

# A Review of Zambia's Economic Diplomacy with a Special Focus on Zambia-China Relations 2010-2018

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## ABSTRACT

Economic diplomacy is an important tool for foreign policy of the government to promote economic interest of Zambia in relation to trade promotion, attracting investment through channels of diplomacy. Finding markets for exports and attracting foreign direct investments become critical in the development of a country especially when the domestic economy is too small to meet the economic demands of the population. For Zambia to attain sustained economic growth, strong foreign economic relations and more integration in the world economy are needed to promote trade and investments. The research took a realist and liberalist approach in assessing Zambia's economic diplomacy from the independence era to date. No research has ever been done on Zambia's use of economic diplomacy as a field of diplomacy. Therefore, it relied on secondary data and experts from the Ministry of Foreign Affairs, former Zambian diplomats and people from the Civil Society Organisations (CSOs). Experts in the field of economic diplomacy were interviewed during the study, all of whom emphasised the importance of economic diplomacy to Zambia's aspiring of becoming a prosperous middle-income nation by 2030. The Zambian government together with its diplomatic missions abroad and trade representatives from the business community have a critical role to play in advancing the economic diplomacy agenda of the country in a world where national interests serve both state and non-state actors. These key agencies have a role of ensuring that they market Zambia with the best image building activities in the international arena by using the best tools. Low awareness levels were identified during the research including the pace at which non-state actors are being incorporated to spearhead the country's push for better and increased results through economic diplomacy. With emphasis on economic diplomacy, it is recommended that the country develops a national economic diplomacy strategy that outlines the key activities aligned to strategic economic sectors in order to have a much more result-oriented approach. There is also a need to build a positive image of the country that ably attracts investors and tourists.

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Keywords: *Economic diplomacy, Foreign policy, Zambia, Non-State Actors*

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## 1. Introduction

Global developments are usually affected by economic, social and political factors due to the relationship they have to the global economy. The world economy is essentially a global village because of the relations between and among countries under what is now called international relations. These relations require diplomacy in order to sustain them. A key aspect of this diplomacy for developing countries such as Zambia seeking to grow their economies is economic diplomacy.

Since gaining its independence in 1964, Zambia has followed a sound policy of economic management; good governance; protection of basic civic freedoms and respect for human rights. The economy has changed dramatically through the various governments; the United National Independence Party (UNIP) government under Dr. Kenneth Kaunda, Movement for Multiparty Democracy (MMD) government under Frederick Chiluba, Levy Patrick

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Mwanawasa and Rupiah Banda, the Patriotic Front (PF) government under Michael Sata, and Edgar Chagwa Lungu. Initially, the economy of the country was a liberal one just after independence in 1964. The UNIP government nationalized major industries and declared the country a socialist state under one party rule in the early 1970s.

The economy became state controlled and most industries did not run up to expectations of the majority owing to the over interference of the government. President Kenneth Kaunda also adopted Humanism as part of Zambia's foreign policy in order to attract foreign investments and help liberate much of Africa. On the contrary, this did not go well with the Western powers because the country sided with the non-aligned states. Zambia's foreign policy came under western scrutiny as this was going to impact negatively on the economy. Shaw (1976) states after independence, Zambia opted to appeal for political and material support from non-aligned states in its regional confrontation. Rather, it sought support among disinterested and small powers to enhance both its sovereignty and its security.

However, since the 1990s, the government has been designing its policies, not only to be self-sufficient, but also to expand and support the export sector. Zambia has pursued an outward-looking strategy that promotes economic growth and development. To meet this challenge, the Ministry of Foreign Affairs has turned its attention to missions abroad and key stakeholders within the country to engage in economic diplomacy, through key tasks of promoting trade and tourism and attracting investments.

Zambia needs Foreign Direct Investment (FDI) in order to create a value-addition industry in the economy. This in turn helps create new jobs and bring about revenue for the government through different direct and indirect taxes. To fully exploit these resources, a lot of capital is required and FDI is a good source. Zambia needs to export value added natural resources globally and market profitable manufactured goods that will also create more jobs, directly and indirectly. Faced with different challenges, Zambia also has to tackle socio-economic inequalities, unemployment and poverty, which can hinder the pace of growth and development for the country.

The Zambia government through the Ministries of Foreign Affairs and the Ministry of Commerce, Trade and Industry (MCTI) is the ministry tasked to create an appropriate policy framework, attract investments and increase trade, with a view to developing and expanding the country's trade potential and industrial growth. The strategic element that is being utilised is economic diplomacy. The two ministries are also accountable for the development and supervision of Zambia's economic regulatory regime, which guides the country's national and external economic relations. This has resulted in the formulation of policies such as National Trade Policy, National Industrial Policy and National Export Strategy as crucial elements of its trade and investment promotion.

Since the beginning of economic reforms in the early 1990s, the Government has made major strides in supporting economic growth that is the private sector led by implementing reforms that provide for a competitive business and investment climate. In general, these reforms are critical in making the investment climate in Zambia conducive for both local and foreign investment. Foreign Direct Investment (FDI) in particular is viewed as a key driver for economic growth and employment creation. It is expected to facilitate technology transfer, economic growth, and contribute to exchange rate stability and increased tax revenue (ZDA, 2015).

The Ministry of Trade and Industry, through its investment promotion arm, the Zambia Development Agency (ZDA), engages in the promotion, licensing and regulation of Foreign Direct Investment in the country. ZDA provides investors with information and assists them with customer-related data and information on incentives and other procedural requirements for seeking approval. Sectors that are open for investment include Agri-business, Aquaculture, Energy, Infrastructure and Logistics, Manufacturing, Mining, Services and Tourism.

Considering that Zambia's foreign policy history has shifted towards economic diplomacy, it is important to assess how this strategy is being applied and what new tactics can be used in order to realize the aspirations of the Vision 2030 and other important policy documents aimed at improving Zambia's economy and attaining sustainable development. Many investment pledges have been made but very little has actualized into developmental projects. Trade and foreign direct investments have been a major drive for economic development but there is a need to find different approaches for the agenda of economic diplomacy. Therefore, it is now a question of whether there are more economic opportunities and avenues for economic diplomacy in the search for economic growth and development of a country like Zambia.

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## 2. Literature Review

According to Shaw (1976), given the inherited dependence of Zambia on foreign investment, technology, skills, and trade, its foreign-policy values may be an expression of the intent of the elite to exert control over their society and resources. The leadership of Zambia perceives a relationship between the internal and international challenges to its dominance. Therein, lies part of the challenge the country faces in properly utilising economic diplomacy as a tool for advancing national interests.

Economic diplomacy is a tool that helps the government to broaden its portfolio for increasing trade and foreign direct investments (FDI), with a view to stimulate the domestic economy. Zambia's diplomatic missions abroad have a fundamental role to play in offering operative diplomatic support for the global business. The key function of the economic diplomats is to enhance and encourage foreign direct investment (FDI), increasing trade opportunities and strengthening tourism. Further diplomats provide support and facilitate linkages with global markets and emphasize the national brand to attract foreign investment. Economic diplomacy is enshrined in Zambia's foreign policy document of 2014.

Saner and Yiu (2003) state that the old diplomacy where states would interact directly on their own is being diluted due to the participation of non-state actors in international economic relations. Saner and Yiu observe that non-state actors have broadened the aspects of economic diplomacy. Their assertion on the proliferation of actors, particularly non-state actors clearly indicates a change in status quo with regard to economic diplomacy. This change of status quo calls for a dynamic understanding of dimensions and implications of economic diplomacy in the case of developing countries like Zambia.

An aspect of interest for Zambia is that, faced with globalization and competition for foreign direct investment and with the increased power of the non-state actors, there are now high expectations from the country's diplomatic missions to significantly employ economic diplomacy more effectively in order to realise national economic interests. This calls for the Ministry of Foreign Affairs to increase its capabilities in dealing with non-state actors and other institutions and also be able to manage the complexities of today's global affairs both economically and political.

As pointed out in a study carried out by Barston (1997), development issues are at the forefront of foreign policies of many newer states. In this regard, he argues that diplomacy is directed to securing international finance, problems arising from scheduling of loans, restrictions on key exports, promotion of regional cooperation and relations with major foreign corporations. This approach of economic diplomacy leans heavily on the financial and commercial aspects.

Bayne *et al* (2003) asserts that economic diplomacy is about process rather than structure. They observe that academic studies in International Political Economy (IPE) normally focus on the structural factors that shape economic relations between states, such as the influence within the main political causes of evolving structure of the international economy, and the implications of this structure for national policy choice. They also observe that associated studies of international business take firms as the focus of attention, rather than government, although government policy obviously affects international business. With these two observations in mind, Bayne *et al* embark on a different kind of study concerned with process, which is with decision-making processes in governments and international institutions. They argue that the main importance of process over power structures in determining policy choice will vary. When there are major differences in economic power and influence, these are likely to be the shaping factor in any policy outcome, but when power relations are more balanced, the process of negotiation is likely to be more important.

John Odell points out in his book „Negotiating the World Economy“ (2000), that outcomes vary between cases when structural features are the same, which suggests that process is important. Bayne *et al* conclude that a study of decision-making processes in international economic relations fills a gap in the field. They make three assertions in their study: first, economic diplomacy is about process. Second, economic diplomacy is becoming more important. Third, governments need to be efficient and pursue the aims of enhancing economic welfare in a global economy.

In examining strategies to deal with opportunities, challenges and threats, Coolsaet (2004) states that in risky and extremely competitive international environments, firms turn to their governments for support. Governments have no choice but to further their companies' interests, otherwise other firms would benefit. In addition, Coolsaet further states that there is a high likelihood of better results from a more concerted approach to economic diplomacy, and this can be done by ensuring that the state plays a huge role even if these roles have been assimilated by other actors due to globalisation in the past and going forward.

Rana (2007) defines economic diplomacy as the process used by states to achieve their national economic gains in their state to state interactions by way of using trade, investments and other economic forms that bring economic benefits to the parties involved. Countries look at their comparative advantage as they enter into economic diplomacy in order to have a bargain point and these negotiations are done from a point of bilateral, regional and multilateral dimensions, and each one of them is very important. Rana also notes that economic diplomacy is no longer dominated by states. Nowadays, the official agents, that is the foreign and economic ministries, the diplomatic service, and their promotional agencies- now engage in dynamic partnerships with an array of non-state actors.

Economic diplomacy can be described as formulation and advancement of policies relating to production, movement or exchange of goods, services, labour and investment in other countries (Elbeshbish, 2013). Moreover, Okano- Heijmans (2010) delineates economy diplomacy as, "the political influence in international negotiations with the purpose of enhancing national economic prosperity, and use of economic leverage to increase the political stability of the nation" A unique nature of economic diplomacy is that private sectors are involved in the decision making process to inspire the negotiating position to remain in the global or regional competitive market. Economic diplomacy has progressed to reflect the needs and interest of countries that have resulted from the swift changes in the global field, especially in the environment of the fast changing world inspired by the increasing economics in international relations.

Different scholars generally agree on the relevance of economic diplomacy in today's world; the multiplicity of players and fields; and the fact that in order to remain relevant in the ever-changing international and domestic environment, understanding economic diplomacy is a necessary requirement. It is, however, noted that the tendency is to concentrate on the commercial aspects although economic diplomacy is interdisciplinary and much broader than just commercial and financial in nature even though these play a major role.

A closer look at Zambia's foreign policy document will reveal the fact that the country stands for the idea of pursuing national interests while promoting cooperation with the rest of the world. It pursues a foreign policy based on the principles of mutuality of common interest and respect. This represents the tenets of Liberalism. Liberalists believe that cooperation between states needs to take place in a well structured environment in which states can trust each other. In this regard, the respect for international law and international organisations appears to be of great importance (Little, 2001).

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### 3. Zambia's Foreign Policy and Economic Diplomacy

The Zambian foreign policy highlights economic diplomacy. The policy was developed in 1996 and revised in 2014 to conform to the current global economic trends. This change was essential for the government to increase investment and economic growth (Zambia, 2014).

Some of the key objectives of the Zambian foreign policy are:

1. Promote trade and investment as key engines for economic growth
2. Promote Zambia as a country of choice for FDI
3. Promote Zambia as a preferred tourist destination
4. Defend her sovereignty and maintain her territorial integrity in order to ensure national peace and security for her citizens;

5. Protect the rights and legitimate interests of Zambian citizens abroad;
6. Encourage Zambians in the Diaspora to participate in the economic development of the country;
7. Promote regional and international peace and security;
8. Promote bilateral, regional and multilateral cooperation and, integration;
9. Retain Zambia's membership to the international organisations and agencies;

Mindful of the argument that foreign policy is formulated and implemented within an international and domestic political context is a fact that must be understood in order to determine the best foreign policy option. The making of foreign policy is a strategic exercise by the government to guide its actions in the international arena. Zambia's diplomatic relations with other countries are guided by the country's foreign policy which is one of friendliness and goodwill towards the nations of the world (Zambia, 2014). Zambia for example believes in principles of peace and security. Therefore, the idea to establish mutually beneficial relationships with other countries, and the challenge for Zambia is to articulate and forcefully sell the country's economic policy, good democratic governance and political stability that creates a conducive environment in which business can be done.

These challenges have direct and indirect impact on the country's economy. The solution to these problems was spelt out in the country's Vision 2030, which aims at the goal of creating a prosperous and industrialized Zambia in order to have a prosperous middle-income nation by 2030. Zambia has a long way to go to achieve its goals of intensifying trade and economic growth to integrate into the global economy. Both technical and financial support at the global level would be helpful for meeting the country's needs.

The diaspora has become an important tool of consideration for Zambia's economic diplomacy. Diaspora investment would be beneficial for the country's economy and should be encouraged in social infrastructure and business expansion into Zambia. The diaspora has the capability to make different contributions to the economy of the country. The remittance they send back to their home countries can contribute to the development of the economy. According to the World Bank Report (2015), remittance flows to developing countries rose to US\$ 440 billion of which Sub-Saharan Africa was projected to receive US\$ 33 billion, representing a growth percentage of 0.9 percent in 2015. Zambia received US\$ 74 million (Zambia Diaspora Policy, 2019). This demonstrates the role that the diaspora can play in national development. For that reason, the Zambian government launched the Diaspora Policy in 2019. This accepts that there is a fundamental relation between Diaspora Diplomacy and Economic Diplomacy.

This therefore calls for a consideration of setting up a „Directorate of Diaspora" in the Ministry of Foreign Affairs, with the objective of helping strengthen missions and have a register of its nationals living within that country. The good starting point is to take advantage of the different associations of Zambians living in different countries and are registered with the mission. In order to have a success story, all stakeholders involved need to work together with the diaspora to promote the home country's economic policy and agenda. The missions must be encouraged to work hand in hand with the diaspora to promote economy policy. Diplomats should have good knowledge of economic issues, as well as be creative as they float new ideas. The missions should make full use of diaspora's knowledge, by seeking information from them that is relevant for the economic development of the country.

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## 4. Methodology

This study took an exploratory approach and used the qualitative research design because it sought to explain Zambia's conduct of economic diplomacy. The findings of qualitative study helped in reviewing and interpreting the previously existing theories on the subject, so as to complement and bring new ideas. The research methodology explored practices and analysed information on Zambia's economic diplomacy, including analysis of research that has been done in the past. The research relied on both primary and secondary sources of data – books, journals, internet sources, and other written material on the subject of economic diplomacy.

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## 5. Discussion and Analysis of Findings

This section provides discussion and analysis of findings of the study. Ensuing are the key findings that emerged from the study on the impact of sanctions on Zimbabwe and Zambia trade relations from 2000 to 2017. It is important to note that while sanctions had implications on trade between the two countries, much of trading activities are not recorded and some of the fundamentals affecting trading trends have nothing to do with sanctions.

### 5.1. *Impact of Economic Diplomacy on Zambia's Economy*

Economic diplomacy is a key pillar of Zambia's foreign policy and it mainly focuses on trade and investments in order to promote economic growth and development. The pillar presumably relies on the theories of Adam Smith and David Ricardo in advocating for Zambia's competitive advantage in production of certain products such as copper and agricultural goods and the robust tourism sector. This is the most relied upon instrument for promoting trade, investments and development in Zambia, embedded in the Vision 2030, national trade policy, 7NDP and the Diaspora policy. Vision 2030 is the blue-print of transforming Zambia into a middle-income state by the year 2030. Economic diplomacy is a good example of how foreign policy is used to meet domestic policy objectives.

It is evident that Zambia has been using economic diplomacy since independence to date. This is also evidenced in reforms such as the Matero and Mulungushi reforms. Other pieces of economic reforms were embodied in the privatisation programmes in order to attract foreign investments into the economy. The national development plans have also been a part of Zambia's economic diplomacy, all with the aim of growing Zambia's economy

through domestic and foreign direct investments and trade. It has just gained prominence as the leading principle under President Edgar Lungu. Since 2014, President Edgar Lungu has been keen on expanding the pool of international partners. China's policy of not interfering with other countries affairs has made it an ideal partner for Zambia, among other all-weather friends of the country. This point poignantly connects Zambia's foreign policy decision to the evolving nature and structure of the international system.

In understanding the impact of economic diplomacy on Zambia, the country's relationship with China can be used for reference. Notably, Zambia and China are characteristic countries with rich economic and cultural history. While it emerges that China dwelt on communism; it is evident that Zambia embraced a capitalist system. Nonetheless, the relations between these two countries have remained cordial for a long time. China-Zambia economic diplomacy is a strong bond from the previews of infrastructure development evidenced in roads, hospitals, schools and now the new Kenneth Kaunda International Airport as well as financial aid to transform the landscape of economic diplomacy in line with the 7<sup>th</sup> National Development Plan and objectives of Vision 2030.

## **5.2. Zambia- China Cooperation**

From the diplomatic perspective, it is evident to note that Zambia and China enjoy cordial cooperation characterized through high level Head of State and ministerial meetings, as well as business delegations. This scope of economic diplomacy has continued to strengthen China- Zambia diplomatic relations. From 1964, the high-profile delegations were initiated by high government profiles which resulted in the signing of several bilateral agreements.

Globalization has opened the national boundaries of the two countries. This is a situation that has seen many Chinese entering Zambia for various business opportunities. Currently Zambia and China ties are possibly the factors that influence economic relations. Therefore, the relationship between the two nations has been argued to be important for the future development of economic diplomacy. China is suggested to be large, rapidly developing and is still in the process of developing and implementing basic economic changes and reforms. Regardless of its size and significance in the international economy, China remains outside some of the important international organizations such as the World Trade Organization (WTO).

According to the National Consultation Workshop Report (2009), Zambia must take into consideration the fact that the participation of China in the global trade has been increasing. The current global positioning of China has posed a major challenge for the high-income nations, such as the United States. The country has with the United States, a fast-developing aggregate bilateral trade surplus; even based on the data from China, taking into consideration the miscounting of re-exports via Hong Kong. This developing Chinese surplus cannot be explained apart from a function of the production relocation from Hong Kong as well as Taiwan to China. The developing bilateral imbalance, differences in political values, as well as the imports concentration in light manufactures are all important political factors in the United States, as far as its foreign policy on China is concerned. The Chinese products have created job opportunities for many Zambian households given the fact that they are cheaper and affordable.

Trade relations and economic expansion have seen progress with both Zambia and China making imperative headways in economic and technical cooperation. The idea that China is the largest developing nation and that Zambia is a developing country has great significance in the future of the relations between the two nations. This is what will continue to shape the shared interests and responsibilities of the two nations. The comparative advantage of the two economies does not coincide. This suggests that as major economies in the world, the two nations will continue to depend on each other, and this will be the factor behind their relationship in the future. However, there is a perception that the two countries are at an important stage to set a course for their future. This is because a positive relationship between the two is not only significant to them, but also to the entire global system. The logic of these agreements is to enhance the concept, process and outcome of economic diplomacy between the two countries.

The Forum on China-Africa Cooperation (FOCAC) has created new opportunities and challenges in the country's development effort. The opportunity being in the space created by China to tap on its experience in acquiring technology and financial resources needed to scale up the country's development effort and move rapidly towards the achievement of the Millennium Development Goals. The challenge lies in turning and regulating Chinese interests in the country to the mutual benefit of both China and Zambia without endangering the country's social-cultural heritage and environment. However, there is great concern that Zambia may fold its arms, sit back and watch this opportunity slide away (AERC, 2008).

The economies of China and Zambia in the next ten years will be to a great extent shaped by the level of integration. Various studies have documented the possibilities as well as challenges in China-U.S. economic and political connections. According to Mingjiang (2011) there are some reasons to be optimistic on looking at the history of the relationship between the two nations. The economic policy and performance of China was of no impact to the domestic economy of the United States. At the same time, the economic policy and performance of Zambia had no impact on China. In the recent four decades, there has been notable China-Zambia bilateral economic relations that have become even stronger, with a lot of developmental aid in the form of loans and infrastructure development coming to Zambia.

## **5.3. Zambia - China Bilateral Trade Agreements**

A total of 12 bilateral agreements have been signed between Zambia and China in a period of three years. These agreements focused on various areas of economic development such as technology, agriculture, infrastructure, energy, health, education and tourism. The introduction of the Confucius Institute at the University of Zambia continues to open cultural exchanges between Zambia and China.

Rather than championing the fight of others, Zambia should leverage and strategically structure itself to benefit from the emerging Sino-Africa relations/collaborations. China and several other Asian countries have accumulated huge reserves which we can tap for investments (China-\$1.3 trillion; Hong Kong-\$136.3 billion; India- 211.7 billion). It is prudent to note here that even the much-heralded high copper prices are a result of increased demand from China. China has now surpassed the United States as the world's leading importer of copper. This symbiotic relationship is beneficial for both China and Zambia.

The global growth incentive has resulted in the development of increased growth in technological and trade attributes and these factors have resulted in innovation and actualization of the growth strategies proposed by capacities of development. Finally, the administrative arm of the council has forged an alliance that is targeted towards the realization of ideal policy implementation and the arrangement of the meetings. Since the development of the economic diplomacy between Zambia and China, some of the leading achievements include the creation of the forces, the signing of trade agreements.

#### **5.4. Chinese Foreign Aid to Zambia**

The nature of development aid that Zambia receives from China is totally different from the kind of aid that Zambia receives from the Western countries. The conditions of donor aid also differ significantly from these two donors. Comparatively, research shows that the integration of foreign policies and home policies between Zambia and China is the key to the attainment of optimal development in foreign aid between China and Zambia. This aid enhances market competition in Zambia. This proposition has been faced with severe criticism as there is no direct way of measuring market competition. The introduction of foreign firms in a country spurs economic growth and development thereby increasing competition in the local markets. Technological advancements, managerial skills and the newly introduced market innovations play a tremendously prominent role in the market regime. The wide development of markets and increase in innovation leads to increment in wages and salaries, which encourage large scale manufacturing as there is the presence of trained and skilled labour.

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### **6. Recommendations**

For economic diplomacy to be effective, it must have a clear vision and orientation; must be effectively organized, equipped with sufficient human and financial resources; be understood as an important component of the state's foreign and economic policy, created and conducted in partnership with the private sector and based upon real demand for Zambian businesses and their services.

#### **6.1. Develop an Economic Diplomacy Strategy**

There is a need to develop economic diplomacy strategy that should aim to:

- Clarify the role and relationship between different spheres and agencies of government;
- Explain the role of diplomatic missions and how they could support Zambia's business sectors in pursuit of economic and commercial interests;
- Instruct diplomats on how they could support business sectors, trade and investment delegations, province, cities and not the least, provincial development agencies.
- Bringing on board all key stakeholders or think-tanks to help implement and pursue economic diplomacy

#### **6.2. Strengthen SADC and COMESA regional Integration**

Before engaging in any bilateral negotiations within SADC on different trade agreements, there is a need to ensure that what is being targeted as development needs is in line with Vision 2030 and Seventh National Development Plan. This will ensure that whatever is agreed upon corresponds to the development agenda of the country.

#### **6.3. Strengthen Implementation of the new national trade and export policies**

Zambia has to be aggressive in ensuring that it penetrates new markets through value addition in its exports. Today's global economy requires meeting the challenges arising from the global financial crisis and the only way a country like Zambia can survive in such an environment is through promoting a manufacturing economy that can export and earn more revenue. Zambia like many other African countries is under pressure to open its markets but this renders it to be a dumping site if it continues importing without exporting. The Africa Continental Free Trade Area presents such fears.

This example offers an ideal avenue for interdisciplinary engagement in the development of sound economic policies and practices for future external relations, particularly given the changing nature of the Zambian economy. Trade and foreign direct investments remain critical to Zambia's economic development and this should be supported through consistent implementation of the national trade and export policies.

#### **6.4. Public private partnership**

The Government should strive to create a healthy and effective public-private partnership that would comprise government agencies representing key economic sectors; associations of industry and chambers of commerce and financial sector; academic institutions and think-tanks. Further, the Ministries of Commerce, Trade and Industry and Foreign Affairs should be better integrated and harmonized in sharing information on investors.

### 6.5. Image building activities

The image of a country is the key to investments and special efforts need to be made to portray a positive image of Zambia. Rwanda has laid a very good example for Zambia and the rest of Africa by ensuring that it portrays cleanliness and environmental regard. This has been enhanced further by Rwandan President Paul Kagame's move to start marketing Rwanda by partnering with the English Premier League team, Arsenal Football Club, so that the team jersey can be branded „Visit Rwanda“ on the sleeves. Zambia can equally take some or more of the following steps:

- Advertising in the media.
- Participating in investment exhibitions.
- Advertising in industry or sector specific journals.
- Conducting general or sector-specific investment missions from Zambia to the host country.
- Conducting general or sector-specific investment missions from the host country to Zambia

### 6.6. Attracting Foreign Direct Investment

A focused investment promotion campaign needs to be launched, which could include one or more of the following components:

- Conducting general investment seminars on investment.
- Engaging in direct mail or telemarketing campaigns.
- Conducting industry or sector specific information seminars.
- Engaging in firm-specific research followed by presentations.
- Providing investment counselling services.
- Facilitating the processing of applications and permits for inward investors.

Zambia recognises the importance of economic diplomacy, hence the urgency to quickly harness its benefits. It is, however, necessary to generate greater awareness about economic diplomacy and bring on board different key actors. Certain essential steps, therefore, need to be taken, to make economic diplomacy more result-oriented, through good policies, programmes, trade and investment promotion, and having the right personnel in both domestic institutions and the diplomatic missions.

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