

Zambia 2015 Copper Production Unexpectedly Rises on New Mine

Copper output in Zambia, Africa's second-biggest producer of the metal, rose by 0.5 percent in 2015 even as the industry faced tax changes, falling prices and an acute power deficit, a mining lobby group said.

Production increased to 711,515 metric tons, mainly due to First Quantum Minerals Ltd.'s Kalumbila operation starting output, Shula Jalasi-Shula, an economist at the Chamber of Mines, said Friday by phone from Lusaka, the capital.

Finance Minister Alexander Chikwanda said in October output was projected to fall by as much as 26 percent. Zambia may not produce "very much beyond 600,000 tons" in 2015, he said at the time. The country yielded 708,254 tons in 2014. The ministry said in June production would climb 14 percent to 819,543 tons last year.

Copper miners in the country, including Barrick Gold Corp., Glencore Plc, and Vedanta Resources Plc, last year battled royalty and tax changes, Zambia's worst power shortage, and a delay in the refunding of value-added tax at a time when prices for the metal fell to 2009 lows. Glencore and Vedanta late last year placed some of their mines under care and maintenance. Only the Democratic Republic of Congo produces more copper among African nations.