

PRESS RELEASE



Republic of Zambia
MINISTRY OF FINANCE

ZAMBIA'S EXTERNAL DEBT REMAINS AT \$12.74 BN

Lusaka, 17 March 2021

The Ministry of Finance wishes to confirm that the level of Zambia's public external debt (Central Government debt) remains at \$12.74bn as of end of December 2020 and that the Government continues to take the necessary steps to reach debt sustainability.

Recent reports in some sections of the Zambian media have incorrectly claimed that Zambian government external debt was \$27bn in 2019.

The claim was based on a misinterpretation of the [World Bank's International Debt Statistics report](#), which was published in October 2020. The \$27bn figure from the report refers to all external debt including debt held by the private sector such as mining companies, the banking sector and Zambian corporates. The Government has no liability for debt held by the private sector.

The World Bank report also makes clear that Government external debt amounted to around \$11bn in 2019, similar to what the Government reported for that year.

The current level of external government debt stands at \$12.74bn, as reported in the latest Quarterly Economic Review published by the Ministry of Finance.

Earlier this month, Zambia engaged in positive and constructive virtual talks with the IMF, marking clear progress towards an agreement on a policy package and a path to fiscal and debt sustainability.

To stabilize the economy severely hit by the COVID-19 pandemic, Zambia requested a formal IMF programme under the Extended Credit Facility window in November 2020 and launched its Economic Recovery Programme 2020 - 2023 in December 2020. The Ministry of Finance continues its engagement with creditors, and in late January 2021, Zambia requested a debt treatment under the Common Framework agreed by the G20 and Paris Club members, which the Ministry hopes will contribute to its goal of restoring Zambia's public debt sustainability.

To read the full World bank report referred to, follow this link: <https://openknowledge.worldbank.org/bitstream/handle/10986/34588/9781464816109.pdf?sequence=4&isAllowed=y>

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