

ZAMBIA

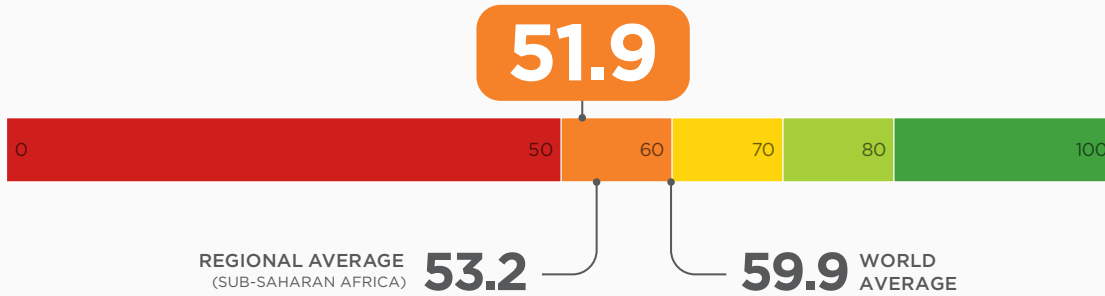
WORLD RANK: **137** | REGIONAL RANK: **29**

ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

Zambia's economic freedom score is 51.9, making its economy the 137th freest in the 2026 *Index of Economic Freedom*. Its rating has increased by 1.0 point from last year, and Zambia is ranked 29th out of 47 countries in the Sub-Saharan Africa region. The country's economic freedom score is lower than the global and regional averages. Zambia's economy is considered "mostly unfree" according to the 2026 *Index*.

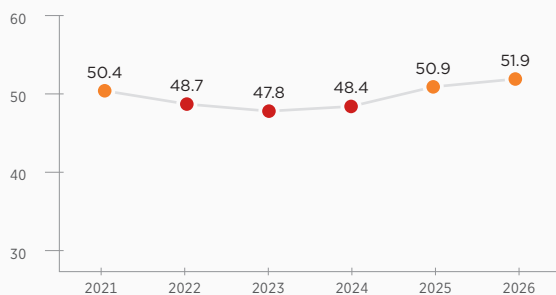
Zambia needs institutional and structural reform. The legal framework, which is characterized by inefficiency and lack of transparency, discourages long-term economic development. The overall rule of law is fragile and undermined by political interference, and corruption is pervasive. Despite some reforms, 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 Labor regulations are outdated and not applied consistently. Monetary stability has been weak.

ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): -3.2

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
20.6 million

GDP (PPP):
\$90.2 billion
5.8% growth in 2025
3-year average growth rate: 5.1%
\$4,503 per capita

UNEMPLOYMENT:
6.0%

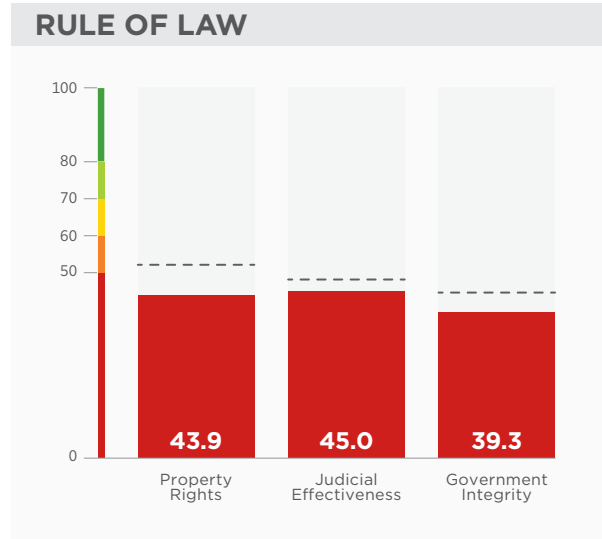
INFLATION (CPI):
15.0%

TRADE AS % OF GDP: 78.2%

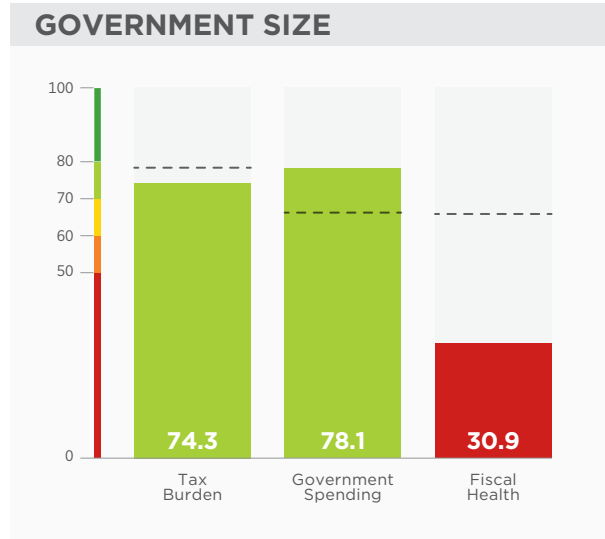
PUBLIC DEBT:
114.9% of GDP

2025 data unless otherwise noted. Data compiled as of January 2026.

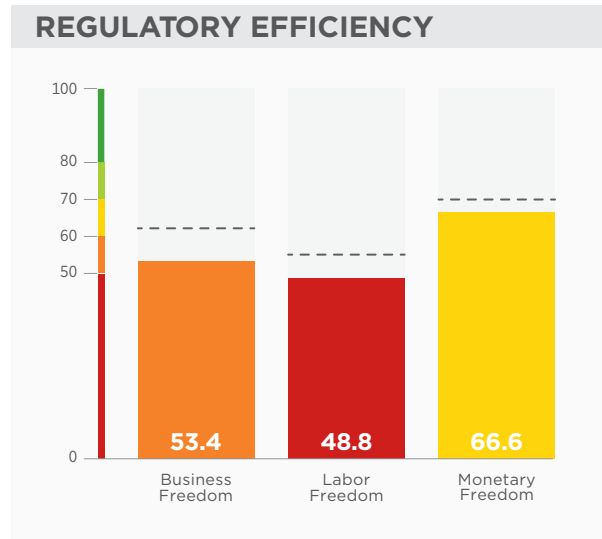
12 ECONOMIC FREEDOMS | ZAMBIA



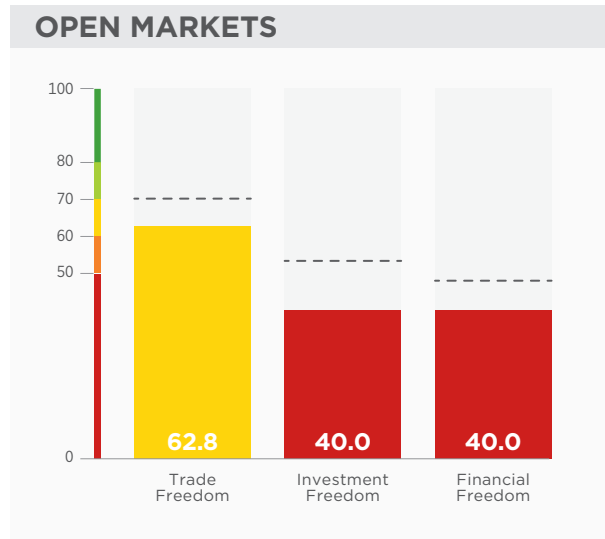
The overall rule of law is weak in Zambia. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual income tax rate is 37 percent, and the top corporate tax rate is 30 percent. The tax burden equals 17.2 percent of GDP. Three-year government spending and budget balance averages are, respectively, 27.0 percent and -5.5 percent of GDP. Public debt amounts to 114.9 percent of GDP.



Zambia's overall regulatory environment is poorly institutionalized and inefficient. The country's business freedom score is 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 11.1 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.