

Lower-income country debt payments by creditor grouping

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Lower-income country external debt payments to private lenders are three times higher than to Chinese lenders

Various reporting on the debt crisis in the global south casts China as the largest lender. This is not true. While China is a significant lender, debt payments to non-Chinese private lenders are far larger than to Chinese public and private lenders.

Across all low-income (26 countries), lower-middle income countries (51 countries), and upper-middle income countries classed as small island developing states (11 countries), external debt payments to private lenders are three times higher than to Chinese lenders. This is 88 countries in total. Payments are both principal and interest.

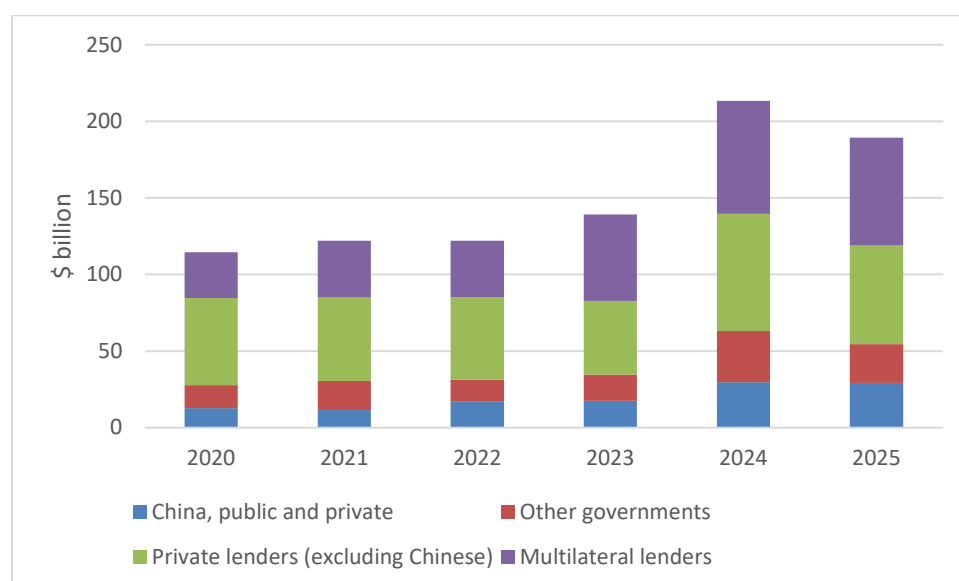
Between 2020 and 2025, using data from the World Bank, \$354 billion has been spent on debt payments to private lenders, compared to \$304 billion to multilateral lenders, \$125 billion to non-Chinese government lenders and \$117 billion to Chinese public and private lenders. 39% of lower-income external debt payments are to private lenders, 13% to China.

In 2025 the proportion of payments to Chinese lenders is slightly higher (15%) and to private lenders slightly lower (34%), which reflects the fact that China offered to suspend debt payments for lower-income countries in 2020 and 2021 during the Covid pandemic, and those payments are now coming due to be paid. In contrast, private lenders refused to suspend debt payments and continued to be paid in full in 2020 and 2021.

External debt payments by 88 low-income and lower-middle income countries, and upper-middle income countries classed as small island developing states, by creditor grouping, \$ billion ¹

Lending group	2020	2021	2022	2023	2024	2025	Total	%
China, public and private	13	11	17	17	30	29	117	13%
Other governments	15	19	14	17	34	25	125	14%
Private lenders (excluding Chinese)	57	55	54	48	76	64	354	39%
Multilateral lenders	30	37	37	56	74	70	304	34%
Total	114	122	122	139	213	189	900	

External debt payments by 88 low-income and lower-middle income countries, and upper-middle income countries classed as small island developing states, by creditor grouping, \$ billion ²



These figures are the gross amount across all the 88 countries. It therefore may be that they are dominated by payments by the largest countries within the 88. It also may be that countries with the highest debt payments have a different proportion of creditors.

We have therefore calculated the breakdown of creditors for the 26 countries spending over 18% of government revenue on external debt payments, plus six countries undertaking debt restructurings in this period. For these 32 countries, the mean unweighted average external debt payments are 39% to private (non-Chinese) lenders, 32% to multilateral lenders, 15% to Chinese lenders and 14% to other governments. Private lenders receive the same proportion of debt payments from countries with high debt payments, as the gross figures for the 88 countries in total.³

Of these 32 countries, in 21 of them (66%) private lenders receive over 30% of external debt payments. In contrast, in only six (19%) do Chinese lenders receive over 30% of external debt payments.

In 16 of the 32 countries (50%), private lenders receive over 40% of external debt payments. Only in one (3%) do Chinese lenders receive over 40% of external debt payments.

External debt payments by lending group for 32 countries with highest debt payments / undertaking restructuring

Lending group	Mean average across 32 countries	Number of countries where debt payments to creditor group are over 20% of payments	Number of countries where debt payments to creditor group are over 30% of payments	Number of countries where debt payments to creditor group are over 40% of payments
China, public and private	15%	9	6	1
Other governments	14%	6	1	1
Private lenders (excluding Chinese)	39%	27	21	16
Multilateral lenders	32%	23	16	9

All data is available at https://debtjustice.org.uk/wp-content/uploads/2025/08/Payments-by-creditor-grouping_08.25.xlsx

¹ Calculated from World Bank International Debt Statistics database. Data is as reported by end-2023. I.e, from 2020 to 2023 it is actual payments. For 2024 and 2025 it is scheduled payments based on what was contracted to be paid by end-2023. Payments from loans contracted since end-2023 are not included.

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³ For calculating relative debt proportions for restructuring countries, we have not used debt payments from 2020-2025 as many restructuring countries defaulted on payments to bilateral and private lenders for a significant period during this time. Debt payment figures therefore do not capture the relative size of debt and interest owed. Instead we have used Net Present Value of debt owed to creditor groups prior to the restructuring commencing.