

Investing in the Lusaka South Multi Facility Economic Zone

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ABSTRACT

A Multi Facility Economic Zone (MFEZ) can be described as a Special Economic Zone which can be utilized for export and domestic production purposes by industries operating in the designated economic zone. The MFEZ is characterized by a mixture of several enticing attributes ranging from facilities such as export processing zones, Industrial parks, free trade zones and free ports, among others. Ideally, it is hoped that an MFEZ will kindle economic development in the selected location and consequently contribute to that country's gross domestic product. It is not uncommon to set up an independent firm to oversee and run the entire administrative affairs of the economic zone on behalf of the owners of the facility. This article is based on a study that was undertaken to assess the performance of the Lusaka South Multi Facility Economic Zone (LS-MFEZ) in Zambia from the time it was established. The research was conducted over a period of eighteen months. This article focuses on two of the objectives of the study that assesses, the effectiveness of the economic zone management firm in stimulating investment in the zone, and the suitability of the economic zone infrastructure as a vehicle for attracting investment in the zone. The research adopted a mixed methods approach using a questionnaire, interviews, and focus group discussions. Interview respondents were selected using snowball sampling. Since the study adopted a mixed research approach with a concurrent triangulation design, data were analysed through a thematic approach for the qualitative component and using descriptive statistics from the Statistical Package for Social Sciences (SPSS) for the quantitative part. The findings show that the zone management firm appears to grapple with some key administrative issues of managing the zone, in addition to inadequate zone infrastructure.

Keywords: Industrial park, Multi Facility Economic Zone, Foreign Investment, Export Processing Zone, Economic development, Special Economic Zone.

1. INTRODUCTION

The rationale for conducting the study on which this article is based was to assess the performance of the Lusaka South – Multi-Facility Economic Zone from the time it was established. This article focuses on two of the study objectives only. The first being assessment of the effectiveness of the economic zone management in promoting investment in the zone, and the second was assessment of the suitability of the economic zone infrastructure as a channel for enticing investment into the zone. In Zambia, there are two types of special economic zones, in terms of ownership. Some zones are owned by the government and others are privately owned. The Lusaka South -Multi Facility Economic Zone (LS-MFEZ) is a facility owned by the government of the Republic of Zambia, which is run and administered by the LS-MFEZ company. It was envisaged that the Lusaka-South Multi Facility Economic Zone can make the following contributions to the Republic of Zambia: contribution to employment; contribution to gross domestic product growth; contribution to export revenue; contribution to tax revenue; value addition to local commodities; and contribution to the country's competitive advantage.

1.1 BACKGROUND

It was observed that most of the existing research on economic zones have adopted a case study approach, usually focusing on a limited group of zones in a selected number of countries. This was also the approach utilized for this research. Many of these studies have provided salient awareness of what makes a zone dynamic and successful. It is worth noticing the bias, in the sense that most of these studies focused on the most successful cases. The inclination to focus on successful cases only raises serious questions about the validity of generalizing the factors attributable to the success of a specific economic zone embedded in the specific economic, social, political, and legal contexts. Replicating policy and incentive models involves significant risk, especially in countries with questionable economic or political stability [1].

The basic concept of special economic zones embraces several specific attributes such as being in a geographically demarcated location which may be physically secured; has a single administration; offers incentives for investors physically present in the zone; has a separate customs area offering duty-free benefits and streamlined procedures [2]. The economic zone normally operates under more liberal economic laws than those generally prevailing in the country. It was argued that in general terms, special economic zones offer two categories of economic benefits. The first type of benefits includes items such as employment creation, export growth, government revenues and foreign currency earnings. The second group covers benefits such as skills upgrading, technology transfer and innovation, economic diversification, and productivity enhancement of local firms [2]. These two types of benefits fall within the reasonable expectations and are some of the reasons behind the establishment of the Lusaka South – Multi Facility Economic Zone in Lusaka, the capital city of Zambia.

The Lusaka South – Multi Facility Zone (a special economic zone) was established with the view of replicating some of the benefits that have been realized in some countries where special economic zones have been implemented successfully. Empirical research indicates that there is a continuum of economic zones, ranging from facilities such as free trade zones, industrial parks, export processing zones, economic and technology development zones, high-tech zones, science and innovation parks, free ports, enterprise zones among others [2]. In a similar study, special economic zones were classified into four categories. Free Trade Zones: These are also referred to as free zones

or commercial free zones, being the oldest and most common. These are situated at or near most ports of entry, and typically offer trade-related activities such as warehousing, storage, distribution, sales, re-export, and exhibition, among others. Export Processing Zones first appeared in late 1950s and early 1960s to promote industrialization in developing countries. These are normally fenced-in industrial estates of significant size which lie outside the host country's customs territory, and they offer industrial facilities and other incentives such as duty-free incentives and simplified administrative procedures for manufacturing and related activities [3].

Traditionally, only foreign capital financed manufacturing for export activity was allowed in the export processing zones, but over the years many have somewhat relaxed the foreign capital and exports limitations. Free enterprise zones are also referred to as single factory export processing zone schemes, and are a variation of the free trade zones and export processing zones, whereby individual enterprises are provided with incentives and other benefits without having to locate into a demarcated area. In some countries, free enterprises may exist with export processing zones and free trade zones within the same locality. Freeports are the largest type of special economic zones. They can include entire economic regions and populations and can contain or overlap political and administrative units including both rural and urban areas. Typically, they incorporate large transport facilities such as seaports, inland ports, and airports. Freeports also accommodate all types of economic activities, including tourism and retail trade, and allow for on-site residence. Freeports also provide a broader range of incentives and benefits [3].

1.2 Problem Statement

The study on which this article is premised had four research questions. However, this article focuses on two research questions only which have several variables that were dealt with in greater detail. The first question looks at the effectiveness of the zone management in promoting investment in the multi facility economic zone. The other question probed the suitability of the economic zone infrastructure as a conduit of attracting investment in the zone. The identified problem relates to the reluctance to invest in the economic zone by prospective investors and those that had initially expressed interest to invest in the zone. It was reported that the Lusaka South Multi-Facility Economic Zone had five companies who had declared interest to set up businesses in the economic zone but later rescinded their decisions due to various reasons [4]. In order to understand the problem and the underlying factors, it was inevitable to conduct a study to probe the reluctance to invest in the zone and why some of the companies that had set up were struggling or why others had ceased operations. The investigation was extended to those that had pledged to invest in the zone but have hesitated or procrastinated.

1.3 Theoretical Framework

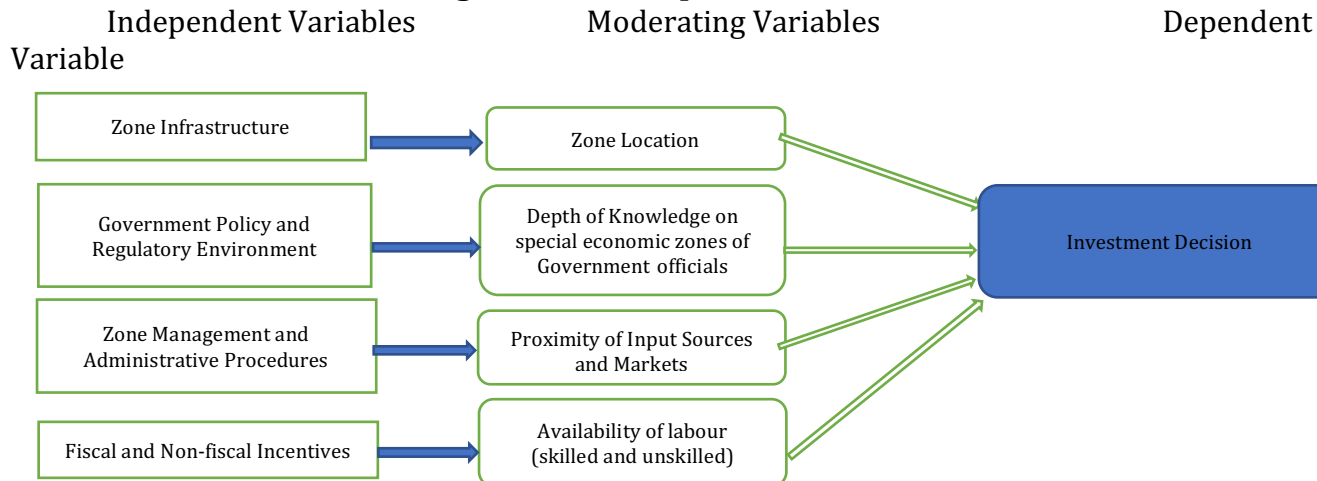
The study on the Lusaka South – Multi Facility Economic Zone is based on the theory that a special economic zone is a geographical area within a country, where trade and business regulations or laws are different from those applicable to other locations in the rest of the country. The rationale behind economic zones is to override hurdles that stifle investment in the ordinary economy. The barriers range from restrictive policies, inadequate infrastructure, poor governance, and challenges relating to access to land. This theoretical framework is backed by empirical evidence obtained from the literature review of studies conducted by several researchers [1], [2], [3], [5], [6], [7], [8], [9], [10] among others. Furthermore, research has indicated that special economic zones tend to give export investors certain distinct advantages in comparison to the domestic investment

environment. They provide a special customs environment which confer efficient customs service management including duty or tariff free import of business inputs and other raw materials sourced from outside the country. It is believed that special economic zones have historically given fiscal incentives such as tax holidays, tax reductions and management that guarantees simplicity, in terms of adherence to regulations and statutory matters. Lastly, Special economic zones are expected to offer infrastructure ranging from land, factory shells and utilities, that are certain and promptly available than would be the situation outside the zone [6].

1.4 Conceptual Framework

The search for theoretical understanding and its translation into meaningful practice is what is done when developing a conceptual research framework. The conceptual framework must have a clear practical outcome if it is to be of any use and relevance [11]. It therefore, follows that the theoretical foundations for the study on which this article is premised is based on the theory that a special economic zone is a geographical area within a country, where trade and business regulations are different from those relating to other areas in the other parts of the same country as described by Zeng [1]. The conceptual framework in this case was a blend of independent, moderating, and dependent variables as depicted in figure 1.1. The variables were derived from the theory of special economic zones and have been blended in the development of the conceptual framework. The variables have also been conveniently grouped into three categories for the sake of clarity. The first group consists of the independent variables, the second has moderating variables and the third is comprised of the dependent variable.

Figure 1.1: Conceptual Framework Model



Source: Author's Own Design

The Conceptual Framework for the study on the Lusaka South – Multi Facility Economic Zone illustrates the independent and dependent variables that may be at play in arriving at the decision whether or not to invest in the Lusaka South – Multi Facility Economic Zone (LS-MFEZ) by the would-be investors in relation to available offerings. A series of electronic database searches were conducted, and screened titles as well as subtitles linked to the study objectives. In this regard, 52 titles were reviewed, and 40 subtitles evaluated for responsiveness to objectives of the study. Following the review of literature and theoretical justification of the research factors, the following

factors were confirmed as determinants influencing investment decisions by investors wanting to invest in a special economic zone. The independent variables were flagged as zone infrastructure; government policy and regulatory environment; zone management and administrative procedures; and fiscal and non-fiscal incentives. The moderating variables are the depth of knowledge on special economic zones by government officials concerned with zone development; proximity of input sources and markets; zone location; and availability of skilled and unskilled labour within or in the proximity of the zone. The dependent variable is the investment decision by prospective investors. As earlier alluded to, this article focuses on two research questions with the following alternative hypothesis: (a) Effectiveness of economic zone management *is important* in promoting investment in the multi facility economic zone; and (b) Suitability of the economic zone infrastructure *is necessary* as a conduit of attracting investment in the zone.

2 Methods

The study on which this article is based was conducted from April 2018 to September 2019 in the Lusaka South – Multi Facility Economic Zone, located on the southern part of Lusaka, the capital city of Zambia. As earlier stated, this was a mixed methods research which embraced both quantitative and qualitative approaches. The quantitative component involved administration of a 5-point Likert scale type questionnaire to key management personnel of businesses operating in the economic zone. The personnel were selected using purposive non-random sampling technique. The purposive technique was construed appropriate as it enabled the researchers to pick participants likely to provide the richest information for in-depth analysis for the issues being addressed in the study [12]. The qualitative approach entailed conducting interviews using an interview guide to key members of staff working for companies established in the zone, and these were selected using snowballing, a non-random sampling technique. The qualitative method also involved the use of focus group discussions. The study also adopted concurrent triangulation research design of mixed methods to corroborate the findings [13].

2.1 Target population and Sample size

A population can be said to be an entire group about which some information is required to be ascertained [14]. In this study on the LS-MFEZ, the population was dynamic in the sense that it comprised a diverse range of industries, both local and international. The population was comprised of representatives of key economic sector players earmarked for the zone, such as High Technology Industries, Research and Development institutions, Information and technology, Commercial Institutions, Agriculture and Argo-based industries, Professional medical, scientific and measuring services. Also included are the education and skills training institutions, packaging and printing industries, palm production and their derivatives, Gemstone processing, pulp and packing boards, electrical and electronic appliances industries.

The target population included a diverse number of economic sectors operating in the multi facility economic zone that were identified, and their levels of scale were different in terms of the investment threshold that was pegged at USD 500,000 [15], for both local and international companies. Therefore, the target population was those companies that met the threshold.

A sample size of 46 participants was drawn from the target population. The composition was 14 foreign companies, 17 local companies and 15 Key informants. The sample size adhered to the research definitions [16]. The 15 participants referred to as key informants that were key in

providing qualitative data constituted the optimum number, given that the approach does not necessarily need many participants to be included in the sample. However, the figure was arrived at based on the principle of data saturation which refers to a situation where adding more participants to a study would not result in generation of new information or themes [17]. It was argued that for phenomenological studies a sample size of between 5-25 participants is optimal enough to give the researcher adequate information [17].

2.2 Variable studied

The variables studied emanated from the two research objectives. The first objective was to assess the effectiveness of the economic zone management company in promoting investment in the multi facility economic zone, and comprised of variables such as publicity about the MFEZ, scope of coverage, quality of advertisement, referrals access to digital platforms and zone administrative procedures. The second objective was to assess the suitability of the economic zone infrastructure as a channel for attracting investment in the zone. The variables for the second objective included factors such as general infrastructure suitability, road infrastructure, LS-MFEZ access to markets, reliability of power supply, availability of telecommunication and ICT facility, as well as, quality of water supply and sewerage services.

2.3 Statistical Analysis

Qualitative data collected through interviews and focus group discussions was analysed thematically for the various themes that emerged. Some of the themes included promotional effort by the zone management company to attract investors (local and foreign), provision of support services, common one stop facilities, zone administration and general management, facilitating access to markets among several others. Data analysis for quantitative data was done using the Statistical Package for Social Sciences (SPSS), in terms of descriptive statistics, frequencies and percentage distributions.

3 Results

The results relate to the two research questions on which this article is focused. The assessment of the effectiveness of the economic zone management company in promoting investment in the multi facility economic zone; and assessment of the suitability of the economic zone infrastructure as a channel for attracting investment in the zone. The questions that were asked in the questionnaire required respondents to answer using the 5-point Likert scale (5 = Strongly Agree, 4 = Agree, 3 = Neutral, 2 = Disagree, and 1 = Strong Disagree). The responses to the different questions are shown in the figures and tables in the sections below.

3.1 RESULTS ON THE EFFECTIVENESS OF THE ECONOMIC ZONE MANAGEMENT COMPANY

The question relating to assessment of the effectiveness of the economic zone management company in promoting investment in the multi facility economic zone had several rudimentary questions and whose results are analysed in the sections below.

3.1.1 PUBLICITY ABOUT MFEZ

Figure 3.1 and Table 3.1 show the results on the effectiveness of the zone management firm relating to publicity about the MFEZ.

FIGURE 3.1

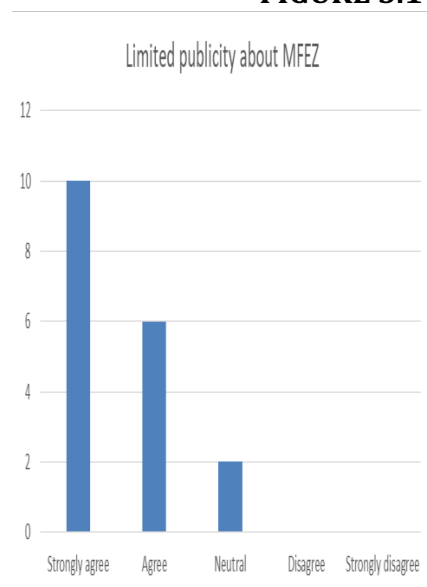


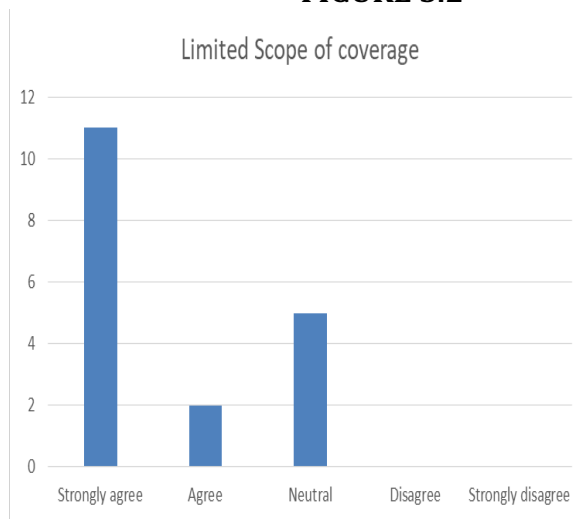
TABLE 3.1

<i>LIMITED PUBLICITY ABOUT MFEZ</i>	
MEAN	4.444444444
STANDARD ERROR	0.166121111
MEDIAN	5
MODE	5
STANDARD DEVIATION	0.704792186
SAMPLE VARIANCE	0.496732026
KURTOSIS	-0.251644737
SKEWNESS	-0.914789997
RANGE	2
MINIMUM	3
MAXIMUM	5
SUM	80
COUNT	18

The frequency distribution in figure 3.1 shows the discrete category dispersion with respect to publicity about the MFEZ. The results pointed to the assumption confirming the proposition concerning limited publicity about MFEZ. Furthermore, descriptive statistics in Table 3.1, with respect to measures of central tendency and measures of variability were used. The median and mode were the same in this case (5-Strongly Agree), indicating that respondents were generally of the view that there was limited publicity about the MFEZ.

3.1.2 Scope of coverage

Figure 3.2 and Table 3.2 show the results on the effectiveness of the zone management firm relating to scope of coverage.

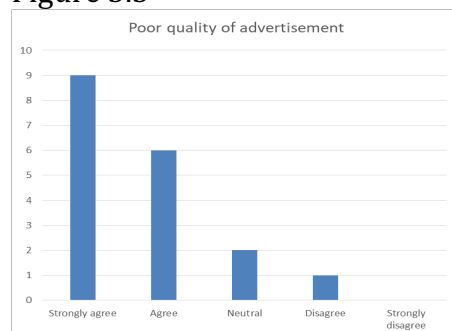
FIGURE 3.2**TABLE 3.2**

<i>LIMITED SCOPE OF COVERAGE</i>	
MEAN	4.333333333
STANDARD ERROR	0.213896316
MEDIAN	5
MODE	5
STANDARD DEVIATION	0.907485213
SAMPLE VARIANCE	0.823529412
KURTOSIS	-1.387755102
SKEWNESS	-0.767426908
RANGE	2
MINIMUM	3
MAXIMUM	5
SUM	78
COUNT	18

The frequency distribution depicted in figure 3.2 shows the discrete category dispersion with respect to limited scope of coverage. The results were skewed towards confirming the assumption concerning limited scope of coverage. In addition, to confirm this supposition, descriptive statistics in Table 3.2, with respect to measures of central tendency and measures of variability were used. The median and mode were the same hence a strong indication that respondents were generally of the view that there was limited scope of coverage of stakeholders especially that relating to local communities.

3.1.3 Quality of advertisement

Figure 3.3 and Table 3.3 show the results on the effectiveness of the zone management firm relating to quality of advertisement.

Figure 3.3**Table 3.3**

<i>Poor quality of advertisement</i>	
Mean	4.277777778
Standard Error	0.210904612
Median	4.5
Mode	5
Standard Deviation	0.894792487
Sample Variance	0.800653595
Kurtosis	0.929342774
Skewness	-1.175737203
Range	3
Minimum	2
Maximum	5
Sum	77
Count	18

The frequency distribution in figure 3.3 shows the discrete category dispersion with respect to poor advertisement. The results confirm the supposition relating to poor quality of advertisement. The descriptive statistics in Table 3.3, with respect to measures of central tendency and measures of variability were also used to confirm the assumption. The researchers opted to utilize the median and mode while taking into consideration the variability through the variance. The median and mode were different in this case, a median 4.5 and mode of 5, respectively. However, the result

pointed to indicate that respondents were generally of the view that there was poor quality of advertisement.

3.1.4 Referrals access to digital platforms

Figure 3.4 and Table 3.4 show the results on the effectiveness of the zone management firm relating to referrals access to digital platforms.

FIGURE 3.4

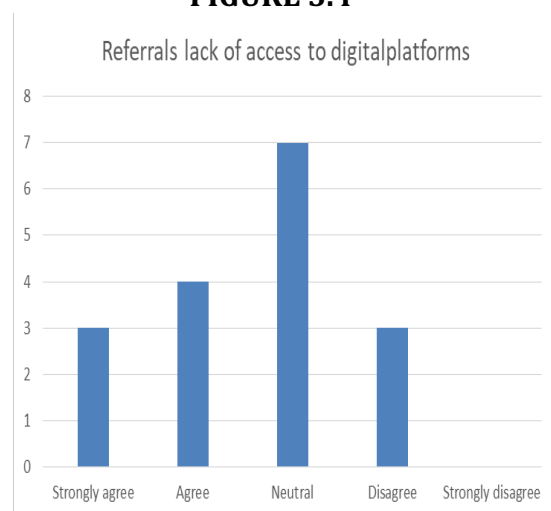


TABLE 3.4

<i>Referrals lack of access to digital platforms</i>	
Mean	3.411764706
Standard Error	0.243425667
Median	3
Mode	3
Standard Deviation	1.003669737
Sample Variance	1.007352941
Kurtosis	0.813414216
Skewness	0.273449069
Range	3
Minimum	2
Maximum	5
Sum	58
Count	17

The frequency distribution in figure 3.4 shows the discrete category dispersion with respect to referrals. Evidence did not point towards confirming the assumption that referrals lacked access to digital platforms. The descriptive statistics in Table 3.4 with respect to measures of central tendency and measures of variability were also used to confirm the supposition. The median and mode both had a score of 3 (Neutral), indicating that respondents were generally indifferent about referrals lacking access to digital platforms.

3.1.5 ZONE ADMINISTRATIVE PROCEDURES

Figure 3.5 and Table 3.5 show the results on the effectiveness of the zone management relating to zone administrative procedures.

FIGURE 3.5

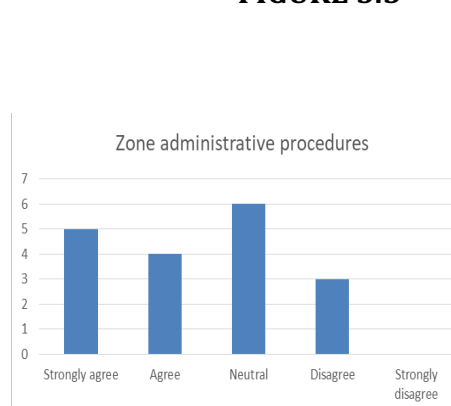


TABLE 3.5

<i>Zone administrative procedures</i>	
Mean	3.61111111
Standard Error	0.2574243
Median	3.5
Mode	3
Standard Deviation	1.0921586
Sample Variance	1.1928105
Kurtosis	-1.270856
Skewness	-0.014424
Range	3
Minimum	2
Maximum	5
Sum	65
Count	18

The frequency distribution in figure 3.5 shows the discrete category dispersion with respect to zone administrative procedures. The results did not confirm the assumption around zone administrative procedures. To confirm the results, descriptive statistics in Table 3.5 with respect to measures of central tendency and measures of variability were used. The median of 3.5 and mode of 3 were different in this case indicating that respondents were generally indifferent about zone administrative procedures.

3.2 RESULTS ON THE SUITABILITY OF THE ECONOMIC ZONE INFRASTRUCTURE

The question relating to assessment of the suitability of the economic zone infrastructure as a channel for attracting investment in the zone also had several rudimentary questions and whose results are analysed in the sections below.

3.2.1 GENERAL INFRASTRUCTURE SUITABILITY

Figure 3.6 and Table 3.6 show the results relating to general infrastructure suitability.

FIGURE 3.6

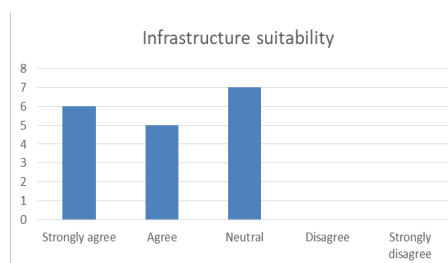


TABLE 3.6

Infrastructure suitability	
Mean	3.944444
Standard Error	0.205675
Median	4
Mode	3
Standard Deviation	0.872604
Sample Variance	0.761438
Kurtosis	-1.73041
Skewness	0.115583
Range	2
Minimum	3
Maximum	5
Sum	71
Count	18

The frequency distribution in figure 3.6 shows the discrete category dispersion with respect to general infrastructure suitability. Participants' responses tended not to confirm the supposition around infrastructure suitability. To confirm the results, descriptive statistics in table 3.6 with respect to measures of central tendency and measures of variability were used. The median and mode were different in this case, 4 and 3, respectively. The indication was that respondents were generally agreeable but indifferent to some issues around infrastructure suitability.

3.2.2 ROAD INFRASTRUCTURE

Figure 3.7 and Table 3.7 show the results on zone infrastructure suitability relating to road infrastructure.

FIGURE 3.7

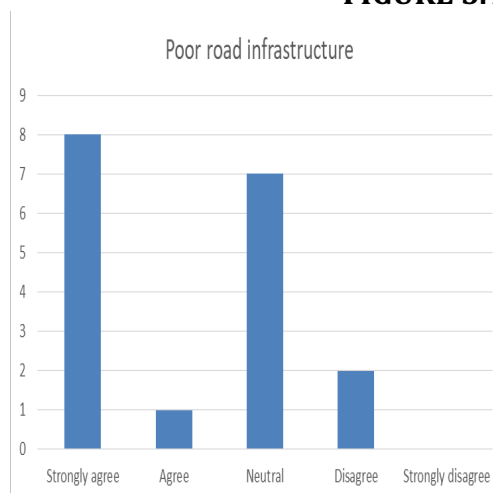


TABLE 3.7

<i>Poor road infrastructure</i>	
Mean	3.833333
Standard Error	0.271163
Median	3.5
Mode	5
Standard Deviation	1.150447
Sample Variance	1.323529
Kurtosis	-1.66054
Skewness	-0.15936
Range	3
Minimum	2
Maximum	5
Sum	69
Count	18

The frequency distribution in figure 3.7 shows the discrete category dispersion with respect to road infrastructure. The results did not confirm the assumption around poor road infrastructure. To confirm the results, descriptive statistics in Table 3.7 with respect to measures of central tendency and measures of variability were used. The median and mode were different in this case, being 3.5 and 5 indicating that respondents were generally agreeable but indifferent to the supposition relating to poor road infrastructure.

3.2.3 LSMFEZ ACCESS TO MARKETS

Figure 3.8 and Table 3.8 show the results on zone infrastructure suitability relating to LS-MFEZ access to markets.

FIGURE 3.8

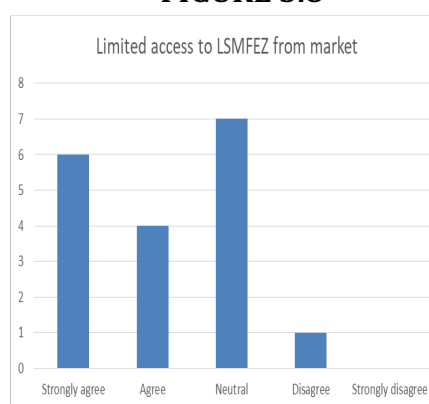


TABLE 3.8

<i>Limited access to LSMFEZ from market</i>	
Mean	3.833333
Standard Error	0.23221
Median	4
Mode	3
Standard Deviation	0.985184
Sample Variance	0.970588
Kurtosis	-1.31754
Skewness	-0.04614
Range	3
Minimum	2
Maximum	5
Sum	69
Count	18

The frequency distribution in figure 3.8 shows the discrete category dispersion with respect to access to markets for the LSMFEZ. The results did not confirm the assumption limited access of the LS-MFEZ to markets. To confirm this result, descriptive statistics in Table 3.8 with respect to measures of central tendency and measures of variability were used. The median and mode were different being 4 and 3 respectively, indicating that respondents were generally agreeable but indifferent on opinions concerning limited access of LSMFEZ to markets.

3.2.4 RELIABILITY OF POWER SUPPLY

Figure 3.9 and Table 3.9 show the results on zone infrastructure suitability relating to reliability of power supply.

FIGURE 3.9

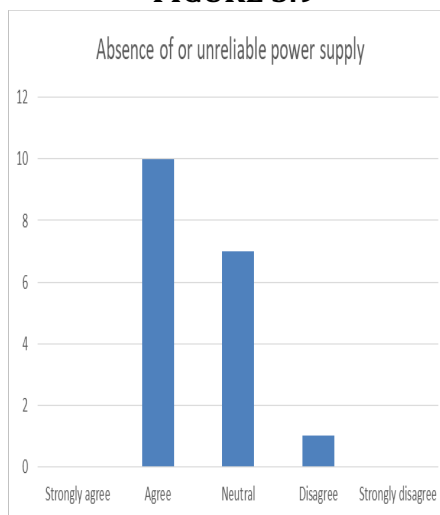


TABLE 3.9

<i>Absence of or unreliable power supply</i>	
Mean	3.5
Standard Error	0.145746
Median	4
Mode	4
Standard Deviation	0.618347
Sample Variance	0.382353
Kurtosis	-0.10059
Skewness	-0.83971
Range	2
Minimum	2
Maximum	4
Sum	63
Count	18

The frequency distribution in figure 3.9 shows the discrete category dispersion with respect to unreliable power supply. The results tended to confirm the assumption on unreliable power supply. The results were confirmed by descriptive statistics in Table 3.9 with respect to measures of central tendency and measures of variability that were used. The median and mode had the same score of 4 indicating that respondents were generally of the view that there was unreliable power supply in the zone.

3.2.5 TELECOMMUNICATIONS AND ICT FACILITIES AND SERVICES

Figure 3.10 and Table 3.10 show the results on the zone infrastructure suitability relating to availability and quality of telecommunications and ICT facilities and services.

FIGURE 3.10

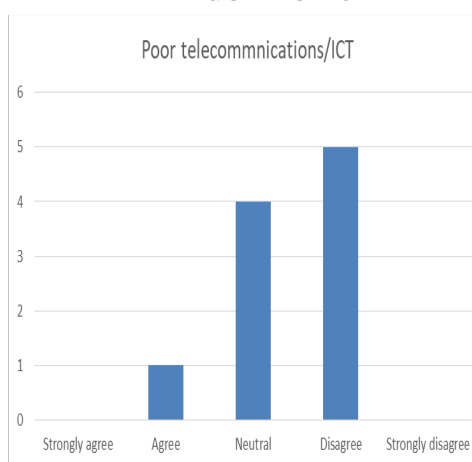


TABLE 3.10

<i>Poor telecommunications/ICT</i>	
Mean	2.6
Standard Error	0.221108
Median	2.5
Mode	2
Standard Deviation	0.699206
Sample Variance	0.488889
Kurtosis	-0.1461
Skewness	0.780106
Range	2
Minimum	2
Maximum	4
Sum	26
Count	10

The frequency distribution in figure 3.10 shows the discrete category dispersion with respect to telecommunications/ICT. The results did not confirm the assumption of poor telecommunications

and ICT facilities in the zone. To confirm the results, descriptive statistics in Table 3.10 with respect to measures of central tendency and measures of variability were used. The median was 2.5 and mode was 2, indicating that respondents were generally of the view that there were no substantial issues around poor telecommunications and ICT facilities in the zone.

3.2.6 WATER AND SEWERAGE SERVICES

Figure 3.11 and Table 3.11 show the results on the zone infrastructure suitability relating to availability of water and sewerage services.

FIGURE 3.11

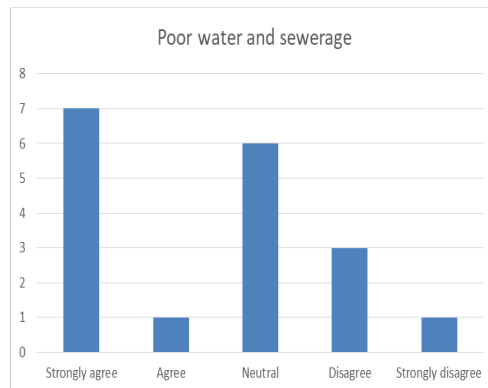


TABLE 3.11

<i>Poor water and sewerage</i>	
Mean	3.555556
Standard Error	0.315423
Median	3
Mode	5
Standard Deviation	1.338226
Sample Variance	1.79085
Kurtosis	-1.22623
Skewness	-0.21613
Range	4
Minimum	1
Maximum	5
Sum	64
Count	18

The frequency distribution in figure 3.11 shows the discrete category dispersion with respect to availability water and sewerage. The results did not confirm the assumption around poor water and sewerage services. To confirm the results, descriptive statistics in Table 3.11 with respect to measures of central tendency and measures of variability were used. The median and mode were different in this case, being 3 and 5 respectively, indicating that respondents were generally indifferent that there were poor water and sewerage services.

4 Discussion

Setting up the Lusaka South - Multi Facility Economic Zone (LS-MFEZ) involved extensive planning and a lot of resources in various forms were expended and committed. Therefore, it is important to ensure that implementation is properly executed to avoid wastage of the scarce resources and ensure realization of the expected aims of establishing the economic zone.

The findings in 3.1 related to factors pertaining to effectiveness of zone management and these are discussed the section below. The findings in 3.1.1 relating to publicity of the LS-MFEZ revealed limited publicity by the zone management company. The findings in 3.1.2 indicated that there was limited scope of coverage of the zone management firm to reach most of the business community and the Zambian population, in terms of awareness of the firm's mandate and activities. Research findings as depicted in 3.1.3 indicated that there was poor quality of advertisement regarding the activities of the zone to entice and attract both local and foreign investors. The findings reported in 3.1.4 were neutral about referrals lacking access to digital platforms, equal numbers of respondents indicated that there was access to digital platforms for referrals (potential investors), while the same number were of the view that referrals lacked access to digital platforms for them to obtain more information about the economic zone. The findings on the referrals hence was a "middle-of-the road" situation. This simply showed that there was still some effort required on part of the zone

management to improve on the digital platforms for referrals to explore information on the LS-MFEZ with relative ease. The findings reported in 3.1.5 on zone administrative procedures revealed that respondents were generally indifferent about zone administrative procedures which meant that some aspects were good, and others not as far as administrative procedures were concerned. Zone management is a vital component for the successful operation of the economic zone and cannot be underrated. Many activities ranging from publicity of the zone, wide scope coverage, quality of advertisement, and to having many digital platforms from where referrals can access information, among other chores ought to be done effectively, if the zone is to attract the desired investment.

It is normally expected that the economic zone will be in existence for a long period of time, with hindsight, it is expected that its effect on the economy and communities may also take long to be felt. Therefore, it is from this perspective that an efficient and effective management should be put in place to ensure proper management of the affairs of the economic zone. In one study, it was argued that the management team must remain true to the vision of the zone, adhere to the master plan but exercise sufficient levels of flexibility to facilitate change as may be demanded by investors and service providers [18]. Furthermore, in the same research, it was postulated that interface and interaction between government and the zone management was of utmost importance. A high level of autonomy for the zone management was also desirable, to ensure that the zone is saved from the constraints that may affect government related departments, which may have regulatory responsibility in their areas of operation and may not feel obliged to support the economic zone with the consequence of rendering the zone management ineffective. Furthermore, it was argued that for the zone management to be effective there ought to be experienced and global network of the zone management, as these were crucial factors in determining the success of the economic zone [18]. A management team that has ample experience in economic zone management working together with a pool of serious investors can deliver success for the zone. Therefore, it entails having a capable management team with necessary exposure to ensure success of the LS-MFEZ.

The findings reported in 3.2 covered attributes relating to suitability of zone infrastructure, and these are discussed in the subsequent paragraphs below. The findings in 3.2.1 relating to the general infrastructure revealed that in general terms, some of the infrastructure was adequate and some of it inappropriate. The respondents were in principle agreeable but indifferent to some issues concerning general infrastructure suitability, and these issues are elaborated in the following sections. Results reported in 3.2.2 on road infrastructure indicated that not all the roads were in a poor state, some of roads, especially those within the zone were in good condition though needed upgrading. The issues relating to the poor state of road infrastructure mainly affects some of the roads leading into and out of the zone. The findings reported in 3.2.3 on LS-MFEZ access to markets revealed that there was access to the market for some products and services of companies operating in the zone. Respondents felt more can be done to enable products from the zone finding a ready market with greater ease. The results highlighted in 3.2.4 on reliability of power supply revealed and confirmed that there was unreliable power supply in the zone. The findings reported in 3.2.5 on availability and quality of telecommunications/ ICT facilities and services revealed that there were no substantial issues relating to the assumption of poor telecommunications/ICT facilities and services in the zone. The telecommunication/ ICT facilities according to the findings were adequate and of acceptable standard. The findings highlighted in 3.2.6 on water and sewerage services revealed that respondents were generally indifferent that there were poor water and sewerage

services. The interpretation was that water and sewerage services were available to a certain level of standard, however, much more effort was required to ensure high quality of service was provided consistently. In addition, water and sewerage facilities would require upgrading to adequately cater for the planned capacity of investment in the zone.

Zone infrastructure is of greater importance in attracting investors. Apart from factors such as resource availability, market potential, political and legal stability, infrastructure was flagged as an important consideration in making the investment decision [19]. It was contended that substantial investment in high quality physical infrastructure is prerequisite to the success of an economic zone. The infrastructure includes roads, housing, power, telecommunication stations and seaports (where applicable). Where a country is land-locked and cannot have a seaport of its own, an inland port will be of essence [3].

Economic zone projects are costly undertaking and must follow a well-thought-out strategy to be successful. Power would normally be in great demand to drive manufacturing and other high electrical power consumption activities in the zone [20]. It is general knowledge that investment in power projects costs a lot of money and has a longer gestation period than most other projects. Infrastructure development could also be a good source of employment at every level. Most governments, especially in Africa, would not have the kind of financial resources required to undertake massive and quality infrastructure development in the zones, but can partner with the private sector through a well-structured arrangement, including possibility of concessions on land and taxes, to secure long term infrastructure development finance [20]. This justifies the need for consideration of adequate, appropriate, and high-quality infrastructure as an irreplaceable requirement for investment in the LS-MFEZ.

5 Conclusion

This article considered some essential features that were covered in the study conducted on the Lusaka South Multi Facility Economic Zone in Zambia. The article presented the introduction and background of the study, problem statement, theoretical and conceptual frameworks, methods, and discussion. The underlying study for this article had extensive empirical literature review [5], which was premised on validated evidence-based research material. The article's primary gist was to briefly highlight two objectives of the study on the LS-MFEZ, namely, assessing the effectiveness of the zone management company, and assessing the suitability of zone infrastructure as means of augmenting attraction of investment.

Based on the research findings, it is recommended among others tasks, that the zone management firm should pay attention to proper execution of functions to ensure unlimited publicity, wide scope of coverage to include local businesses and communities, do regular high quality advertising, facilitating referrals in accessing a variety of digit platforms, and striving to make zone administrative procedures convenient in the quest of propping the effectiveness of the zone management company for the benefit of investors and potential investors.

As regards the zone infrastructure suitability, the following recommendations are made based on the research findings. The road infrastructure in the zone though in good condition require upgrading in terms of the road network in anticipation of future investment. The poor state of road infrastructure leading into and out of the zone ought to be worked on by uplifting the standard to

better reinforced roads with a solid semi-concrete underlying basement overlaid with a top layer of bitumen with a minimum of two lanes on either side as opposed to the current single lanes. Arrangements should be made to create networks to ensure that companies operating in the zone have easy access for their products and services to local, regional, and overseas markets. It was revealed and confirmed that there was unreliable power supply in the zone. The challenges surrounding unreliable power supply are serious and require urgent resolution by considering supplementary renewable energy sources, such as solar energy farms. It is unquestionable and inevitable that the zone needs reliable uninterrupted power sources if it must be attractive to both local and foreign investors. The quality of telecommunications/ ICT facilities and services had no substantial issues only requires that these be kept up to date and with the latest trends and advancements in technology. Water and sewerage services were available with minor normal issues that every water and sewerage utility company experiences, however, effort should be made to ensure that services are provided in line with the service level agreement, in addition, upgrade of water and sewerage infrastructure ought to be an ongoing activity.

The LS-MFEZ management should realize that in the face of competition between public and private economic zones, potential investors are mostly likely to undertake due diligence analysis and only decide to invest in a zone with attractive facilities, it is not a matter of “take it or leave it”, what is at stake are serious business decisions involving weighing a myriad of scenarios of potential returns and risks both in the short and long run. Ultimately, an economic zone should have an attractive and appealing investment environment to guarantee investment.

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