieve lower costs through economies of scale. In particular, Angola and Congo (DR) present large and untapped markets for Zambia's non-traditional exports.

In 2017, the enumerated 193 Majority-Owned Foreign Affiliates (MOFAs), registered increases in profitability, sales and value added coupled with higher employment creation and taxes paid. To fully realize the country's investment potential, the Government continues to offer incentives to both domestic and foreign investors through the Zambia Development Agency in the form of allowances, exemptions and concessions. Nevertheless, it also provides for investment thresholds that investors have to meet to qualify for fiscal and non-fiscal incentives.

Zambia's net foreign direct investment inflows significantly improved to US \$1,179.6 million from US\$486.1 million in 2016. This was mainly due to an increase in the FDI liabilities inflows, following a growth of 67.1 percent to US \$1,107.5 million, largely reflecting increased investment in the mining and quarrying industry. This was after a rebound in commodity prices on the international market and improvements in the electricity supply which supported production. However, FDI assets fell by US \$72.0 million following repayment of debt by non-resident parent companies owed to domestic enterprises.

Private sector foreign liabilities inflows, declined by 3.1 percent to US \$1,045.4 million from US \$1,078.9 million recorded in 2016. The decline was mainly explained by a reduction in other investment inflows which recorded a net outflow of US \$71.0 million against net inflows of US \$400.9 million in 2016 due to debt repayments.

FDI liabilities inflows in 2017 were mainly from Switzerland, India, South Africa, Nigeria, Canada, Ireland and China, with manufacturing as the major recipient accounting for 31.3 percent share of the total inflows.

Private sector holdings of foreign assets abroad increased by 63.2 percent to US \$ 665.2 million. The rise in asset flows was mainly on account of increased accumulation of assets in form of other investments explained by a rise in commercial banks' deposits of currency in nostro accounts mainly held in China PR, the United States and the United Kingdom. .

As at end-2017, Private Sector External Debt stock (PSED) was US \$15,288.2 million, 3.6 percent higher than the end-2016 stock position of US \$14,757.5 million due to net debt disbursements largely from affiliates. Switzerland accounted for the bulk of the stock with the mining and quarrying industry having the largest share at 63.0 percent. With regard to investor perceptions, the survey found that the overall ease of doing business in Zambia was generally conducive supported by relatively good economic growth rates and market potential amid political stability and good governance structures. The survey further revealed that other fundamentals such as favourable legal environment and availability of resources were equally important in the decision making process for respondents to place their investments and their continued stay in Zambia. Factors with adverse impact on doing business in Zambia were relatively high lending interest rates, unresolved Government arrears to suppliers, bureaucracy encountered in paying taxes and trading across borders.

In conclusion, FDI inflows to Zambia remain heavily skewed toward the mining and quarrying industry. The inertia in actualizing higher FDI flows to other sector may indicate the presence of bottlenecks hindering investments in these sectors. Thus, to attain economic diversification, Zambia needs to attract more foreign investors to sectors such as tourism, energy, transport, manufacturing and agriculture. To do so, in addition to the conducive policy and regulatory environment, the government needs to continue implementing sector specific interventions that alleviate

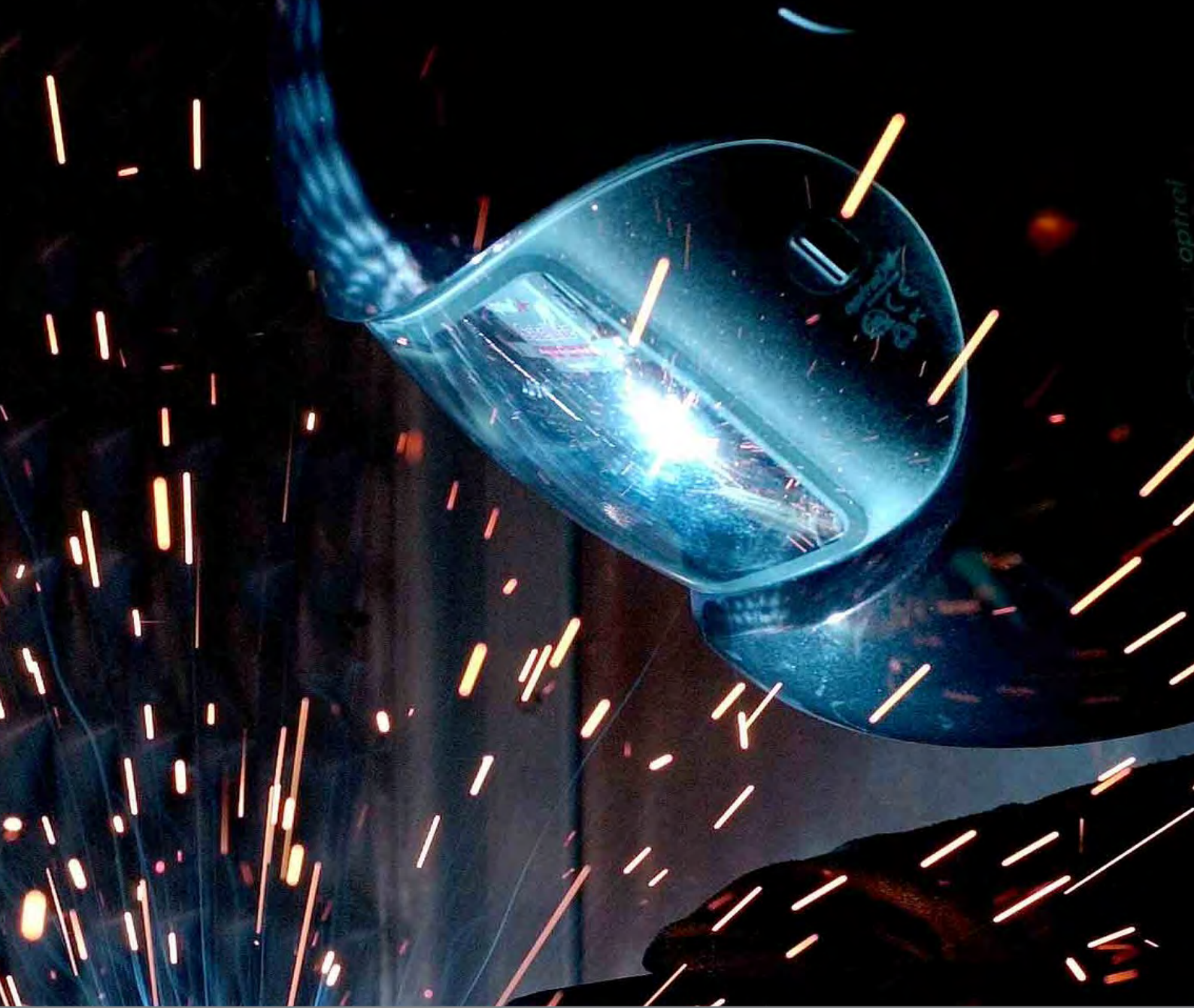




the bottlenecks to FDI inflows in those sectors. The country should be innovative and come up with various fiscal and non-fiscal incentives that will attract FDI.

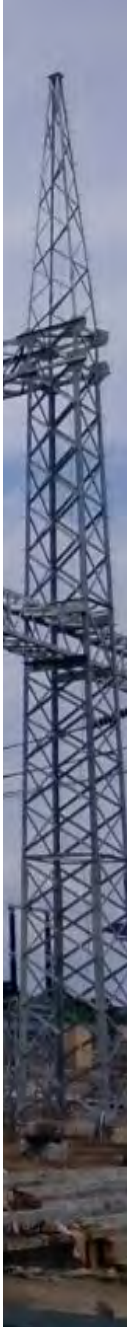
Zambia's economic policy, as enshrined in the 2019 - 2021 Green Paper, aims to implement reforms under the Economic Stabilization and Growth Programme (ESGP) to sustain attained relative macroeconomic stability. The Government should stay on course in implementing the measures to further consolidate the macroeconomic stability and safeguard the positive achievements recorded in the previous medium term plan periods such as, stabilization in the exchange rate and sustaining single digits inflation.

The improvement in the macroeconomic environment and other sector specific interventions will further boost investor confidence in the economy and stimulate investments in key strategic sectors such as agriculture, mining, manufacturing and tourism. Thereby leading to the creation of decent jobs and enhancing economic development.



## 12.0 REFERENCES





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## 13.0 ANNEX





## 13.0 ANNEX

### Annex I: Survey Methodology

#### 1.1 Introduction

This annex presents an outline of the activities that were undertaken in the conduct of Phase XI of the survey on foreign private investment and investor perceptions in Zambia. It covers issues relating to the organisation of the survey and survey techniques which includes sample design, survey instruments, field and data processing activities, and evaluation of coverage and response rate.

Phase XI of the foreign private investment survey was done on a sample basis. The primary objective of the survey is to obtain data on Foreign Assets and Liabilities (FAL) of the largest enterprises in Zambia. These account for nearly 95.0 percent of foreign assets and liabilities in the country.

#### 1.2 Sample Design

##### 1.2.1 Sampling Frame

The Bank of Zambia maintains a register of enterprises which is the main sampling frame for the survey. The register is continuously updated using a list of enterprises from major new projects monitored by the Zambia Development Agency, the Zambia Revenue Authority (ZRA) Value Added Tax (VAT) Register of large companies and the ZRA Trader database.

##### 1.2.2 Survey approach

From Phase I to Phase IX, the PCF survey has been conducted annually, around July/August to obtain annual data with respect to the previous year. In order to align to international best practice of conducting quarterly survey for compilation of quarterly Balance of Payments (BoP), the Bank of Zambia began conducting quarterly surveys of Private Capital Flows (PCF) in 2017. The quarterly survey focussed more on quantitative data required for the compilation of BoP statistics.

The annual survey has still been maintained and targets companies that are not part of the quarterly survey. The survey for the 2nd quarter of the current year is conducted at the time as the annual survey whose reference period is the previous year.

##### 1.2.3 Sample size

The target sample size for Phase XI of the survey was 314 enterprises, based on available resources. All companies known to have foreign assets and liabilities were included in the sample. The main sample was split into two sub-samples, one for quarterly, the other annual.

##### 1.2.3.1 Quarterly Sample

This comprised 120 companies from which data was collected on a quarterly basis. These are companies which are classified as large and account for approximately 80.0 percent of Foreign Direct Investment (FDI). The average response rate for quarterly surveys was 78.1 percent.

**Table:13.1 Response Rate for Quarterly Surveys, 2017**

| Quarter           | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 |
|-------------------|-----------|-----------|-----------|-----------|
| Target sample     | 120       | 120       | 120       | 120       |
| Response          | 118       | 85        | 77        | 95        |
| Response Rate (%) | 98.3      | 70.8      | 64.2      | 79.2      |

Source: Quarterly External Sector Survey, Bank of Zambia

##### 1.2.3.2 Annual Sample

This comprised 222 companies from which 2017 data was collected once in the months of July and August 2018. These companies were either relatively small in size or their response to previous surveys had not been good. The response rate for the annual survey was 89.0 percent.



#### 1.2.4 Sample allocation and Stratification

The sampling frame was stratified by industry. The modified Square Root method of allocation (Kish, 1988) was used to allocate companies to the various industries. This method of allocation ensured that large as well as smaller industries had a fair representation. The Kish allocation formula is given below

$$m_h = n * \alpha \sqrt{W_h^2 + \frac{1}{H^2}}$$

Where;

- $m_h$  = number of enterprises allocated in industry h
- $n$  = Number of companies to be allocated
- $\alpha$  = Adjustment factor
- $w_h$  = Weight of industry h (turnover as the measure of size)
- $H$  = Number of industries on the frame

#### 1.2.5 Sample Distribution

Distribution of the combined sample by industry shows that the Manufacturing (18.5%) Wholesale and Retail trade (18.2%), and Financial and Insurance activities (13.4%), had the highest percentage of enterprises on the sample.

**Table.13.2: Sample Distribution by Industry**

| Industry  | Number of Enterprises | Share        |
|---|-----------------------|--------------|
| Accommodation & Food service activities           | 19                    | 6.1          |
| Administrative & support service activities       | 11                    | 3.5          |
| Agriculture, Forestry & Fishing                   | 16                    | 5.1          |
| Construction                                      | 23                    | 7.3          |
| Electricity, Gas, Steam & Air conditioning supply | 5                     | 1.6          |
| Financial & Insurance activities                  | 42                    | 13.4         |
| Information & Communication                       | 16                    | 5.1          |
| Manufacturing                                     | 58                    | 18.5         |
| Mining & Quarrying                                | 31                    | 9.9          |
| Professional, Scientific & Technical services     | 7                     | 2.2          |
| Real estate activities                            | 12                    | 3.8          |
| Transport & Storage                               | 17                    | 5.4          |
| Wholesale & Retail Trade                          | 57                    | 18.2         |
| <b>Total</b>                                      | <b>314</b>            | <b>100.0</b> |

Source: Quarterly External Sector Survey, Bank of Zambia

#### 1.3 Organization of the Survey

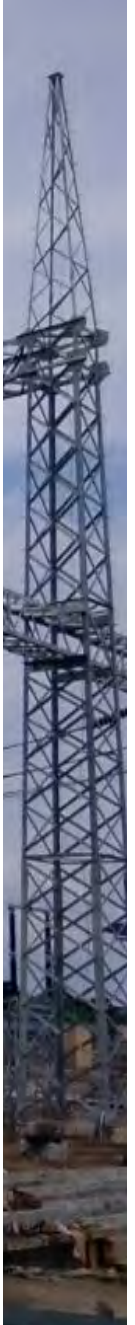
The Foreign Private Investment and Investor Perceptions 2018 Survey was conducted on the strength of legal mandates of the Bank of Zambia Act No. 43 of 1996, Census and Statistics Act Chapter 127 of the Laws of Zambia and the Zambia Development Agency Act Number 11 of 2006. These pieces of legislation not only give authority to the institutions to collect data, but also make provisions for the confidentiality of the data collected and stipulate penalties for non-compliance.

The field staff for the survey came from BoZ, CSO, ZDA, Ministry of Tourism, and other BoP member institutions. The Bank of Zambia, being the Chair and Secretariat of the committee as well as the compiler of Balance of Payments Statistics for Zambia, coordinated the survey.

The 2018 survey was jointly sponsored by the Bank of Zambia and the Zambia Development Agency. The survey entirely depended on locally built technical expertise at all stages of the survey including questionnaire design, enumerator training, fieldwork, software update, data entry, analysis and report writing.

#### 1.4 Questionnaire Design

A structured questionnaire was designed to collect data on general information of the enterprise which include; location, shareholding structure, inward foreign affiliates trade in services (FATS), sector (industrial classification), employment, actual investments and profitability and corporate social responsibility. In addition, data on foreign assets and liabilities between residents and non-residents (both flows and stocks) is collected.



Further, investor perceptions on selected financial, economic, political and other factors were incorporated. Respondent enterprises were given an option to indicate the most important factors that determined their decisions to invest in Zambia.

### 1.5 Training and Sensitization

The training of supervisors and enumerators for the annual survey was held in Lusaka from 4th to 6th July 2018. The objective of the training was to equip the interviewers with the background and purpose of the survey, understanding private investment components of the Balance of Payments (BoP) and International Investment Position (IIP) in the context of the Balance of Payments and International Investment Position Manual 6th edition (BPM6); understanding the survey questionnaire; familiarization with investor perception questions and related issues; practical training on how to extract information from financial statements to complete the survey form and how to check for consistency in the data provided by the respondents.

To ensure that good quality data was collected from companies, data collectors that participated in the previous survey are usually retained. This usually helps when it comes to dealing with respondents because they would have already created rapport.

Would be respondents were informed of the survey through emails and phone calls 14 days before the start of the surveys.

### 1.6 Data collection

**Table: 13.3 Calendar for Quarterly and Annual PCF Surveys**

| Reference Period | Dates                                       |
|------------------|---|
| Quarter 1        | 18th April - 8th May, 2017                  |
| Quarter 2        | 17th to 28th July - 7th to 18th August 2017 |
| Quarter 3        | 9th October - 3rd November, 2017            |
| Quarter 4        | 12th February - 8th March, 2018             |
| 2017 Annual      | 16th to 28th July - 7th to 18th August 2018 |

Source: Quarterly External Sector Surveys, Bank of Zambia

### 1.7 Data processing

Questionnaire editing, data entry and validation was done during the period 3rd to 18th September 2018. CSPro software was used to capture the data.

### 1.8 Dissemination

The dissemination workshop was held on 5th December 2018. The workshop was aimed at strengthening the partnership between the lead institutions with the private sector and other stakeholders. Feedback from the workshop provides valuable input in the conduct of the survey. It also helps in the formulation of both policy and institutional reforms to enhance and facilitate growth in foreign private investment. Other than the dissemination workshop, the following were done to widen the coverage of dissemination:

- Posting of the final survey report with relevant policy recommendations on BoPSC member institutions' websites;
- Hand delivery of the Final FPIG-IIP Report by the BoPSC to enumerated companies and other major stakeholders; and
- Distributing of the PCF Report by the BoPSC on demand to the private and public sectors, and answering queries as they occur.

### 1.9 Major Challenges and Limitations

A number of challenges encountered during the survey include the following:

- Small sample size. This limited the adequacy of detailed sectoral analysis.
- Accounting Period – Some companies had accounting periods that did not conform to January to December as required by the survey methodology. For data provided by such companies, adjustments were made to estimate for the calendar year positions and flows;
- Some respondents' understanding of some survey questions, concepts and classifications was low, resulting



in incomplete or inaccurate information, thereby increasing the amount of work during data editing.

- Due to non-availability of financial statements for some enterprises, data for some companies could not be verified.
- Data from quarterly surveys is based on management accounts. For some companies, significant revisions were made based on audited annual financial statements
- Respondent fatigue. The shift from annual to quarterly surveys resulted in the increase in respondent fatigue

## 1.10 Database Quality, Weaknesses and Up-rating

### 1.10.1 Data Quality

Data quality of survey response was directly related to:

- The quality of field enumeration and supervision (very good);
- Form design and in-built checks (rated excellent);
- Respondents' understanding of the concepts, classification and survey questions (rated good);
- Respondents' willingness in completing the return (rated good);
- Respondents' accuracy in completing the return (rated good);
- Technical editing skills by enumerators and their supervisors in the field (very good);
- Technical editing and validation skills by the data processing team (excellent);
- The availability of other indicators/tools to compare the data with, such as enterprise financial statements and previous BOP estimates (excellent);

### 1.10.2 Data Validation and Up-rating

Data validation was done by:

- Using financial statements to check the data;
- Requesting for additional information and clarifications from respondents;
- Using local knowledge supplied by senior BoPSC staff;
- Consistency checks by comparing with data submitted in the previous round.

Grossing up for non-responding units was done by using dummy questionnaires and recording the estimates in the system. The individual estimates were derived using previous survey stock estimates and sector growth rates of flows. This was only done for companies that responded in previous survey. Estimates were also done for responding companies that had missing data on some key variables and did not provide financial statements by using previous survey stock estimates and sector growth rates of flows.

## 1.12 Foreign Affiliates Statistics

Multinational enterprises/Foreign affiliates make notable contributions to economies of the host countries. With the rise in globalisation, enhanced regional integration and trade negotiations including in trade in services, there has been a rising interest in trade in services data. The General Agreement on Trade in Services (GATS) categorises trade in services according to four modes of supply - cross border, consumption abroad, commercial presence and presence of natural persons. Distinctions among these modes are based on whether the service supplier and the consumer are present in the same country or in different countries when the transaction is effected.

Statistics describing the overall operations of foreign-controlled affiliates are called foreign affiliates statistics (FATS). FATS are compiled in line with international statistical standards, especially those governing the measurement of foreign direct investment (FDI). A precondition for the establishment of a foreign affiliate is generally the development of investment flows leading to an FDI relationship. MSITS 2010 recommends that FATS should be compiled, as a first priority, for the foreign-controlled subset of foreign affiliates. "Control", as referred to in the Framework for Direct Investment Relationships (FDIR), is deemed to exist if there is majority ownership (that is, control of more than 50 per cent) of the voting power at each stage of the chain of ownership.





Foreign Affiliates Trade in Services (FATS) presented in this report measures mode three (3) of international trade in services (commercial presence), as classified by the GATS, through affiliates in foreign markets. In mode 3, the service provider through establishing affiliated companies in another economy provides services to the customers in that economy. Mode three (3) trade in services are not included in the conventional TIS statistics. Foreign Affiliates Statistics (FATS) encompass both inward and outward FATS data. Foreign affiliate's statistics (inward FATS) describe the activities of an economy's affiliates resident in that economy and their contribution while, outward FATS describe the activity of foreign affiliates abroad controlled by the compiling country. In simpler terms, outward FATS data describe, for example, how many employees worked in affiliated companies that are resident outside Zambia and controlled by Zambian enterprises. Outward FATS give an idea of the economic impact of Zambian investments abroad.

Foreign affiliates are getting more and more important in the global economy. Such enterprises spread costs by producing or supplying goods or services across the world as well as bring greater range of products to consumers. In order to stay competitive, multinational enterprises are under constant pressure to decrease costs, increase product quality and create innovative solutions. As a result of this global phenomena, multinational enterprises (MNEs) have evolved and risen as important contributors to the world economy.

Overall inward FATS statistics examines the contribution made by these foreign affiliates to the Zambian economy and other key indicators by partner country and by sector. They are compiled from a subset of existing data on resident enterprises that are foreign-controlled enterprises. Under this approach, FATS are obtained as an aggregation of statistical variables across the foreign-controlled statistical population.

**The analysed statistics include among others:**

- The number of people employed;
- Sales/turnover;
- Contribution to taxes on income tax;
- Total assets;
- Profits after tax;
- Exports and imports of goods and services;
- Expenditure on research and development;
- Compensation of employees, training expenditure;
- Payment of royalties and license fees;
- Output and value added;

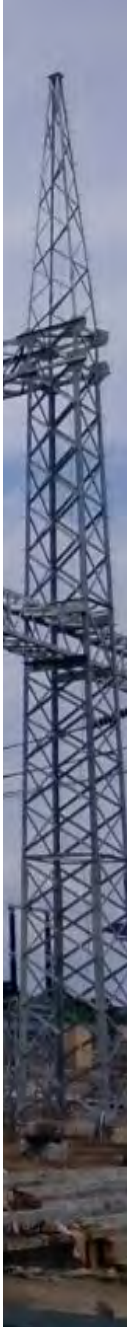


## Annex II: Statistics on Foreign Private Capital Data

**Table 1: Foreign Direct Investment Stock and Flows by Source Country and Type (US \$ million), 2016 - 2017**

| Source Country         | 2016    | Transactions 2017 | Other changes in Volumes | Exc. rate changes | Other price changes | 2017    |
|------------------------|---------|-------------------|--------------------------|-------------------|---------------------|---------|
| AfDB                   | -       | (1.7)             | -                        | 0.2               | -                   | (1.5)   |
| Debt                   | -       | (1.7)             | -                        | 0.2               | -                   | (1.5)   |
| Australia              | 57.2    | (450.1)           | (0.7)                    | 4.7               | 0.0                 | (388.8) |
| ARE                    | (7.1)   | (670.2)           | -                        | 1.6               | -                   | (675.7) |
| Debt                   | 51.1    | 27.7              | (0.7)                    | 3.1               | -                   | 81.2    |
| Equity capital         | 13.2    | 192.5             | -                        | (0.0)             | 0.0                 | 205.6   |
| Belgium                | 153.5   | (152.2)           | -                        | (0.2)             | -                   | 1.0     |
| ARE                    | 88.5    | (88.5)            | -                        | -                 | -                   | 0.0     |
| Debt                   | -       | 1.1               | -                        | (0.2)             | -                   | 1.0     |
| Equity capital         | 65.0    | (64.9)            | -                        | (0.1)             | -                   | 0.0     |
| Bermuda                | 374.2   | -                 | 19.8                     | -                 | -                   | 394.0   |
| ARE                    | (3.4)   | -                 | 2.7                      | -                 | -                   | (0.7)   |
| Debt                   | 378.8   | -                 | 16.8                     | -                 | -                   | 395.6   |
| Equity capital         | (1.2)   | -                 | 0.3                      | -                 | -                   | (0.9)   |
| Botswana               | 108.8   | 2.2               | (10.4)                   | (2.8)             | (5.2)               | 92.7    |
| ARE                    | (19.0)  | 10.7              | (10.4)                   | (0.7)             | (3.5)               | (23.0)  |
| Debt                   | 10.0    | -                 | -                        | -                 | -                   | 10.0    |
| Equity capital         | 117.9   | (8.5)             | -                        | (2.1)             | (1.6)               | 105.7   |
| Brazil                 | -       | -                 | -                        | -                 | -                   | -       |
| Debt                   | -       | -                 | -                        | -                 | -                   | -       |
| British Virgin Islands | 2,512.2 | (29.8)            | 0.0                      | (1.9)             | (2.2)               | 2,478.3 |
| ARE                    | 12.4    | 2.6               | 0.0                      | (1.0)             | (1.5)               | 12.5    |
| Debt                   | 2,452.6 | (35.2)            | -                        | 0.0               | -                   | 2,417.4 |
| Equity capital         | 47.2    | 2.7               | -                        | (0.9)             | (0.7)               | 48.3    |
| Canada                 | 3,779.4 | 210.2             | (15.6)                   | 1.3               | 6.2                 | 3,981.5 |
| ARE                    | 1,526.1 | 209.8             | (26.9)                   | 1.3               | 6.2                 | 1,716.4 |
| Debt                   | 344.6   | 0.2               | 11.3                     | 0.0               | -                   | 356.1   |
| Equity capital         | 1,908.7 | 0.2               | 0.0                      | -                 | -                   | 1,908.9 |
| Cayman Islands         | 135.7   | (34.0)            | -                        | -                 | -                   | 101.6   |
| ARE                    | 5.5     | 4.3               | -                        | -                 | -                   | 9.7     |
| Debt                   | 82.0    | (73.7)            | -                        | -                 | -                   | 8.3     |
| Equity capital         | 48.2    | 35.4              | -                        | -                 | -                   | 83.6    |
| Channel Islands        | 10.8    | (8.0)             | 0.0                      | (0.2)             | -                   | 2.6     |
| ARE                    | (0.1)   | (2.7)             | 0.2                      | 0.1               | -                   | (2.5)   |
| Debt                   | -       | -                 | -                        | 0.0               | -                   | 0.0     |
| Equity capital         | 11.0    | (5.4)             | (0.2)                    | (0.3)             | -                   | 5.1     |
| China PR               | 1,969.1 | 117.3             | (1.3)                    | (1.4)             | 32.9                | 2,116.7 |
| ARE                    | 393.0   | 123.8             | (0.3)                    | 0.0               | -                   | 516.6   |
| Debt                   | 1,326.2 | 52.9              | 0.3                      | (0.8)             | 0.0                 | 1,378.6 |
| Equity capital         | 249.9   | (59.4)            | (1.3)                    | (0.6)             | 32.9                | 221.5   |
| Congo                  | -       | 0.3               | -                        | (0.0)             | -                   | 0.3     |
| Debt                   | -       | 0.3               | -                        | (0.0)             | -                   | 0.3     |
| Congo-DR               | 157.0   | 0.0               | -                        | 0.1               | -                   | 157.0   |
| Debt                   | 157.0   | 0.0               | -                        | 0.1               | -                   | 157.0   |
| Denmark                | 38.8    | 0.6               | -                        | -                 | -                   | 39.3    |
| Equity capital         | 38.8    | 0.6               | -                        | -                 | -                   | 39.3    |
| Egypt                  | 7.4     | 2.6               | 0.2                      | -                 | -                   | 10.2    |
| ARE                    | 2.5     | 1.1               | 0.2                      | -                 | -                   | 3.8     |
| Debt                   | 0.0     | 0.5               | -                        | -                 | -                   | 0.6     |
| Equity capital         | 4.8     | 1.0               | -                        | -                 | -                   | 5.8     |
| France                 | 204.0   | 101.7             | (12.1)                   | (0.5)             | 9.6                 | 302.7   |
| ARE                    | 95.8    | 108.6             | (2.5)                    | 0.1               | -                   | 201.9   |
| Debt                   | 29.9    | (1.4)             | -                        | 0.2               | -                   | 28.7    |
| Equity capital         | 78.3    | (5.5)             | (9.6)                    | (0.7)             | 9.6                 | 72.1    |
| Germany                | (21.5)  | (24.1)            | 1.1                      | (1.3)             | -                   | (45.9)  |
| ARE                    | (37.6)  | (26.0)            | (0.0)                    | 0.2               | -                   | (63.4)  |
| Debt                   | -       | -                 | 1.1                      | (1.1)             | -                   | 0.1     |
| Equity capital         | 16.1    | 1.8               | -                        | (0.5)             | -                   | 17.4    |
| Ghana                  | 1.5     | (0.5)             | -                        | (0.0)             | -                   | 1.0     |
| Debt                   | 1.5     | (0.5)             | -                        | (0.0)             | -                   | 1.0     |
| Guernsey               | 129.4   | 11.6              | (16.1)                   | -                 | -                   | 124.9   |
| ARE                    | 4.3     | (0.1)             | -                        | -                 | -                   | 4.3     |
| Equity capital         | 125.1   | 11.6              | (16.1)                   | -                 | -                   | 120.6   |
| Hong Kong              | 14.7    | 17.2              | -                        | -                 | 0.0                 | 31.8    |
| ARE                    | 15.0    | 9.3               | -                        | -                 | 0.0                 | 24.3    |
| Equity capital         | (0.3)   | 7.9               | -                        | -                 | 0.0                 | 7.6     |
| India                  | 527.1   | 295.5             | -                        | (8.6)             | (1.9)               | 812.1   |
| ARE                    | 26.7    | 43.9              | -                        | (4.6)             | (1.9)               | 64.0    |
| Debt                   | 445.4   | 248.5             | -                        | (0.1)             | -                   | 693.8   |
| Equity capital         | 55.0    | 3.1               | -                        | (3.9)             | -                   | 54.2    |
| Indonesia              | 0.1     | (0.1)             | -                        | 0.0               | -                   | 0.0     |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 1: Foreign Direct Investment Stock and Flows by Source Country and Type (US \$ million), 2016 - 2017...cont'**

| Source Country | 2016    | Transactions 2017 | Other changes in Volumes | Exc. rate changes | Other price changes | 2017    |
|----------------|---------|-------------------|--------------------------|-------------------|---------------------|---------|
| Debt           | 0.1     | (0.1)             | -                        | 0.0               | -                   | 0.0     |
| Ireland        | 838.0   | 122.9             | 6.2                      | (12.8)            | 0.9                 | 955.2   |
| ARE            | 267.7   | 182.7             | 5.9                      | (8.9)             | -                   | 447.3   |
| Debt           | 230.6   | 3.5               | 0.2                      | (0.3)             | 0.9                 | 234.9   |
| Equity capital | 339.7   | (63.3)            | 0.0                      | (3.6)             | -                   | 272.9   |
| Isle of Man    | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| ARE            | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| Equity capital | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| Israel         | (0.8)   | 0.1               | -                        | -                 | -                   | (0.7)   |
| Equity capital | (0.8)   | 0.1               | -                        | -                 | -                   | (0.7)   |
| Italy          | 14.9    | 4.9               | 0.0                      | 0.0               | -                   | 19.8    |
| ARE            | 12.9    | (0.4)             | -                        | -                 | -                   | 12.5    |
| Debt           | 1.8     | 5.3               | 0.0                      | 0.0               | -                   | 7.1     |
| Equity capital | 0.2     | (0.0)             | 0.0                      | -                 | -                   | 0.2     |
| Japan          | 90.3    | (44.1)            | (0.2)                    | (0.2)             | -                   | 45.8    |
| ARE            | 42.3    | (37.4)            | (0.2)                    | (0.1)             | -                   | 4.6     |
| Debt           | 39.5    | -                 | -                        | -                 | -                   | 39.5    |
| Equity capital | 8.5     | (6.7)             | -                        | (0.1)             | -                   | 1.7     |
| Kenya          | 1.8     | 1.7               | (0.3)                    | (0.0)             | -                   | 3.3     |
| ARE            | (2.4)   | 1.6               | -                        | 0.4               | -                   | (0.4)   |
| Debt           | 1.7     | (0.2)             | (0.3)                    | (0.4)             | -                   | 0.9     |
| Equity capital | 2.5     | 0.3               | -                        | (0.0)             | -                   | 2.8     |
| Lebanon        | 22.4    | 1.1               | -                        | (0.7)             | -                   | 22.8    |
| Equity capital | 22.4    | 1.1               | -                        | (0.7)             | -                   | 22.8    |
| Liberia        | -       | (0.3)             | -                        | 0.0               | -                   | (0.3)   |
| Debt           | -       | (0.3)             | -                        | 0.0               | -                   | (0.3)   |
| Luxembourg     | 328.1   | 8.5               | (8.7)                    | 0.1               | -                   | 327.9   |
| ARE            | 278.7   | 6.7               | (7.9)                    | 0.1               | -                   | 277.6   |
| Debt           | 22.6    | 1.8               | (0.8)                    | 0.1               | -                   | 23.6    |
| Equity capital | 26.8    | -                 | -                        | (0.1)             | -                   | 26.8    |
| Malawi         | 12.4    | (29.0)            | -                        | (1.3)             | -                   | (17.9)  |
| ARE            | 1.1     | 4.9               | -                        | (0.0)             | -                   | 5.9     |
| Debt           | 0.0     | 0.0               | -                        | (0.0)             | -                   | 0.0     |
| Equity capital | 11.3    | (33.9)            | -                        | (1.3)             | -                   | (23.9)  |
| Malaysia       | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| Equity capital | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| Mauritius      | 1,297.4 | 33.6              | 4.6                      | (23.3)            | 19.4                | 1,331.7 |
| ARE            | 291.4   | 78.3              | 21.6                     | (12.5)            | 0.1                 | 378.9   |
| Debt           | 507.3   | (4.1)             | 4.6                      | (2.4)             | -                   | 505.4   |
| Equity capital | 498.7   | (40.6)            | (21.6)                   | (8.4)             | 19.3                | 447.4   |
| Namibia        | (0.3)   | 0.2               | -                        | -                 | -                   | (0.1)   |
| ARE            | 0.0     | 0.0               | -                        | -                 | -                   | 0.0     |
| Equity capital | (0.3)   | 0.2               | -                        | -                 | -                   | (0.1)   |
| Netherlands    | 690.3   | 62.1              | 2.3                      | (12.1)            | 9.4                 | 752.1   |
| ARE            | 151.4   | 139.0             | 2.2                      | (14.7)            | -                   | 277.9   |
| Debt           | 358.8   | (163.6)           | -                        | 9.6               | -                   | 204.7   |
| Equity capital | 180.2   | 86.7              | 0.1                      | (7.0)             | 9.4                 | 269.4   |
| Nigeria        | 270.2   | 248.8             | (85.5)                   | (2.8)             | 2.8                 | 433.4   |
| ARE            | (60.9)  | (9.6)             | (2.4)                    | 7.7               | 2.8                 | (62.3)  |
| Debt           | 301.8   | 256.9             | (83.1)                   | (10.1)            | -                   | 465.5   |
| Equity capital | 29.3    | 1.4               | -                        | (0.5)             | -                   | 30.2    |
| Norway         | 88.4    | 6.9               | 0.3                      | (1.7)             | -                   | 94.0    |
| ARE            | 5.3     | 26.2              | 0.3                      | (1.7)             | -                   | 30.2    |
| Debt           | 83.1    | (19.3)            | -                        | -                 | -                   | 63.8    |
| Equity capital | 0.0     | 0.0               | -                        | -                 | -                   | 0.0     |
| Other          | 16.0    | (0.0)             | -                        | -                 | -                   | 16.0    |
| Debt           | 16.0    | (0.0)             | -                        | -                 | -                   | 16.0    |
| Panama         | -       | -                 | -                        | -                 | -                   | -       |
| Debt           | -       | -                 | -                        | -                 | -                   | -       |
| Peru           | 9.3     | 2.6               | 0.3                      | (0.5)             | 0.0                 | 11.7    |
| ARE            | 6.5     | 3.7               | 0.3                      | (0.2)             | 0.0                 | 10.2    |
| Debt           | 1.6     | (0.3)             | -                        | (0.1)             | -                   | 1.2     |
| Equity capital | 1.2     | (0.9)             | -                        | (0.2)             | -                   | 0.2     |
| Poland         | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| Debt           | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| Saudi Arabia   | 0.3     | (0.2)             | (0.0)                    | (0.2)             | -                   | (0.0)   |
| Debt           | 0.3     | (0.2)             | (0.0)                    | (0.2)             | -                   | (0.0)   |
| Senegal        | 8.5     | -                 | -                        | -                 | -                   | 8.5     |
| ARE            | 8.5     | -                 | -                        | -                 | -                   | 8.5     |
| Equity capital | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| Serbia         | 71.8    | (6.7)             | (0.0)                    | 0.0               | -                   | 65.2    |
| ARE            | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| Debt           | 0.0     | -                 | (0.0)                    | 0.0               | -                   | 0.0     |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 1: Foreign Direct Investment Stock and Flows by Source Country and Type (US \$ million), 2016 - 2017...cont'**

| Source Country       | 2016            | Transactions 2017 | Other changes in Volumes | Exc. rate changes | Other price changes | 2017            |
|----------------------|-----------------|-------------------|--------------------------|-------------------|---------------------|-----------------|
| Equity capital       | 71.8            | (6.7)             | 0.0                      | -                 | -                   | 65.1            |
| Seychelles           | (0.3)           | 0.3               | -                        | -                 | -                   | 0.0             |
| ARE                  | (0.3)           | 0.3               | -                        | -                 | -                   | 0.0             |
| Sierra Leone         | -               | (0.3)             | -                        | 0.0               | -                   | (0.3)           |
| Debt                 | -               | (0.3)             | -                        | 0.0               | -                   | (0.3)           |
| Singapore            | 20.2            | 39.5              | 4.4                      | (2.5)             | -                   | 61.7            |
| ARE                  | (93.1)          | 34.9              | 0.3                      | 4.7               | -                   | (53.2)          |
| Debt                 | 0.7             | 0.3               | -                        | (0.0)             | -                   | 0.9             |
| Equity capital       | 112.7           | 4.3               | 4.1                      | (7.1)             | -                   | 114.0           |
| South Africa         | 1,673.0         | 267.0             | (15.4)                   | (54.8)            | (0.6)               | 1,869.2         |
| ARE                  | (0.9)           | 434.5             | 9.7                      | (47.3)            | (0.7)               | 395.3           |
| Debt                 | 1,309.0         | (49.1)            | 2.9                      | (1.3)             | -                   | 1,261.5         |
| Equity capital       | 364.8           | (118.4)           | (27.9)                   | (6.2)             | 0.0                 | 212.3           |
| South Sudan          | (1.2)           | 1.2               | -                        | -                 | -                   | (0.0)           |
| Equity capital       | (1.2)           | 1.2               | -                        | -                 | -                   | (0.0)           |
| Spain                | 1.3             | 0.5               | 0.0                      | (0.0)             | -                   | 1.7             |
| Debt                 | 1.3             | 0.5               | 0.0                      | (0.0)             | -                   | 1.7             |
| Swaziland            | 0.1             | (0.1)             | -                        | -                 | -                   | 0.0             |
| ARE                  | 0.1             | (0.1)             | -                        | -                 | -                   | 0.0             |
| Debt                 | -               | -                 | -                        | -                 | -                   | -               |
| Equity capital       | 0.0             | -                 | -                        | -                 | -                   | 0.0             |
| Sweden               | 85.3            | 22.1              | (1.4)                    | (0.3)             | (1.1)               | 104.7           |
| ARE                  | 74.3            | 5.8               | (1.4)                    | -                 | -                   | 78.7            |
| Debt                 | 10.3            | 16.3              | 0.0                      | (0.3)             | (1.1)               | 25.3            |
| Equity capital       | 0.7             | 0.0               | -                        | -                 | -                   | 0.7             |
| Switzerland          | 2,211.8         | 490.6             | 104.6                    | (1.4)             | -                   | 2,805.5         |
| ARE                  | (411.5)         | 99.8              | (0.0)                    | (0.7)             | -                   | (312.4)         |
| Debt                 | 2,444.6         | 492.3             | 104.6                    | (0.7)             | -                   | 3,040.8         |
| Equity capital       | 178.7           | (101.5)           | -                        | (0.0)             | -                   | 77.1            |
| Switzerland          | 0.1             | 0.1               | -                        | 0.0               | -                   | 0.1             |
| Debt                 | 0.1             | 0.1               | -                        | 0.0               | -                   | 0.1             |
| Tanzania             | (147.2)         | 48.9              | 4.1                      | (0.0)             | (2.1)               | (96.3)          |
| ARE                  | 0.4             | (0.0)             | -                        | -                 | -                   | 0.4             |
| Debt                 | 0.1             | 0.1               | -                        | (0.0)             | -                   | 0.2             |
| Equity capital       | (147.7)         | 48.8              | 4.1                      | -                 | (2.1)               | (96.8)          |
| Togo                 | 37.8            | 16.1              | 1.1                      | (4.2)             | -                   | 50.9            |
| ARE                  | (6.4)           | 4.7               | 1.2                      | 0.0               | -                   | (0.5)           |
| Equity capital       | 44.2            | 11.4              | (0.0)                    | (4.2)             | -                   | 51.4            |
| Uganda               | -               | 0.0               | -                        | (0.0)             | -                   | 0.0             |
| Debt                 | -               | 0.0               | -                        | (0.0)             | -                   | 0.0             |
| United Arab Emirates | 113.7           | 50.9              | 0.2                      | (6.4)             | -                   | 158.4           |
| ARE                  | 18.9            | 0.1               | 0.0                      | (0.3)             | -                   | 18.6            |
| Debt                 | 69.5            | 50.6              | (0.1)                    | (5.1)             | -                   | 114.9           |
| Equity capital       | 25.3            | 0.3               | 0.2                      | (0.9)             | -                   | 24.9            |
| United Kingdom       | 780.0           | (313.4)           | 6.5                      | (17.5)            | 3.3                 | 459.0           |
| ARE                  | (137.7)         | (70.0)            | 0.3                      | (5.6)             | -                   | (213.1)         |
| Debt                 | 287.5           | (243.7)           | 15.5                     | (4.5)             | -                   | 54.8            |
| Equity capital       | 630.3           | 0.3               | (9.3)                    | (7.4)             | 3.3                 | 617.2           |
| United States        | 208.8           | 4.1               | (1.0)                    | (8.0)             | 6.3                 | 210.1           |
| ARE                  | 75.6            | 6.2               | (0.2)                    | (2.5)             | 0.0                 | 79.1            |
| Debt                 | 63.7            | (4.9)             | 0.8                      | (0.8)             | -                   | 58.8            |
| Equity capital       | 69.5            | 2.8               | (1.6)                    | (4.8)             | 6.3                 | 72.2            |
| Zimbabwe             | (46.3)          | 8.2               | -                        | (0.0)             | -                   | (38.1)          |
| ARE                  | (47.0)          | 8.3               | -                        | -                 | -                   | (38.7)          |
| Debt                 | 0.0             | (0.1)             | -                        | (0.0)             | -                   | (0.1)           |
| Equity capital       | 0.6             | (0.0)             | -                        | -                 | -                   | 0.6             |
| <b>Grand Total</b>   | <b>18,855.1</b> | <b>1,107.5</b>    | <b>(12.6)</b>            | <b>(161.3)</b>    | <b>77.8</b>         | <b>19,866.5</b> |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 2: Foreign Direct Investment Flows and Stocks by Industry and Type (US \$ million), 2016 - 2017**

| Type of Industry                                    | 2016            | Transactions 2017 | Other changes in Volumes | Exc. rate changes | Other price changes | 2017            |
|---|-----------------|-------------------|--------------------------|-------------------|---------------------|-----------------|
| Accommodation and food service activities           | 193.3           | (19.4)            | (28.3)                   | (3.3)             | -                   | 142.3           |
| ARE   | (0.0)           | 7.3               | -                        | (2.6)             | -                   | 4.7             |
| Debt  | 25.0            | 7.0               | 0.4                      | (0.7)             | -                   | 31.7            |
| Equity capital                                      | 168.4           | (33.7)            | (28.7)                   | (0.1)             | -                   | 105.9           |
| Administrative and support service activities       | 155.8           | 14.5              | (16.1)                   | -                 | 0.0                 | 154.2           |
| ARE   | 4.1             | (0.2)             | -                        | -                 | -                   | 3.9             |
| Equity capital                                      | 151.7           | 14.7              | (16.1)                   | -                 | 0.0                 | 150.3           |
| Agriculture, forestry and fishing                   | 506.0           | (13.4)            | 1.6                      | (5.7)             | 1.0                 | 489.6           |
| ARE   | 6.1             | (11.4)            | 1.4                      | (3.2)             | -                   | (7.1)           |
| Debt  | 363.0           | (5.9)             | 0.2                      | (0.3)             | 0.9                 | 358.0           |
| Equity capital                                      | 136.9           | 3.9               | 0.1                      | (2.2)             | 0.0                 | 138.7           |
| Construction  | 35.9            | 13.3              | -                        | (1.1)             | 0.0                 | 48.1            |
| ARE   | 5.5             | 11.7              | -                        | (0.1)             | -                   | 17.1            |
| Debt  | 37.0            | -                 | -                        | (0.9)             | -                   | 36.2            |
| Equity capital                                      | (6.7)           | 1.6               | -                        | (0.1)             | 0.0                 | (5.2)           |
| Deposit taking corporations                         | 750.3           | 216.5             | (19.6)                   | (54.4)            | 9.8                 | 902.6           |
| ARE   | 283.9           | 145.5             | (15.3)                   | (18.3)            | (7.0)               | 388.9           |
| Debt  | -               | 51.7              | 1.1                      | (7.7)             | -                   | 45.1            |
| Equity capital                                      | 466.4           | 19.3              | (5.5)                    | (28.4)            | 16.8                | 468.6           |
| Electricity, gas, steam and air conditioning supply | 204.5           | 59.7              | 0.8                      | (5.9)             | -                   | 259.1           |
| ARE   | 75.8            | 63.8              | 0.8                      | (5.3)             | -                   | 135.2           |
| Debt  | 1.2             | (8.0)             | (0.0)                    | 0.8               | -                   | (6.0)           |
| Equity capital                                      | 127.5           | 3.8               | -                        | (1.5)             | -                   | 129.9           |
| Information and Communication                       | 418.3           | 46.8              | 12.5                     | (46.1)            | 0.0                 | 431.4           |
| ARE   | 124.5           | 32.7              | 12.9                     | (40.2)            | 0.0                 | 129.8           |
| Debt  | 346.2           | 0.2               | -                        | (2.4)             | -                   | 343.9           |
| Equity capital                                      | (52.4)          | 14.0              | (0.4)                    | (3.5)             | 0.0                 | (42.3)          |
| Insurance and other financial activities            | (24.5)          | (13.8)            | (0.2)                    | (0.5)             | -                   | (39.0)          |
| ARE   | 9.2             | 20.7              | (0.2)                    | (0.1)             | -                   | 29.5            |
| Debt  | -               | -                 | -                        | 0.0               | -                   | 0.0             |
| Equity capital                                      | (33.7)          | (34.5)            | 0.0                      | (0.3)             | -                   | (68.5)          |
| Manufacturing                                       | 2,052.6         | 344.8             | (106.9)                  | (20.4)            | 62.6                | 2,332.7         |
| ARE   | 751.6           | 276.6             | 4.2                      | (6.2)             | 2.9                 | 1,029.0         |
| Debt  | 765.1           | 111.2             | (82.5)                   | (5.6)             | -                   | 788.2           |
| Equity capital                                      | 536.0           | (42.9)            | (28.6)                   | (8.7)             | 59.7                | 515.5           |
| Mining and quarrying                                | 12,434.8        | 282.3             | 116.1                    | 2.6               | 6.3                 | 12,842.2        |
| ARE   | 856.7           | (36.1)            | (31.9)                   | 7.3               | 6.2                 | 802.1           |
| Debt  | 8,759.7         | 346.9             | 147.9                    | 2.6               | 0.0                 | 9,257.1         |
| Equity capital                                      | 2,818.4         | (28.4)            | 0.2                      | (7.3)             | 0.1                 | 2,783.0         |
| Professional scientific and technical activities    | 4.8             | (0.7)             | -                        | -                 | 0.0                 | 4.1             |
| ARE   | 6.8             | (0.0)             | -                        | -                 | -                   | 6.8             |
| Equity capital                                      | (2.0)           | (0.7)             | -                        | -                 | 0.0                 | (2.7)           |
| Real estate activities                              | 719.8           | (18.2)            | 7.7                      | (5.8)             | -                   | 703.5           |
| ARE   | (3.6)           | 10.1              | 7.7                      | (0.7)             | -                   | 13.4            |
| Debt  | 361.8           | -                 | -                        | -                 | -                   | 361.8           |
| Equity capital                                      | 361.7           | (28.3)            | 0.1                      | (5.1)             | -                   | 328.4           |
| Transportation and storage                          | 144.8           | (22.0)            | (2.4)                    | (0.1)             | 0.0                 | 120.3           |
| ARE   | (13.8)          | (21.3)            | (2.4)                    | 0.1               | 0.0                 | (37.3)          |
| Debt  | 14.8            | (0.3)             | -                        | (0.2)             | -                   | 14.4            |
| Equity capital                                      | 143.8           | (0.5)             | -                        | 0.0               | -                   | 143.3           |
| Wholesale and retail trade                          | 1,258.6         | 217.0             | 22.1                     | (20.7)            | (1.8)               | 1,475.2         |
| ARE   | 470.4           | 147.5             | 15.8                     | (15.4)            | (0.7)               | 617.6           |
| Debt  | 357.1           | 57.7              | 6.1                      | (0.7)             | (1.1)               | 419.2           |
| Equity capital                                      | 431.1           | 11.8              | 0.2                      | (4.5)             | (0.1)               | 438.5           |
| <b>Grand Total</b>                                  | <b>18,855.1</b> | <b>1,107.5</b>    | <b>(12.6)</b>            | <b>(161.3)</b>    | <b>77.8</b>         | <b>19,866.5</b> |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 3: Foreign Direct Investment Stocks & Flows by Source Country, Relationship and Type (US \$ millions), 2016 - 2017**

| Source Country         | 2016    | Transactions 2017 | Other changes in Volumes | Exc. rate changes | Other price changes | 2017    |
|------------------------|---------|-------------------|--------------------------|-------------------|---------------------|---------|
| AfDB                   | -       | (1.7)             | -                        | 0.2               | -                   | (1.5)   |
| DI                     | -       | (1.7)             | -                        | 0.2               | -                   | (1.5)   |
| Debt                   | -       | (1.7)             | -                        | 0.2               | -                   | (1.5)   |
| Australia              | 57.2    | (450.1)           | (0.7)                    | 4.7               | 0.0                 | (388.8) |
| DI                     | 45.5    | (450.7)           | -                        | 4.7               | 0.0                 | (400.4) |
| ARE                    | (7.1)   | (670.2)           | -                        | 1.6               | -                   | (675.7) |
| Debt                   | 39.4    | 27.1              | -                        | 3.1               | -                   | 69.6    |
| Equity capital         | 13.2    | 192.5             | -                        | (0.0)             | 0.0                 | 205.6   |
| FE                     | 11.7    | 0.6               | (0.7)                    | -                 | -                   | 11.6    |
| Debt                   | 11.7    | 0.6               | (0.7)                    | -                 | -                   | 11.6    |
| Belgium                | 153.5   | (152.2)           | -                        | (0.2)             | -                   | 1.0     |
| DI                     | 153.4   | (153.4)           | -                        | (0.1)             | -                   | 0.0     |
| ARE                    | 88.5    | (88.5)            | -                        | -                 | -                   | 0.0     |
| Equity capital         | 65.0    | (64.9)            | -                        | (0.1)             | -                   | 0.0     |
| FE                     | 0.0     | 1.1               | -                        | (0.2)             | -                   | 1.0     |
| ARE                    | 0.0     | 0.0               | -                        | -                 | -                   | 0.0     |
| Debt                   | -       | 1.1               | -                        | (0.2)             | -                   | 1.0     |
| Equity capital         | 0.0     | 0.0               | -                        | -                 | -                   | 0.0     |
| Bermuda                | 374.2   | -                 | 19.8                     | -                 | -                   | 394.0   |
| DI                     | 374.2   | -                 | 19.8                     | -                 | -                   | 394.0   |
| ARE                    | (3.4)   | -                 | 2.7                      | -                 | -                   | (0.7)   |
| Debt                   | 378.8   | -                 | 16.8                     | -                 | -                   | 395.6   |
| Equity capital         | (1.2)   | -                 | 0.3                      | -                 | -                   | (0.9)   |
| Botswana               | 108.8   | 2.2               | (10.4)                   | (2.8)             | (5.2)               | 92.7    |
| DI                     | 98.8    | 2.2               | (10.4)                   | (2.8)             | (5.2)               | 82.7    |
| ARE                    | (19.0)  | 10.7              | (10.4)                   | (0.7)             | (3.5)               | (23.0)  |
| Equity capital         | 117.9   | (8.5)             | -                        | (2.1)             | (1.6)               | 105.7   |
| FE                     | 10.0    | -                 | -                        | -                 | -                   | 10.0    |
| Debt                   | 10.0    | -                 | -                        | -                 | -                   | 10.0    |
| Brazil                 | -       | -                 | -                        | -                 | -                   | -       |
| DI                     | -       | -                 | -                        | -                 | -                   | -       |
| Debt                   | -       | -                 | -                        | -                 | -                   | -       |
| British Virgin Islands | 2,512.2 | (29.8)            | 0.0                      | (1.9)             | (2.2)               | 2,478.3 |
| DI                     | 59.6    | 5.3               | 0.0                      | (1.9)             | (2.2)               | 60.8    |
| ARE                    | 12.4    | 2.6               | 0.0                      | (1.0)             | (1.5)               | 12.5    |
| Equity capital         | 47.2    | 2.7               | -                        | (0.9)             | (0.7)               | 48.3    |
| FE                     | 2,452.6 | (35.2)            | -                        | 0.0               | -                   | 2,417.4 |
| Debt                   | 2,452.6 | (35.2)            | -                        | 0.0               | -                   | 2,417.4 |
| Canada                 | 3,779.4 | 210.2             | (15.6)                   | 1.3               | 6.2                 | 3,981.5 |
| DI                     | 3,778.9 | 210.3             | (15.6)                   | 1.3               | 6.2                 | 3,981.0 |
| ARE                    | 1,526.1 | 209.8             | (26.9)                   | 1.3               | 6.2                 | 1,716.4 |
| Debt                   | 344.1   | 0.3               | 11.3                     | -                 | -                   | 355.7   |
| Equity capital         | 1,908.7 | 0.2               | 0.0                      | -                 | -                   | 1,908.9 |
| FE                     | 0.5     | (0.0)             | (0.0)                    | 0.0               | -                   | 0.4     |
| Debt                   | 0.5     | (0.0)             | (0.0)                    | 0.0               | -                   | 0.4     |
| Cayman Islands         | 135.7   | (34.0)            | -                        | -                 | -                   | 101.6   |
| DI                     | 53.6    | 39.7              | -                        | -                 | -                   | 93.3    |
| ARE                    | 5.5     | 4.3               | -                        | -                 | -                   | 9.7     |
| Equity capital         | 48.2    | 35.4              | -                        | -                 | -                   | 83.6    |
| FE                     | 82.0    | (73.7)            | -                        | -                 | -                   | 8.3     |
| Debt                   | 82.0    | (73.7)            | -                        | -                 | -                   | 8.3     |
| Channel Islands        | 10.8    | (8.0)             | 0.0                      | (0.2)             | -                   | 2.6     |
| DI                     | 10.8    | (8.0)             | 0.0                      | (0.2)             | -                   | 2.6     |
| ARE                    | (0.1)   | (2.7)             | 0.2                      | 0.1               | -                   | (2.5)   |
| Debt                   | -       | -                 | -                        | 0.0               | -                   | 0.0     |
| Equity capital         | 11.0    | (5.4)             | (0.2)                    | (0.3)             | -                   | 5.1     |
| China PR               | 1,969.1 | 117.3             | (1.3)                    | (1.4)             | 32.9                | 2,116.7 |
| DI                     | 1,785.8 | 117.2             | (1.3)                    | (1.4)             | 32.9                | 1,933.3 |
| ARE                    | 392.6   | 123.6             | (0.3)                    | 0.0               | -                   | 516.0   |
| Debt                   | 1,143.3 | 53.0              | 0.3                      | (0.8)             | 0.0                 | 1,195.9 |
| Equity capital         | 249.9   | (59.4)            | (1.3)                    | (0.6)             | 32.9                | 221.5   |
| FE                     | 183.3   | 0.1               | -                        | 0.0               | -                   | 183.4   |
| ARE                    | 0.4     | 0.2               | -                        | -                 | -                   | 0.7     |
| Debt                   | 182.9   | (0.1)             | -                        | 0.0               | -                   | 182.7   |
| Equity capital         | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| Congo                  | -       | 0.3               | -                        | (0.0)             | -                   | 0.3     |
| FE                     | -       | 0.3               | -                        | (0.0)             | -                   | 0.3     |
| Debt                   | -       | 0.3               | -                        | (0.0)             | -                   | 0.3     |
| Congo-DR               | 157.0   | 0.0               | -                        | 0.1               | -                   | 157.0   |
| FE                     | 157.0   | 0.0               | -                        | 0.1               | -                   | 157.0   |
| Debt                   | 157.0   | 0.0               | -                        | 0.1               | -                   | 157.0   |
| Denmark                | 38.8    | 0.6               | -                        | -                 | -                   | 39.3    |
| DI                     | 38.8    | 0.6               | -                        | -                 | -                   | 39.3    |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 3: Foreign Direct Investment Stocks & Flows by Source Country, Relationship and Type (US \$ millions), 2016 - 2017...Cont'**

| Source Country | 2016   | Transactions 2017 | Other changes in Volumes | Exc. rate changes | Other price changes | 2017   |
|----------------|--------|-------------------|--------------------------|-------------------|---------------------|--------|
| Equity capital | 38.8   | 0.6               | -                        | -                 | -                   | 39.3   |
| Egypt          | 7.4    | 2.6               | 0.2                      | -                 | -                   | 10.2   |
| DI             | 7.3    | 2.1               | 0.2                      | -                 | -                   | 9.6    |
| ARE            | 2.5    | 1.1               | 0.2                      | -                 | -                   | 3.8    |
| Equity capital | 4.8    | 1.0               | -                        | -                 | -                   | 5.8    |
| FE             | 0.0    | 0.5               | -                        | -                 | -                   | 0.6    |
| Debt           | 0.0    | 0.5               | -                        | -                 | -                   | 0.6    |
| France         | 204.0  | 101.7             | (12.1)                   | (0.5)             | 9.6                 | 302.7  |
| DI             | 196.0  | 101.4             | (12.1)                   | (0.5)             | 9.6                 | 294.4  |
| ARE            | 95.8   | 108.6             | (2.5)                    | 0.1               | -                   | 201.9  |
| Debt           | 21.9   | (1.7)             | -                        | 0.2               | -                   | 20.4   |
| Equity capital | 78.3   | (5.5)             | (9.6)                    | (0.7)             | 9.6                 | 72.1   |
| Equity capital | 38.8   | 0.6               | -                        | -                 | -                   | 39.3   |
| Egypt          | 7.4    | 2.6               | 0.2                      | -                 | -                   | 10.2   |
| DI             | 7.3    | 2.1               | 0.2                      | -                 | -                   | 9.6    |
| ARE            | 2.5    | 1.1               | 0.2                      | -                 | -                   | 3.8    |
| Equity capital | 4.8    | 1.0               | -                        | -                 | -                   | 5.8    |
| FE             | 0.0    | 0.5               | -                        | -                 | -                   | 0.6    |
| Debt           | 0.0    | 0.5               | -                        | -                 | -                   | 0.6    |
| France         | 204.0  | 101.7             | (12.1)                   | (0.5)             | 9.6                 | 302.7  |
| DI             | 196.0  | 101.4             | (12.1)                   | (0.5)             | 9.6                 | 294.4  |
| ARE            | 95.8   | 108.6             | (2.5)                    | 0.1               | -                   | 201.9  |
| Debt           | 21.9   | (1.7)             | -                        | 0.2               | -                   | 20.4   |
| Equity capital | 78.3   | (5.5)             | (9.6)                    | (0.7)             | 9.6                 | 72.1   |
| FE             | 8.0    | 0.4               | -                        | (0.0)             | -                   | 8.4    |
| Debt           | 8.0    | 0.4               | -                        | (0.0)             | -                   | 8.4    |
| Germany        | (21.5) | (24.1)            | 1.1                      | (1.3)             | -                   | (45.9) |
| DI             | (21.5) | (24.1)            | 1.1                      | (1.3)             | -                   | (45.9) |
| ARE            | (37.6) | (26.0)            | (0.0)                    | 0.2               | -                   | (63.4) |
| Debt           | -      | -                 | 1.1                      | (1.1)             | -                   | 0.1    |
| Equity capital | 16.1   | 1.8               | -                        | (0.5)             | -                   | 17.4   |
| Ghana          | 1.5    | (0.5)             | -                        | (0.0)             | -                   | 1.0    |
| FE             | 1.5    | (0.5)             | -                        | (0.0)             | -                   | 1.0    |
| Debt           | 1.5    | (0.5)             | -                        | (0.0)             | -                   | 1.0    |
| Guernsey       | 129.4  | 11.6              | (16.1)                   | -                 | -                   | 124.9  |
| DI             | 129.4  | 11.6              | (16.1)                   | -                 | -                   | 124.9  |
| ARE            | 4.3    | (0.1)             | -                        | -                 | -                   | 4.3    |
| Equity capital | 125.1  | 11.6              | (16.1)                   | -                 | -                   | 120.6  |
| Hong Kong      | 14.7   | 17.2              | -                        | -                 | 0.0                 | 31.8   |
| DI             | 14.7   | 17.2              | -                        | -                 | 0.0                 | 31.8   |
| ARE            | 15.0   | 9.3               | -                        | -                 | 0.0                 | 24.3   |
| ARE            | 267.7  | 182.7             | 5.9                      | (8.9)             | -                   | 447.3  |
| Debt           | 230.6  | 3.5               | 0.2                      | (0.3)             | 0.9                 | 234.9  |
| Equity capital | 339.7  | (63.3)            | 0.0                      | (3.6)             | -                   | 272.9  |
| Isle of Man    | 0.0    | -                 | -                        | -                 | -                   | 0.0    |
| DI             | 0.0    | -                 | -                        | -                 | -                   | 0.0    |
| ARE            | 0.0    | -                 | -                        | -                 | -                   | 0.0    |
| Equity capital | 0.0    | -                 | -                        | -                 | -                   | 0.0    |
| Israel         | (0.8)  | 0.1               | -                        | -                 | -                   | (0.7)  |
| DI             | (0.8)  | 0.1               | -                        | -                 | -                   | (0.7)  |
| Equity capital | (0.8)  | 0.1               | -                        | -                 | -                   | (0.7)  |
| Italy          | 14.9   | 4.9               | 0.0                      | 0.0               | -                   | 19.8   |
| DI             | 14.9   | 4.9               | 0.0                      | 0.0               | -                   | 19.8   |
| ARE            | 12.9   | (0.4)             | -                        | -                 | -                   | 12.5   |
| Debt           | 1.8    | 5.3               | 0.0                      | 0.0               | -                   | 7.1    |
| Equity capital | 0.2    | (0.0)             | 0.0                      | -                 | -                   | 0.2    |
| FE             | -      | -                 | -                        | -                 | -                   | -      |
| Debt           | -      | -                 | -                        | -                 | -                   | -      |
| Japan          | 90.3   | (44.1)            | (0.2)                    | (0.2)             | -                   | 45.8   |
| DI             | 50.8   | (44.1)            | (0.2)                    | (0.2)             | -                   | 6.3    |
| ARE            | 42.3   | (37.4)            | (0.2)                    | (0.1)             | -                   | 4.6    |
| Equity capital | 8.5    | (6.7)             | -                        | (0.1)             | -                   | 1.7    |
| FE             | 39.5   | -                 | -                        | -                 | -                   | 39.5   |
| Debt           | 39.5   | -                 | -                        | -                 | -                   | 39.5   |
| Kenya          | 1.8    | 1.7               | (0.3)                    | (0.0)             | -                   | 3.3    |
| DI             | 1.8    | 1.8               | (0.3)                    | 0.0               | -                   | 3.4    |
| ARE            | (2.4)  | 1.6               | -                        | 0.4               | -                   | (0.4)  |
| Debt           | 1.7    | -                 | (0.3)                    | (0.4)             | -                   | 1.0    |
| Equity capital | 2.5    | 0.3               | -                        | (0.0)             | -                   | 2.8    |
| FE             | 0.0    | (0.2)             | -                        | (0.0)             | -                   | (0.1)  |
| Debt           | 0.0    | (0.2)             | -                        | (0.0)             | -                   | (0.1)  |
| Lebanon        | 22.4   | 1.1               | -                        | (0.7)             | -                   | 22.8   |
| DI             | 22.4   | 1.1               | -                        | (0.7)             | -                   | 22.8   |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 3: Foreign Direct Investment Stocks & Flows by Source Country, Relationship and Type (US \$ millions), 2016 - 2017...Cont'**

| Source Country | 2016    | Transactions 2017 | Other changes in Volumes | Exc. rate changes | Other price changes | 2017    |
|----------------|---------|-------------------|--------------------------|-------------------|---------------------|---------|
| Equity capital | 22.4    | 1.1               | -                        | (0.7)             | -                   | 22.8    |
| Liberia        | -       | (0.3)             | -                        | 0.0               | -                   | (0.3)   |
| FE             | -       | (0.3)             | -                        | 0.0               | -                   | (0.3)   |
| Debt           | -       | (0.3)             | -                        | 0.0               | -                   | (0.3)   |
| Luxembourg     | 328.1   | 8.5               | (8.7)                    | 0.1               | -                   | 327.9   |
| DI             | 305.5   | 8.5               | (8.7)                    | 0.0               | -                   | 305.3   |
| ARE            | 278.7   | 6.7               | (7.9)                    | 0.1               | -                   | 277.6   |
| Debt           | -       | 1.8               | (0.8)                    | (0.1)             | -                   | 0.9     |
| Equity capital | 26.8    | -                 | -                        | (0.1)             | -                   | 26.8    |
| FE             | 22.6    | -                 | -                        | 0.1               | -                   | 22.7    |
| Debt           | 22.6    | -                 | -                        | 0.1               | -                   | 22.7    |
| Malawi         | 12.4    | (29.0)            | -                        | (1.3)             | -                   | (17.9)  |
| DI             | 12.4    | (29.0)            | -                        | (1.3)             | -                   | (18.0)  |
| ARE            | 1.1     | 4.9               | -                        | (0.0)             | -                   | 5.9     |
| Equity capital | 11.3    | (33.9)            | -                        | (1.3)             | -                   | (23.9)  |
| FE             | 0.0     | 0.0               | -                        | (0.0)             | -                   | 0.0     |
| Debt           | 0.0     | 0.0               | -                        | (0.0)             | -                   | 0.0     |
| Malaysia       | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| DI             | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| Equity capital | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| Mauritius      | 1,297.4 | 33.6              | 4.6                      | (23.3)            | 19.4                | 1,331.7 |
| DI             | 1,116.8 | 42.9              | 4.6                      | (23.0)            | 19.4                | 1,160.6 |
| ARE            | 291.2   | 78.3              | 21.6                     | (12.5)            | 0.1                 | 378.7   |
| Debt           | 398.0   | (4.1)             | 4.6                      | (2.2)             | -                   | 396.4   |
| Equity capital | 427.5   | (31.3)            | (21.6)                   | (8.4)             | 19.3                | 385.5   |
| FE             | 180.6   | (9.3)             | -                        | (0.3)             | -                   | 171.1   |
| ARE            | 0.2     | -                 | -                        | -                 | -                   | 0.2     |
| Debt           | 109.3   | -                 | -                        | (0.3)             | -                   | 109.0   |
| Equity capital | 71.2    | (9.3)             | -                        | -                 | -                   | 61.9    |
| Namibia        | (0.3)   | 0.2               | -                        | -                 | -                   | (0.1)   |
| DI             | (0.3)   | 0.2               | -                        | -                 | -                   | (0.1)   |
| ARE            | 0.0     | 0.0               | -                        | -                 | -                   | 0.0     |
| Equity capital | (0.3)   | 0.2               | -                        | -                 | -                   | (0.1)   |
| Netherlands    | 690.3   | 62.1              | 2.3                      | (12.1)            | 9.4                 | 752.1   |
| DI             | 336.0   | 223.9             | 2.3                      | (21.5)            | 9.4                 | 550.1   |
| ARE            | 151.4   | 139.0             | 2.2                      | (14.7)            | -                   | 277.9   |
| Debt           | 4.5     | (1.9)             | -                        | 0.2               | -                   | 2.8     |
| Equity capital | 180.2   | 86.7              | 0.1                      | (7.0)             | 9.4                 | 269.4   |
| FE             | 354.3   | (161.8)           | -                        | 9.4               | -                   | 201.9   |
| Debt           | 354.3   | (161.8)           | -                        | 9.4               | -                   | 201.9   |
| Nigeria        | 270.2   | 248.8             | (85.5)                   | (2.8)             | 2.8                 | 433.4   |
| DI             | 270.2   | 248.8             | (85.5)                   | (2.8)             | 2.8                 | 433.4   |
| ARE            | (60.9)  | (9.6)             | (2.4)                    | 7.7               | 2.8                 | (62.3)  |
| Debt           | 301.8   | 256.9             | (83.1)                   | (10.1)            | -                   | 465.5   |
| Equity capital | 29.3    | 1.4               | -                        | (0.5)             | -                   | 30.2    |
| FE             | -       | -                 | -                        | -                 | -                   | -       |
| Debt           | -       | -                 | -                        | -                 | -                   | -       |
| Norway         | 88.4    | 6.9               | 0.3                      | (1.7)             | -                   | 94.0    |
| DI             | 88.4    | 6.9               | 0.3                      | (1.7)             | -                   | 94.0    |
| ARE            | 5.3     | 26.2              | 0.3                      | (1.7)             | -                   | 30.2    |
| Debt           | 83.1    | (19.3)            | -                        | -                 | -                   | 63.8    |
| Equity capital | 0.0     | 0.0               | -                        | -                 | -                   | 0.0     |
| Other          | 16.0    | (0.0)             | -                        | -                 | -                   | 16.0    |
| FE             | 16.0    | (0.0)             | -                        | -                 | -                   | 16.0    |
| Debt           | 16.0    | (0.0)             | -                        | -                 | -                   | 16.0    |
| Peru           | 9.3     | 2.6               | 0.3                      | (0.5)             | 0.0                 | 11.7    |
| DI             | 7.7     | 2.8               | 0.3                      | (0.4)             | 0.0                 | 10.5    |
| ARE            | 6.5     | 3.7               | 0.3                      | (0.2)             | 0.0                 | 10.2    |
| Equity capital | 1.2     | (0.9)             | -                        | (0.2)             | -                   | 0.2     |
| FE             | 1.6     | (0.3)             | -                        | (0.1)             | -                   | 1.2     |
| Debt           | 1.6     | (0.3)             | -                        | (0.1)             | -                   | 1.2     |
| Poland         | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| FE             | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| Debt           | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| Saudi Arabia   | 0.3     | (0.2)             | (0.0)                    | (0.2)             | -                   | (0.0)   |
| DI             | -       | -                 | -                        | (0.2)             | -                   | (0.2)   |
| Debt           | -       | -                 | -                        | (0.2)             | -                   | (0.2)   |
| FE             | 0.3     | (0.2)             | (0.0)                    | 0.0               | -                   | 0.1     |
| Debt           | 0.3     | (0.2)             | (0.0)                    | 0.0               | -                   | 0.1     |
| Senegal        | 8.5     | -                 | -                        | -                 | -                   | 8.5     |
| DI             | 8.5     | -                 | -                        | -                 | -                   | 8.5     |
| ARE            | 8.5     | -                 | -                        | -                 | -                   | 8.5     |
| Equity capital | 0.0     | -                 | -                        | -                 | -                   | 0.0     |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018





**Table 3: Foreign Direct Investment Stocks & Flows by Source Country, Relationship and Type (US \$ millions), 2016 - 2017...Cont'**

| Source Country       | 2016    | Transactions 2017 | Other changes in Volumes | Exc. rate changes | Other price changes | 2017    |
|----------------------|---------|-------------------|--------------------------|-------------------|---------------------|---------|
| Serbia               | 71.8    | (6.7)             | (0.0)                    | 0.0               | -                   | 65.2    |
| DI                   | 71.8    | (6.7)             | 0.0                      | -                 | -                   | 65.1    |
| ARE                  | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| Equity capital       | 71.8    | (6.7)             | 0.0                      | -                 | -                   | 65.1    |
| FE                   | 0.0     | -                 | (0.0)                    | 0.0               | -                   | 0.0     |
| Debt                 | 0.0     | -                 | (0.0)                    | 0.0               | -                   | 0.0     |
| Seychelles           | (0.3)   | 0.3               | -                        | -                 | -                   | 0.0     |
| DI                   | (0.3)   | 0.3               | -                        | -                 | -                   | 0.0     |
| ARE                  | (0.3)   | 0.3               | -                        | -                 | -                   | 0.0     |
| Sierra Leone         | -       | (0.3)             | -                        | 0.0               | -                   | (0.3)   |
| FE                   | -       | (0.3)             | -                        | 0.0               | -                   | (0.3)   |
| Debt                 | -       | (0.3)             | -                        | 0.0               | -                   | (0.3)   |
| Singapore            | 20.2    | 39.5              | 4.4                      | (2.5)             | -                   | 61.7    |
| DI                   | 19.6    | 39.3              | 4.4                      | (2.5)             | -                   | 60.7    |
| ARE                  | (93.1)  | 34.9              | 0.3                      | 4.7               | -                   | (53.2)  |
| Equity capital       | 112.7   | 4.3               | 4.1                      | (7.1)             | -                   | 114.0   |
| FE                   | 0.7     | 0.3               | -                        | (0.0)             | -                   | 0.9     |
| Debt                 | 0.7     | 0.3               | -                        | (0.0)             | -                   | 0.9     |
| South Africa         | 1,673.0 | 267.0             | (15.4)                   | (54.8)            | (0.6)               | 1,869.2 |
| DI                   | 1,630.3 | 302.3             | (13.3)                   | (53.5)            | (0.6)               | 1,865.2 |
| ARE                  | (0.9)   | 434.5             | 9.6                      | (47.3)            | (0.7)               | 395.3   |
| Debt                 | 1,266.7 | (13.8)            | 5.1                      | (0.0)             | -                   | 1,258.0 |
| Equity capital       | 364.6   | (118.4)           | (28.0)                   | (6.2)             | 0.0                 | 211.9   |
| FE                   | 42.6    | (35.3)            | (2.1)                    | (1.3)             | -                   | 4.0     |
| ARE                  | 0.1     | -                 | 0.0                      | -                 | -                   | 0.1     |
| Debt                 | 42.3    | (35.3)            | (2.2)                    | (1.3)             | -                   | 3.6     |
| Equity capital       | 0.3     | -                 | 0.1                      | -                 | -                   | 0.4     |
| South Sudan          | (1.2)   | 1.2               | -                        | -                 | -                   | (0.0)   |
| DI                   | (1.2)   | 1.2               | -                        | -                 | -                   | (0.0)   |
| Equity capital       | (1.2)   | 1.2               | -                        | -                 | -                   | (0.0)   |
| Spain                | 1.3     | 0.5               | 0.0                      | (0.0)             | -                   | 1.7     |
| FE                   | 1.3     | 0.5               | 0.0                      | (0.0)             | -                   | 1.7     |
| Debt                 | 1.3     | 0.5               | 0.0                      | (0.0)             | -                   | 1.7     |
| Swaziland            | 0.1     | (0.1)             | -                        | -                 | -                   | 0.0     |
| DI                   | 0.1     | (0.1)             | -                        | -                 | -                   | 0.0     |
| ARE                  | 0.1     | (0.1)             | -                        | -                 | -                   | 0.0     |
| Equity capital       | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| Sweden               | 85.3    | 22.1              | (1.4)                    | (0.3)             | (1.1)               | 104.7   |
| DI                   | 81.3    | 15.0              | (1.4)                    | (0.0)             | (1.1)               | 93.8    |
| ARE                  | 74.3    | 5.8               | (1.4)                    | -                 | -                   | 78.7    |
| Debt                 | 6.3     | 9.1               | 0.0                      | (0.0)             | (1.1)               | 14.4    |
| Equity capital       | 0.7     | 0.0               | -                        | -                 | -                   | 0.7     |
| FE                   | 4.0     | 7.2               | -                        | (0.3)             | -                   | 10.9    |
| Debt                 | 4.0     | 7.2               | -                        | (0.3)             | -                   | 10.9    |
| Switzerland          | 2,211.8 | 490.6             | 104.6                    | (1.4)             | -                   | 2,805.5 |
| DI                   | 2,142.2 | 493.2             | 103.9                    | (1.4)             | -                   | 2,737.8 |
| ARE                  | (411.5) | 99.8              | (0.0)                    | (0.7)             | -                   | (312.4) |
| Debt                 | 2,375.0 | 494.9             | 103.9                    | (0.7)             | -                   | 2,973.1 |
| Equity capital       | 178.7   | (101.5)           | -                        | (0.0)             | -                   | 77.1    |
| FE                   | 69.6    | (2.6)             | 0.7                      | (0.0)             | -                   | 67.7    |
| ARE                  | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| Debt                 | 69.6    | (2.6)             | 0.7                      | (0.0)             | -                   | 67.7    |
| Equity capital       | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| Switzerland          | 0.1     | 0.1               | -                        | 0.0               | -                   | 0.1     |
| FE                   | 0.1     | 0.1               | -                        | 0.0               | -                   | 0.1     |
| Debt                 | 0.1     | 0.1               | -                        | 0.0               | -                   | 0.1     |
| Tanzania             | (147.2) | 48.9              | 4.1                      | (0.0)             | (2.1)               | (96.3)  |
| DI                   | (147.3) | 48.8              | 4.1                      | -                 | (2.1)               | (96.4)  |
| ARE                  | 0.4     | (0.0)             | -                        | -                 | -                   | 0.4     |
| Debt                 | 0.0     | -                 | -                        | -                 | -                   | 0.0     |
| Equity capital       | (147.7) | 48.8              | 4.1                      | -                 | (2.1)               | (96.8)  |
| FE                   | 0.1     | 0.1               | -                        | (0.0)             | -                   | 0.2     |
| Debt                 | 0.1     | 0.1               | -                        | (0.0)             | -                   | 0.2     |
| Togo                 | 37.8    | 16.1              | 1.1                      | (4.2)             | -                   | 50.9    |
| DI                   | 37.8    | 16.1              | 1.1                      | (4.2)             | -                   | 50.9    |
| ARE                  | (6.4)   | 4.7               | 1.2                      | 0.0               | -                   | (0.5)   |
| Equity capital       | 44.2    | 11.4              | (0.0)                    | (4.2)             | -                   | 51.4    |
| Uganda               | -       | 0.0               | -                        | (0.0)             | -                   | 0.0     |
| FE                   | -       | 0.0               | -                        | (0.0)             | -                   | 0.0     |
| Debt                 | -       | 0.0               | -                        | (0.0)             | -                   | 0.0     |
| United Arab Emirates | 113.7   | 50.9              | 0.2                      | (6.4)             | -                   | 158.4   |
| DI                   | 83.0    | 50.9              | 0.2                      | (6.4)             | -                   | 127.7   |
| ARE                  | 18.9    | 0.1               | 0.0                      | (0.3)             | -                   | 18.6    |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 3: Foreign Direct Investment Stocks & Flows by Source Country, Relationship and Type (US \$ millions), 2016 - 2017... Cont'**

| Source Country     | 2016            | Transactions 2017 | Other changes in Volumes | Exc. rate changes | Other price changes | 2017            |
|--------------------|-----------------|-------------------|--------------------------|-------------------|---------------------|-----------------|
| Debt               | 38.8            | 50.6              | (0.1)                    | (5.1)             | -                   | 84.2            |
| Equity capital     | 25.3            | 0.3               | 0.2                      | (0.9)             | -                   | 24.9            |
| FE                 | 30.7            | -                 | -                        | -                 | -                   | 30.7            |
| Debt               | 30.7            | -                 | -                        | -                 | -                   | 30.7            |
| United Kingdom     | 780.0           | (313.4)           | 6.5                      | (17.5)            | 3.3                 | 459.0           |
| DI                 | 508.0           | (44.7)            | (1.6)                    | (17.5)            | 3.3                 | 447.5           |
| ARE                | (137.7)         | (70.0)            | 0.3                      | (5.6)             | -                   | (213.1)         |
| Debt               | 15.4            | 25.0              | 7.4                      | (4.5)             | -                   | 43.4            |
| Equity capital     | 630.3           | 0.3               | (9.3)                    | (7.4)             | 3.3                 | 617.2           |
| FE                 | 272.1           | (268.7)           | 8.1                      | 0.0               | -                   | 11.4            |
| Debt               | 272.1           | (268.7)           | 8.1                      | 0.0               | -                   | 11.4            |
| United States      | 208.8           | 4.1               | (1.0)                    | (8.0)             | 6.3                 | 210.1           |
| DI                 | 185.1           | 2.9               | (1.0)                    | (8.2)             | 6.3                 | 185.0           |
| ARE                | 75.6            | 6.2               | (0.2)                    | (2.5)             | 0.0                 | 79.1            |
| Debt               | 40.0            | (6.1)             | 0.8                      | (1.0)             | -                   | 33.6            |
| Equity capital     | 69.5            | 2.8               | (1.6)                    | (4.8)             | 6.3                 | 72.2            |
| FE                 | 23.7            | 1.2               | -                        | 0.2               | -                   | 25.2            |
| Debt               | 23.7            | 1.2               | -                        | 0.2               | -                   | 25.2            |
| Zimbabwe           | (46.3)          | 8.2               | -                        | (0.0)             | -                   | (38.1)          |
| DI                 | (46.4)          | 8.3               | -                        | -                 | -                   | (38.1)          |
| ARE                | (47.0)          | 8.3               | -                        | -                 | -                   | (38.7)          |
| Equity capital     | 0.6             | (0.0)             | -                        | -                 | -                   | 0.6             |
| FE                 | 0.0             | (0.1)             | -                        | (0.0)             | -                   | (0.1)           |
| Debt               | 0.0             | (0.1)             | -                        | (0.0)             | -                   | (0.1)           |
| <b>Grand Total</b> | <b>18,855.1</b> | <b>1,107.5</b>    | <b>(12.6)</b>            | <b>(161.3)</b>    | <b>77.8</b>         | <b>19,866.5</b> |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018

**Table 4: Portfolio Equity Investment Stocks and Flows by Source country (US \$ million), 2016 - 2017**

| Source Country     | 2016        | Transactions | Other changes in Volumes | Exc. rate changes | Other price changes | 2017        |
|--------------------|-------------|--------------|--------------------------|-------------------|---------------------|-------------|
| China PR           | 4.7         | 0.0          | -                        | -                 | -                   | 4.7         |
| Ireland            | 20.8        | -            | -                        | -                 | -                   | 20.8        |
| Luxembourg         | 1.3         | 0.2          | (0.0)                    | -                 | -                   | 1.4         |
| Netherlands        | 0.9         | 0.1          | (0.0)                    | -                 | -                   | 1.0         |
| Other              | 18.4        | (0.2)        | (0.1)                    | -                 | -                   | 18.2        |
| Saudi Arabia       | 0.1         | (0.0)        | -                        | -                 | -                   | 0.1         |
| South Africa       | 0.0         | (0.1)        | -                        | 0.0               | -                   | (0.1)       |
| Tunisia            | 1.3         | 0.2          | (0.0)                    | -                 | -                   | 1.4         |
| United Kingdom     | 17.7        | (0.4)        | 0.1                      | -                 | -                   | 17.4        |
| United States      | 18.9        | -            | -                        | -                 | -                   | 18.9        |
| Zimbabwe           | 0.0         | (0.0)        | -                        | 0.0               | -                   | (0.0)       |
| <b>Grand Total</b> | <b>84.2</b> | <b>(0.3)</b> | <b>(0.0)</b>             | <b>0.0</b>        | <b>-</b>            | <b>83.9</b> |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018

**Table 5: Portfolio Equity Investment Stocks and Flows by Industry (US \$ million), 2016 - 2017**

| Industry                                  | 2016        | Transactions in 2017 | Other changes in Volumes | Exc. rate changes | Other price changes | 2017        |
|---|-------------|----------------------|--------------------------|-------------------|---------------------|-------------|
| Accommodation and food service activities | (0.2)       | (0.0)                | -                        | -                 | -                   | (0.2)       |
| Construction                              | 4.7         | 0.0                  | -                        | -                 | -                   | 4.7         |
| Insurance and other financial activities  | 17.6        | (1.7)                | (0.2)                    | -                 | -                   | 15.8        |
| Manufacturing                             | 62.0        | 1.6                  | 0.2                      | -                 | -                   | 63.7        |
| Wholesale and retail trade                | 0.0         | (0.2)                | -                        | 0.0               | -                   | (0.1)       |
| <b>Grand Total</b>                        | <b>84.2</b> | <b>(0.3)</b>         | <b>(0.0)</b>             | <b>0.0</b>        | <b>-</b>            | <b>83.9</b> |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 6: Other Investments Stocks and Flows by Country and Type (US \$ million), 2016 - 2017**

| Source Country             | 2016    | Transactions in 2017 | Other changes in Volumes | Exc. rate changes | Other price changes | 2017    |
|----------------------------|---------|----------------------|--------------------------|-------------------|---------------------|---------|
| AfDB                       | 39.4    | (2.5)                | -                        | 0.0               | -                   | 37.0    |
| Debt                       | 39.4    | (2.5)                | -                        | 0.0               | -                   | 37.0    |
| Africa Finance Corporation | 6.7     | (3.1)                | -                        | (2.3)             | -                   | 1.3     |
| Debt                       | 6.7     | (3.1)                | -                        | (2.3)             | -                   | 1.3     |
| Australia                  | 11.9    | 0.2                  | 0.0                      | 1.3               | -                   | 13.4    |
| ARE                        | (0.0)   | (0.0)                | -                        | (0.0)             | -                   | (0.0)   |
| Debt                       | 11.9    | 0.2                  | 0.0                      | 1.3               | -                   | 13.4    |
| Equity capital             | 0.0     | -                    | -                        | -                 | -                   | 0.0     |
| Belgium                    | 1.2     | (1.2)                | 0.0                      | 0.0               | -                   | 0.1     |
| ARE                        | 0.0     | 0.0                  | (0.0)                    | 0.0               | -                   | 0.0     |
| Debt                       | 1.2     | (1.2)                | 0.0                      | 0.0               | -                   | 0.0     |
| Equity capital             | 0.0     | 0.0                  | -                        | 0.0               | -                   | 0.0     |
| Botswana                   | 24.6    | (4.7)                | (0.0)                    | 0.7               | -                   | 20.5    |
| ARE                        | (0.0)   | (0.0)                | -                        | 0.0               | -                   | (0.0)   |
| Debt                       | 24.6    | (4.7)                | (0.0)                    | 0.7               | -                   | 20.5    |
| Equity capital             | 0.0     | -                    | -                        | -                 | -                   | 0.0     |
| British Virgin Islands     | 16.6    | (2.0)                | 0.0                      | (0.9)             | -                   | 13.6    |
| ARE                        | 1.3     | 1.0                  | 0.0                      | (0.0)             | -                   | 2.3     |
| Debt                       | 13.0    | (3.3)                | -                        | (0.9)             | -                   | 8.8     |
| Equity capital             | 2.3     | 0.2                  | -                        | (0.0)             | -                   | 2.5     |
| Burundi                    | 0.0     | -                    | (0.0)                    | 0.0               | -                   | 0.0     |
| Debt                       | 0.0     | -                    | (0.0)                    | 0.0               | -                   | 0.0     |
| Cameroon                   | 0.0     | (0.0)                | -                        | 0.0               | -                   | 0.0     |
| Debt                       | 0.0     | (0.0)                | -                        | 0.0               | -                   | 0.0     |
| Canada                     | 0.2     | (0.1)                | 0.0                      | 0.0               | -                   | 0.2     |
| Debt                       | 0.2     | (0.1)                | 0.0                      | 0.0               | -                   | 0.2     |
| Cayman Islands             | 54.3    | 7.0                  | -                        | (0.5)             | -                   | 60.7    |
| Debt                       | 54.3    | 7.0                  | -                        | (0.5)             | -                   | 60.7    |
| China PR                   | 1,204.7 | (23.5)               | 38.2                     | (9.9)             | -                   | 1,209.6 |
| ARE                        | 4.3     | (3.3)                | -                        | (0.0)             | -                   | 1.0     |
| Debt                       | 1,185.2 | (17.7)               | 38.2                     | (9.9)             | -                   | 1,195.7 |
| Equity capital             | 15.2    | (2.4)                | -                        | (0.0)             | -                   | 12.8    |
| Congo                      | 0.1     | -                    | -                        | 0.0               | -                   | 0.1     |
| Debt                       | 0.1     | -                    | -                        | 0.0               | -                   | 0.1     |
| Congo-DR                   | 0.1     | 0.1                  | 0.0                      | 0.0               | -                   | 0.2     |
| Debt                       | 0.1     | 0.1                  | 0.0                      | 0.0               | -                   | 0.2     |
| Cyprus                     | -       | 0.0                  | -                        | (0.0)             | -                   | 0.0     |
| Debt                       | -       | 0.0                  | -                        | (0.0)             | -                   | 0.0     |
| DBSA                       | 53.8    | (2.7)                | -                        | (4.0)             | -                   | 47.1    |
| Debt                       | 53.8    | (2.7)                | -                        | (4.0)             | -                   | 47.1    |
| Denmark                    | (0.3)   | (0.1)                | -                        | (0.0)             | -                   | (0.4)   |
| Debt                       | 0.0     | 0.0                  | -                        | (0.0)             | -                   | 0.1     |
| Equity capital             | (0.3)   | (0.2)                | -                        | -                 | -                   | (0.5)   |
| Egypt                      | 12.3    | 7.0                  | -                        | -                 | -                   | 19.3    |
| Equity capital             | 12.3    | 7.0                  | -                        | -                 | -                   | 19.3    |
| EIB                        | 8.9     | (0.6)                | -                        | 0.1               | -                   | 8.3     |
| Debt                       | 8.9     | (0.6)                | -                        | 0.1               | -                   | 8.3     |
| Finland                    | 0.2     | (0.3)                | 0.0                      | -                 | -                   | (0.0)   |
| Debt                       | 0.2     | (0.3)                | 0.0                      | -                 | -                   | (0.0)   |
| France                     | 71.0    | (1.6)                | (0.1)                    | 0.2               | -                   | 69.5    |
| ARE                        | 0.3     | 0.0                  | -                        | -                 | -                   | 0.3     |
| Debt                       | 40.8    | (1.6)                | (0.1)                    | 0.2               | -                   | 39.3    |
| Equity capital             | 29.9    | (0.0)                | -                        | -                 | -                   | 29.9    |
| Germany                    | 31.5    | (2.9)                | 0.9                      | (0.1)             | -                   | 29.4    |
| Debt                       | 31.5    | (2.9)                | 0.9                      | (0.1)             | -                   | 29.4    |
| Ghana                      | 0.1     | 5.6                  | 0.7                      | 0.0               | -                   | 6.3     |
| Debt                       | 0.1     | 5.6                  | 0.7                      | 0.0               | -                   | 6.3     |
| Hong Kong                  | 6.3     | (6.1)                | -                        | 0.2               | 0.0                 | 0.3     |
| Debt                       | 6.0     | (6.1)                | -                        | 0.2               | -                   | 0.0     |
| Equity capital             | 0.3     | (0.0)                | -                        | -                 | 0.0                 | 0.3     |
| IDC                        | -       | -                    | -                        | (2.3)             | -                   | (2.3)   |
| Debt                       | -       | -                    | -                        | (2.3)             | -                   | (2.3)   |
| IFC                        | 3.7     | (5.2)                | 0.0                      | 0.1               | -                   | (1.4)   |
| Debt                       | 3.7     | (5.2)                | 0.0                      | 0.1               | -                   | (1.4)   |
| India                      | 58.9    | 3.4                  | 2.3                      | 1.4               | -                   | 66.0    |
| ARE                        | 3.8     | 4.8                  | 2.1                      | -                 | -                   | 10.7    |
| Debt                       | 56.3    | 0.2                  | 0.2                      | 1.4               | -                   | 58.1    |
| Equity capital             | (1.2)   | (1.6)                | (0.0)                    | -                 | -                   | (2.8)   |
| Indonesia                  | 0.0     | (0.0)                | (0.0)                    | -                 | -                   | 0.0     |
| Debt                       | 0.0     | (0.0)                | (0.0)                    | -                 | -                   | 0.0     |
| Ireland                    | 0.0     | 0.0                  | (0.0)                    | (0.0)             | -                   | 0.0     |
| ARE                        | -       | 0.0                  | 0.0                      | (0.0)             | -                   | 0.0     |
| Debt                       | 0.0     | 0.0                  | (0.0)                    | (0.0)             | -                   | 0.0     |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 6: Other Investments Stocks and Flows by Country and Type (US \$ million), 2016 - 2017...Cont'**

| Source Country        | 2016  | Transactions 2017 | Other changes in Volumes | Exc. rate changes | Other price changes | 2017  |
|-----------------------|-------|-------------------|--------------------------|-------------------|---------------------|-------|
| Equity capital        | -     | 0.0               | -                        | (0.0)             | -                   | 0.0   |
| Italy                 | 0.0   | -                 | -                        | -                 | -                   | 0.0   |
| Equity capital        | 0.0   | -                 | -                        | -                 | -                   | 0.0   |
| Ivory Coast           | 52.9  | (8.6)             | 0.6                      | 1.4               | (1.8)               | 44.5  |
| Debt                  | 52.9  | (8.6)             | 0.6                      | 1.4               | (1.8)               | 44.5  |
| Japan                 | -     | -                 | 0.0                      | (0.0)             | -                   | 0.0   |
| Debt                  | -     | -                 | 0.0                      | (0.0)             | -                   | 0.0   |
| Kenya                 | 7.1   | (8.8)             | (1.4)                    | (0.2)             | -                   | (3.4) |
| ARE                   | 6.3   | (0.0)             | (1.5)                    | (0.0)             | -                   | 4.8   |
| Debt                  | 6.1   | (6.4)             | 0.0                      | (0.2)             | -                   | (0.5) |
| Equity capital        | (5.3) | (2.5)             | 0.1                      | (0.0)             | -                   | (7.7) |
| Lesotho               | -     | 0.0               | -                        | (0.0)             | -                   | 0.0   |
| Debt                  | -     | 0.0               | -                        | (0.0)             | -                   | 0.0   |
| Liberia               | -     | 2.5               | -                        | -                 | -                   | 2.5   |
| Debt                  | -     | 2.5               | -                        | -                 | -                   | 2.5   |
| Luxembourg            | 18.2  | 0.9               | 0.0                      | 0.1               | -                   | 19.3  |
| ARE                   | 0.0   | (0.0)             | -                        | 0.0               | -                   | (0.0) |
| Debt                  | 18.1  | 0.9               | 0.0                      | 0.1               | -                   | 19.2  |
| Equity capital        | 0.1   | (0.0)             | -                        | (0.0)             | -                   | 0.1   |
| Mauritius             | 164.5 | (13.9)            | (0.2)                    | 0.3               | -                   | 150.7 |
| ARE                   | 0.3   | 0.0               | -                        | 0.0               | -                   | 0.3   |
| Debt                  | 162.6 | (14.0)            | (0.2)                    | 0.3               | -                   | 148.7 |
| Equity capital        | 1.6   | 0.1               | -                        | 0.0               | -                   | 1.8   |
| Mozambique            | -     | -                 | -                        | (0.1)             | -                   | (0.1) |
| Debt                  | -     | -                 | -                        | (0.1)             | -                   | (0.1) |
| Namibia               | 0.1   | (1.5)             | (0.1)                    | 14.5              | -                   | 13.0  |
| Debt                  | 0.1   | (1.5)             | (0.1)                    | 14.5              | -                   | 13.0  |
| Netherlands           | 54.7  | 49.3              | 5.6                      | (5.6)             | (0.0)               | 104.0 |
| ARE                   | 0.0   | -                 | -                        | -                 | -                   | 0.0   |
| Debt                  | 45.4  | 48.8              | 5.1                      | (5.6)             | -                   | 93.6  |
| Equity capital        | 9.3   | 0.5               | 0.6                      | -                 | (0.0)               | 10.4  |
| New Zealand           | 13.2  | 1.3               | -                        | -                 | -                   | 14.6  |
| Equity capital        | 13.2  | 1.3               | -                        | -                 | -                   | 14.6  |
| Nigeria               | 1.3   | 0.0               | (1.3)                    | 0.0               | -                   | 0.1   |
| ARE                   | (0.0) | 0.0               | (0.0)                    | 0.0               | -                   | (0.1) |
| Debt                  | 1.3   | 0.0               | (1.3)                    | 0.0               | -                   | 0.0   |
| Equity capital        | 0.1   | (0.0)             | -                        | (0.0)             | -                   | 0.1   |
| Nordea                | 127.0 | 27.2              | -                        | 2.7               | -                   | 157.0 |
| Debt                  | 127.0 | 27.2              | -                        | 2.7               | -                   | 157.0 |
| Norfund               | 0.6   | (1.6)             | 5.8                      | 0.0               | -                   | 4.8   |
| Debt                  | 0.6   | (1.6)             | 5.8                      | 0.0               | -                   | 4.8   |
| Norsad                | 4.1   | (2.4)             | 2.6                      | 0.1               | -                   | 4.3   |
| Debt                  | 4.1   | (2.4)             | 2.6                      | 0.1               | -                   | 4.3   |
| Oman                  | 0.2   | 0.1               | -                        | -                 | -                   | 0.3   |
| Equity capital        | 0.2   | 0.1               | -                        | -                 | -                   | 0.3   |
| Other                 | 97.9  | 10.6              | 0.3                      | 0.7               | -                   | 109.5 |
| Debt                  | 97.9  | 10.6              | 0.3                      | 0.7               | -                   | 109.5 |
| Peru                  | (0.0) | 0.0               | -                        | -                 | -                   | (0.0) |
| ARE                   | (0.0) | 0.0               | -                        | -                 | -                   | (0.0) |
| Equity capital        | 0.0   | -                 | -                        | -                 | -                   | 0.0   |
| Philippines           | 0.0   | (0.0)             | 0.0                      | -                 | -                   | 0.0   |
| Debt                  | 0.0   | (0.0)             | 0.0                      | -                 | -                   | 0.0   |
| Portugal              | -     | -                 | -                        | (0.0)             | -                   | (0.0) |
| Debt                  | -     | -                 | -                        | (0.0)             | -                   | (0.0) |
| PTA                   | 85.5  | 0.3               | 1.3                      | -                 | -                   | 87.2  |
| Debt                  | 85.5  | 0.3               | 1.3                      | -                 | -                   | 87.2  |
| Saint Kitts and Nevis | (8.5) | 3.1               | -                        | -                 | -                   | (5.4) |
| Equity capital        | (8.5) | 3.1               | -                        | -                 | -                   | (5.4) |
| Senegal               | 0.0   | -                 | -                        | 0.0               | -                   | 0.0   |
| Debt                  | 0.0   | -                 | -                        | 0.0               | -                   | 0.0   |
| Seychelles            | -     | -                 | -                        | -                 | -                   | -     |
| Debt                  | -     | -                 | -                        | -                 | -                   | -     |
| Sierra Leone          | -     | 2.5               | -                        | -                 | -                   | 2.5   |
| Debt                  | -     | 2.5               | -                        | -                 | -                   | 2.5   |
| Singapore             | 0.0   | 0.0               | -                        | 0.0               | -                   | 0.1   |
| Debt                  | 0.0   | 0.0               | -                        | 0.0               | -                   | 0.1   |
| South Africa          | 700.6 | (122.8)           | (21.0)                   | (3.9)             | (1.3)               | 551.7 |
| ARE                   | (1.7) | (0.6)             | 0.1                      | (0.0)             | -                   | (2.3) |
| Debt                  | 692.7 | (123.0)           | (21.3)                   | (3.9)             | (1.3)               | 543.3 |
| Equity capital        | 9.6   | 0.9               | 0.2                      | (0.0)             | -                   | 10.7  |
| Spain                 | 0.5   | (0.0)             | (0.2)                    | 0.0               | -                   | 0.3   |
| Debt                  | 0.5   | (0.0)             | (0.2)                    | 0.0               | -                   | 0.3   |
| Swaziland             | 0.0   | (0.0)             | -                        | 0.0               | -                   | 0.0   |
| Debt                  | 0.0   | (0.0)             | -                        | 0.0               | -                   | 0.0   |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 6: Other Investments Stocks and Flows by Country and Type (US \$ million), 2016 - 2017...Cont'**

| Source Country       | 2016           | Transactions 2017 | Other changes in Volumes | Exc. rate changes | Other price changes | 2017           |
|----------------------|----------------|-------------------|--------------------------|-------------------|---------------------|----------------|
| Sweden               | 1.4            | (0.1)             | -                        | -                 | (0.0)               | 1.2            |
| ARE                  | 0.0            | (0.0)             | -                        | -                 | -                   | 0.0            |
| Debt                 | 1.4            | (0.1)             | -                        | -                 | (0.0)               | 1.2            |
| Switzerland          | 35.9           | (13.3)            | 0.1                      | 0.1               | -                   | 22.7           |
| ARE                  | (0.1)          | (0.1)             | (0.0)                    | -                 | -                   | (0.2)          |
| Debt                 | 36.3           | (12.9)            | 0.1                      | 0.1               | -                   | 23.6           |
| Equity capital       | (0.3)          | (0.4)             | (0.0)                    | -                 | -                   | (0.7)          |
| Taiwan               | -              | -                 | -                        | -                 | -                   | -              |
| Debt                 | -              | -                 | -                        | -                 | -                   | -              |
| Tanzania             | 6.4            | 0.2               | 0.4                      | (0.0)             | -                   | 7.0            |
| ARE                  | 6.0            | -                 | 0.6                      | -                 | -                   | 6.6            |
| Debt                 | 0.3            | 0.1               | (0.1)                    | (0.0)             | -                   | 0.3            |
| Equity capital       | 0.1            | 0.1               | -                        | -                 | -                   | 0.1            |
| Thailand             | 15.5           | (13.0)            | -                        | -                 | -                   | 2.5            |
| Debt                 | 15.5           | (13.0)            | -                        | -                 | -                   | 2.5            |
| Togo                 | 0.5            | (0.1)             | 0.1                      | 0.2               | -                   | 0.6            |
| Debt                 | 0.5            | (0.1)             | 0.1                      | 0.2               | -                   | 0.6            |
| Turkey               | -              | -                 | -                        | (0.0)             | -                   | (0.0)          |
| Debt                 | -              | -                 | -                        | (0.0)             | -                   | (0.0)          |
| Uganda               | 0.0            | 3.5               | -                        | 0.0               | -                   | 3.5            |
| Debt                 | 0.0            | 3.5               | -                        | 0.0               | -                   | 3.5            |
| United Arab Emirates | (3.1)          | 0.9               | (0.1)                    | 0.0               | -                   | (2.2)          |
| ARE                  | (3.9)          | (0.4)             | -                        | -                 | -                   | (4.3)          |
| Debt                 | 1.3            | 1.9               | (0.1)                    | 0.0               | -                   | 3.2            |
| Equity capital       | (0.5)          | (0.6)             | -                        | -                 | -                   | (1.1)          |
| United Kingdom       | 666.1          | 47.0              | (8.2)                    | (8.7)             | -                   | 696.3          |
| ARE                  | 31.0           | (2.8)             | 20.5                     | -                 | -                   | 48.7           |
| Debt                 | 629.4          | 49.9              | (51.2)                   | (7.6)             | -                   | 620.5          |
| Equity capital       | 5.7            | (0.1)             | 22.5                     | (1.1)             | -                   | 27.1           |
| United States        | 311.4          | (1.3)             | 6.9                      | 4.4               | -                   | 321.4          |
| ARE                  | (0.5)          | (11.5)            | (0.0)                    | (0.1)             | -                   | (12.0)         |
| Debt                 | 219.1          | 9.2               | 6.9                      | 4.5               | -                   | 239.7          |
| Equity capital       | 92.7           | 1.0               | -                        | (0.1)             | -                   | 93.6           |
| Zimbabwe             | 0.4            | 0.3               | (0.0)                    | 0.0               | -                   | 0.7            |
| ARE                  | 0.0            | -                 | -                        | -                 | -                   | 0.0            |
| Debt                 | 0.4            | 0.3               | (0.0)                    | 0.0               | -                   | 0.6            |
| <b>Grand Total</b>   | <b>3,960.6</b> | <b>(71.0)</b>     | <b>33.6</b>              | <b>(10.2)</b>     | <b>(3.1)</b>        | <b>3,909.9</b> |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 7: Other Investments Flows and Stocks by Industry and Type (US \$ million), 2016 - 2017**

| Type of Industry                                    | 2016           | Transactions  | Other changes in Volumes | Exc. rate changes | Other price changes | 2017           |
|---|----------------|---------------|--------------------------|-------------------|---------------------|----------------|
| Accommodation and food service activities           | (1.7)          | (0.6)         | 16.8                     | 11.6              | -                   | 26.0           |
| ARE   | (1.1)          | 0.1           | 11.5                     | 0.0               | -                   | 10.5           |
| Debt  | -              | -             | -                        | 11.6              | -                   | 11.6           |
| Equity capital                                      | (0.7)          | (0.7)         | 5.3                      | (0.0)             | -                   | 3.9            |
| Agriculture, forestry and fishing                   | 139.4          | (43.0)        | 25.3                     | (0.0)             | -                   | 121.7          |
| ARE   | (3.9)          | (12.6)        | 8.1                      | (0.0)             | -                   | (8.4)          |
| Debt  | 52.3           | (29.1)        | -                        | -                 | -                   | 23.2           |
| Equity capital                                      | 91.0           | (1.3)         | 17.2                     | (0.0)             | -                   | 106.9          |
| Construction  | 35.4           | 0.8           | 0.6                      | -                 | -                   | 36.8           |
| ARE   | 10.3           | (3.5)         | 0.6                      | -                 | -                   | 7.4            |
| Equity capital                                      | 25.1           | 4.2           | 0.0                      | -                 | -                   | 29.4           |
| Deposit taking corporations                         | 534.0          | 19.5          | (13.4)                   | 14.9              | (3.0)               | 551.9          |
| ARE   | (0.4)          | (0.0)         | (0.0)                    | (0.0)             | -                   | (0.5)          |
| Debt  | 533.6          | 18.5          | (13.4)                   | 15.0              | (3.0)               | 550.6          |
| Equity capital                                      | 0.8            | 1.0           | -                        | (0.1)             | -                   | 1.7            |
| Electricity, gas, steam and air conditioning supply | 1,299.1        | 3.4           | 39.1                     | 11.3              | -                   | 1,352.9        |
| Debt  | 1,299.1        | 3.4           | 39.1                     | 11.3              | -                   | 1,352.9        |
| Information and Communication                       | 724.3          | 1.8           | -                        | (23.6)            | 0.0                 | 702.5          |
| ARE   | 0.0            | 0.0           | -                        | -                 | -                   | 0.0            |
| Debt  | 723.9          | 1.8           | -                        | (23.6)            | -                   | 702.0          |
| Equity capital                                      | 0.5            | (0.0)         | -                        | -                 | 0.0                 | 0.5            |
| Insurance and other financial activities            | 33.7           | (9.9)         | 21.0                     | (0.6)             | (0.0)               | 44.2           |
| ARE   | (0.1)          | (0.0)         | (0.0)                    | 0.0               | -                   | (0.1)          |
| Debt  | 33.0           | (9.7)         | 21.1                     | (0.6)             | -                   | 43.8           |
| Equity capital                                      | 0.7            | (0.1)         | -                        | (0.0)             | (0.0)               | 0.6            |
| Manufacturing                                       | 544.6          | (16.7)        | 1.3                      | 1.9               | -                   | 531.2          |
| ARE   | 32.4           | 6.5           | 1.6                      | (0.0)             | -                   | 40.5           |
| Debt  | 517.0          | (25.2)        | (0.2)                    | 3.0               | -                   | 494.6          |
| Equity capital                                      | (4.8)          | 2.0           | (0.0)                    | (1.1)             | -                   | (3.9)          |
| Mining and quarrying                                | 501.3          | (27.7)        | (58.0)                   | (25.0)            | (0.0)               | 390.6          |
| ARE   | (0.0)          | (0.0)         | -                        | (0.0)             | -                   | (0.0)          |
| Debt  | 501.3          | (27.7)        | (58.0)                   | (25.0)            | (0.0)               | 390.6          |
| Equity capital                                      | 0.0            | -             | -                        | -                 | -                   | 0.0            |
| Professional scientific and technical activities    | 8.8            | (0.2)         | -                        | -                 | -                   | 8.5            |
| ARE   | 4.5            | (0.2)         | -                        | -                 | -                   | 4.3            |
| Equity capital                                      | 4.2            | 0.0           | -                        | -                 | -                   | 4.2            |
| Real estate activities                              | 0.2            | 0.1           | -                        | -                 | -                   | 0.3            |
| Equity capital                                      | 0.2            | 0.1           | -                        | -                 | -                   | 0.3            |
| Transportation and storage                          | 30.0           | (6.5)         | (0.0)                    | (0.7)             | -                   | 22.7           |
| ARE   | 4.8            | (3.4)         | (0.0)                    | 0.0               | -                   | 1.4            |
| Debt  | 17.9           | (3.1)         | -                        | (0.7)             | -                   | 14.0           |
| Equity capital                                      | 7.4            | (0.1)         | -                        | 0.0               | -                   | 7.3            |
| Wholesale and retail trade                          | 111.5          | 8.2           | 0.9                      | (0.0)             | -                   | 120.6          |
| ARE   | 0.4            | 0.1           | 0.1                      | (0.0)             | -                   | 0.7            |
| Debt  | 58.8           | 6.6           | -                        | 0.0               | -                   | 65.4           |
| Equity capital                                      | 52.2           | 1.5           | 0.8                      | (0.0)             | -                   | 54.6           |
| <b>Grand Total</b>                                  | <b>3,960.6</b> | <b>(71.0)</b> | <b>33.6</b>              | <b>(10.2)</b>     | <b>(3.1)</b>        | <b>3,909.9</b> |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 8: Private Sector External Debt by Source Country (US \$ million), 2016 - 2017**

| Source Country             | 2016       | Transactions 2017 | Other changes in Volumes | Exc. rate changes | Other price changes | 2017       | Interest Paid 2017 |
|----------------------------|------------|-------------------|--------------------------|-------------------|---------------------|------------|--------------------|
| AfDB                       | 39.4       | (4.2)             | -                        | 0.2               | -                   | 35.5       | 2.5                |
| AFRICA FINANCE CORPORATION | 6.7        | (3.1)             | -                        | (2.3)             | -                   | 1.3        | 2.5                |
| Australia                  | 63.0       | 27.9              | (0.7)                    | 4.4               | -                   | 94.6       | -                  |
| Belgium                    | 1.2        | (0.0)             | 0.0                      | (0.1)             | -                   | 1.0        | 0.0                |
| Bermuda                    | 378.8      | -                 | 16.8                     | -                 | -                   | 395.6      | -                  |
| Botswana                   | 34.5       | (4.7)             | (0.0)                    | 0.7               | -                   | 30.5       | 0.5                |
| <b>Brazil</b>              | -          | -                 | -                        | -                 | -                   | -          | -                  |
| British Virgin Islands     | 2,465.6    | (38.4)            | -                        | (0.9)             | -                   | 2,426.3    | 0.6                |
| Burundi                    | 0.0        | -                 | (0.0)                    | 0.0               | -                   | 0.0        | -                  |
| Cameroon                   | 0.0        | (0.0)             | -                        | 0.0               | -                   | 0.0        | -                  |
| Canada                     | 344.8      | 0.2               | 11.3                     | 0.1               | -                   | 356.3      | 11.4               |
| Cayman Islands             | 136.3      | (66.7)            | -                        | (0.5)             | -                   | 69.0       | 1.8                |
| Channel Islands            | -          | -                 | -                        | 0.0               | -                   | 0.0        | -                  |
| China PR                   | 2,506.4    | 35.1              | 38.5                     | (10.7)            | 0.0                 | 2,569.3    | 47.3               |
| Congo                      | 0.1        | 0.3               | -                        | (0.0)             | -                   | 0.4        | -                  |
| Congo-DR                   | 157.1      | 0.1               | 0.0                      | 0.1               | -                   | 157.2      | -                  |
| Cyprus                     | -          | 0.0               | -                        | (0.0)             | -                   | 0.0        | -                  |
| DBSA                       | 53.8       | (2.7)             | -                        | (4.0)             | -                   | 47.1       | 1.3                |
| Denmark                    | 0.0        | 0.0               | -                        | (0.0)             | -                   | 0.1        | -                  |
| Egypt                      | 0.0        | 0.5               | -                        | -                 | -                   | 0.6        | -                  |
| EIB                        | 8.9        | (0.6)             | -                        | 0.1               | -                   | 8.3        | -                  |
| Finland                    | 0.2        | (0.3)             | 0.0                      | -                 | -                   | (0.0)      | 0.0                |
| France                     | 70.7       | (2.9)             | (0.1)                    | 0.3               | -                   | 68.0       | 2.6                |
| Germany                    | 31.5       | (2.9)             | 2.1                      | (1.2)             | -                   | 29.5       | 0.2                |
| Ghana                      | 1.6        | 5.1               | 0.7                      | (0.0)             | -                   | 7.3        | -                  |
| Hong Kong                  | 6.0        | (6.1)             | -                        | 0.2               | -                   | 0.0        | 0.0                |
| IDC                        | -          | -                 | -                        | (2.3)             | -                   | (2.3)      | -                  |
| IFC                        | 3.7        | (5.2)             | 0.0                      | 0.1               | -                   | (1.4)      | 0.1                |
| India                      | 501.7      | 248.7             | 0.2                      | 1.3               | -                   | 751.9      | -                  |
| Indonesia                  | 0.0        | (0.0)             | (0.0)                    | -                 | -                   | 0.0        | -                  |
| Indonesia                  | 0.1        | (0.1)             | -                        | 0.0               | -                   | 0.0        | -                  |
| Ireland                    | 230.6      | 3.5               | 0.2                      | (0.3)             | 0.9                 | 235.0      | 5.7                |
| Italy                      | 1.8        | 5.3               | 0.0                      | 0.0               | -                   | 7.1        | 0.0                |
| Ivory Coast                | 52.9       | (8.6)             | 0.6                      | 1.4               | (1.8)               | 44.5       | 0.8                |
| Japan                      | 39.5       | -                 | 0.0                      | (0.0)             | -                   | 39.5       | -                  |
| Kenya                      | 7.8        | (6.5)             | (0.3)                    | (0.6)             | -                   | 0.4        | 0.1                |
| Lesotho                    | -          | 0.0               | -                        | (0.0)             | -                   | 0.0        | -                  |
| Liberia                    | -          | 2.2               | -                        | 0.0               | -                   | 2.2        | -                  |
| Luxembourg                 | 40.6       | 2.7               | (0.8)                    | 0.2               | -                   | 42.8       | 3.0                |
| Malawi                     | 0.0        | 0.0               | -                        | (0.0)             | -                   | 0.0        | -                  |
| Mauritius                  | 669.9      | (18.1)            | 4.4                      | (2.2)             | -                   | 654.1      | 19.5               |
| Mozambique                 | -          | -                 | -                        | (0.1)             | -                   | (0.1)      | -                  |
| Namibia                    | 0.1        | (1.5)             | (0.1)                    | 14.5              | -                   | 13.0       | -                  |
| Netherlands                | 404.1      | (114.9)           | 5.1                      | 4.0               | -                   | 298.3      | 5.6                |
| Nigeria                    | 303.0      | 256.9             | (84.4)                   | (10.1)            | -                   | 465.6      | -                  |
| Nordea                     | 127.0      | 27.2              | -                        | 2.7               | -                   | 157.0      | -                  |
| <b>NORFUND</b>             | <b>0.6</b> | <b>(1.6)</b>      | <b>5.8</b>               | <b>0.0</b>        | -                   | <b>4.8</b> | <b>0.3</b>         |
| <b>NORSAD</b>              | <b>4.1</b> | <b>(2.4)</b>      | <b>2.6</b>               | <b>0.1</b>        | -                   | <b>4.3</b> | <b>0.3</b>         |
| Norway                     | 83.1       | (19.3)            | -                        | -                 | -                   | 63.8       | 2.0                |
| Other                      | 113.9      | 10.6              | 0.3                      | 0.7               | -                   | 125.5      | -                  |
| Panama                     | -          | -                 | -                        | -                 | -                   | -          | -                  |
| Peru                       | 1.6        | (0.3)             | -                        | (0.1)             | -                   | 1.2        | 0.0                |
| Philippines                | 0.0        | (0.0)             | 0.0                      | -                 | -                   | 0.0        | -                  |
| Poland                     | 0.0        | -                 | -                        | -                 | -                   | 0.0        | -                  |
| Portugal                   | -          | -                 | -                        | (0.0)             | -                   | (0.0)      | -                  |
| PTA                        | 85.5       | 0.3               | 1.3                      | -                 | -                   | 87.2       | 0.0                |
| Saudi Arabia               | 0.3        | (0.2)             | (0.0)                    | (0.2)             | -                   | (0.0)      | -                  |
| Senegal                    | 0.0        | -                 | -                        | 0.0               | -                   | 0.0        | -                  |
| Serbia                     | 0.0        | -                 | (0.0)                    | 0.0               | -                   | 0.0        | -                  |
| Seychelles                 | -          | -                 | -                        | -                 | -                   | -          | -                  |
| Sierra Leone               | -          | 2.2               | -                        | 0.0               | -                   | 2.2        | -                  |
| Singapore                  | 0.7        | 0.3               | -                        | (0.0)             | -                   | 1.0        | -                  |
| South Africa               | 1,996.7    | (172.2)           | (18.4)                   | (5.1)             | (1.3)               | 1,799.8    | 77.5               |
| Spain                      | 1.8        | 0.5               | (0.2)                    | (0.0)             | -                   | 2.0        | -                  |
| Swaziland                  | 0.0        | (0.0)             | -                        | 0.0               | -                   | 0.0        | -                  |
| Sweden                     | 11.7       | 16.2              | 0.0                      | (0.3)             | (1.1)               | 26.5       | 2.7                |
| Switzerland                | 2,480.9    | 479.4             | 104.7                    | (0.7)             | -                   | 3,064.4    | 1.3                |
| Switzerland                | 0.1        | 0.1               | -                        | 0.0               | -                   | 0.1        | -                  |
| Taiwan                     | -          | -                 | -                        | -                 | -                   | -          | -                  |
| Tanzania                   | 0.4        | 0.2               | (0.1)                    | (0.0)             | -                   | 0.5        | -                  |
| Thailand                   | 15.5       | (13.0)            | -                        | -                 | -                   | 2.5        | -                  |
| Togo                       | 0.5        | (0.1)             | 0.1                      | 0.2               | -                   | 0.6        | 0.0                |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 8: Private Sector External Debt by Source Country (US \$ million), 2016 - 2017...Cont'**

| Source Country       | 2016            | Transactions 2017 | Other changes in Volumes | Exc. rate changes | Other price changes | 2017            | Interest Paid 2017 |
|----------------------|-----------------|-------------------|--------------------------|-------------------|---------------------|-----------------|--------------------|
| Turkey               | -               | -                 | -                        | (0.0)             | -                   | (0.0)           | -                  |
| Uganda               | 0.0             | 3.5               | -                        | (0.0)             | -                   | 3.5             | -                  |
| United Arab Emirates | 70.8            | 52.5              | (0.1)                    | (5.1)             | -                   | 118.1           | -                  |
| United Kingdom       | 916.9           | (193.8)           | (35.7)                   | (12.1)            | -                   | 675.3           | 17.7               |
| United States        | 282.9           | 4.3               | 7.7                      | 3.7               | -                   | 298.6           | 3.2                |
| Zimbabwe             | 0.4             | 0.2               | (0.0)                    | (0.0)             | -                   | 0.6             | -                  |
| <b>Grand Total</b>   | <b>14,757.7</b> | <b>495.9</b>      | <b>61.8</b>              | <b>(24.0)</b>     | <b>(3.2)</b>        | <b>15,288.2</b> | <b>210.5</b>       |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018

**Table 9: Private Sector External Debt by Industry (US \$ million), 2016 - 2017**

| Type of Industry                                    | 2016            | Transactions | Exchange Rate Changes | Other Changes | 2017            |
|---|-----------------|--------------|-----------------------|---------------|-----------------|
| Mining and quarrying                                | 9,251.0         | 319.2        | (22.4)                | 89.9          | 9,637.7         |
| Electricity, gas, steam and air conditioning supply | 1,300.4         | (4.6)        | 12.1                  | 39.0          | 1,346.9         |
| Manufacturing                                       | 1,282.1         | 86.0         | (2.6)                 | (82.7)        | 1,282.8         |
| Information and Communication                       | 1,070.0         | 1.9          | (26.0)                | -             | 1,045.9         |
| Deposit taking corporations                         | 533.6           | 70.1         | 7.3                   | (15.3)        | 595.8           |
| Wholesale and retail trade                          | 415.9           | 64.4         | (0.7)                 | 5.0           | 484.6           |
| Agriculture, forestry and fishing                   | 415.3           | (35.0)       | (0.3)                 | 1.2           | 381.2           |
| Real estate activities                              | 361.8           | -            | -                     | -             | 361.8           |
| Accommodation and food service activities           | 25.0            | 7.0          | 10.9                  | 0.4           | 43.2            |
| Construction  | 37.0            | -            | (0.9)                 | -             | 36.2            |
| Transportation and storage                          | 32.7            | (3.4)        | (0.9)                 | -             | 28.4            |
| Rest of the Industries                              | 33.0            | (9.7)        | (0.6)                 | 21.1          | 43.8            |
| <b>Grand Total</b>                                  | <b>14,757.7</b> | <b>495.9</b> | <b>(24.0)</b>         | <b>58.6</b>   | <b>15,288.2</b> |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018

**Table 10: Foreign Direct Investment by Destination and Instrument (US \$ million), 2016 - 2017**

| Recipient Country | 2016           | Transactions   | Other changes in Volumes | Exc. rate changes | Other price changes | 2017           |
|-------------------|----------------|----------------|--------------------------|-------------------|---------------------|----------------|
| <b>ARE</b>        | <b>467.7</b>   | <b>56.8</b>    | -                        | <b>0.7</b>        | -                   | <b>525.2</b>   |
| Botswana          | 11.8           | (3.5)          | -                        | 0.6               | -                   | 8.9            |
| Congo DR          | 421.2          | 60.4           | -                        | -                 | -                   | 481.6          |
| Ghana             | 0.8            | -              | -                        | -                 | -                   | 0.8            |
| Mauritius         | 29.7           | -              | -                        | -                 | -                   | 29.7           |
| Nigeria           | 0.1            | -              | -                        | -                 | -                   | 0.1            |
| South Africa      | 4.0            | -              | -                        | 0.1               | -                   | 4.0            |
| <b>Debt</b>       | <b>1,227.5</b> | <b>(130.6)</b> | <b>(0.1)</b>             | <b>3.7</b>        | <b>0.0</b>          | <b>1,100.6</b> |
| Angola            | 0.0            | 0.0            | 0.0                      | (0.0)             | -                   | 0.0            |
| Australia         | 0.8            | (0.9)          | -                        | 0.1               | -                   | 0.1            |
| Belgium           | 0.1            | (0.0)          | -                        | (0.0)             | -                   | 0.1            |
| Botswana          | 2.1            | 0.0            | -                        | 0.1               | -                   | 2.1            |
| burkina Faso      | 0.6            | -              | -                        | 0.0               | -                   | 0.6            |
| Canada            | 4.4            | 2.2            | -                        | 0.1               | -                   | 11.6           |
| Chad              | 0.0            | -              | -                        | 0.0               | -                   | 0.0            |
| China PR          | 0.1            | -              | -                        | -                 | -                   | -              |
| Congo             | 0.1            | 0.1            | -                        | 0.0               | -                   | 0.2            |
| Congo DR          | 87.8           | (19.7)         | 0.0                      | 0.1               | -                   | 68.2           |
| Eritrea           | 0.0            | -              | -                        | -                 | -                   | 0.0            |
| France            | 22.8           | (0.5)          | -                        | -                 | -                   | 22.3           |
| Ghana             | 0.1            | (0.0)          | 0.0                      | (0.0)             | -                   | 0.1            |
| Guinea-Bissau     | 0.0            | -              | -                        | -                 | -                   | 0.0            |
| India             | 30.2           | (0.0)          | -                        | 3.0               | -                   | 33.1           |
| Ireland           | 0.3            | (0.3)          | -                        | -                 | -                   | -              |
| Italy             | 0.0            | -              | -                        | (0.0)             | -                   | (0.0)          |
| Japan             | 0.0            | (0.0)          | -                        | -                 | -                   | 0.0            |
| Jersey            | 0.0            | -              | -                        | 0.0               | -                   | 0.0            |
| Kenya             | 5.7            | 0.5            | -                        | 0.0               | -                   | 6.3            |
| Luxembourg        | 196.7          | (2.2)          | -                        | -                 | -                   | 194.5          |
| Madagascar        | 0.0            | -              | -                        | 0.0               | -                   | 0.0            |
| Malawi            | 3.1            | 0.4            | -                        | 0.0               | -                   | 3.5            |
| Mauritania        | 0.0            | 0.1            | -                        | 0.2               | -                   | 0.3            |
| Mauritius         | 197.3          | 0.4            | -                        | 0.0               | -                   | 197.2          |
| Mozambique        | 12.8           | 0.1            | (0.1)                    | 0.0               | -                   | 12.9           |
| Namibia           | -              | -              | 0.3                      | -                 | -                   | 0.3            |
| Netherlands       | 6.0            | 0.3            | -                        | -                 | -                   | 6.2            |
| Niger             | 0.0            | -              | -                        | 0.0               | -                   | 0.0            |
| Nigeria           | 111.4          | (4.7)          | -                        | 0.1               | -                   | 111.8          |
| Other             | 0.0            | -              | -                        | -                 | -                   | 0.0            |
| Panama            | 0.2            | (4.6)          | -                        | 0.1               | -                   | 0.2            |
| Peru              | 9.4            | (0.0)          | -                        | (0.1)             | -                   | 9.4            |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018





**Table 10: Foreign Direct Investment by Destination Country and Instrument (US \$ million), 2016 - 2017...Cont'**

| Recipient Country    | 2016           | Transactions  | Other changes in Volumes | Exc. rate changes | Other price changes | 2017           |
|----------------------|----------------|---------------|--------------------------|-------------------|---------------------|----------------|
| Rwanda               | 0.0            | 0.0           | -                        | -                 | -                   | 0.0            |
| Seychelles           | 0.0            | 0.0           | -                        | -                 | -                   | 0.0            |
| Sierra Leon          | 0.0            | -             | -                        | 0.0               | -                   | 0.0            |
| Singapore            | 0.1            | 1.0           | -                        | -                 | -                   | 1.1            |
| South Africa         | 118.8          | (1.0)         | 0.0                      | 0.4               | 0.0                 | 116.8          |
| Spain                | 0.1            | 0.1           | -                        | 0.0               | -                   | 0.2            |
| Sri Lanka            | -              | 0.0           | -                        | -                 | -                   | 0.0            |
| Sweden               | 0.6            | (0.6)         | 0.0                      | (0.0)             | -                   | 0.0            |
| Switzerland          | 119.6          | (42.0)        | -                        | -                 | -                   | 77.6           |
| Tanzania             | 6.0            | 0.5           | -                        | 0.0               | -                   | 6.2            |
| Togo                 | -              | 0.6           | -                        | (0.2)             | -                   | (9.7)          |
| Uganda               | 1.4            | (0.0)         | -                        | -                 | -                   | 1.4            |
| United Arab Emirates | 226.6          | (2.5)         | -                        | -                 | -                   | 224.0          |
| United Kingdom       | 58.1           | (57.9)        | 0.0                      | 0.0               | -                   | 0.1            |
| United States        | 0.2            | (0.0)         | -                        | (0.0)             | -                   | 0.2            |
| Zimbabwe             | 3.8            | (0.0)         | (0.2)                    | (0.2)             | -                   | 1.5            |
| Equity capital       | 8.8            | 1.7           | -                        | 0.0               | 0.0                 | 10.5           |
| Belgium              | 0.1            | -             | -                        | 0.0               | 0.0                 | 0.1            |
| Ghana                | 0.2            | -             | -                        | -                 | -                   | 0.2            |
| Malawi               | 0.4            | -             | -                        | -                 | -                   | 0.4            |
| Mauritius            | 0.0            | -             | -                        | -                 | -                   | 0.0            |
| Nigeria              | 0.0            | -             | -                        | -                 | -                   | 0.0            |
| South Africa         | 4.8            | 1.7           | -                        | -                 | -                   | 6.5            |
| Tanzania             | 3.2            | 0.0           | -                        | -                 | -                   | 3.2            |
| <b>Grand Total</b>   | <b>1,703.9</b> | <b>(72.0)</b> | <b>(0.1)</b>             | <b>4.4</b>        | <b>0.0</b>          | <b>1,636.3</b> |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018

**Table 11: Private Sector External Lending by Destination Country (US \$ million), 2016 - 2017**

| Recipient Country      | Opening Bal Dec 2016 | Transactions | Other changes in Volumes | Exc. rate changes | Other price changes | Closing Bal Dec 2017 | Interest |
|------------------------|----------------------|--------------|--------------------------|-------------------|---------------------|----------------------|----------|
| Angola                 | 0.0                  | 0.0          | 0.0                      | (0.0)             | -                   | 0.0                  | -        |
| Australia              | 1.6                  | (0.7)        | -                        | 0.1               | -                   | 0.3                  | -        |
| Belgium                | 1.6                  | (0.4)        | -                        | 0.0               | -                   | 1.2                  | -        |
| Botswana               | 25.6                 | (20.7)       | -                        | 0.1               | -                   | 4.8                  | -        |
| British Virgin Islands | 0.5                  | -            | -                        | -                 | -                   | 0.5                  | -        |
| Burkina Faso           | 0.6                  | -            | -                        | 0.0               | -                   | 0.6                  | -        |
| Burundi                | 0.3                  | 1.2          | -                        | 0.0               | -                   | 1.5                  | -        |
| Cambodia               | 70.2                 | 124.0        | -                        | 2.7               | -                   | 196.9                | 1.1      |
| Cameroon               | 1.1                  | -            | -                        | -                 | -                   | 1.1                  | -        |
| Canada                 | 4.5                  | 2.4          | -                        | 0.1               | -                   | 11.9                 | -        |
| Chad                   | 0.0                  | -            | -                        | 0.0               | -                   | 0.0                  | -        |
| China PR               | 804.9                | 200.9        | -                        | (5.9)             | -                   | 999.8                | -        |
| Congo                  | 0.5                  | 0.1          | -                        | 0.0               | -                   | 0.6                  | -        |
| Congo DR               | 91.1                 | (19.4)       | 0.0                      | (0.2)             | -                   | 71.5                 | 2.2      |
| Eritrea                | 0.0                  | -            | -                        | -                 | -                   | 0.0                  | -        |
| Finland                | 0.1                  | (0.1)        | -                        | -                 | -                   | -                    | -        |
| France                 | 23.2                 | 2.5          | -                        | 0.8               | -                   | 22.3                 | -        |
| Germany                | 130.6                | 63.1         | (0.9)                    | 5.8               | -                   | 197.5                | 0.2      |
| Ghana                  | 0.4                  | 0.5          | 0.0                      | 0.2               | -                   | 0.1                  | -        |
| Guinea                 | -                    | 0.0          | -                        | 0.0               | -                   | 0.0                  | -        |
| Guinea-Bissau          | 0.0                  | -            | -                        | -                 | -                   | 0.0                  | -        |
| Hong Kong              | 9.7                  | 0.0          | (2.8)                    | 0.3               | -                   | 7.3                  | 0.1      |
| India                  | 51.4                 | 8.8          | -                        | 3.8               | -                   | 64.0                 | -        |
| Indonesia              | -                    | (0.0)        | -                        | -                 | -                   | 0.0                  | -        |
| Ireland                | 0.3                  | (0.3)        | -                        | -                 | -                   | -                    | -        |
| Italy                  | 0.5                  | (0.0)        | -                        | (0.0)             | -                   | 0.5                  | -        |
| Ivory Coast            | 2.7                  | -            | -                        | -                 | -                   | 2.7                  | -        |
| Japan                  | 0.0                  | 0.0          | -                        | (0.0)             | -                   | 0.1                  | -        |
| Jersey                 | 0.0                  | -            | -                        | 0.0               | -                   | 0.0                  | -        |
| Kenya                  | 14.2                 | 5.8          | 0.3                      | 0.5               | -                   | 9.6                  | -        |
| Luxembourg             | 196.7                | (2.2)        | -                        | -                 | -                   | 194.5                | -        |
| Madagascar             | 0.0                  | -            | -                        | 0.0               | -                   | 0.0                  | -        |
| Malawi                 | 3.1                  | 0.4          | -                        | 0.2               | -                   | 3.5                  | -        |
| Mauritania             | 0.0                  | 0.1          | -                        | 0.2               | -                   | 0.3                  | -        |
| Mauritius              | 204.7                | (3.8)        | 0.2                      | 0.1               | -                   | 200.6                | -        |
| Mozambique             | 12.8                 | 1.6          | (0.1)                    | 0.1               | -                   | 14.4                 | -        |
| Namibia                | 0.0                  | 1.9          | 0.3                      | (0.1)             | -                   | 3.1                  | -        |
| Netherlands            | 21.5                 | (0.1)        | 0.4                      | -                 | -                   | 21.8                 | -        |
| New Zealand            | 0.0                  | 0.0          | -                        | (0.0)             | -                   | 0.0                  | -        |
| Niger                  | 0.0                  | -            | -                        | 0.0               | -                   | 0.0                  | -        |
| Nigeria                | 130.5                | 0.2          | -                        | 1.3               | -                   | 130.5                | 0.0      |
| Other                  | 120.4                | (2.6)        | -                        | 0.1               | -                   | 113.4                | -        |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 11: Private Sector External Lending by Destination Country (US \$ million), 2016 - 2017... cont'd**

| Recipient Country    | Opening Bal Dec 2016 | Transactions | Other changes in Volumes | Exc. rate changes | Other price changes | Closing Bal Dec 2017 | Interest   |
|----------------------|----------------------|--------------|--------------------------|-------------------|---------------------|----------------------|------------|
| Panama               | 0.2                  | (4.6)        | -                        | 0.1               | -                   | 0.2                  | -          |
| Peru                 | 9.4                  | (0.0)        | -                        | (0.1)             | -                   | 9.4                  | -          |
| Philippines          | -                    | 0.0          | -                        | -                 | -                   | 0.1                  | -          |
| Phillipines          | 0.1                  | -            | -                        | -                 | -                   | -                    | -          |
| Rwanda               | 0.0                  | 0.0          | -                        | -                 | -                   | 0.0                  | -          |
| Seychelles           | 0.0                  | 0.0          | -                        | -                 | -                   | 0.0                  | -          |
| Sierra Leone         | 0.0                  | -            | -                        | 0.0               | -                   | 0.0                  | -          |
| Singapore            | 21.1                 | 40.6         | -                        | 0.3               | -                   | 61.9                 | -          |
| South Africa         | 316.8                | 67.4         | 0.1                      | (0.5)             | 0.0                 | 419.2                | 0.2        |
| Spain                | 0.1                  | 0.1          | -                        | 0.0               | -                   | 0.2                  | -          |
| Sri Lanka            | -                    | 0.0          | -                        | -                 | -                   | 0.0                  | -          |
| Swaziland            | 0.0                  | -            | -                        | 0.0               | -                   | 0.0                  | -          |
| Sweden               | 0.6                  | (0.6)        | 0.0                      | (0.0)             | -                   | 0.0                  | -          |
| Switzerland          | 290.8                | (154.1)      | -                        | -                 | -                   | 136.6                | -          |
| Taiwan               | -                    | -            | -                        | -                 | -                   | -                    | -          |
| Tanzania             | 11.3                 | (4.4)        | -                        | (0.1)             | -                   | 6.7                  | -          |
| Togo                 | -                    | 0.6          | -                        | (0.3)             | -                   | (9.7)                | 0.0        |
| Uganda               | 1.5                  | 0.0          | -                        | 0.0               | -                   | 3.0                  | -          |
| United Arab Emirates | 236.7                | (2.2)        | (0.3)                    | -                 | -                   | 234.0                | -          |
| United Kingdom       | 489.5                | 119.4        | (35.8)                   | (3.3)             | -                   | 567.4                | 1.2        |
| United States        | 251.9                | 183.7        | 3.3                      | (8.7)             | -                   | 424.0                | 0.1        |
| Zimbabwe             | 3.9                  | 0.2          | (0.2)                    | (0.5)             | -                   | 1.7                  | -          |
| <b>Grand Total</b>   | <b>3,559.5</b>       | <b>609.2</b> | <b>(35.5)</b>            | <b>(3.0)</b>      | <b>0.0</b>          | <b>4,131.7</b>       | <b>5.1</b> |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018

**Table 12: Inward Foreign Affiliates Statistics by Partner country (US \$ million), 2017**

| Description  | Australia | Belgium | Botswana | British Virgin Islands | Canada   | Channel Islands |
|--|-----------|---------|----------|------------------------|----------|-----------------|
| 2.1. Total assets at end 2017  | 3.9       | 310.7   | 15.5     | 528.1                  | 7,478.0  | 4.2             |
| 2.2. Net worth at end 2017 = (Total Equity at end 2017)  | (32.2)    | 149.7   | (0.3)    | 77.7                   | 3,974.7  | 1.3             |
| 2.3. Total liabilities = Total Assets (2.1) minus Net Worth (2.2) at end 2017                        | 36.1      | 160.9   | 15.8     | 450.4                  | 3,503.4  | 2.9             |
| 2.4. Sales or turnover in 2017   |           | 264.6   | 28.6     | 75.5                   | 3,244.5  | 15.6            |
| 2.5. Operating Surplus (or loss)   | (25.9)    | 33.2    | 3.9      | (4.7)                  | 727.6    | 0.5             |
| 2.6. Taxes on Income   |           | 4.4     | 0.8      | 3.3                    | 236.1    | 0.2             |
| 2.7. Net Profit After Tax (Earnings/Loss)  | (25.9)    | 28.8    | (1.0)    | (3.3)                  | 489.7    | 0.3             |
| 2.8. Total dividends declared  |           |         |          | 0.4                    |          | 0.2             |
| 2.9. Realised gains and losses   | 0.0       | 0.3     |          | 5.2                    | 1.7      | 0.2             |
| 2.10. Compensation of Employees  | 0.1       | 21.3    | 2.3      | 27.1                   | 252.9    | 1.3             |
| 2.10.1. Of which: Salaries and wages paid  | 0.1       | 20.8    | 2.2      | 25.6                   | 241.2    | 1.3             |
| 2.10.2. Of which: Employer's Social Contributions (See definition 37)                                | 0.0       | 0.5     | 0.1      | 1.5                    | 11.6     |                 |
| 2.11. Total purchases of domestic goods and services   | 0.5       | 33.1    |          | 24.3                   | 1,628.8  |                 |
| 2.11.1. Of which: goods  | 0.1       | 25.5    |          | 10.8                   | 925.7    | 3.2             |
| 2.11.2. Of which: services   | 0.4       | 7.6     |          | 6.1                    | 703.4    | 1.5             |
| 2.12. Total imports of goods   |           | 72.4    | 6.2      | 3.6                    | 585.2    | 10.0            |
| 2.12.1. Of which: from foreign affiliates  |           | 17.8    | 0.4      | 0.7                    | 10.5     | 9.3             |
| 2.13. Total imports of services  | 0.1       |         | 0.1      | 10.2                   | 52.1     |                 |
| 2.13.1. Of which: from foreign affiliates  | 0.1       |         | 0.1      | 10.3                   | 13.5     | 1.0             |
| 2.14. Total exports of goods   |           | 0.4     |          | 7.2                    | 2,470.7  |                 |
| 2.14.1. Of which: to foreign affiliates  |           |         |          |                        | 1,630.9  |                 |
| 2.15. Total exports of services  |           |         |          |                        |          |                 |
| 2.15.1. Of which: to foreign affiliates  |           |         |          | 3.5                    |          |                 |
| 2.16. Gross Fixed Capital Formation (2.16.1 + 2.16.2 + 2.16.3 + 2.16.4 + 2.16.5)                     | 0.0       | 26.1    | 3.4      | 12.6                   | 21.7     | 0.1             |
| 2.16.1. Of which: Research and Development Expenditures  |           |         |          |                        | 2.1      |                 |
| 2.16.2. Of which: Acquisition less Disposal of Buildings and other Structures                        |           | 1.1     | 2.8      | 1.2                    | 12.5     |                 |
| 2.16.3. Of which: Land improvements  |           |         | 0.1      | 0.0                    | 2.2      | 0.0             |
| 2.16.4. Of which: Acquisition less Disposal of Machinery and equipment                               | 0.0       | 25.0    | 0.5      | 10.9                   | 107.5    | 0.1             |
| 2.16.5. Of which: Acquisition less Disposal of Other fixed assets                                    |           |         | 0.1      | 0.4                    | (102.6)  | 0.0             |
| 2.17. Training Expenditure   |           | 0.2     | 0.0      | 0.2                    | 3.8      | 0.0             |
| 2.18. Payments for royalties and license fees  | 0.1       |         |          | 1.6                    | (33.4)   |                 |
| 2.18.1. Of Which: Non-Residents  |           | 2.1     |          | 1.1                    |          |                 |
| 2.19. Value of Closing Stock of Finished Products  |           | 7.9     | 3.3      | (2.5)                  | 136.6    | 1.0             |
| 2.20. Value of Opening Stock of Finished Products  |           | 6.7     | 1.2      | (1.5)                  | 166.4    | 1.0             |
| 2.21. Gross Output (value) = [Turnover (2.4) + Value of Closing Stock (2.19) - Opening Stock (2.20)] |           | 265.9   | 30.8     | 74.5                   | 3,214.7  | 15.5            |
| 2.22. Management fees  |           | 4.4     | 0.0      |                        | 5.8      | 0.0             |
| 2.23. Operating Expenditure  |           | 65.9    | 23.3     | 71.1                   | 351.1    | 2.5             |
| 2.24. Value-added = Gross Output (2.21) - Operating Expenditure (2.23)                               |           | 200.0   | 7.5      | 3.4                    | 2,863.6  | 13.0            |
| 2.25. Total Employment (Number of employees) as at 31st December 2017                                | 7.0       | 1,045.0 | 551.0    | 1,879.0                | 11,640.0 | 60.0            |
| 2.26. Stock of domestic borrowing from banks as at 31st December 2016                                |           | 24.1    |          |                        |          |                 |
| 2.27. Stock of domestic borrowing from banks as at 31st December 2017                                |           | 10.0    |          |                        |          |                 |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 12: Inward Foreign Affiliates Statistics by Partner country (US \$ million), 2017... cont'd**

| Description  | China PR | Egypt | France | Germany | Guernsey | Hong Kong |
|--|----------|-------|--------|---------|----------|-----------|
| 2.1. Total assets at end 2017  | 4,173.4  | 24.7  | 128.3  | 86.5    | 10.6     | 19.0      |
| 2.2. Net worth at end 2017 = (Total Equity at end 2017)  | 820.3    | 9.5   | 39.0   | (13.8)  | (0.9)    | 4.0       |
| 2.3. Total liabilities = Total Assets (2.1) minus Net Worth (2.2) at end 2017                        | 3,353.1  | 15.2  | 89.3   | 100.3   | 11.5     | 15.1      |
| 2.4. Sales or turnover in 2017   | 2,559.5  | 8.4   | 432.8  | 17.1    | 18.5     | 16.2      |
| 2.5. Operating Surplus (or loss)   | 313.8    | 7.0   | 15.4   | (16.2)  | 8.8      | 5.1       |
| 2.6. Taxes on Income   | 57.4     |       | 10.2   | 0.1     | 1.5      | 1.1       |
| 2.7. Net Profit After Tax (Earnings/Loss)  | 192.3    | 1.3   | 9.6    | (16.3)  | (2.0)    | 2.9       |
| 2.8. Total dividends declared  | 127.4    |       | 5.4    |         |          |           |
| 2.9. Realised gains and losses   | 28.1     |       | 5.4    | (0.0)   | 0.0      | 4.1       |
| 2.10. Compensation of Employees  | 72.2     | 1.6   | 6.5    | 5.2     | 0.0      | 0.8       |
| 2.10.1 Of which: Salaries and wages paid   | 64.4     | 1.5   | 5.9    | 5.0     | 0.0      | 0.8       |
| 2.10.2 Of which: Employer's Social Contributions (See definition 37)                                 | 7.8      | 0.1   | 0.7    | 0.3     |          | 0.1       |
| 2.11. Total purchases of domestic goods and services   | 1,208.2  | 1.7   | 9.7    | 2.5     | 0.1      | 6.4       |
| 2.11.1 Of which: goods   | 1,088.5  | 1.4   | 269.1  | 0.1     | 0.0      | 0.3       |
| 2.11.2 Of which: services  | 112.3    | 0.3   |        | 2.4     | 0.1      | 6.1       |
| 2.12. Total imports of goods   | 487.8    | 2.6   | 12.3   | -       | 0.2      |           |
| 2.12.1 Of which: from foreign affiliates   | 16.6     | 0.9   | 87.5   |         | 0.2      |           |
| 2.13. Total imports of services  | 7.9      | 0.2   |        | 1.2     |          |           |
| 2.13.1 Of which: from foreign affiliates   | 4.1      |       |        | 1.2     |          |           |
| 2.14. Total exports of goods   | 1,743.4  |       | 2.6    | 0.0     |          |           |
| 2.14.1 Of which: to foreign affiliates   | 240.0    |       |        |         |          |           |
| 2.15. Total exports of services  | 10.9     |       |        |         |          |           |
| 2.15.1 Of which: to foreign affiliates   | 3.8      |       |        |         |          |           |
| 2.16. Gross Fixed Capital Formation (2.16.1 + 2.16.2 + 2.16.3+2.16.4 + 2.16.5)                       | 995.4    | 0.1   | 12.2   | 1.3     | 0.0      | 0.2       |
| 2.16.1 Of which: Research and Development Expenditures   | 538.9    |       |        |         |          |           |
| 2.16.2 Of which: Acquisition less Disposal of Buildings and other Structures                         | 155.0    |       | 6.4    | 0.9     |          |           |
| 2.16.3 Of which: Land improvements   |          |       |        |         |          |           |
| 2.16.4 Of which: Acquisition less Disposal of Machinery and equipment                                | 299.7    |       | 2.6    | 0.3     |          | 0.2       |
| 2.16.5 Of which: Acquisition less Disposal of Other fixed assets                                     | 1.8      | 0.1   | 3.3    | 0.1     | 0.0      | 0.1       |
| 2.17. Training Expenditure   | 0.2      | 0.0   | 0.1    | 0.1     |          |           |
| 2.18. Payments for royalties and license fees  | 1.5      |       |        | 0.3     | 0.0      | 0.0       |
| 2.18.1 Of Which: Non-Residents   |          |       |        | 0.3     |          |           |
| 2.19. Value of Closing Stock of Finished Products  | 53.9     | 4.9   | 15.1   | 1.0     | 0.1      | 1.4       |
| 2.20. Value of Opening Stock of Finished Products  | 36.6     | 5.0   | 20.4   | 0.2     | 0.0      | 1.1       |
| 2.21. Gross Output (value) = [Turnover (2.4) + Value of Closing Stock (2.19) - Opening Stock (2.20)] | 2,576.9  | 8.3   | 427.8  | 17.9    | 18.4     | 16.5      |
| 2.22. Management fees  | 59.3     |       | 0.1    | 1.0     |          | 0.2       |
| 2.23. Operating Expenditure  | 469.8    |       | 22.3   | 5.0     | 10.6     | 1.8       |
| 2.24. Value-added = Gross Output (2.21) - Operating Expenditure (2.23)                               | 2,107.1  | 8.3   | 405.6  | 12.9    | 7.9      | 14.7      |
| 2.25. Total Employment (Number of employees) as at 31st December 2017                                | 18,525.0 | 97.0  | 683.0  | 771.0   | 69.0     | 250.0     |
| 2.26. Stock of domestic borrowing from banks as at 31st December 2016                                | 97.3     | 2.7   | 6.5    |         |          |           |
| 2.27. Stock of domestic borrowing from banks as at 31st December 2017                                | 58.4     | 4.0   | 3.4    |         |          |           |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018

**Table 12: Inward Foreign Affiliates Statistics by Partner country (US \$ million), 2017... cont'd**

| Description  | India | Ireland | Isle of Man | Israel | Italy | Japan |
|--|-------|---------|-------------|--------|-------|-------|
| 2.1. Total assets at end 2017  | 202.6 | 876.1   | 3.8         | 24.6   | 20.7  | 53.4  |
| 2.2. Net worth at end 2017 = (Total Equity at end 2017)                        | 104.4 | 472.0   | 2.2         | 7.6    | 8.7   | 33.0  |
| 2.3. Total liabilities = Total Assets (2.1) minus Net Worth (2.2) at end 2017  | 98.2  | 404.1   | 1.7         | 17.0   | 11.9  | 20.4  |
| 2.4. Sales or turnover in 2017   | 127.2 | 760.3   | 7.1         | 35.4   | 37.6  | 105.3 |
| 2.5. Operating Surplus (or loss)   | 78.5  | 98.4    | (0.3)       | 5.2    | 3.5   | 19.1  |
| 2.6. Taxes on Income   | 26.7  | 35.5    |             | 1.9    | 0.9   | 6.7   |
| 2.7. Net Profit After Tax (Earnings/Loss)                                      | 51.8  | 44.1    | (0.3)       | (0.2)  | (5.3) | 11.1  |
| 2.8. Total dividends declared  |       |         |             |        |       | 5.3   |
| 2.9. Realised gains and losses   | 2.9   | 0.0     | 0.1         | (0.3)  | 8.9   |       |
| 2.10. Compensation of Employees  | 5.6   | 19.5    | 2.4         | 9.4    | 4.3   | 8.7   |
| 2.10.1 Of which: Salaries and wages paid                                       | 5.4   | 19.1    | 2.2         | 9.0    | 4.3   | 8.1   |
| 2.10.2 Of which: Employer's Social Contributions (See definition 37)           | 0.2   | 0.4     | 0.2         | 0.4    |       | 0.6   |
| 2.11. Total purchases of domestic goods and services                           | 26.3  | 3.5     | 3.8         | 12.6   | 0.1   |       |
| 2.11.1 Of which: goods   | 19.5  | 2.5     | 3.5         |        | 0.1   |       |
| 2.11.2 Of which: services  | 6.8   | 1.0     | 0.3         |        | 0.0   |       |
| 2.12. Total imports of goods   | 14.0  | 110.0   | 1.1         | 0.5    | 8.9   |       |
| 2.12.1 Of which: from foreign affiliates                                       | 1.9   |         |             |        |       |       |
| 2.13. Total imports of services  |       |         | 0.0         |        |       |       |
| 2.13.1 Of which: from foreign affiliates                                       |       |         |             |        |       |       |
| 2.14. Total exports of goods   | 10.2  | 0.1     | 7.1         | 35.3   | 0.6   |       |
| 2.14.1 Of which: to foreign affiliates   | 10.0  |         |             |        | 0.3   |       |
| 2.15. Total exports of services  |       |         |             |        |       |       |
| 2.15.1 Of which: to foreign affiliates   |       |         |             |        |       |       |
| 2.16. Gross Fixed Capital Formation (2.16.1 + 2.16.2 + 2.16.3+2.16.4 + 2.16.5) | 3.0   | 78.9    | 0.2         | 15.6   | 0.0   | (0.3) |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 12: Inward Foreign Affiliates Statistics by Partner country (US \$ million), 2017... cont'd**

| Description  | India | Ireland | Isle of Man | Israel | Italy | Japan |
|--|-------|---------|-------------|--------|-------|-------|
| 2.16.1 Of which: Research and Development Expenditures   |       | 3.6     |             |        |       |       |
| 2.16.2 Of which: Acquisition less Disposal of Buildings and other Structures                       | (0.0) | 48.3    | 0.0         | 1.8    | 0.0   | (0.0) |
| 2.16.3 Of which: Land improvements   |       | 8.3     | 0.0         |        |       | 0.0   |
| 2.16.4 Of which: Acquisition less Disposal of Machinery and equipment                              | 2.5   | 0.3     | 0.1         | 12.1   | 0.0   |       |
| 2.16.5 Of which: Acquisition less Disposal of Other fixed assets                                   | 0.4   | 18.4    |             | 1.8    | 0.0   | (0.3) |
| 2.17 Training Expenditure  | 0.1   | 0.7     | 0.0         | 0.0    |       |       |
| 2.18 Payments for royalties and license fees   |       |         | 0.1         | 2.2    | 0.0   |       |
| 2.18.1 Of Which: Non-Residents   |       |         | 0.1         |        |       |       |
| 2.19 Value of Closing Stock of Finished Products   | 0.7   | 18.9    |             | 1.4    | 0.0   | 19.9  |
| 2.20 Value of Opening Stock of Finished Products   | 0.5   | 14.4    |             | 3.5    | 0.0   | 13.9  |
| 2.21 Gross Output (value) =[Turnover (2.4) + Value of Closing Stock (2.19) - Opening Stock (2.20)] | 127.4 | 765.0   | 7.1         | 33.2   | 37.6  | 111.5 |
| 2.22 Management fees   | 1.2   | 2.7     |             |        | 0.2   |       |
| 2.23 Operating Expenditure   | 15.7  | 69.5    | 7.4         | 27.1   | 33.9  | 6.5   |
| 2.24 Value-added = Gross Output (2.21) - Operating Expenditure (2.23)                              | 111.8 | 695.5   | (0.3)       | 6.1    | 3.6   | 105.0 |
| 2.25 Total Employment (Number of employees) as at 31st December 2017                               | 588.0 | 536.0   | 2,043.0     | 696.0  | 352.0 | 253.0 |
| 2.26 Stock of domestic borrowing from banks as at 31st December 2016                               |       | 7.7     |             |        |       |       |
| 2.27 Stock of domestic borrowing from banks as at 31st December 2017                               |       | 23.5    |             |        |       |       |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018

**Table 12: Inward Foreign Affiliates Statistics by Partner country (US \$ million), 2017... cont'd**

| Description  | Kenya | Luxembourg | Malawi | Malaysia | Mauritius | Namibia |
|--|-------|------------|--------|----------|-----------|---------|
| 2.1. Total assets at end 2017  | 16.5  | 339.6      | 43.0   | 28.6     | 873.6     | 9.9     |
| 2.2. Net worth at end 2017 = (Total Equity at end 2017)  | 11.6  | 134.7      | 4.0    | 11.8     | 225.0     | 3.2     |
| 2.3. Total liabilities = Total Assets (2.1) minus Net Worth (2.2) at end 2017                      | 4.9   | 205.0      | 39.0   | 16.8     | 648.7     | 6.7     |
| 2.4. Sales or turnover in 2017   | 57.2  | 368.8      | 24.9   | 109.1    | 782.9     | 14.3    |
| 2.5. Operating Surplus (or loss)   | 4.6   | 5.6        | 0.7    | 2.0      | 75.7      | 1.0     |
| 2.6 Taxes on Income  | 1.5   | 5.2        | 0.0    | 0.9      | 11.1      | 0.4     |
| 2.7 Net Profit After Tax (Earnings/Loss)   | 3.0   | (0.2)      | 0.7    | 1.1      | 20.8      | 0.6     |
| 2.8 Total dividends declared   | 2.3   |            | 0.4    | 0.4      | 7.2       |         |
| 2.9 Realised gains and losses  | (0.1) | (0.6)      |        | 0.3      | 2,117.1   | 0.0     |
| 2.10 Compensation of Employees   | 0.4   | 9.4        | 2.7    | 1.1      | 49.7      | 1.2     |
| 2.10.1 Of which: Salaries and wages paid   | 0.4   | 9.0        | 2.6    | 1.0      | 46.6      | 1.2     |
| 2.10.2 Of which: Employer's Social Contributions (See definition 37)                               | 0.0   | 0.3        | 0.1    | 0.1      | 2.9       | 0.0     |
| 2.11 Total purchases of domestic goods and services  | 50.9  | 176.6      |        |          | 24.5      |         |
| 2.11.1 Of which: goods   |       | 141.0      |        |          | 37.2      | 0.0     |
| 2.11.2 Of which: services  |       | 35.5       |        |          | 10.6      | 0.1     |
| 2.12 Total imports of goods  | 2.0   | 416.1      |        | 4.2      | 171.9     |         |
| 2.12.1 Of which: from foreign affiliates   |       | 416.1      |        |          | 57.8      |         |
| 2.13 Total imports of services   |       | 104.5      |        |          | 3.2       |         |
| 2.13.1 Of which: from foreign affiliates   |       | 104.5      |        |          | 0.7       |         |
| 2.14 Total exports of goods  |       | 337.3      |        |          | 118.9     |         |
| 2.14.1 Of which: to foreign affiliates   |       | 337.3      |        |          | 7.8       |         |
| 2.15 Total exports of services   |       |            |        |          |           |         |
| 2.15.1 Of which: to foreign affiliates   |       |            |        |          |           |         |
| 2.16. Gross Fixed Capital Formation (2.16.1 + 2.16.2 + 2.16.3+2.16.4 + 2.16.5)                     |       | 2.9        | 0.0    |          | 158.4     |         |
| 2.16.1 Of which: Research and Development Expenditures   |       |            |        |          |           |         |
| 2.16.2 Of which: Acquisition less Disposal of Buildings and other Structures                       |       | 0.3        |        |          | 18.0      |         |
| 2.16.3 Of which: Land improvements   |       | 1.0        |        |          | 0.1       |         |
| 2.16.4 Of which: Acquisition less Disposal of Machinery and equipment                              |       | 0.4        | 0.0    |          | 112.2     |         |
| 2.16.5 Of which: Acquisition less Disposal of Other fixed assets                                   |       | 1.1        |        |          | 28.2      |         |
| 2.17 Training Expenditure  |       | 0.1        | 0.0    |          | 0.2       |         |
| 2.18 Payments for royalties and license fees   |       |            |        |          | 9.2       | 0.4     |
| 2.18.1 Of Which: Non-Residents   |       |            |        |          | 8.9       |         |
| 2.19 Value of Closing Stock of Finished Products   |       | 11.2       |        |          | 68.1      |         |
| 2.20 Value of Opening Stock of Finished Products   |       | 7.0        |        |          | 53.0      |         |
| 2.21 Gross Output (value) =[Turnover (2.4) + Value of Closing Stock (2.19) - Opening Stock (2.20)] | 57.2  | 373.1      | 24.9   | 109.1    | 798.4     | 14.3    |
| 2.22 Management fees   |       | 1.2        |        |          | 9.2       | 0.3     |
| 2.23 Operating Expenditure   |       | 342.4      | 18.1   |          | 116.1     |         |
| 2.24 Value-added = Gross Output (2.21) - Operating Expenditure (2.23)                              | 57.2  | 30.7       | 6.8    | 109.1    | 682.3     | 14.3    |
| 2.25. Total Employment (Number of employees) as at 31st December 2017                              | 24.0  | 845.0      | 98.0   | 33.0     | 7,510.0   | 41.0    |
| 2.26 Stock of domestic borrowing from banks as at 31st December 2016                               |       |            |        |          | 78.2      |         |
| 2.27 Stock of domestic borrowing from banks as at 31st December 2017                               |       |            |        |          | 144.8     |         |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 12: Inward Foreign Affiliates Statistics by Partner country (US \$ million), 2017... cont'd**

| Description   | Netherlands | Nigeria | Norway | Peru    | Serbia  | Singapore |
|---|-------------|---------|--------|---------|---------|-----------|
| 2.1. Total assets at end 2017   | 250.4       | 340.0   | 93.2   | 33.0    | 3.4     | 1,354.0   |
| 2.2. Net worth at end 2017 = (Total Equity at end 2017)   | 19.8        | 15.6    | 3.7    | 5.7     | 1.6     | 355.0     |
| 2.3. Total liabilities = Total Assets (2.1) minus Net Worth (2.2) at end 2017                       | 230.6       | 324.4   | 89.6   | 27.4    | 1.8     | 999.0     |
| 2.4. Sales or turnover in 2017  | 247.1       | 77.1    | 66.9   | 40.3    | 9.8     | 358.2     |
| 2.5. Operating Surplus (or loss)  | 44.4        | 4.1     | (7.3)  | 1.8     |         | 190.4     |
| 2.6. Taxes on Income  | 9.7         | 1.6     | 5.2    | 0.2     |         | 47.8      |
| 2.7. Net Profit After Tax (Earnings/Loss)   | 21.1        | 4.2     | (22.4) | 1.6     | 0.7     | 122.4     |
| 2.8. Total dividends declared   | 43.6        |         |        |         |         | 0.2       |
| 2.9. Realised gains and losses  | 3.0         | (0.0)   | (0.9)  | 0.1     | 0.6     | (1.9)     |
| 2.10. Compensation of Employees   | 10.5        | 8.8     | 3.5    | 15.0    | 0.5     | 26.5      |
| 2.10.1 Of which: Salaries and wages paid  | 10.5        | 8.7     | 3.5    | 14.6    | 0.5     | 20.4      |
| 2.10.2 Of which: Employer's Social Contributions (See definition 37)                                |             | 0.2     | 0.0    | 0.4     |         | 6.1       |
| 2.11. Total purchases of domestic goods and services  |             | 1.3     |        | 13.8    |         | 39.0      |
| 2.11.1 Of which: goods  |             | 0.1     |        | 11.2    |         | 32.8      |
| 2.11.2 Of which: services   |             | 0.9     |        | 2.6     |         | 7.4       |
| 2.12. Total imports of goods  | 0.6         | 4.9     | 44.1   | 0.5     | 7.5     | 27.6      |
| 2.12.1 Of which: from foreign affiliates  |             |         | 12.7   |         | 3.0     | 12.4      |
| 2.13. Total imports of services   |             | 0.3     |        | 0.1     |         | 11.8      |
| 2.13.1 Of which: from foreign affiliates  |             | 0.3     |        |         |         |           |
| 2.14. Total exports of goods  | 0.1         | 15.1    | 22.5   |         | 0.9     | 1.1       |
| 2.14.1 Of which: to foreign affiliates  |             |         | 5.0    |         | 0.9     | 0.2       |
| 2.15. Total exports of services   |             |         |        |         |         |           |
| 2.15.1 Of which: to foreign affiliates  |             |         |        |         |         |           |
| 2.16. Gross Fixed Capital Formation (2.16.1 + 2.16.2 + 2.16.3+2.16.4 + 2.16.5)                      |             | 2.9     | 0.0    |         | 158.4   |           |
| 2.16.1 Of which: Research and Development Expenditures  |             |         |        |         |         |           |
| 2.16.2 Of which: Acquisition less Disposal of Buildings and other Structures                        |             | 0.3     |        |         | 18.0    |           |
| 2.16.3 Of which: Land improvements  |             | 1.0     |        |         | 0.1     |           |
| 2.16.4 Of which: Acquisition less Disposal of Machinery and equipment                               |             | 0.4     | 0.0    |         | 112.2   |           |
| 2.16.5 Of which: Acquisition less Disposal of Other fixed assets                                    |             | 1.1     |        |         | 28.2    |           |
| 2.17. Training Expenditure  |             | 0.1     | 0.0    |         | 0.2     |           |
| 2.18. Payments for royalties and license fees   |             |         |        |         | 9.2     | 0.4       |
| 2.18.1 Of Which: Non-Residents  |             |         |        |         | 8.9     |           |
| 2.19. Value of Closing Stock of Finished Products   |             | 11.2    |        |         | 68.1    |           |
| 2.20. Value of Opening Stock of Finished Products   |             | 7.0     |        |         | 53.0    |           |
| 2.21. Gross Output (value) =[Turnover (2.4) + Value of Closing Stock (2.19) - Opening Stock (2.20)] | 57.2        | 373.1   | 24.9   | 109.1   | 798.4   | 14.3      |
| 2.22. Management fees   |             | 1.2     |        |         | 9.2     | 0.3       |
| 2.23. Operating Expenditure   |             | 342.4   | 18.1   |         | 116.1   |           |
| 2.24. Value-added = Gross Output (2.21) - Operating Expenditure (2.23)                              | 57.2        | 30.7    | 6.8    | 109.1   | 682.3   | 14.3      |
| 2.25. Total Employment (Number of employees) as at 31st December 2017                               | 24.0        | 845.0   | 98.0   | 33.0    | 7,510.0 | 41.0      |
| 2.26. Stock of domestic borrowing from banks as at 31st December 2016                               |             |         |        |         | 78.2    |           |
| 2.27. Stock of domestic borrowing from banks as at 31st December 2017                               |             |         |        |         | 144.8   |           |
| 2.16. Gross Fixed Capital Formation (2.16.1 + 2.16.2 + 2.16.3+2.16.4 + 2.16.5)                      | (0.0)       | 0.2     | 0.4    | 4.4     |         | 154.5     |
| 2.16.1 Of which: Research and Development Expenditures  |             |         |        |         |         |           |
| 2.16.2 Of which: Acquisition less Disposal of Buildings and other Structures                        |             |         | 0.0    |         |         | 50.2      |
| 2.16.3 Of which: Land improvements  |             | 0.0     | 0.0    | 0.0     |         | 25.3      |
| 2.16.4 Of which: Acquisition less Disposal of Machinery and equipment                               | 70.8        | 0.1     |        | 4.3     |         | 59.8      |
| 2.16.5 Of which: Acquisition less Disposal of Other fixed assets                                    |             | 0.2     | 0.4    | 0.1     |         | 19.2      |
| 2.17. Training Expenditure  | 0.0         | 0.0     | 0.0    | 0.1     |         | 1.5       |
| 2.18. Payments for royalties and license fees   | 0.3         | 0.6     |        | 0.0     |         | 0.5       |
| 2.18.1 Of Which: Non-Residents  |             | 0.0     |        |         |         | 0.3       |
| 2.19. Value of Closing Stock of Finished Products   | 2.3         | 0.5     | 18.1   | 1.9     |         | 26.7      |
| 2.20. Value of Opening Stock of Finished Products   | 5.2         |         | 20.8   | 2.6     |         | 31.3      |
| 2.21. Gross Output (value) =[Turnover (2.4) + Value of Closing Stock (2.19) - Opening Stock (2.20)] | 244.1       | 77.7    | 64.0   | 39.6    | 9.8     | 353.4     |
| 2.22. Management fees   |             |         | 1.7    |         |         | 1.5       |
| 2.23. Operating Expenditure   | 85.1        | 0.1     | 30.0   | 16.7    | 3.0     | 70.8      |
| 2.24. Value-added = Gross Output (2.21) - Operating Expenditure (2.23)                              | 158.9       | 77.6    | 34.0   | 22.9    | 6.8     | 282.6     |
| 2.25. Total Employment (Number of employees) as at 31st December 2017                               | 367.0       | 335.0   | 221.0  | 2,096.0 | 65.0    | 860.0     |
| 2.26. Stock of domestic borrowing from banks as at 31st December 2016                               |             |         |        | 0.3     |         | 89.1      |
| 2.27. Stock of domestic borrowing from banks as at 31st December 2017                               |             |         |        | 0.2     |         | 102.4     |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 12: Inward Foreign Affiliates Statistics by Partner country (US \$ million), 2017... cont'd**

| Description   | South Africa | Swaziland | Sweden | Switzerland | Tanzania |
|---|--------------|-----------|--------|-------------|----------|
| 2.1. Total assets at end 2017   | 1,226.7      | 14.8      | 113.7  | 3,210.7     | 53.1     |
| 2.2. Net worth at end 2017 = (Total Equity at end 2017)   | (414.3)      | 1.1       | 56.0   | (211.3)     | 26.1     |
| 2.3. Total liabilities = Total Assets (2.1) minus Net Worth (2.2) at end 2017                       | 1,641.0      | 13.8      | 57.7   | 3,421.9     | 27.0     |
| 2.4. Sales or turnover in 2017  | 989.4        | 9.5       | 132.7  | 837.7       | 53.2     |
| 2.5. Operating Surplus (or loss)  | 27.2         | 0.2       | 7.7    | (346.1)     | (0.7)    |
| 2.6. Taxes on Income  | 37.2         |           | 4.8    | 88.0        | 0.5      |
| 2.7. Net Profit After Tax (Earnings/Loss)   | (16.2)       | 0.2       | 2.9    | (291.2)     | 4.6      |
| 2.8. Total dividends declared   | 25.1         |           | 2.3    | 0.5         |          |
| 2.9. Realised gains and losses  | (6.7)        | 0.1       | (1.1)  | (0.2)       | 10.1     |
| 2.10. Compensation of Employees   | 128.7        | 1.4       | 9.6    | 154.8       | 63.0     |
| 2.10.1. Of which: Salaries and wages paid   | 121.0        | 1.3       | 8.9    | 147.5       | 1.3      |
| 2.10.2. Of which: Employer's Social Contributions (See definition 37)                               | 8.6          | 0.1       | 0.6    | 7.3         | 61.7     |
| 2.11. Total purchases of domestic goods and services  | 265.8        |           | 9.1    | 2.8         | 0.0      |
| 2.11.1. Of which: goods   | 204.0        |           | 6.2    | 1.6         | 0.0      |
| 2.11.2. Of which: services  | 68.5         |           | 2.9    | 1.3         |          |
| 2.12. Total imports of goods  | 309.5        | 0.0       | 83.9   | 732.4       | 35.1     |
| 2.12.1. Of which: from foreign affiliates   | 161.9        |           | 78.6   | 18.3        | 35.1     |
| 2.13. Total imports of services   | 24.4         |           | 0.9    | 1.9         |          |
| 2.13.1. Of which: from foreign affiliates   | 19.0         |           | 0.2    | 4.3         |          |
| 2.14. Total exports of goods  | 136.4        |           | 19.1   | 602.2       | 8.9      |
| 2.14.1. Of which: to foreign affiliates   | 17.1         |           | 2.2    | 583.7       | 8.0      |
| 2.15. Total exports of services   | 0.6          |           | 0.2    |             |          |
| 2.15.1. Of which: to foreign affiliates   | 0.6          |           | 0.2    |             |          |
| 2.16. Gross Fixed Capital Formation (2.16.1 + 2.16.2 + 2.16.3+2.16.4 + 2.16.5)                      | 45.6         | (0.9)     | (0.1)  | 250.1       | 30.3     |
| 2.16.1. Of which: Research and Development Expenditures   | 7.3          |           |        | 0.0         |          |
| 2.16.2. Of which: Acquisition less Disposal of Buildings and other Structures                       | 2.1          |           | 0.0    | 8.3         | 6.4      |
| 2.16.3. Of which: Land improvements   | 0.2          | 0.1       |        | 181.3       | 1.3      |
| 2.16.4. Of which: Acquisition less Disposal of Machinery and equipment                              | 25.0         | (1.0)     | (0.2)  | 60.5        | 19.4     |
| 2.16.5. Of which: Acquisition less Disposal of Other fixed assets                                   | 11.0         |           | 0.0    | 0.0         | 3.3      |
| 2.17. Training Expenditure  | 2.5          | 0.0       | 0.2    | 0.6         | 0.0      |
| 2.18. Payments for royalties and license fees   | 15.1         | 0.0       |        | 16.5        | 0.0      |
| 2.18.1. Of Which: Non-Residents   | 8.7          |           |        | 0.3         |          |
| 2.19. Value of Closing Stock of Finished Products   | 84.8         |           | 36.1   | 190.3       | 13.7     |
| 2.20. Value of Opening Stock of Finished Products   | 106.1        |           | 20.3   | 168.3       | 12.4     |
| 2.21. Gross Output (value) =[Turnover (2.4) + Value of Closing Stock (2.19) - Opening Stock (2.20)] | 967.4        | 9.5       | 148.5  | 859.6       | 54.5     |
| 2.22. Management fees   | 9.6          | 0.2       |        | 6.9         |          |
| 2.23. Operating Expenditure   | 349.8        | 8.1       | 14.3   | 703.6       | 42.0     |
| 2.24. Value-added = Gross Output (2.21) - Operating Expenditure (2.23)                              | 617.6        | 1.4       | 134.2  | 156.0       | 12.5     |
| 2.25. Total Employment (Number of employees) as at 31st December 2017                               | 7,032.0      | 97.0      | 355.0  | 7,185.0     | 499.0    |
| 2.26. Stock of domestic borrowing from banks as at 31st December 2016                               | 28.2         | 0.0       | 10.2   | 0.1         | 2.7      |
| 2.27. Stock of domestic borrowing from banks as at 31st December 2017                               | 8.0          |           | 6.5    | 0.1         | 7.1      |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018

**Table 12: Inward Foreign Affiliates Statistics by Partner country (US \$ million), 2017... cont'd**

| Description  | Togo | United Arab Emirates | United Kingdom | United States | Grand Total |
|--|------|----------------------|----------------|---------------|-------------|
| 2.1. Total assets at end 2017  | 0.2  | 146.7                | 4,767.7        | 356.6         | 27,239.6    |
| 2.2. Net worth at end 2017 = (Total Equity at end 2017)                        | 0.0  | (4.0)                | 476.3          | 207.5         | 6,585.7     |
| 2.3. Total liabilities = Total Assets (2.1) minus Net Worth (2.2) at end 2017  | 0.2  | 150.7                | 4,291.4        | 149.1         | 20,653.9    |
| 2.4. Sales or turnover in 2017   | 22.5 | 121.9                | 1,941.9        | 150.1         | 14,169.8    |
| 2.5. Operating Surplus (or loss)   | 7.4  | (13.2)               | 167.5          | 27.7          | 1,473.7     |
| 2.6. Taxes on Income   | 2.7  | 0.8                  | 58.1           | 13.1          | 675.5       |
| 2.7. Net Profit After Tax (Earnings/Loss)                                      | 4.8  | (14.0)               | (91.8)         | (18.2)        | 512.3       |
| 2.8. Total dividends declared  |      |                      | 27.2           |               | 248.0       |
| 2.9. Realised gains and losses   | 5.9  | 0.5                  | 17.1           | 0.4           | 2,200.3     |
| 2.10. Compensation of Employees  | 4.4  | 6.6                  | 140.8          | 10.0          | 1,089.7     |
| 2.10.1. Of which: Salaries and wages paid                                      | 4.2  | 6.1                  | 129.4          | 9.4           | 964.8       |
| 2.10.2. Of which: Employer's Social Contributions (See definition 37)          | 0.2  | 0.5                  | 11.2           | 0.6           | 125.3       |
| 2.11. Total purchases of domestic goods and services                           |      | 44.3                 | 3.8            | 58.9          | 3,652.3     |
| 2.11.1. Of which: goods  |      | 39.8                 | 9.6            | 54.3          | 2,888.0     |
| 2.11.2. Of which: services   |      | 4.5                  | 5.3            | 4.6           | 992.4       |
| 2.12. Total imports of goods   | 0.1  | 9.8                  | 451.0          | 0.4           | 3,616.4     |
| 2.12.1. Of which: from foreign affiliates                                      |      | 0.3                  | 8.5            | 0.2           | 950.6       |
| 2.13. Total imports of services  |      | 0.0                  | 2.3            | 0.1           | 221.2       |
| 2.13.1. Of which: from foreign affiliates                                      |      | 0.0                  | 2.3            | 0.1           | 161.7       |
| 2.14. Total exports of goods   |      | 61.9                 | 1,435.5        | 11.3          | 7,048.9     |
| 2.14.1. Of which: to foreign affiliates  |      | 19.1                 | 1.4            | 3.4           | 2,867.5     |
| 2.15. Total exports of services  |      |                      |                |               | 11.7        |
| 2.15.1. Of which: to foreign affiliates  |      |                      | 0.9            |               | 8.9         |
| 2.16. Gross Fixed Capital Formation (2.16.1 + 2.16.2 + 2.16.3+2.16.4 + 2.16.5) |      | 3.0                  | 29.6           | 0.9           | 1,850.0     |
| 2.16.1. Of which: Research and Development Expenditures                        |      |                      | 0.0            |               | 551.9       |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 12: Inward Foreign Affiliates Statistics by Partner country (US \$ million), 2017... cont'd**

| Description   | Togo  | United Arab Emirates | United Kingdom | United States | Grand Total |          |
|---|-------|----------------------|----------------|---------------|-------------|----------|
| 2.16.2 Of which: Acquisition less Disposal of Buildings and other Structures                        |       |                      | 1.0            | 25.4          | 0.5         | 342.2    |
| 2.16.3 Of which: Land improvements  |       |                      |                | 2.7           |             | 222.7    |
| 2.16.4 Of which: Acquisition less Disposal of Machinery and equipment                               |       |                      | 1.7            | 1.0           | 0.1         | 815.8    |
| 2.16.5 Of which: Acquisition less Disposal of Other fixed assets                                    |       |                      | 0.2            | 0.5           | 0.4         | (11.8)   |
| 2.17 Training Expenditure   |       |                      | 0.0            | 0.8           | 0.0         | 11.7     |
| 2.18 Payments for royalties and license fees  |       |                      |                | 2.5           | 0.7         | 18.3     |
| 2.18.1 Of Which: Non-Residents  |       |                      |                | 0.6           | 0.7         | 22.9     |
| 2.19 Value of Closing Stock of Finished Products  |       |                      | 31.1           | 52.0          | 18.4        | 818.9    |
| 2.20 Value of Opening Stock of Finished Products  |       |                      | 68.6           | 65.1          | 12.9        | 843.1    |
| 2.21 Gross Output (value) = [Turnover (2.4) + Value of Closing Stock (2.19) - Opening Stock (2.20)] | 22.5  | 83.6                 | 1,668.2        | 155.8         |             | 13,884.5 |
| 2.22 Management fees  | 1.3   |                      | 11.3           |               |             | 118.2    |
| 2.23 Operating Expenditure  | 12.3  | 35.4                 | 1,443.0        | 28.3          |             | 4,502.6  |
| 2.24 Value-added = Gross Output (2.21) - Operating Expenditure (2.23)                               | 10.2  | 48.2                 | 225.2          | 127.5         |             | 9,381.9  |
| 2.25 Total Employment (Number of employees) as at 31st December 2017                                | 114.0 | 1,296.0              | 15,395.0       | 1,012.0       |             | 85,525.0 |
| 2.26 Stock of domestic borrowing from banks as at 31st December 2016                                |       | 12.1                 | 65.3           | 0.5           |             | 425.1    |
| 2.27 Stock of domestic borrowing from banks as at 31st December 2017                                |       | 10.2                 | 79.9           |               |             | 458.5    |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018

**Table 13: Inward Pure Services Categories Affiliates Statistics by Industry (US \$ million), 2017**

| ICFA Headings/Elements  | 2.1. Total assets at end 2017 | 2.2. Net worth at end 2017 = (Total Equity at end 2017) | 2.3. Total liabilities = Total Assets (2.1) minus Net Worth (2.2) at end 2017 | 2.4. Sales or turnover in 2017 | 2.5. Operating Surplus (or loss) | 2.6 Taxes on Income |
|---|-------------------------------|---|---|--------------------------------|----------------------------------|---------------------|
| <b>Agriculture forestry and fishing</b>                                       | <b>69.89</b>                  | <b>(1.76)</b>   | <b>71.65</b>  | <b>69.67</b>                   | <b>(17.13)</b>                   | <b>1.70</b>         |
| Crop and animal production, hunting and related service activities            | 69.89                         | (1.76)  | 71.65   | 69.67                          | (17.13)                          | 1.70                |
| <b>Mining and Quarrying</b>   | <b>541.64</b>                 | <b>390.75</b>   | <b>150.89</b>   | <b>698.86</b>                  | <b>69.55</b>                     | <b>36.48</b>        |
| Mining support service activities   | 541.64                        | 390.75  | 150.89  | 698.86                         | 69.55                            | 36.48               |
| <b>Manufacturing</b>  | <b>7.45</b>                   | <b>4.93</b>   | <b>2.52</b>   | <b>14.85</b>                   | <b>1.32</b>                      | <b>0.48</b>         |
| Repair and installation of machinery equipment                                | 7.45                          | 4.93  | 2.52  | 14.85                          | 1.32                             | 0.48                |
| <b>Electricity, gas, steam and air conditioning supply</b>                    | <b>1,379.32</b>               | <b>856.45</b>   | <b>522.87</b>   | <b>687.99</b>                  | <b>303.60</b>                    | <b>96.83</b>        |
| Electric power generation, transmission and distribution                      | 1,379.32                      | 856.45  | 522.87  | 687.99                         | 303.60                           | 96.83               |
| <b>Construction</b>   | <b>726.58</b>                 | <b>69.02</b>  | <b>657.55</b>   | <b>447.43</b>                  | <b>54.08</b>                     | <b>6.04</b>         |
| Construction  | 726.58                        | 69.02   | 657.55  | 447.43                         | 54.08                            | 6.04                |
| <b>Wholesale &amp; Retail trade</b>   | <b>980.22</b>                 | <b>290.39</b>   | <b>689.83</b>   | <b>1,983.01</b>                | <b>106.86</b>                    | <b>43.80</b>        |
| Retail trade, except of motor vehicles and motorcycles                        | 491.03                        | 165.35  | 325.69  | 1,437.30                       | 46.09                            | 27.00               |
| Wholesale and retail trade and repair of motor vehicles and motorcycles       | 88.52                         | 33.62   | 54.90   | 140.88                         | 23.14                            | 7.40                |
| Wholesale trade, except of motor vehicles and motorcycles                     | 400.66                        | 91.42   | 309.24  | 404.83                         | 37.64                            | 9.40                |
| <b>Transport &amp; Storage</b>  | <b>41.31</b>                  | <b>8.97</b>   | <b>32.34</b>  | <b>69.03</b>                   | <b>8.05</b>                      | <b>2.78</b>         |
| Air transport   | 5.67                          | 2.06  | 3.61  | 3.04                           | 0.84                             | 0.16                |
| Land transport and transport via pipelines                                    | 9.12                          | 3.67  | 5.45  | 43.27                          | 0.51                             | 0.34                |
| Warehousing and support activities for transportation                         | 26.52                         | 3.24  | 23.28   | 22.73                          | 6.70                             | 2.28                |
| <b>Accommodation &amp; Food service activities</b>                            | <b>36.72</b>                  | <b>1.08</b>   | <b>35.64</b>  | <b>21.44</b>                   | <b>2.20</b>                      | <b>1.12</b>         |
| Accommodation   | 36.72                         | 1.08  | 35.64   | 21.44                          | 2.20                             | 1.12                |
| <b>Information &amp; Communication</b>  | <b>537.00</b>                 | <b>49.51</b>  | <b>487.49</b>   | <b>506.07</b>                  | <b>80.66</b>                     | <b>14.54</b>        |
| Computer programming, consultancy and related activities                      | 1.99                          | 0.20  | 1.79  | 2.58                           | 0.16                             | 0.03                |
| Information service activities  | 9.69                          | (2.31)  | 11.99   | 12.37                          | (3.29)                           |                     |
| Programming and broadcasting activities                                       | 12.74                         | (0.83)  | 13.57   | 21.73                          | 2.05                             | 1.51                |
| Publishing activities   | 0.46                          | (0.20)  | 0.66  | 0.43                           | (0.02)                           | 0.00                |
| Telecommunications  | 512.12                        | 52.65   | 459.47  | 468.96                         | 81.76                            | 13.00               |
| <b>Financial and Insurance Activities</b>                                     | <b>4,269.20</b>               | <b>642.18</b>   | <b>3,627.02</b>   | <b>750.01</b>                  | <b>196.12</b>                    | <b>76.09</b>        |
| Financial service activities, except insurance and pension funding            | 4,180.36                      | 628.55  | 3,551.81  | 670.54                         | 189.51                           | 75.29               |
| Insurance, reinsurance and pension funding, except compulsory social security | 88.83                         | 13.62   | 75.21   | 79.47                          | 6.61                             | 0.79                |
| <b>Real estate activities</b>   | <b>544.78</b>                 | <b>184.12</b>   | <b>360.66</b>   | <b>43.37</b>                   | <b>(4.28)</b>                    | <b>0.06</b>         |
| Real estate activities  | 544.78                        | 184.12  | 360.66  | 43.37                          | (4.28)                           | 0.06                |
| <b>Professional scientific and technical activities</b>                       | <b>11.75</b>                  | <b>2.17</b>   | <b>9.57</b>   | <b>9.89</b>                    | <b>1.62</b>                      | <b>0.25</b>         |
| Activities of head offices, management consultancy activities                 | 1.42                          | 0.04  | 1.38  |                                | (0.01)                           |                     |
| Advertising and market research   | 4.33                          | 0.71  | 3.62  | 1.81                           |                                  | 0.00                |
| Architectural and engineering activities; technical testing and analysis      | 2.71                          | 0.61  | 2.10  | 4.51                           | 1.17                             | 0.08                |
| Legal and accounting activities   | 3.28                          | 0.81  | 2.47  | 3.57                           | 0.45                             | 0.18                |
| <b>Administrative and support service activities</b>                          | <b>10.54</b>                  | <b>(0.49)</b>   | <b>11.03</b>  | <b>18.77</b>                   | <b>9.17</b>                      | <b>1.48</b>         |
| Administrative support  | 10.11                         | (0.72)  | 10.82   | 18.01                          | 8.74                             | 1.46                |
| Travel agency, tour operator reservation service and related activities       | 0.43                          | 0.23  | 0.20  | 0.76                           | 0.43                             | 0.02                |
| <b>Grand Total</b>  | <b>9,156.39</b>               | <b>2,497.32</b>   | <b>6,659.07</b>   | <b>5,320.37</b>                | <b>811.83</b>                    | <b>281.63</b>       |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018

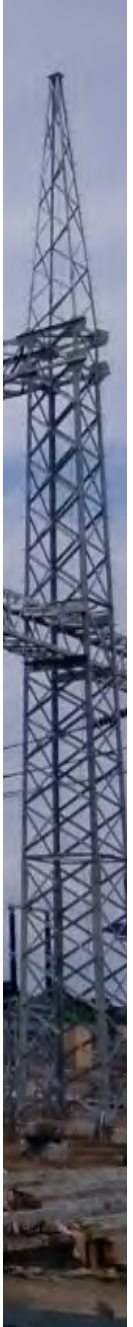


**Table 13: Inward Pure Services Categories Affiliates Statistics by Industry (US \$ million), 2017... cont'd**

| ICFA Headings/Elements  | 2.7 Net Profit After Tax (Earnings/Loss) | 2.8 Total dividends declared | 2.9 Realised gains and losses | 2.10 Compensation of Employees | 2.10.1 Of which: Salaries and wages paid | 2.10.2 Of which: Employer's Social Contributions (See definition 37) |
|---|--|------------------------------|-------------------------------|--------------------------------|--|--|
| <b>Agriculture forestry and fishing</b>                                       | <b>(17.0)</b>                            | <b>-</b>                     | <b>0.1</b>                    | <b>5.9</b>                     | <b>5.5</b>                               | <b>0.4</b>   |
| Crop and animal production, hunting and related service activities            | (17.0)                                   | -                            | 0.1                           | 5.9                            | 5.5                                      | 0.4  |
| <b>Mining and Quarrying</b>   | <b>26.3</b>                              | <b>4.7</b>                   | <b>2.6</b>                    | <b>130.2</b>                   | <b>123.3</b>                             | <b>6.9</b>   |
| Mining support service activities   | 26.3                                     | 4.7                          | 2.6                           | 130.2                          | 123.3                                    | 6.9  |
| <b>Manufacturing</b>  | <b>0.8</b>                               | <b>-</b>                     | <b>0.0</b>                    | <b>2.2</b>                     | <b>2.1</b>                               | <b>0.1</b>   |
| Repair and installation of machinery equipment                                | 0.8                                      | -                            | 0.0                           | 2.2                            | 2.1                                      | 0.1  |
| <b>Electricity, gas, steam and air conditioning supply</b>                    | <b>204.5</b>                             | <b>-</b>                     | <b>(7.6)</b>                  | <b>28.2</b>                    | <b>27.0</b>                              | <b>1.2</b>   |
| Electric power generation, transmission and distribution                      | 204.5                                    | -                            | (7.6)                         | 28.2                           | 27.0                                     | 1.2  |
| <b>Construction</b>   | <b>(8.6)</b>                             | <b>1.4</b>                   | <b>(6.1)</b>                  | <b>23.1</b>                    | <b>22.2</b>                              | <b>1.7</b>   |
| Construction  | (8.6)                                    | 1.4                          | (6.1)                         | 23.1                           | 22.2                                     | 1.7  |
| <b>Wholesale &amp; Retail trade</b>   | <b>25.2</b>                              | <b>22.7</b>                  | <b>(2.3)</b>                  | <b>87.3</b>                    | <b>82.1</b>                              | <b>5.2</b>   |
| Retail trade, except of motor vehicles and motorcycles                        | 17.1                                     | 9.2                          | 14.6                          | 41.8                           | 39.0                                     | 2.8  |
| Wholesale and retail trade and repair of motor vehicles and motorcycles       | 7.2                                      | 5.5                          | 0.2                           | 12.5                           | 11.8                                     | 0.6  |
| Wholesale trade, except of motor vehicles and motorcycles                     | 0.8                                      | 7.9                          | (17.2)                        | 33.1                           | 31.3                                     | 1.8  |
| <b>Transport &amp; Storage</b>  | <b>2.5</b>                               | <b>1.3</b>                   | <b>(0.6)</b>                  | <b>6.1</b>                     | <b>5.7</b>                               | <b>0.4</b>   |
| Air transport   | 0.7                                      | -                            | 0.1                           | 0.4                            | 0.4                                      | 0.0  |
| Land transport and transport via pipelines                                    | (0.5)                                    | -                            | (0.5)                         | 0.3                            | 0.3                                      | -  |
| Warehousing and support activities for transportation                         | 2.4                                      | 1.3                          | (0.1)                         | 5.5                            | 5.0                                      | 0.4  |
| <b>Accommodation &amp; Food service activities</b>                            | <b>(3.1)</b>                             | <b>0.3</b>                   | <b>1.7</b>                    | <b>12.5</b>                    | <b>7.0</b>                               | <b>5.5</b>   |
| Accommodation   | (3.1)                                    | 0.3                          | 1.7                           | 12.5                           | 7.0                                      | 5.5  |
| <b>Information &amp; Communication</b>  | <b>30.0</b>                              | <b>43.6</b>                  | <b>2,112.0</b>                | <b>31.0</b>                    | <b>29.5</b>                              | <b>1.5</b>   |
| Computer programming, consultancy and related activities                      | 0.1                                      | -                            | -                             | 0.3                            | 0.3                                      | 0.0  |
| <b>Information service activities</b>   | <b>(3.3)</b>                             | <b>-</b>                     | <b>-</b>                      | <b>3.5</b>                     | <b>3.2</b>                               | <b>0.3</b>   |
| Programming and broadcasting activities                                       | 0.5                                      | -                            | 0.0                           | 5.1                            | 4.7                                      | 0.4  |
| Publishing activities   | (0.0)                                    | -                            | 0.0                           | 0.0                            | 0.0                                      | -  |
| Telecommunications  | 32.7                                     | 43.6                         | 2,111.9                       | 22.0                           | 21.2                                     | 0.8  |
| <b>Financial and Insurance Activities</b>                                     | <b>90.1</b>                              | <b>33.1</b>                  | <b>37.4</b>                   | <b>158.6</b>                   | <b>148.3</b>                             | <b>10.2</b>  |
| Financial service activities, except insurance and pension funding            | 83.9                                     | 27.0                         | 37.2                          | 151.6                          | 141.5                                    | 9.8  |
| Insurance, reinsurance and pension funding, except compulsory social security | 6.2                                      | 6.1                          | 0.2                           | 7.1                            | 6.7                                      | 0.4  |
| <b>Real estate activities</b>   | <b>(18.4)</b>                            | <b>3.0</b>                   | <b>(12.9)</b>                 | <b>1.7</b>                     | <b>1.7</b>                               | <b>0.0</b>   |
| Real estate activities  | (18.4)                                   | 3.0                          | (12.9)                        | 1.7                            | 1.7                                      | 0.0  |
| <b>Professional scientific and technical activities</b>                       | <b>(0.1)</b>                             | <b>0.1</b>                   | <b>0.3</b>                    | <b>4.1</b>                     | <b>3.8</b>                               | <b>0.3</b>   |
| Activities of head offices, management consultancy activities                 | (0.0)                                    | -                            | 0.0                           | -                              | -  | -  |
| Advertising and market research   | (0.2)                                    | -                            | -                             | 0.2                            | 0.2                                      | -  |
| Architectural and engineering activities; technical testing and analysis      | (0.4)                                    | -                            | -                             | 2.3                            | 2.2                                      | 0.1  |
| Legal and accounting activities   | 0.6                                      | 0.1                          | 0.3                           | 1.7                            | 1.5                                      | 0.2  |
| <b>Administrative and support service activities</b>                          | <b>(2.0)</b>                             | <b>-</b>                     | <b>-</b>                      | <b>-</b>                       | <b>-</b>                                 | <b>-</b>   |
| Administrative support  | (2.1)                                    | -                            | -                             | -                              | -  | -  |
| Travel agency, tour operator reservation service and related activities       | 0.0                                      | -                            | -                             | -                              | -  | -  |
| <b>Grand Total</b>  | <b>330.3</b>                             | <b>110.3</b>                 | <b>2,124.6</b>                | <b>490.9</b>                   | <b>458.1</b>                             | <b>33.5</b>  |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018





**Table 13: Inward Pure Services Categories Affiliates Statistics by Industry (US \$ million), 2017... cont'd**

| ICFA Headings/Elements  | 2.11 Total purchases of domestic goods and services | 2.11.1 Of which: goods | 2.11.2 Of which: services | 2.12 Total imports of goods | 2.12.1 Of which: from foreign affiliates | 2.13 Total imports of services |
|---|---|------------------------|---------------------------|-----------------------------|--|--------------------------------|
| <b>Agriculture forestry and fishing</b>                                       | <b>11.4</b>   | <b>6.8</b>             | <b>4.6</b>                | <b>2.0</b>                  | <b>0.8</b>                               | <b>-</b>                       |
| Crop and animal production, hunting and related service activities            | 11.4  | 6.8                    | 4.6                       | 2.0                         | 0.8                                      | -                              |
| <b>Mining and Quarrying</b>   | <b>524.6</b>  | <b>484.3</b>           | <b>40.6</b>               | <b>204.3</b>                | <b>1.6</b>                               | <b>16.2</b>                    |
| Mining support service activities   | 524.6   | 484.3                  | 40.6                      | 204.3                       | 1.6                                      | 16.2                           |
| <b>Manufacturing</b>  | <b>2.4</b>  | <b>2.1</b>             | <b>0.2</b>                | <b>5.8</b>                  | <b>-</b>                                 | <b>-</b>                       |
| Repair and installation of machinery equipment                                | 2.4   | 2.1                    | 0.2                       | 5.8                         | -  | -                              |
| <b>Electricity, gas, steam and air conditioning supply</b>                    | <b>41.5</b>   | <b>36.2</b>            | <b>5.3</b>                | <b>30.7</b>                 | <b>-</b>                                 | <b>11.7</b>                    |
| Electric power generation, transmission and distribution                      | 41.5  | 36.2                   | 5.3                       | 30.7                        | -  | 11.7                           |
| <b>Construction</b>   | <b>107.4</b>  | <b>50.8</b>            | <b>43.8</b>               | <b>181.3</b>                | <b>12.4</b>                              | <b>5.4</b>                     |
| Construction  | 107.4   | 50.8                   | 43.8                      | 181.3                       | 12.4                                     | 5.4                            |
| <b>Wholesale &amp; Retail trade</b>   | <b>184.2</b>  | <b>418.0</b>           | <b>8.9</b>                | <b>419.5</b>                | <b>279.7</b>                             | <b>7.5</b>                     |
| Retail trade, except of motor vehicles and motorcycles                        | 172.1   | 399.3                  | 4.0                       | 187.3                       | 139.3                                    | 5.4                            |
| Wholesale and retail trade and repair of motor vehicles and motorcycles       | 1.7   | 3.2                    | 1.5                       | 27.4                        | 21.7                                     | -                              |
| Wholesale trade, except of motor vehicles and motorcycles                     | 10.5  | 15.5                   | 3.4                       | 204.8                       | 118.7                                    | 2.0                            |
| <b>Transport &amp; Storage</b>  | <b>10.3</b>   | <b>0.9</b>             | <b>0.2</b>                | <b>596.4</b>                | <b>-</b>                                 | <b>0.7</b>                     |
| Air transport   | 0.8   | 0.8                    | -                         | -                           | -  | -                              |
| Land transport and transport via pipelines                                    | 9.2   | -                      | -                         | 2.3                         | -  | -                              |
| Warehousing and support activities for transportation                         | 0.3   | 0.1                    | 0.2                       | 594.1                       | -  | 0.7                            |
| <b>Accommodation &amp; Food service activities</b>                            | <b>2.0</b>  | <b>1.5</b>             | <b>0.7</b>                | <b>0.4</b>                  | <b>0.0</b>                               | <b>0.5</b>                     |
| Accommodation   | 2.0   | 1.5                    | 0.7                       | 0.4                         | 0.0                                      | 0.5                            |
| <b>Information &amp; Communication</b>  | <b>15.0</b>   | <b>13.7</b>            | <b>13.5</b>               | <b>33.6</b>                 | <b>1.5</b>                               | <b>1.0</b>                     |
| Computer programming, consultancy and related activities                      | -   | -                      | -                         | 0.7                         | 0.0                                      | -                              |
| Information service activities  | 0.9   | 0.1                    | 0.8                       | 0.5                         | -  | -                              |
| Programming and broadcasting activities                                       | -   | 12.2                   | -                         | 8.4                         | 1.2                                      | -                              |
| Publishing activities   | 0.1   | 0.0                    | 0.1                       | 0.2                         | 0.2                                      | -                              |
| Telecommunications  | 14.1  | 1.4                    | 12.6                      | 23.8                        | -  | 1.0                            |
| <b>Financial and Insurance Activities</b>                                     | <b>84.0</b>   | <b>13.8</b>            | <b>64.5</b>               | <b>101.0</b>                | <b>87.7</b>                              | <b>24.7</b>                    |
| Financial service activities, except insurance and pension funding            | 83.5  | 13.8                   | 59.2                      | 101.0                       | 87.7                                     | 24.6                           |
| Insurance, reinsurance and pension funding, except compulsory social security | 0.5   | 0.0                    | 5.3                       | -                           | -  | 0.1                            |
| <b>Real estate activities</b>   | <b>24.4</b>   | <b>23.4</b>            | <b>1.3</b>                | <b>0.0</b>                  | <b>-</b>                                 | <b>0.2</b>                     |
| Real estate activities  | 24.4  | 23.4                   | 1.3                       | 0.0                         | -  | 0.2                            |
| <b>Professional scientific and technical activities</b>                       | <b>0.2</b>  | <b>0.0</b>             | <b>2.1</b>                | <b>-</b>                    | <b>0.0</b>                               | <b>-</b>                       |
| Activities of head offices, management consultancy activities                 | -   | -                      | 2.1                       | -                           | -  | -                              |
| Advertising and market research   | -   | 0.0                    | 0.0                       | -                           | -  | -                              |
| Architectural and engineering activities; technical testing and analysis      | -   | -                      | -                         | -                           | 0.0                                      | -                              |
| Legal and accounting activities   | 0.2   | -                      | -                         | -                           | -  | -                              |
| <b>Administrative and support service activities</b>                          | <b>-</b>  | <b>-</b>               | <b>-</b>                  | <b>-</b>                    | <b>-</b>                                 | <b>-</b>                       |
| Administrative support  | -   | -                      | -                         | -                           | -  | -                              |
| Travel agency, tour operator reservation service and related activities       | -   | -                      | -                         | -                           | -  | -                              |
| <b>Grand Total</b>  | <b>1,007.2</b>                                      | <b>1,051.4</b>         | <b>185.6</b>              | <b>1,575.0</b>              | <b>383.8</b>                             | <b>68.0</b>                    |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 13: Inward Pure Services Categories Affiliates Statistics by Industry (US \$ million), 2017... cont'd**

| ICFA Headings/Elements  | 2.13.1 Of which:<br>from foreign<br>affiliates | 2.14 Total exports<br>of goods | 2.14.1 Of<br>which: to foreign<br>affiliates | 2.15 Total exports of<br>services | 2.15.1 Of<br>which: to foreign<br>affiliates | 2.16. Gross Fixed<br>Capital Formation<br>(2.16.1 + 2.16.2<br>+ 2.16.3+2.16.4 +<br>2.16.5) |
|---|--|--------------------------------|--|-----------------------------------|--|--|
| <b>Agriculture forestry and fishing</b>                                       | -  | 29.3                           | 14.5   | -                                 | 3.5  | 4.0  |
| Crop and animal production, hunting and related service activities            | -  | 29.3                           | 14.5   | -                                 | 3.5  | 4.0  |
| <b>Mining and Quarrying</b>   | 6.2  | 2.1                            | -  | 0.1                               | 0.1  | 23.3   |
| Mining support service activities   | 6.2  | 2.1                            | -  | 0.1                               | 0.1  | 23.3   |
| <b>Manufacturing</b>  | -  | -                              | -  | -                                 | -  | -  |
| Repair and installation of machinery equipment                                | -  | -                              | -  | -                                 | -  | -  |
| <b>Electricity, gas, steam and air conditioning supply</b>                    | -  | -                              | -  | -                                 | -  | 67.7   |
| Electric power generation, transmission and distribution                      | -  | -                              | -  | -                                 | -  | 67.7   |
| <b>Construction</b>   | 3.3  | 1.7                            | -  | -                                 | -  | 104.5  |
| Construction  | 3.3  | 1.7                            | -  | -                                 | -  | 104.5  |
| <b>Wholesale &amp; Retail trade</b>   | 7.7  | 87.7                           | 3.5  | 0.2                               | 0.2  | 71.5   |
| Retail trade, except of motor vehicles and motorcycles                        | 2.9  | 2.8                            | -  | -                                 | -  | 48.1   |
| Wholesale and retail trade and repair of motor vehicles and motorcycles       | 1.0  | 1.1                            | 0.2  | -                                 | -  | 7.4  |
| Wholesale trade, except of motor vehicles and motorcycles                     | 3.8  | 83.8                           | 3.3  | 0.2                               | 0.2  | 16.0   |
| <b>Transport &amp; Storage</b>  | 0.7  | 93.6                           | -  | -                                 | -  | 0.5  |
| Air transport   | -  | -                              | -  | -                                 | -  | -  |
| Land transport and transport via pipelines                                    | -  | 91.8                           | -  | -                                 | -  | 0.2  |
| Warehousing and support activities for transportation                         | 0.7  | 1.8                            | -  | -                                 | -  | 0.2  |
| <b>Accommodation &amp; Food service activities</b>                            | 0.5  | -                              | -  | -                                 | -  | 1.4  |
| Accommodation   | 0.5  | -                              | -  | -                                 | -  | 1.4  |
| <b>Information &amp; Communication</b>  | -  | 0.2                            | 16.4   | 10.9                              | 3.8  | 34.5   |
| Computer programming, consultancy and related activities                      | -  | 0.2                            | 0.2  | -                                 | -  | 0.0  |
| Information service activities  | -  | -                              | -  | -                                 | -  | 1.5  |
| Programming and broadcasting activities                                       | -  | -                              | 16.3   | -                                 | -  | 2.3  |
| Publishing activities   | -  | -                              | -  | -                                 | -  | 0.0  |
| Telecommunications  | -  | 0.0                            | -  | 10.9                              | 3.8  | 30.6   |
| <b>Financial and Insurance Activities</b>                                     | 24.8   | 0.0                            | -  | 0.5                               | 0.5  | 13.6   |
| Financial service activities, except insurance and pension funding            | 24.1   | 0.0                            | -  | 0.5                               | 0.5  | 13.4   |
| Insurance, reinsurance and pension funding, except compulsory social security | 0.7  | -                              | -  | -                                 | -  | 0.1  |
| <b>Real estate activities</b>   | -  | -                              | -  | -                                 | -  | 58.0   |
| Real estate activities  | -  | -                              | -  | -                                 | -  | 58.0   |
| <b>Professional scientific and technical activities</b>                       | 0.1  | 0.0                            | -  | -                                 | 0.9  | 0.7  |
| Activities of head offices, management consultancy activities                 | -  | -                              | -  | -                                 | -  | -  |
| Advertising and market research   | -  | -                              | -  | -                                 | -  | -  |
| Architectural and engineering activities; technical testing and analysis      | 0.1  | 0.0                            | -  | -                                 | 0.9  | 0.7  |
| Legal and accounting activities   | -  | -                              | -  | -                                 | -  | -  |
| <b>Administrative and support service activities</b>                          | -  | -                              | -  | -                                 | -  | -  |
| Administrative support  | -  | -                              | -  | -                                 | -  | -  |
| Travel agency, tour operator reservation service and related activities       | -  | -                              | -  | -                                 | -  | -  |
| <b>Grand Total</b>  | <b>43.3</b>                                    | <b>214.6</b>                   | <b>34.5</b>                                  | <b>11.7</b>                       | <b>8.9</b>                                   | <b>379.8</b>   |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 13: Inward Pure Services Categories Affiliates Statistics by Industry (US \$ million), 2017... cont'd**

| ICFA Headings/Elements  | 2.16.1 Of which: Research and Development Expenditures | 2.16.2 Of which: Acquisition less Disposal of Buildings and other Structures | 2.16.3 Of which: Land improvements | 2.16.4 Of which: Acquisition less Disposal of Machinery and equipment | 2.16.5 Of which: Acquisition less Disposal of Other fixed assets | 2.17 Training Expenditure |
|---|--|--|------------------------------------|---|--|---------------------------|
| <b>Agriculture forestry and fishing</b>                                       | -  | 0.71   | 0.02                               | 2.69  | 0.56   | 0.01                      |
| Crop and animal production, hunting and related service activities            | -  | 0.71   | 0.02                               | 2.69  | 0.56   | 0.01                      |
| <b>Mining and Quarrying</b>   | -  | (0.22)   | 2.26                               | 17.81   | 3.47   | 0.53                      |
| Mining support service activities   | -  | (0.22)   | 2.26                               | 17.81   | 3.47   | 0.53                      |
| <b>Manufacturing</b>  | -  | -  | -                                  | -   | -  | 0.05                      |
| Repair and installation of machinery equipment                                | -  | -  | -                                  | -   | -  | 0.05                      |
| <b>Electricity, gas, steam and air conditioning supply</b>                    | -  | -  | -                                  | 50.44   | 17.29  | 2.17                      |
| Electric power generation, transmission and distribution                      | -  | -  | -                                  | 50.44   | 17.29  | 2.17                      |
| <b>Construction</b>   | 0.35   | 1.19   | 0.08                               | 102.68  | 0.22   | 0.03                      |
| Construction  | 0.35   | 1.19   | 0.08                               | 102.68  | 0.22   | 0.03                      |
| <b>Wholesale &amp; Retail trade</b>   | 3.62   | 20.85  | 0.11                               | 21.87   | 25.02  | 1.87                      |
| Retail trade, except of motor vehicles and motorcycles                        | 3.61   | 14.76  | 0.07                               | 20.91   | 8.79   | 1.63                      |
| Wholesale and retail trade and repair of motor vehicles and motorcycles       | -  | 5.30   | 0.04                               | 1.06  | 0.98   | 0.03                      |
| Wholesale trade, except of motor vehicles and motorcycles                     | 0.01   | 0.79   | -                                  | (0.10)  | 15.25  | 0.22                      |
| <b>Transport &amp; Storage</b>  | -  | 0.02   | 0.03                               | 0.23  | 0.21   | 0.01                      |
| Air transport   | -  | -  | -                                  | -   | -  | 0.00                      |
| Land transport and transport via pipelines                                    | -  | -  | -                                  | 0.05  | 0.20   | 0.01                      |
| Warehousing and support activities for transportation                         | -  | 0.02   | 0.03                               | 0.18  | 0.01   | -                         |
| <b>Accommodation &amp; Food service activities</b>                            | -  | 0.11   | 0.27                               | 0.53  | 0.51   | 0.15                      |
| Accommodation   | -  | 0.11   | 0.27                               | 0.53  | 0.51   | 0.15                      |
| <b>Information &amp; Communication</b>  | -  | 9.77   | 0.19                               | 85.53   | 9.79   | 0.11                      |
| Computer programming, consultancy and related activities                      | -  | -  | -                                  | -   | 0.02   | -                         |
| Information service activities  | -  | -  | -                                  | -   | 1.53   | 0.02                      |
| Programming and broadcasting activities                                       | -  | 0.02   | 0.19                               | 1.74  | 0.40   | 0.04                      |
| Publishing activities   | -  | -  | -                                  | -   | 0.02   | -                         |
| Telecommunications  | -  | 9.75   | -                                  | 83.80   | 7.82   | 0.04                      |
| <b>Financial and Insurance Activities</b>                                     | -  | 0.85   | 0.02                               | 11.32   | 1.39   | 2.09                      |
| Financial service activities, except insurance and pension funding            | -  | 0.85   | 0.01                               | 11.18   | 1.39   | 1.97                      |
| Insurance, reinsurance and pension funding, except compulsory social security | -  | -  | 0.01                               | 0.14  | -  | 0.12                      |
| <b>Real estate activities</b>   | -  | 48.30  | 8.31                               | 0.28  | 1.14   | 0.00                      |
| Real estate activities  | -  | 48.30  | 8.31                               | 0.28  | 1.14   | 0.00                      |
| <b>Professional scientific and technical activities</b>                       | -  | -  | -                                  | -   | 0.74   | 0.07                      |
| Activities of head offices, management consultancy activities                 | -  | -  | -                                  | -   | -  | -                         |
| Advertising and market research   | -  | -  | -                                  | -   | -  | 0.00                      |
| Architectural and engineering activities; technical testing and analysis      | -  | -  | -                                  | -   | 0.74   | -                         |
| Legal and accounting activities   | -  | -  | -                                  | -   | -  | 0.07                      |
| <b>Administrative and support service activities</b>                          | -  | -  | -                                  | -   | -  | -                         |
| Administrative support  | -  | -  | -                                  | -   | -  | -                         |
| Travel agency, tour operator reservation service and related activities       | -  | -  | -                                  | -   | -  | -                         |
| <b>Grand Total</b>  | <b>3.96</b>  | <b>81.60</b>   | <b>11.28</b>                       | <b>293.39</b>   | <b>60.34</b>   | <b>7.09</b>               |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



Table 14: Inward Pure Services Categories Affiliates Statistics by Industry (US \$ million), 2017... cont'd

| ICFA Headings/Elements  | 2.18<br>Payments<br>for royalties<br>and license<br>fees | 2.18.1 Of Which:<br>Non-Residents | 2.19 Value of<br>Closing Stock of<br>Finished Products | 2.20 Value of Open-<br>ing Stock of Finished<br>Products | 2.21 Gross Output<br>(value) = [Turnover<br>(2.4) + Value of<br>Closing Stock<br>(2.19) - Opening<br>Stock (2.20)] | 2.22<br>Management<br>fees |
|---|--|-----------------------------------|--|--|--|----------------------------|
| <b>Agriculture forestry and fishing</b>                                       | <b>0.7</b>   | <b>0.7</b>                        | <b>26.6</b>  | <b>43.4</b>  | <b>53.0</b>  | -                          |
| Crop and animal production, hunting and related service activities            | 0.7  | 0.7                               | 26.6   | 43.4   | 53.0   | -                          |
| <b>Mining and Quarrying</b>   | <b>0.1</b>   | -                                 | <b>77.6</b>  | <b>96.8</b>  | <b>679.5</b>   | -                          |
| Mining support service activities   | 0.1  | -                                 | 77.6   | 96.8   | 679.5  | -                          |
| <b>Manufacturing</b>  | -  | -                                 | <b>2.7</b>   | <b>2.6</b>   | <b>14.9</b>  | <b>0.1</b>                 |
| Repair and installation of machinery equipment                                | -  | -                                 | 2.7  | 2.6  | 14.9   | 0.1                        |
| <b>Electricity, gas, steam and air conditioning supply</b>                    | <b>0.3</b>   | <b>0.3</b>                        | -  | -  | <b>688.0</b>   | <b>2.0</b>                 |
| Electric power generation, transmission and distribution                      | 0.3  | 0.3                               | -  | -  | 688.0  | 2.0                        |
| <b>Construction</b>   | <b>0.1</b>   | -                                 | <b>17.8</b>  | <b>18.0</b>  | <b>447.3</b>   | <b>8.0</b>                 |
| Construction  | 0.1  | -                                 | 17.8   | 18.0   | 447.3  | 8.0                        |
| <b>Wholesale &amp; Retail trade</b>   | <b>11.3</b>  | <b>10.6</b>                       | <b>263.2</b>   | <b>234.3</b>   | <b>2,013.3</b>   | <b>11.8</b>                |
| Retail trade, except of motor vehicles and motorcycles                        | 10.6   | 10.6                              | 90.5   | 91.9   | 1,436.4  | 10.3                       |
| Wholesale and retail trade and repair of motor vehicles and motorcycles       | -  | -                                 | 34.0   | 28.6   | 146.6  | 0.1                        |
| Wholesale trade, except of motor vehicles and motorcycles                     | 0.7  | -                                 | 138.7  | 113.9  | 430.3  | 1.4                        |
| <b>Transport &amp; Storage</b>  | <b>0.3</b>   | <b>0.3</b>                        | <b>0.0</b>   | <b>0.1</b>   | <b>69.0</b>  | <b>0.4</b>                 |
| Air transport   | -  | -                                 | -  | -  | 3.0  | 0.0                        |
| Land transport and transport via pipelines                                    | 0.0  | -                                 | -  | -  | 43.3   | -                          |
| Warehousing and support activities for transportation                         | 0.3  | 0.3                               | 0.0  | 0.1  | 22.7   | 0.4                        |
| <b>Accommodation &amp; Food service activities</b>                            | <b>0.1</b>   | -                                 | <b>0.3</b>   | <b>0.3</b>   | <b>21.0</b>  | <b>1.0</b>                 |
| Accommodation   | 0.1  | -                                 | 0.3  | 0.3  | 21.0   | 1.0                        |
| <b>Information &amp; Communication</b>  | <b>1.2</b>   | -                                 | <b>3.9</b>   | <b>6.1</b>   | <b>503.8</b>   | <b>1.9</b>                 |
| Computer programming, consultancy and related activities                      | 0.0  | -                                 | -  | -  | 2.6  | 0.0                        |
| Information service activities  | 0.3  | -                                 | 0.9  | 0.9  | 12.4   | 1.2                        |
| Programming and broadcasting activities                                       | 0.4  | -                                 | 1.4  | 0.9  | 22.3   | -                          |
| Publishing activities   | 0.0  | -                                 | -  | -  | 0.4  | -                          |
| Telecommunications  | 0.3  | -                                 | 1.6  | 4.3  | 466.1  | 0.7                        |
| <b>Financial and Insurance Activities</b>                                     | <b>11.3</b>  | <b>8.5</b>                        | -  | <b>30.2</b>  | <b>718.0</b>   | <b>9.8</b>                 |
| Financial service activities, except insurance and pension funding            | 10.9   | 8.5                               | -  | 30.2   | 638.6  | 9.2                        |
| Insurance, reinsurance and pension funding, except compulsory social security | 0.4  | -                                 | -  | -  | 79.5   | 0.6                        |
| <b>Real estate activities</b>   | <b>0.0</b>   | -                                 | -  | -  | <b>43.4</b>  | <b>1.8</b>                 |
| Real estate activities  | 0.0  | -                                 | -  | -  | 43.4   | 1.8                        |
| <b>Professional scientific and technical activities</b>                       | <b>0.6</b>   | <b>0.3</b>                        | <b>1.7</b>   | <b>0.2</b>   | <b>11.5</b>  | -                          |
| Activities of head offices, management consultancy activities                 | -  | -                                 | -  | -  | -  | -                          |
| Advertising and market research   | -  | 0.0                               | 1.7  | 0.2  | 3.5  | -                          |
| Architectural and engineering activities; technical testing and analysis      | 0.2  | -                                 | -  | -  | 4.5  | -                          |
| Legal and accounting activities   | 0.3  | 0.3                               | -  | -  | 3.6  | -                          |
| <b>Administrative and support service activities</b>                          | -  | -                                 | <b>0.1</b>   | <b>0.0</b>   | <b>18.7</b>  | -                          |
| Administrative support  | -  | -                                 | 0.1  | 0.0  | 17.9   | -                          |
| Travel agency, tour operator reservation service and related activities       | -  | -                                 | 0.0  | 0.0  | 0.8  | -                          |
| <b>Grand Total</b>  | <b>25.9</b>  | <b>20.7</b>                       | <b>394.0</b>   | <b>432.0</b>   | <b>5,281.4</b>   | <b>36.9</b>                |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018

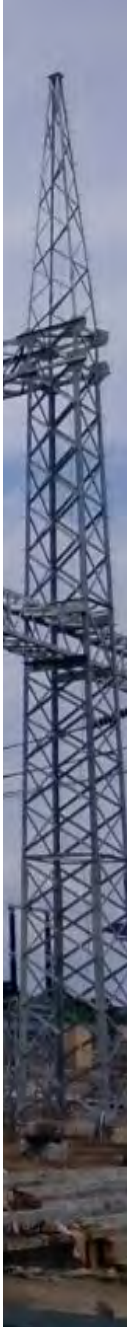


Table 14: Inward Pure Services Categories Affiliates Statistics by Industry (US \$ million), 2017... cont'd

| ICFA Headings/Elements  | 2.23. Operating Expenditure | 2.24. Value-added = Gross Output (2.21) - Operating Expenditure (2.23) | 2.25. Total Employment (Number of employees) as at 31st December 2017 | 2.26. Stock of domestic borrowing from banks as at 31st December 2016 | 2.27. Stock of domestic borrowing from banks as at 31st December 2017 | Grand Total     |
|---|-----------------------------|--|---|---|---|-----------------|
| <b>Agriculture forestry and fishing</b>                                       | <b>31.7</b>                 | <b>21.3</b>  | <b>1,314.0</b>  | <b>3.7</b>  | <b>1.8</b>  | <b>1,766.5</b>  |
| Crop and animal production, hunting and related service activities            | 31.7                        | 21.3   | 1,314.0   | 3.7   | 1.8   | 1,766.5         |
| <b>Mining and Quarrying</b>   | <b>496.2</b>                | <b>183.4</b>   | <b>9,099.0</b>  | <b>14.7</b>   | <b>12.7</b>   | <b>14,169.2</b> |
| Mining support service activities   | 496.2                       | 183.4  | 9,099.0   | 14.7  | 12.7  | 14,169.2        |
| <b>Manufacturing</b>  | <b>1.5</b>                  | <b>13.4</b>  | <b>554.0</b>  | <b>-</b>  | <b>-</b>  | <b>636.7</b>    |
| Repair and installation of machinery equipment                                | 1.5                         | 13.4   | 554.0   | -   | -   | 636.7           |
| <b>Electricity, gas, steam and air conditioning supply</b>                    | <b>114.9</b>                | <b>573.1</b>   | <b>458.0</b>  | <b>28.1</b>   | <b>69.1</b>   | <b>6,297.3</b>  |
| Electric power generation, transmission and distribution                      | 114.9                       | 573.1  | 458.0   | 28.1  | 69.1  | 6,297.3         |
| <b>Construction</b>   | <b>134.5</b>                | <b>312.8</b>   | <b>11,381.0</b>   | <b>0.0</b>  | <b>1.0</b>  | <b>14,930.2</b> |
| Construction  | 134.5                       | 312.8  | 11,381.0  | 0.0   | 1.0   | 14,930.2        |
| <b>Wholesale &amp; Retail trade</b>   | <b>238.8</b>                | <b>1,774.5</b>   | <b>8,531.0</b>  | <b>42.6</b>   | <b>57.0</b>   | <b>19,064.5</b> |
| Retail trade, except of motor vehicles and motorcycles                        | 126.3                       | 1,310.1  | 6,596.0   | 14.9  | 36.8  | 13,362.1        |
| Wholesale and retail trade and repair of motor vehicles and motorcycles       | 19.5                        | 127.1  | 567.0   | 13.4  | 6.3   | 1,401.6         |
| Wholesale trade, except of motor vehicles and motorcycles                     | 92.9                        | 337.3  | 1,368.0   | 14.2  | 13.8  | 4,300.7         |
| <b>Transport &amp; Storage</b>  | <b>19.9</b>                 | <b>49.1</b>  | <b>1,089.0</b>  | <b>2.3</b>  | <b>2.5</b>  | <b>2,114.7</b>  |
| Air transport   | 1.2                         | 1.9  | 18.0  | 1.1   | 1.1   | 44.7            |
| Land transport and transport via pipelines                                    | 1.4                         | 41.9   | 529.0   | 1.3   | 1.5   | 784.0           |
| Warehousing and support activities for transportation                         | 17.3                        | 5.4  | 542.0   | -   | -   | 1,286.0         |
| <b>Accommodation &amp; Food service activities</b>                            | <b>12.3</b>                 | <b>8.7</b>   | <b>1,254.0</b>  | <b>2.7</b>  | <b>2.6</b>  | <b>1,433.5</b>  |
| Accommodation   | 12.3                        | 8.7  | 1,254.0   | 2.7   | 2.6   | 1,433.5         |
| <b>Information &amp; Communication</b>  | <b>120.6</b>                | <b>383.2</b>   | <b>1,332.0</b>  | <b>-</b>  | <b>-</b>  | <b>6,525.0</b>  |
| Computer programming, consultancy and related activities                      | 1.4                         | 1.2  | 19.0  | -   | -   | 32.9            |
| Information service activities  | 9.4                         | 3.0  | 161.0   | -   | -   | 226.7           |
| Programming and broadcasting activities                                       | 14.4                        | 7.9  | 212.0   | -   | -   | 363.7           |
| Publishing activities   | -                           | 0.4  | 19.0  | -   | -   | 21.8            |
| Telecommunications  | 95.4                        | 370.7  | 921.0   | -   | -   | 5,880.0         |
| <b>Financial and Insurance Activities</b>                                     | <b>282.1</b>                | <b>436.0</b>   | <b>5,233.0</b>  | <b>0.5</b>  | <b>-</b>  | <b>17,198.6</b> |
| Financial service activities, except insurance and pension funding            | 261.4                       | 377.2  | 4,911.0   | 0.5   | -   | 16,418.4        |
| Insurance, reinsurance and pension funding, except compulsory social security | 20.7                        | 58.8   | 322.0   | -   | -   | 780.1           |
| <b>Real estate activities</b>   | <b>4.5</b>                  | <b>38.9</b>  | <b>196.0</b>  | <b>15.8</b>   | <b>15.8</b>   | <b>1,585.3</b>  |
| Real estate activities  | 4.5                         | 38.9   | 196.0   | 15.8  | 15.8  | 1,585.3         |
| <b>Professional scientific and technical activities</b>                       | <b>3.8</b>                  | <b>7.7</b>   | <b>358.0</b>  | <b>2.0</b>  | <b>2.4</b>  | <b>437.0</b>    |
| Activities of head offices, management consultancy activities                 | -                           | -  | 2.0   | -   | -   | 6.9             |
| Advertising and market research   | 0.7                         | 2.8  | 13.0  | 2.0   | 2.4   | 36.9            |
| Architectural and engineering activities; technical testing and analysis      | 3.1                         | 1.4  | 204.0   | -   | -   | 231.0           |
| Legal and accounting activities   | -                           | 3.6  | 139.0   | -   | -   | 162.1           |
| <b>Administrative and support service activities</b>                          | <b>10.9</b>                 | <b>7.8</b>   | <b>81.0</b>   | <b>-</b>  | <b>-</b>  | <b>167.0</b>    |
| Administrative support  | 10.6                        | 7.4  | 45.0  | -   | -   | 127.3           |
| Travel agency, tour operator reservation service and related activities       | 0.3                         | 0.4  | 36.0  | -   | -   | 39.7            |
| <b>Grand Total</b>  | <b>1,471.6</b>              | <b>3,809.8</b>   | <b>40,880.0</b>   | <b>112.5</b>  | <b>164.9</b>  | <b>86,325.5</b> |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 14: Inward Pure Services Categories Affiliates Statistics by source country (US \$ million), 2017**

|  | Botswana     | British Virgin Islands | Canada         | Channel Islands | China PR        |
|--|--------------|------------------------|----------------|-----------------|-----------------|
| 2.1. Total assets at end 2017  | 15.5         | 522.0                  | 397.0          | 4.2             | 1,714.4         |
| 2.10 Compensation of Employees   | 2.3          | 26.6                   | 90.6           | 1.3             | 31.0            |
| 2.10.1 Of which: Salaries and wages paid   | 2.2          | 25.1                   | 84.8           | 1.3             | 28.8            |
| 2.10.2 Of which: Employer's Social Contributions (See definition 37)                               | 0.1          | 1.5                    | 5.9            | -               | 2.1             |
| 2.11 Total purchases of domestic goods and services  | -            | 24.3                   | 497.2          | -               | 131.0           |
| 2.11.1 Of which: goods   | -            | 10.8                   | 460.2          | 3.2             | 77.4            |
| 2.11.2 Of which: services  | -            | 6.1                    | 37.3           | 1.5             | 46.2            |
| 2.12 Total imports of goods  | 6.2          | 3.6                    | 193.8          | 10.0            | 193.6           |
| 2.12.1 Of which: from foreign affiliates   | 0.4          | 0.7                    | -              | 9.3             | 13.2            |
| 2.13 Total imports of services   | 0.1          | 10.2                   | 9.9            | -               | 7.3             |
| 2.13.1 Of which: from foreign affiliates   | 0.1          | 10.3                   | -              | 1.0             | 4.1             |
| 2.14 Total exports of goods  | -            | 5.6                    | 0.5            | -               | 3.6             |
| 2.14.1 Of which: to foreign affiliates   | -            | -                      | -              | -               | -               |
| 2.15 Total exports of services   | -            | -                      | -              | -               | 10.9            |
| 2.15.1 Of which: to foreign affiliates   | -            | 3.5                    | -              | -               | 3.8             |
| 2.16 Gross Fixed Capital Formation (2.16.1 + 2.16.2 + 2.16.3+2.16.4 + 2.16.5)                      | 3.4          | 12.4                   | 6.3            | 0.1             | 116.4           |
| 2.16.1 Of which: Research and Development Expenditures   | -            | -                      | -              | -               | 0.3             |
| 2.16.2 Of which: Acquisition less Disposal of Buildings and other Structures                       | 2.8          | 1.2                    | (0.3)          | -               | 1.3             |
| 2.16.3 Of which: Land improvements   | 0.1          | 0.0                    | 2.2            | 0.0             | -               |
| 2.16.4 Of which: Acquisition less Disposal of Machinery and equipment                              | 0.5          | 10.9                   | 1.0            | 0.1             | 114.1           |
| 2.16.5 Of which: Acquisition less Disposal of Other fixed assets                                   | 0.1          | 0.2                    | 3.4            | 0.0             | 0.7             |
| 2.17 Training Expenditure  | 0.0          | 0.2                    | 0.4            | 0.0             | 0.1             |
| 2.18 Payments for royalties and license fees   | -            | 1.6                    | 0.1            | -               | 0.1             |
| 2.18.1 Of Which: Non-Residents   | -            | 1.1                    | -              | -               | -               |
| 2.19 Value of Closing Stock of Finished Products   | 3.3          | 1.3                    | 67.2           | 1.0             | 31.7            |
| 2.2. Net worth at end 2017 = (Total Equity at end 2017)  | (0.3)        | 72.9                   | 313.8          | 1.3             | 209.4           |
| 2.20 Value of Opening Stock of Finished Products   | 1.2          | 1.3                    | 83.9           | 1.0             | 29.4            |
| 2.21 Gross Output (value) =[Turnover (2.4) + Value of Closing Stock (2.19) - Opening Stock (2.20)] | 30.8         | 71.0                   | 490.8          | 15.5            | 589.2           |
| 2.22 Management fees   | 0.0          | -                      | -              | 0.0             | 8.6             |
| 2.23. Operating Expenditure  | 23.3         | 71.7                   | 472.1          | 2.5             | 139.8           |
| 2.24. Value-added = Gross Output (2.21) - Operating Expenditure (2.23)                             | 7.5          | (0.7)                  | 18.7           | 13.0            | 449.4           |
| 2.25. Total Employment (Number of employees) as at 31st December 2017                              | 551.0        | 1,729.0                | 4,096.0        | 60.0            | 13,653.0        |
| 2.26 Stock of domestic borrowing from banks as at 31st December 2016                               | -            | -                      | -              | -               | 14.4            |
| 2.27 Stock of domestic borrowing from banks as at 31st December 2017                               | -            | -                      | -              | -               | 12.4            |
| 2.3. Total liabilities = Total Assets (2.1) minus Net Worth (2.2) at end 2017                      | 15.8         | 449.1                  | 83.2           | 2.9             | 1,505.0         |
| 2.4. Sales or turnover in 2017   | 28.6         | 71.0                   | 507.4          | 15.6            | 586.9           |
| 2.5. Operating Surplus (or loss)   | 3.9          | (5.4)                  | 26.3           | 0.5             | 93.4            |
| 2.6 Taxes on Income  | 0.8          | 2.8                    | 25.5           | 0.2             | 19.3            |
| 2.7 Net Profit After Tax (Earnings/Loss)   | (1.0)        | (3.6)                  | (1.2)          | 0.3             | 9.9             |
| 2.8 Total dividends declared   | -            | 0.4                    | -              | 0.2             | 7.4             |
| 2.9 Realised gains and losses  | -            | 5.2                    | 2.4            | 0.2             | (17.5)          |
| <b>Grand Total</b>   | <b>698.5</b> | <b>3,143.8</b>         | <b>7,976.2</b> | <b>146.1</b>    | <b>19,842.5</b> |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018

**Table 14: Inward Pure Services Categories Affiliates Statistics by source country (US \$ million), 2017... cont'**

|  | France | Germany | Guernsey | Hong Kong | India |
|--|--------|---------|----------|-----------|-------|
| 2.1. Total assets at end 2017  | 128.3  | 28.2    | 10.6     | 12.2      | 172.4 |
| 2.10 Compensation of Employees   | 6.5    | 3.5     | 0.0      | 0.8       | 1.6   |
| 2.10.1 Of which: Salaries and wages paid                                       | 5.9    | 3.3     | 0.0      | 0.7       | 1.5   |
| 2.10.2 Of which: Employer's Social Contributions (See definition 37)           | 0.7    | 0.2     | -        | 0.0       | 0.1   |
| 2.11 Total purchases of domestic goods and services                            | 9.7    | 2.5     | 0.1      | 6.1       | 3.9   |
| 2.11.1 Of which: goods   | 269.1  | 0.1     | 0.0      | -         | 3.9   |
| 2.11.2 Of which: services  | -      | 2.4     | 0.1      | 6.1       | -     |
| 2.12 Total imports of goods  | 12.3   | -       | 0.2      | -         | -     |
| 2.12.1 Of which: from foreign affiliates                                       | 87.5   | -       | 0.2      | -         | -     |
| 2.13 Total imports of services   | -      | 1.2     | -        | -         | -     |
| 2.13.1 Of which: from foreign affiliates                                       | -      | 1.2     | -        | -         | -     |
| 2.14 Total exports of goods  | 2.6    | -       | -        | -         | -     |
| 2.14.1 Of which: to foreign affiliates   | -      | -       | -        | -         | -     |
| 2.15 Total exports of services   | -      | -       | -        | -         | -     |
| 2.15.1 Of which: to foreign affiliates   | -      | -       | -        | -         | -     |
| 2.16. Gross Fixed Capital Formation (2.16.1 + 2.16.2 + 2.16.3+2.16.4 + 2.16.5) | 12.2   | 0.2     | 0.0      | 0.0       | 0.6   |
| 2.16.1 Of which: Research and Development Expenditures                         | -      | -       | -        | -         | -     |
| 2.16.2 Of which: Acquisition less Disposal of Buildings and other Structures   | 6.4    | 0.0     | -        | -         | -     |
| 2.16.3 Of which: Land improvements   | -      | -       | -        | -         | -     |
| 2.16.4 Of which: Acquisition less Disposal of Machinery and equipment          | 2.6    | 0.0     | -        | -         | 0.6   |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 14: Inward Pure Services Categories Affiliates Statistics by source country (US \$ million), 2017... cont'**

|  | Botswana       | British Virgin Islands | Canada       | Channel Islands | China PR     |
|--|----------------|------------------------|--------------|-----------------|--------------|
| 2.16.5 Of which: Acquisition less Disposal of Other fixed assets                                   | 3.3            | 0.1                    | 0.0          | 0.0             | -            |
| 2.17 Training Expenditure  | 0.1            | 0.1                    | -            | -               | 0.1          |
| 2.18 Payments for royalties and license fees   | -              | 0.3                    | 0.0          | -               | -            |
| 2.18.1 Of Which: Non-Residents   | -              | 0.3                    | -            | -               | -            |
| 2.19 Value of Closing Stock of Finished Products   | 15.1           | -                      | 0.1          | -               | -            |
| 2.2. Net worth at end 2017 = (Total Equity at end 2017)  | 39.0           | 5.9                    | (0.9)        | 1.7             | 106.5        |
| 2.20 Value of Opening Stock of Finished Products   | 20.4           | -                      | 0.0          | -               | -            |
| 2.21 Gross Output (value) =[Turnover (2.4) + Value of Closing Stock (2.19) - Opening Stock (2.20)] | 427.8          | 11.7                   | 18.4         | 12.5            | 93.4         |
| 2.22 Management fees   | 0.1            | 0.8                    | -            | -               | 1.2          |
| 2.23. Operating Expenditure  | 22.3           | 4.2                    | 10.6         | 1.5             | 15.7         |
| 2.24. Value-added = Gross Output (2.21) - Operating Expenditure (2.23)                             | 405.6          | 7.5                    | 7.9          | 11.0            | 77.8         |
| 2.25. Total Employment (Number of employees) as at 31st December 2017                              | 683.0          | 444.0                  | 69.0         | 48.0            | 51.0         |
| 2.26 Stock of domestic borrowing from banks as at 31st December 2016                               | 6.5            | -                      | -            | -               | -            |
| 2.27 Stock of domestic borrowing from banks as at 31st December 2017                               | 3.4            | -                      | -            | -               | -            |
| 2.3. Total liabilities = Total Assets (2.1) minus Net Worth (2.2) at end 2017                      | 89.3           | 22.3                   | 11.5         | 10.5            | 65.9         |
| 2.4. Sales or turnover in 2017   | 432.8          | 11.7                   | 18.5         | 12.5            | 93.4         |
| 2.5. Operating Surplus (or loss)   | 15.4           | 0.5                    | 8.8          | 5.6             | 73.8         |
| 2.6 Taxes on Income  | 10.2           | 0.0                    | 1.5          | 1.1             | 26.7         |
| 2.7 Net Profit After Tax (Earnings/Loss)   | 9.6            | 0.5                    | (2.0)        | 4.1             | 49.3         |
| 2.8 Total dividends declared   | 5.4            | -                      | -            | -               | -            |
| 2.9 Realised gains and losses  | 5.4            | (0.0)                  | 0.0          | 4.1             | 2.2          |
| <b>Grand Total</b>   | <b>2,738.4</b> | <b>552.7</b>           | <b>154.4</b> | <b>138.7</b>    | <b>841.8</b> |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018

**Table 14: Inward Pure Services Categories Affiliates Statistics by source country (US \$ million), 2017... cont'**

|  | Ireland        | Japan        | Kenya        | Luxembourg   | Malawi       |
|--|----------------|--------------|--------------|--------------|--------------|
| 2.1. Total assets at end 2017  | 876.1          | 46.8         | 16.5         | 3.7          | 43.0         |
| 2.10 Compensation of Employees   | 19.5           | 7.0          | 0.4          | 0.9          | 2.7          |
| 2.10.1 Of which: Salaries and wages paid   | 19.1           | 6.4          | 0.4          | 0.8          | 2.6          |
| 2.10.2 Of which: Employer's Social Contributions (See definition 37)                               | 0.4            | 0.6          | 0.0          | 0.0          | 0.1          |
| 2.11 Total purchases of domestic goods and services  | 3.5            | -            | 50.9         | -            | -            |
| 2.11.1 Of which: goods   | 2.5            | -            | -            | -            | -            |
| 2.11.2 Of which: services  | 1.0            | -            | -            | -            | -            |
| 2.12 Total imports of goods  | 110.0          | -            | 2.0          | -            | -            |
| 2.12.1 Of which: from foreign affiliates   | -              | -            | -            | -            | -            |
| 2.13 Total imports of services   | -              | -            | -            | 0.5          | -            |
| 2.13.1 Of which: from foreign affiliates   | -              | -            | -            | 0.5          | -            |
| 2.14 Total exports of goods  | 0.1            | -            | -            | -            | -            |
| 2.14.1 Of which: to foreign affiliates   | -              | -            | -            | -            | -            |
| 2.15 Total exports of services   | -              | -            | -            | -            | -            |
| 2.15.1 Of which: to foreign affiliates   | -              | -            | -            | -            | -            |
| 2.16. Gross Fixed Capital Formation (2.16.1 + 2.16.2 + 2.16.3+2.16.4 + 2.16.5)                     | 78.9           | (0.3)        | -            | 0.6          | 0.0          |
| 2.16.1 Of which: Research and Development Expenditures   | 3.6            | -            | -            | -            | -            |
| 2.16.2 Of which: Acquisition less Disposal of Buildings and other Structures                       | 48.3           | (0.0)        | -            | -            | -            |
| 2.16.3 Of which: Land improvements   | 8.3            | 0.0          | -            | 0.2          | -            |
| 2.16.4 Of which: Acquisition less Disposal of Machinery and equipment                              | 0.3            | -            | -            | -            | 0.0          |
| 2.16.5 Of which: Acquisition less Disposal of Other fixed assets                                   | 18.4           | (0.3)        | -            | 0.4          | -            |
| 2.17 Training Expenditure  | 0.7            | -            | -            | 0.1          | 0.0          |
| 2.18 Payments for royalties and license fees   | -              | -            | -            | -            | -            |
| 2.18.1 Of Which: Non-Residents   | -              | -            | -            | -            | -            |
| 2.19 Value of Closing Stock of Finished Products   | 18.9           | 19.9         | -            | 0.1          | -            |
| 2.2. Net worth at end 2017 = (Total Equity at end 2017)  | 472.0          | 27.6         | 11.6         | (0.5)        | 4.0          |
| 2.20 Value of Opening Stock of Finished Products   | 14.4           | 13.9         | -            | 0.1          | -            |
| 2.21 Gross Output (value) =[Turnover (2.4) + Value of Closing Stock (2.19) - Opening Stock (2.20)] | 765.0          | 100.5        | 57.2         | 2.5          | 24.9         |
| 2.22 Management fees   | 2.7            | -            | -            | -            | -            |
| 2.23. Operating Expenditure  | 69.5           | 6.5          | -            | -            | 18.1         |
| 2.24. Value-added = Gross Output (2.21) - Operating Expenditure (2.23)                             | 695.5          | 94.0         | 57.2         | 2.5          | 6.8          |
| 2.25. Total Employment (Number of employees) as at 31st December 2017                              | 536.0          | 253.0        | 24.0         | 137.0        | 98.0         |
| 2.26 Stock of domestic borrowing from banks as at 31st December 2016                               | 7.7            | -            | -            | -            | -            |
| 2.27 Stock of domestic borrowing from banks as at 31st December 2017                               | 23.5           | -            | -            | -            | -            |
| 2.3. Total liabilities = Total Assets (2.1) minus Net Worth (2.2) at end 2017                      | 404.1          | 19.2         | 4.9          | 4.2          | 39.0         |
| 2.4. Sales or turnover in 2017   | 760.3          | 94.3         | 57.2         | 2.4          | 24.9         |
| 2.5. Operating Surplus (or loss)   | 98.4           | 14.5         | 4.6          | (1.0)        | 0.7          |
| 2.6 Taxes on Income  | 35.5           | 6.1          | 1.5          | 0.0          | 0.0          |
| 2.7 Net Profit After Tax (Earnings/Loss)   | 44.1           | 10.2         | 3.0          | (1.0)        | 0.7          |
| 2.8 Total dividends declared   | -              | 5.3          | 2.3          | -            | 0.4          |
| 2.9 Realised gains and losses  | 0.0            | -            | (0.1)        | -            | -            |
| <b>Grand Total</b>   | <b>5,138.3</b> | <b>725.4</b> | <b>293.5</b> | <b>154.1</b> | <b>266.0</b> |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



**Table 14: Inward Pure Services Categories Affiliates Statistics by source country (US \$ million), 2017... cont'**

|  | Namibia      | Netherlands    | Nigeria      | Peru           | Serbia       |
|--|--------------|----------------|--------------|----------------|--------------|
| 2.1. Total assets at end 2017  | 9.9          | 250.4          | 0.1          | 33.0           | 3.4          |
| 2.10 Compensation of Employees   | 1.2          | 10.5           | 2.2          | 15.0           | 0.5          |
| 2.10.1 Of which: Salaries and wages paid   | 1.2          | 10.5           | 2.0          | 14.6           | 0.5          |
| 2.10.2 Of which: Employer's Social Contributions (See definition 37)                               | 0.0          | -              | 0.2          | 0.4            | -            |
| 2.11 Total purchases of domestic goods and services  | -            | -              | 1.2          | 13.8           | -            |
| 2.11.1 Of which: goods   | 0.0          | -              | 0.1          | 11.2           | -            |
| 2.11.2 Of which: services  | 0.1          | -              | 0.9          | 2.6            | -            |
| 2.12 Total imports of goods  | -            | 0.6            | 0.0          | 0.5            | 7.5          |
| 2.12.1 Of which: from foreign affiliates   | -            | -              | -            | -              | 3.0          |
| 2.13 Total imports of services   | -            | -              | 0.3          | 0.1            | -            |
| 2.13.1 Of which: from foreign affiliates   | -            | -              | 0.3          | -              | -            |
| 2.14 Total exports of goods  | -            | 0.1            | -            | -              | 0.9          |
| 2.14.1 Of which: to foreign affiliates   | -            | -              | -            | -              | 0.9          |
| 2.15 Total exports of services   | -            | -              | -            | -              | -            |
| 2.15.1 Of which: to foreign affiliates   | -            | -              | -            | -              | -            |
| 2.16 Gross Fixed Capital Formation (2.16.1 + 2.16.2 + 2.16.3+2.16.4 + 2.16.5)                      | -            | (0.0)          | 0.2          | 4.4            | -            |
| 2.16.1 Of which: Research and Development Expenditures   | -            | -              | -            | -              | -            |
| 2.16.2 Of which: Acquisition less Disposal of Buildings and other Structures                       | -            | -              | -            | -              | -            |
| 2.16.3 Of which: Land improvements   | -            | -              | 0.0          | 0.0            | -            |
| 2.16.4 Of which: Acquisition less Disposal of Machinery and equipment                              | -            | 70.8           | 0.1          | 4.3            | -            |
| 2.16.5 Of which: Acquisition less Disposal of Other fixed assets                                   | -            | -              | 0.2          | 0.1            | -            |
| 2.17 Training Expenditure  | -            | 0.0            | 0.0          | 0.1            | -            |
| 2.18 Payments for royalties and license fees   | 0.4          | 0.3            | 0.4          | 0.0            | -            |
| 2.18.1 Of Which: Non-Residents   | -            | -              | 0.0          | -              | -            |
| 2.19 Value of Closing Stock of Finished Products   | -            | 2.3            | -            | 1.9            | -            |
| 2.2. Net worth at end 2017 = (Total Equity at end 2017)  | 3.2          | 19.8           | 0.0          | 5.7            | 1.6          |
| 2.20 Value of Opening Stock of Finished Products   | -            | 5.2            | -            | 2.6            | -            |
| 2.21 Gross Output (value) =[Turnover (2.4) + Value of Closing Stock (2.19) - Opening Stock (2.20)] | 14.3         | 244.1          | 0.0          | 39.6           | 9.8          |
| 2.22 Management fees   | 0.3          | -              | -            | -              | -            |
| 2.23. Operating Expenditure  | -            | 85.1           | -            | 16.7           | 3.0          |
| 2.24. Value-added = Gross Output (2.21) - Operating Expenditure (2.23)                             | 14.3         | 158.9          | 0.0          | 22.9           | 6.8          |
| 2.25. Total Employment (Number of employees) as at 31st December 2017                              | 41.0         | 367.0          | 129.0        | 2,096.0        | 65.0         |
| 2.26 Stock of domestic borrowing from banks as at 31st December 2016                               | -            | -              | -            | 0.3            | -            |
| 2.27 Stock of domestic borrowing from banks as at 31st December 2017                               | -            | -              | -            | 0.2            | -            |
| 2.3. Total liabilities = Total Assets (2.1) minus Net Worth (2.2) at end 2017                      | 6.7          | 230.6          | 0.1          | 27.4           | 1.8          |
| 2.4. Sales or turnover in 2017   | 14.3         | 247.1          | 0.0          | 40.3           | 9.8          |
| 2.5. Operating Surplus (or loss)   | 1.0          | 44.4           | 0.0          | 1.8            | -            |
| 2.6 Taxes on Income  | 0.4          | 9.7            | -            | 0.2            | -            |
| 2.7 Net Profit After Tax (Earnings/Loss)   | 0.6          | 21.1           | (0.0)        | 1.6            | 0.7          |
| 2.8 Total dividends declared   | -            | 43.6           | -            | -              | -            |
| 2.9 Realised gains and losses  | 0.0          | 3.0            | (0.0)        | 0.1            | 0.6          |
| <b>Grand Total</b>   | <b>108.8</b> | <b>1,825.1</b> | <b>137.3</b> | <b>2,357.4</b> | <b>115.9</b> |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018

**Table 14: Inward Pure Services Categories Affiliates Statistics by source country (US \$ million), 2017... cont'**

|   | Singapore | South Africa | Swaziland | Sweden | Switzerland |
|---|-----------|--------------|-----------|--------|-------------|
| 2.1. Total assets at end 2017   | 622.4     | 836.6        | 14.8      | 113.7  | 59.3        |
| 2.10 Compensation of Employees  | 19.9      | 93.6         | 1.4       | 9.6    | 10.3        |
| 2.10.1 Of which: Salaries and wages paid                                      | 13.9      | 87.2         | 1.3       | 8.9    | 9.7         |
| 2.10.2 Of which: Employer's Social Contributions (See definition 37)          | 6.0       | 7.2          | 0.1       | 0.6    | 0.7         |
| 2.11 Total purchases of domestic goods and services                           | 37.5      | 189.6        | -         | 9.1    | 2.8         |
| 2.11.1 Of which: goods  | 32.3      | 139.8        | -         | 6.2    | 1.6         |
| 2.11.2 Of which: services   | 5.4       | 56.4         | -         | 2.9    | 1.3         |
| 2.12 Total imports of goods   | 16.3      | 166.2        | 0.0       | 83.9   | 615.4       |
| 2.12.1 Of which: from foreign affiliates                                      | 12.4      | 105.5        | -         | 78.6   | 18.3        |
| 2.13 Total imports of services  | 11.8      | 19.1         | -         | 0.9    | 1.9         |
| 2.13.1 Of which: from foreign affiliates                                      | -         | 19.0         | -         | 0.2    | 4.3         |
| 2.14 Total exports of goods   | 1.1       | 118.0        | -         | 19.1   | 3.7         |
| 2.14.1 Of which: to foreign affiliates  | 0.2       | 16.5         | -         | 2.2    | 0.1         |
| 2.15 Total exports of services  | -         | 0.6          | -         | 0.2    | -           |
| 2.15.1 Of which: to foreign affiliates  | -         | 0.6          | -         | 0.2    | -           |
| 2.16 Gross Fixed Capital Formation (2.16.1 + 2.16.2 + 2.16.3+2.16.4 + 2.16.5) | 57.6      | 24.3         | (0.9)     | (0.1)  | 0.5         |
| 2.16.1 Of which: Research and Development Expenditures                        | -         | 0.1          | -         | -      | 0.0         |
| 2.16.2 Of which: Acquisition less Disposal of Buildings and other Structures  | 5.3       | 0.7          | -         | 0.0    | 0.1         |
| 2.16.3 Of which: Land improvements  | -         | 0.2          | 0.1       | -      | -           |
| 2.16.4 Of which: Acquisition less Disposal of Machinery and equipment         | 51.2      | 19.1         | (1.0)     | (0.2)  | 0.3         |
| 2.16.5 Of which: Acquisition less Disposal of Other fixed assets              | 1.1       | 4.2          | -         | 0.0    | 0.0         |
| 2.17 Training Expenditure   | 1.5       | 2.5          | 0.0       | 0.2    | 0.0         |
| 2.18 Payments for royalties and license fees                                  | 0.3       | 9.2          | 0.0       | -      | 1.0         |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018





**Table 14: Inward Pure Services Categories Affiliates Statistics by source country (US \$ million), 2017... cont'**

|   | Singapore      | South Africa    | Swaziland    | Sweden         | Switzerland    |
|---|----------------|-----------------|--------------|----------------|----------------|
| 2.18.1 Of Which: Non-Residents  | 0.3            | 8.7             |              |                | 0.3            |
| 2.19 Value of Closing Stock of Finished Products  | 10.3           | 65.5            |              | 36.1           | 10.0           |
| 2.2 Net worth at end 2017 = (Total Equity at end 2017)  | 404.0          | 87.4            | 1.1          | 56.0           | 7.9            |
| 2.20 Value of Opening Stock of Finished Products  | 9.5            | 89.0            |              | 20.3           | 9.6            |
| 2.21 Gross Output (value) = [Turnover (2.4) + Value of Closing Stock (2.19) - Opening Stock (2.20)] | 231.6          | 624.2           | 9.5          | 148.5          | 61.7           |
| 2.22 Management fees  | 1.5            | 4.6             | 0.2          |                | 1.7            |
| 2.23. Operating Expenditure   | 51.3           | 174.4           | 8.1          | 14.3           | 35.5           |
| 2.24. Value-added = Gross Output (2.21) - Operating Expenditure (2.23)                              | 180.3          | 449.8           | 1.4          | 134.2          | 26.2           |
| 2.25. Total Employment (Number of employees) as at 31st December 2017                               | 602.0          | 5,070.0         | 97.0         | 355.0          | 810.0          |
| 2.26 Stock of domestic borrowing from banks as at 31st December 2016                                | 43.6           | 8.3             | 0.0          | 10.2           | 0.1            |
| 2.27 Stock of domestic borrowing from banks as at 31st December 2017                                | 77.7           | 7.8             |              | 6.5            | 0.1            |
| 2.3. Total liabilities = Total Assets (2.1) minus Net Worth (2.2) at end 2017                       | 218.4          | 749.2           | 13.8         | 57.7           | 51.5           |
| 2.4. Sales or turnover in 2017  | 230.8          | 648.5           | 9.5          | 132.7          | 61.2           |
| 2.5. Operating Surplus (or loss)  | 156.6          | 66.2            | 0.2          | 7.7            | 18.7           |
| 2.6 Taxes on Income   | 44.3           | 26.1            |              | 4.8            | 3.7            |
| 2.7 Net Profit After Tax (Earnings/Loss)  | 106.1          | 34.6            | 0.2          | 2.9            | (1.5)          |
| 2.8 Total dividends declared  | 0.2            | 10.7            |              | 2.3            | 1.3            |
| 2.9 Realised gains and losses   | (7.7)          | (5.4)           | 0.1          | (1.1)          | (0.2)          |
| <b>Grand Total</b>  | <b>3,256.7</b> | <b>10,035.8</b> | <b>156.9</b> | <b>1,324.4</b> | <b>1,829.2</b> |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018

**Table 14: Inward Pure Services Categories Affiliates Statistics by source country (US \$ million), 2017... cont'**

|   | Tanzania    | Togo         | United Arab Emirates | United Kingdom | United States | Grand Total     |
|---|-------------|--------------|----------------------|----------------|---------------|-----------------|
| 2.1. Total assets at end 2017   | 15.3        | 0.2          | 74.7                 | 2,161.2        | 308.9         | 9,156.4         |
| 2.10 Compensation of Employees  | 0.2         | 4.4          | 4.7                  | 74.6           | 4.4           | 490.9           |
| 2.10.1 Of which: Salaries and wages paid  | 0.2         | 4.2          | 4.4                  | 71.3           | 4.2           | 458.1           |
| 2.10.2 Of which: Employer's Social Contributions (See definition 37)                                | -           | 0.2          | 0.3                  | 3.3            | 0.2           | 33.5            |
| 2.11 Total purchases of domestic goods and services   | 0.0         | -            | 0.4                  | 2.3            | 10.7          | 1,007.2         |
| 2.11.1 Of which: goods  | 0.0         | -            | 0.3                  | 0.5            | 6.1           | 1,051.4         |
| 2.11.2 Of which: services   | -           | -            | 0.1                  | 2.9            | 4.6           | 185.6           |
| 2.12 Total imports of goods   | 0.9         | 0.1          | 2.0                  | 49.7           | 0.4           | 1,575.0         |
| 2.12.1 Of which: from foreign affiliates  | 0.9         | -            | 0.1                  | 8.5            | 0.2           | 383.8           |
| 2.13 Total imports of services  | -           | -            | -                    | 2.3            | -             | 68.0            |
| 2.13.1 Of which: from foreign affiliates  | -           | -            | -                    | 2.3            | -             | 43.3            |
| 2.14 Total exports of goods   | -           | -            | 43.9                 | 3.3            | 11.0          | 214.6           |
| 2.14.1 Of which: to foreign affiliates  | -           | -            | 11.0                 | -              | 3.4           | 34.5            |
| 2.15 Total exports of services  | -           | -            | -                    | -              | -             | 11.7            |
| 2.15.1 Of which: to foreign affiliates  | -           | -            | -                    | 0.9            | -             | 8.9             |
| 2.16. Gross Fixed Capital Formation (2.16.1 + 2.16.2 + 2.16.3 + 2.16.4 + 2.16.5)                    | 0.2         | -            | 0.4                  | 5.6            | 0.2           | 379.8           |
| 2.16.1 Of which: Research and Development Expenditures  | -           | -            | -                    | 0.0            | -             | 4.0             |
| 2.16.2 Of which: Acquisition less Disposal of Buildings and other Structures                        | 0.0         | -            | 0.3                  | 5.8            | -             | 81.6            |
| 2.16.3 Of which: Land improvements  | -           | -            | -                    | -              | -             | 11.3            |
| 2.16.4 Of which: Acquisition less Disposal of Machinery and equipment                               | 0.1         | -            | -                    | (0.2)          | (0.1)         | 293.4           |
| 2.16.5 Of which: Acquisition less Disposal of Other fixed assets                                    | 0.0         | -            | 0.1                  | (0.1)          | 0.3           | 60.3            |
| 2.17 Training Expenditure   | 0.0         | -            | -                    | 0.7            | 0.0           | 7.1             |
| 2.18 Payments for royalties and license fees  | -           | -            | -                    | 2.4            | 0.7           | 25.9            |
| 2.18.1 Of Which: Non-Residents  | -           | -            | -                    | 0.6            | 0.7           | 20.7            |
| 2.19 Value of Closing Stock of Finished Products  | 0.8         | -            | 10.9                 | 24.5           | 15.7          | 394.0           |
| 2.2. Net worth at end 2017 = (Total Equity at end 2017)   | 1.6         | 0.0          | (14.4)               | 248.9          | 206.1         | 2,497.3         |
| 2.20 Value of Opening Stock of Finished Products  | 0.7         | -            | 46.8                 | 31.2           | 11.2          | 432.0           |
| 2.21 Gross Output (value) = [Turnover (2.4) + Value of Closing Stock (2.19) - Opening Stock (2.20)] | 1.7         | 22.5         | 30.8                 | 327.2          | 57.3          | 5,281.4         |
| 2.22 Management fees  | -           | 1.3          | -                    | 5.2            | -             | 36.9            |
| 2.23. Operating Expenditure   | 0.2         | 12.3         | 30.5                 | 61.6           | 18.8          | 1,471.6         |
| 2.24. Value-added = Gross Output (2.21) - Operating Expenditure (2.23)                              | 1.5         | 10.2         | 0.2                  | 265.6          | 38.6          | 3,809.8         |
| 2.25. Total Employment (Number of employees) as at 31st December 2017                               | 38.0        | 114.0        | 713.0                | 2,360.0        | 104.0         | 40,880.0        |
| 2.26 Stock of domestic borrowing from banks as at 31st December 2016                                | -           | -            | 3.7                  | 1.2            | 0.5           | 112.5           |
| 2.27 Stock of domestic borrowing from banks as at 31st December 2017                                | 6.1         | -            | 1.8                  | 10.8           | -             | 164.9           |
| 2.3. Total liabilities = Total Assets (2.1) minus Net Worth (2.2) at end 2017                       | 13.7        | 0.2          | 89.1                 | 1,912.3        | 102.8         | 6,659.1         |
| 2.4. Sales or turnover in 2017  | 1.6         | 22.5         | 67.3                 | 334.7          | 52.7          | 5,320.4         |
| 2.5. Operating Surplus (or loss)  | (0.7)       | 7.4          | (11.3)               | 89.1           | 24.4          | 811.8           |
| 2.6 Taxes on Income   | -           | 2.7          | 0.8                  | 36.1           | 11.6          | 281.6           |
| 2.7 Net Profit After Tax (Earnings/Loss)  | (0.8)       | 4.8          | (12.1)               | 50.8           | (19.8)        | 330.3           |
| 2.8 Total dividends declared  | -           | -            | -                    | 27.2           | -             | 110.3           |
| 2.9 Realised gains and losses   | -           | 5.9          | 0.1                  | 13.2           | -             | 2,124.6         |
| <b>Grand Total</b>  | <b>82.4</b> | <b>213.0</b> | <b>1,100.1</b>       | <b>8,197.3</b> | <b>979.9</b>  | <b>86,325.5</b> |

Source: Foreign Private Investment & Investor Perceptions Survey, 2018



### **Annex III: List of Survey Team**

#### **Bank of Zambia (BoZ)**

Ms. Chisala sofia Ng'andwe  
Ms. Mwika Sampa  
Dr. Francis Muma  
Ms. Christabel Mwananshiku  
Mr. Mutemwa Malimba  
Mr. Royd Manenga  
Mr. Pride Kabuswe  
Mr. Kafula Longa  
Mr. Emmanuel Chokwe  
Mr. Elvin Sindala  
Mr. Wachisa Sibale  
Mr. Oliver Ndhlovu

#### **Zambia Development Agency (ZDA)**

Ms. Sombo Kaweza  
Mr. Chisanga Pule  
Ms. Sampa Chilanga

#### **Central Statistical Office (CSO)**

Mr. David Sakala  
Mr. Nkandu Kabibwa  
Ms. Salome Naluyele  
Mr. Shadreck Saiti  
Mr. Peter Lungu

#### **Ministry of Tourism**

Ms Robina Chilambwe  
Ms Agness Lungu  
Ms. Ziloile Nyirenda

#### **Ministry of Commerce, Trade and Industry**

Mr. Joel Mumba

#### **Lusaka Stock Exchange**

Mr. Kennedy Kaela



