

ZAMBIA

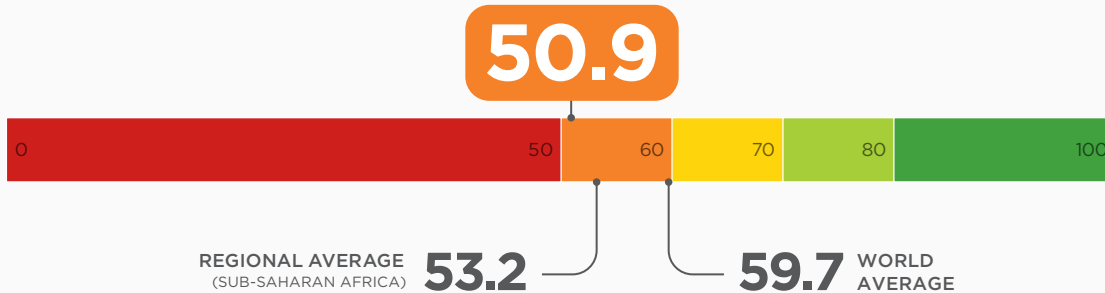
WORLD RANK: **142** | REGIONAL RANK: **33**

ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

Zambia's economic freedom score is 50.9, making its economy the 142nd freest in the 2025 *Index of Economic Freedom*. Its rating has increased by 2.5 points from last year, and Zambia is ranked 33rd out of 47 countries in the Sub-Saharan Africa region. The country's economic freedom score is lower than the world and regional averages. Zambia's economy is considered "mostly unfree" according to the 2025 *Index*.

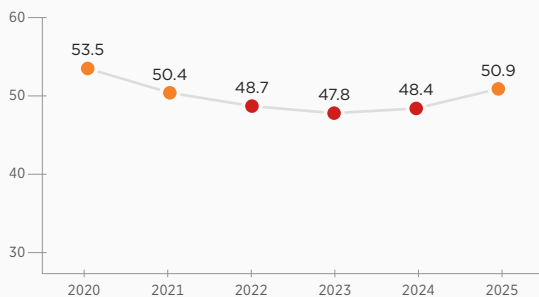
Zambia needs institutional and structural reform. The legal framework, which is characterized by inefficiency and lack of transparency, discourages long-term economic development. The overall rule of law is fragile and undermined by political interference, and corruption is pervasive. Despite some reforms, the regulatory environment is not conducive to entrepreneurial activity. Businesses can be established with no minimum capital required, but commercial licensing requirements are time-consuming and costly. Labor regulations are outdated and not consistently applied. Monetary stability has been weak.

ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): -4.2

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
20.6 million

GDP (PPP):
\$84.5 billion
5.4% growth in 2023
3-year average growth rate: 5.6%
\$4,110 per capita

UNEMPLOYMENT:
5.9%

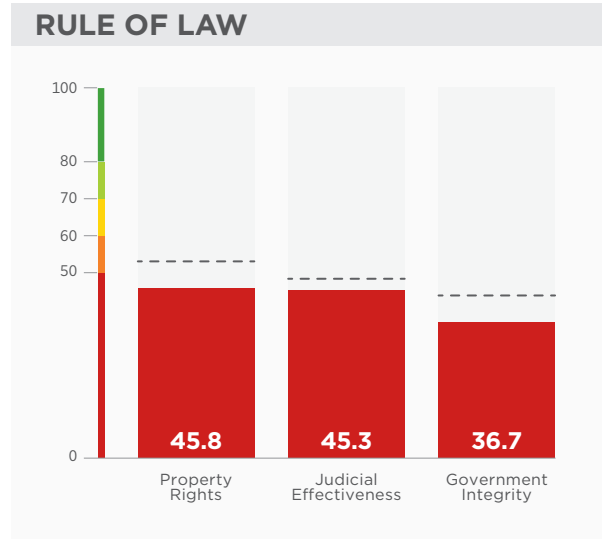
INFLATION (CPI):
10.9%

FDI INFLOW:
\$116.0 million

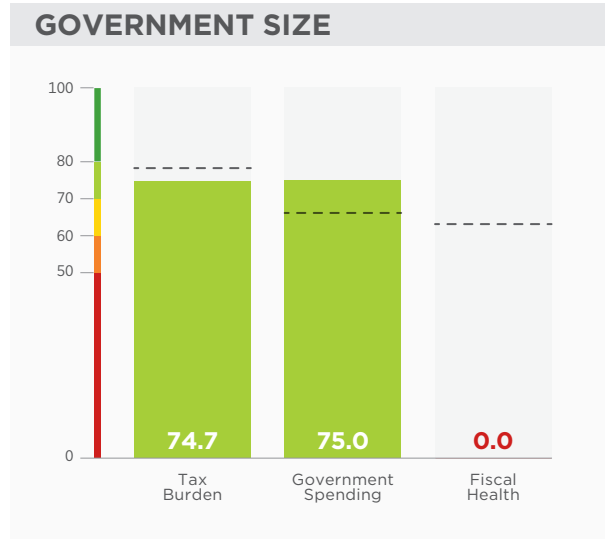
PUBLIC DEBT:
127.3% of GDP

2023 data unless otherwise noted. Data compiled as of November 2024.

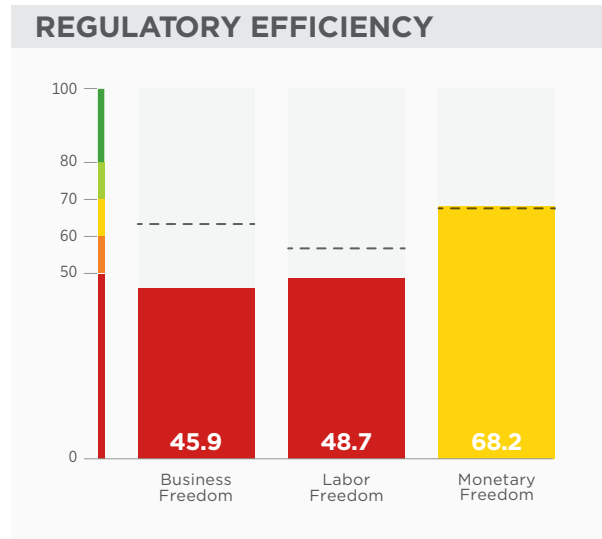
12 ECONOMIC FREEDOMS | ZAMBIA



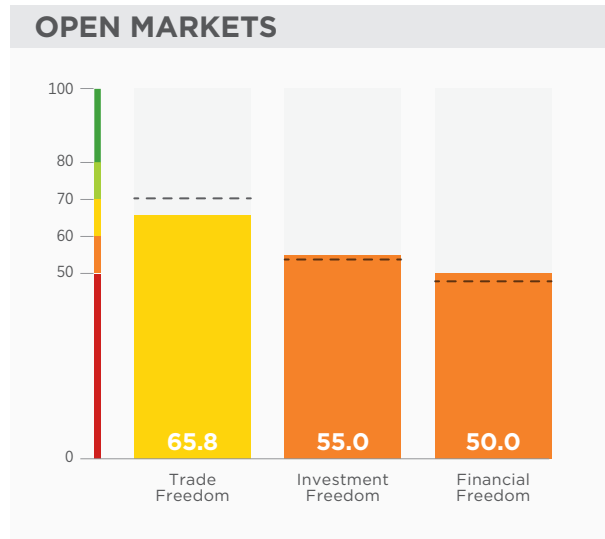
The overall rule of law is weak in Zambia. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual income tax rate is 37 percent, and the top corporate tax rate is 30 percent. The tax burden equals 16.1 percent of GDP. Three-year government spending and budget balance averages are, respectively, 28.9 percent and -7.5 percent of GDP. Public debt amounts to 127.3 percent of GDP.



Zambia's overall regulatory environment is poorly institutionalized and inefficient. The country's business freedom score is far below the world average; its labor freedom score is below the world average; and its monetary freedom score is above the world average.



The trade-weighted average tariff rate is 9.6 percent, and extensive nontariff barriers distort trade flows. Zambia has no modern investment framework. The financial system is dominated by banking, and financial intermediation and credit to the private sector have gradually expanded.