

## Zambia

### Supporting agreements with the international institutions

IMF programme supported by the arrangements under the Extended Credit Facility (ECF) approved on 31 August 2022, in an amount equivalent to SDR 978.2 million (about USD 1.3 billion).

Download the IMF [report ECF document](#).

IMF approved an augmentation of SDR 293.46 million (about USD 385.7 million) at the completion of the third review, increasing the total access to SDR 1271.66 million (about USD 1.7 billion) on June 26, 2024.

### Total external debt of the country

USD 20.9 billion as of 31 December 2022, including USD 6.8 billion to external private creditors (32% of the total external debt), USD 6.3 billion to official bilateral creditors (30%), mostly due to Official Creditors Committee (OCC) members, USD 3.6 billion to multilateral creditors (17%), USD 2.6 billion to non-resident holders of domestic debt (12%) and USD 1.7 billion of other arrears (8%).

### Summary of the debt treatment provided

For the OCC, a stock treatment is applied, with the total outstanding amount of principal and arrears due as of 31 December 2022 rescheduled through lowering interest rates and extending maturities until 2043 (“baseline treatment”).

### Repayment profile

Rescheduling of the debt stock until 2043 under the baseline treatment.

### Specific provisions

**Upside treatment:** in the event that Zambia upgrades to medium debt carrying capacity (DCC) based on the methodology outlined in the 2017 IMF-World Bank LIC-DSF by the end of its ECF programme, official bilateral creditors would benefit from an “upside treatment” from 1 January 2026 with higher interest rates than those of “baseline treatment” and extending maturities for a shorter period, until 2038.

### Comparability of treatment provision

In order to secure comparable treatment of its debt due to all its other external creditors in the scope of the debt treatment, the Zambian Government commits to promptly seek from such creditors a treatment on terms at least as favourable as those on which Participating Creditor Countries have reached consensus. The Zambian Government shall, on a quarterly basis, inform the Creditor Committee, through its Secretariat and its Chairs, on the progress of negotiations with other creditors from the date of the signing of the MoU.

### Cut-off date

24 March 2020

### Organization of the session

#### **Key dates:**

- Staff-Level Agreement: 3 December 2021
- Formation of the OCC: 16 June 2022
- OCC financing assurances: 18 July 2022
- IMF programme approval: 31 August 2022
- Agreement-in-principle (AIP) on main terms: 22 June 2023
- IMF 1<sup>st</sup> Review: 13 July 2023
- Agreement on the MoU: 13 October 2023
- IMF 2<sup>nd</sup> Review: 20 December 2023

#### **Members of the Official Creditors Committee:**

- **OCC co-chairs:** China, France.

- **OCC vice-chair:** South Africa.

- **OCC members:** Belgium, China, Denmark, France, India, Israel, Italy, Japan, the Netherlands, the Russian Federation, Saudi Arabia, South Africa, Sweden, Switzerland, United Kingdom, United States

Press-releases are available on the following links:

- Agreement on main terms, June 2023: [The Paris Club welcomes Zambia's debt restructuring agreement](#)
- Agreement on the MoU, October 2023: [Zambia Agrees Memorandum Of Understanding With Official Creditor Committee Paving Way For Debt Treatment Completion](#)