



The Zambian Government must find immediate action on the prevailing debt crisis that continues to threaten the economy and forcing ordinary Zambians to bear the brunt of the debt burden.

HIGHLIGHTS

African governments must stop watching themselves sink into debt crisis while compromising lives of their citizens!

As the effects of Debt in Zambia continue to increasingly hit ordinary citizens, AFRODAD together with representative groups across Zambian society led by the Consumer Unity and Trust Society (CUTS) and the Civil Society for Poverty Reduction (CSPR), hosted a public debt symposium on the 30th August 2019 in Lusaka, Zambia. The main objective of the same was calling on government to take serious and consolidated action on debt before it is too late.

Earlier in November 2018, the [public Debt Indaba](#) called upon government to take action through communicating clearly on the issue of debt in Zambia and providing regular and detailed updates on the level of debt, building collaborative plans to tackle Zambia's debt and consulting stakeholders to build strong plans to support growth in Zambia. The symposium was a follow up on progress.

The Zambian Government must find immediate action on the prevailing debt crisis that continues to threaten the economy thus forcing ordinary Zambians to bear the brunt of the debt burden. The impact of debt in Zambia has led to a downward trajectory leading to falling confidence, depreciating of the Kwacha worsened by the impact of the global slowdown. All this has resulted to the government's inadequacy to effectively provide public services.

AFRODAD together with the broad representation from across various sectors at the symposium agreed that there is a need for the Government to act soon



Part of the panelists during the debt symposium

before it is too late. Comprehensive action is required to address liquidity constraints, improve investor confidence and promote stagnant private sector performance. The concern of rising debt is not specific to Zambia, but rather a regional concern and therefore an opportunity to make use of comparative tools, such as the Afrobarometer.

A number of recommendations were developed at the meeting targeted at the Ministry of Finance:

1. The Government needs to take early action to signal to investors. This means prioritizing the implementation of financial oversight reforms and increasing debt transparency and accountability. The proposed revision in the Constitution on Zambia (Amendment) Bill that

seeks to remove parliamentary oversight threatens to reverse gains that the country has already made in this direction.

2. The Government needs to consider how to use its available resources to develop a legitimate refinancing strategy for its debt repayments, including the first Eurobond owed in 2022. One of initial steps is that Zambia should consider selling non-essential assets and use proceeds to pay down Eurobond debt.

3. The Government should double down on its efforts to deliver fiscal consolidation. This includes reducing expenditure, particularly on large infrastructure projects and improving domestic resource mobilization instead. Strengthening the fiscal contract requisite to hold the government to account should be high on the agenda. Harnessing the potential within the informal sector could also add value.

4. The Government should seek to engage the [International Monetary Fund \(IMF\)](#), whose technical assistance and financial support could help to ease budget pressures, protect social spending and put the economy on a sustainable path.

Organisational Leadership



AFRODAD Board members and members of staff

This week, AFRODAD Board of Trustees met at the organization's headquarters in Harare, Zimbabwe as part of strategizing towards the organisation's utmost effectiveness. "It has been two days of fruitful debate with all the AFRODAD Board members and members of staff as we defined the direction of the organization. We are in the right direction and the future is bright," said Mr. Kapijimpanga. It was a full house meeting as all board members and staff members, including those working from other regions of Africa had gathered at the secretariat.

AFRODAD board members are Mr. Opa Kapijimpanga (Chairperson), Mrs. Barbara Kalima-Phiri, Prof. Edward Oyugi; Dr. Fred Muhumuza; Dr. Richard Kamidza; Dr. Tinenenji Banda and Mr. João José Uthui. Fanwell Bokosi, PhD is the board's Secretary and the Executive Director, AFRODAD

Feedback can be forwarded to: communications@afrodad.co.zw

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CONTACT US:

African Forum and Network on Debt and Development (AFRODAD)
 31 Atkinson Drive, Hillside, PO Box CY1517, Causeway,
 Harare, Zimbabwe
 Tel: +263 24 778531/6 or 2912751-4 | Fax: +263 24 747878

Website: www.afrodad.org

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