

Franco-Zambian relations

Trade relations

There are currently 38 French companies settled in Zambia.

Total is by far the first and older investor in the country where it settled in 1964, after the independence. In fall 2017, the group opened its 52nd gas station in Zambia and also provides for the mining sector.

The notorious cement-manufacturer Lafarge and the two major carriers Bolloré and CMA-CGM are other examples of corporation groups which have been well established in Zambia for a long time. For the past three years, the number of French companies in Zambia was doubled. Recently, several contracts were won and signed, especially in the renewable energy sector with Neoen, and in infrastructures with Razel-Bec.

Many other companies are highly interested in Zambia, mostly coming from South Africa (many French groups have their regional headquarters for Southern Africa in Johannesburg), Western Africa and Kenya (other companies have their regional headquarters for Eastern Africa in Nairobi).

Commercial transactions are modest but growing, and more and more balanced.

After a decrease of 30% in 2015, **French exports to Zambia** resumed in 2017 (+21,7%) and reached 23,6 M€, remaining poor, even more when compared to the average level of the last 10 years. The Zambian market is a limited outlet for French products (only 152nd in 2017, even if the rank rised from 10 places compared to 2016).

Among the 52 countries and territories registered by the French customs in Sub-Saharan Africa, Zambia was France's 35th client in 2017. Among the 10 Southern African countries, Zambia was ranked number 4.

Two sectors mainly contributed to the growth of French exportations in 2017: on one hand, "mechanical equipment, electrical and electronic devices and computers" (+13% and 17,8 M€), especially industrial and agricultural machines ; on the other hand, "industrial products" (+96% and 2,3 M€) especially chemicals, perfumes and cosmetics. By contrast, the agribusiness dropped in 2017 (-43,7% and 510 000€). Over time, French exports to Zambia show a stable composition.

France's major exports are mechanical, electrical and electronic equipment (74, 8% of French sales in 2017, the average being 74,1 % between 2007 and 2016), before chemicals, perfumes and cosmetics (+12,3 % in 2017, while the average rate over the last 10 years was 8,6 %).

French imports from Zambia are increasing thanks to the purchase of metallurgical and metal products: went from 67 000€ to 8,6 M€ (mostly copper). The other main imports decreased compared to 2016: "jewels" (-18 %), "tobacco" (-36,7 %) and "farm animals" (-31,3 %). But still, importations are on the rise for the second year in a row: +62,3 % in 2017 and 17,8 M€ following +123,8 % in 2016 and 10,9 M€.

Despite this high increase, the weight of Zambia in French imports remains limited, only being France's 137th supplier (even if the ranking improved from 151st in 2016). Zambia is France's 27th supplier in Sub-Saharan Africa and the 6th in Southern Africa.

In 2017, if the **bilateral trade balanced** remains in surplus favoring France, it also keeps decreasing, going from 8 M€ in 2016 to 6 M€ in 2017 (-30,3 % following -63,3 % in 2016). Zambia represents in 2017 France's 113th surplus trade, receding (109th in 2016).

According to the International Trade Centre's statistics (a joint agency of the UN's World Trade Organization), **France's market share** in Zambia remains weak (below 1% of Zambia's import in 2016). France is far behind South Africa, DRC and China. The potential for each country's companies is large.