

# A world of debt

REPORT 2025

It is time for reform.







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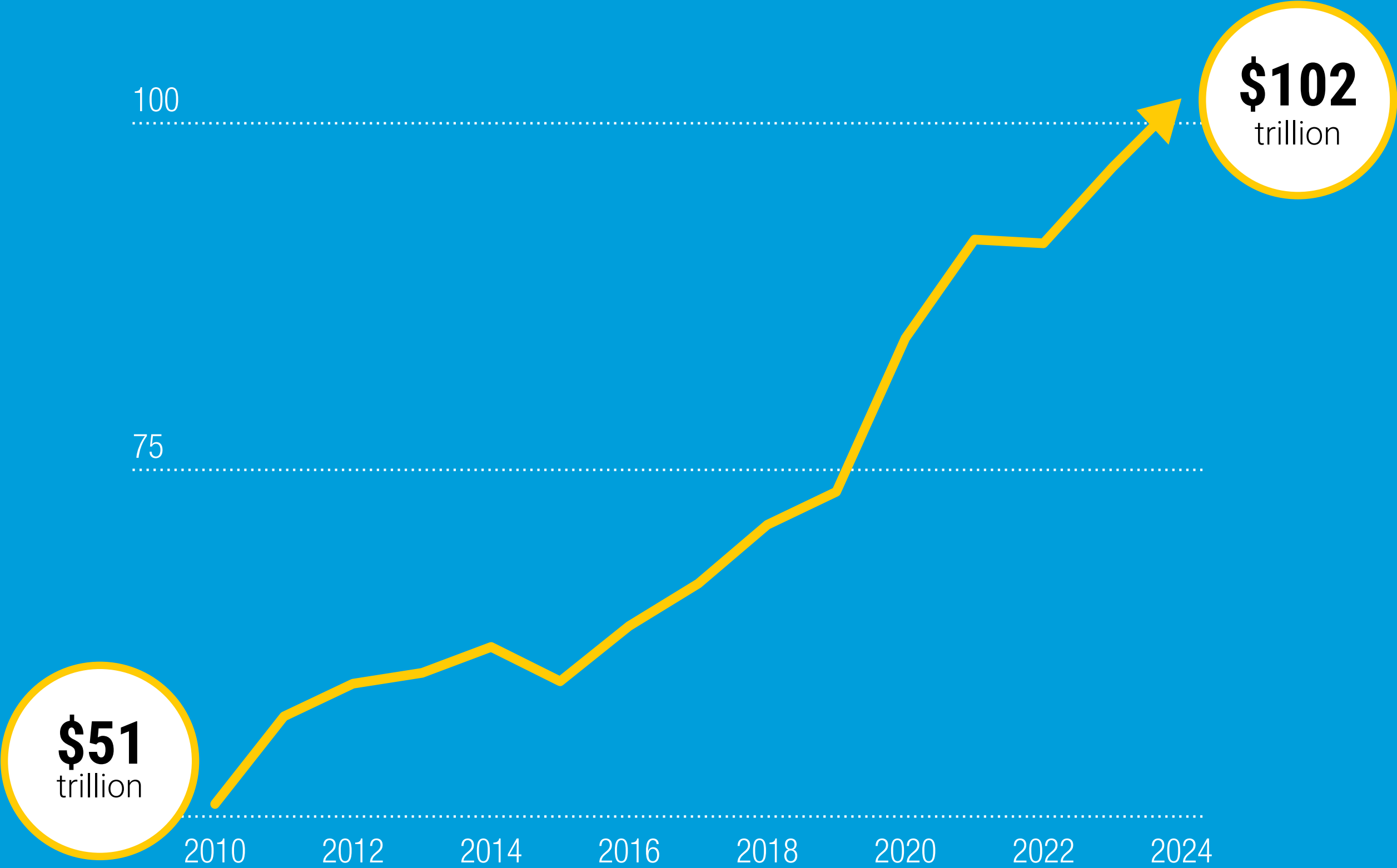


**1**

**Global  
public debt  
keeps rising.**



# Global public debt in 2024 surpasses **100 000 000 000 000 000** US\$

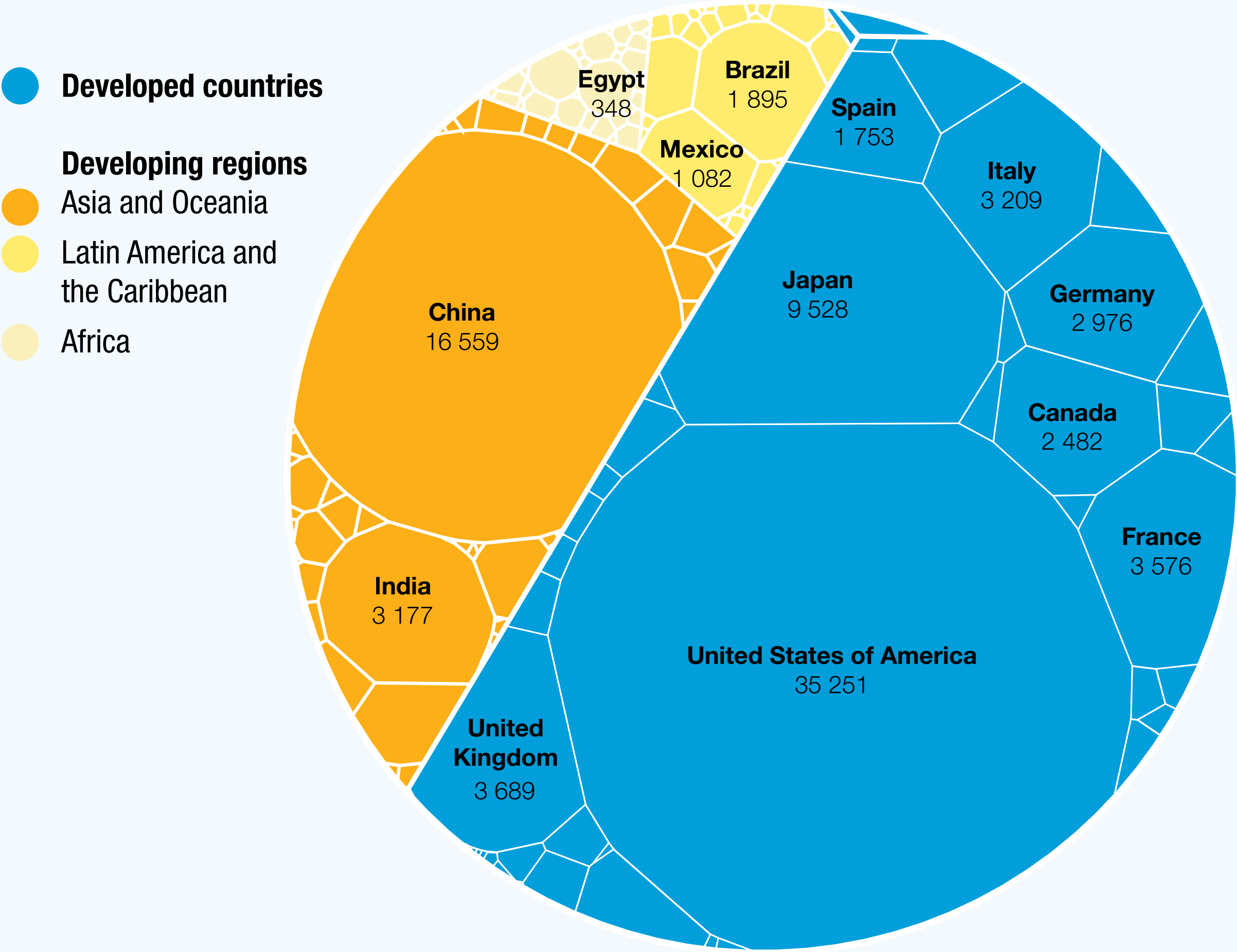


Source: UNCTAD Secretariat calculations based on IMF World Economic Outlook (April 2025).  
Notes: Figures represent nominal values in current US\$. Public debt refers to general government domestic and external debt throughout the document. General government consists of central, state and local governments and the social security funds controlled by these units.



# Developing countries owe 31% of global public debt.

Public debt in US\$ billions (2024)



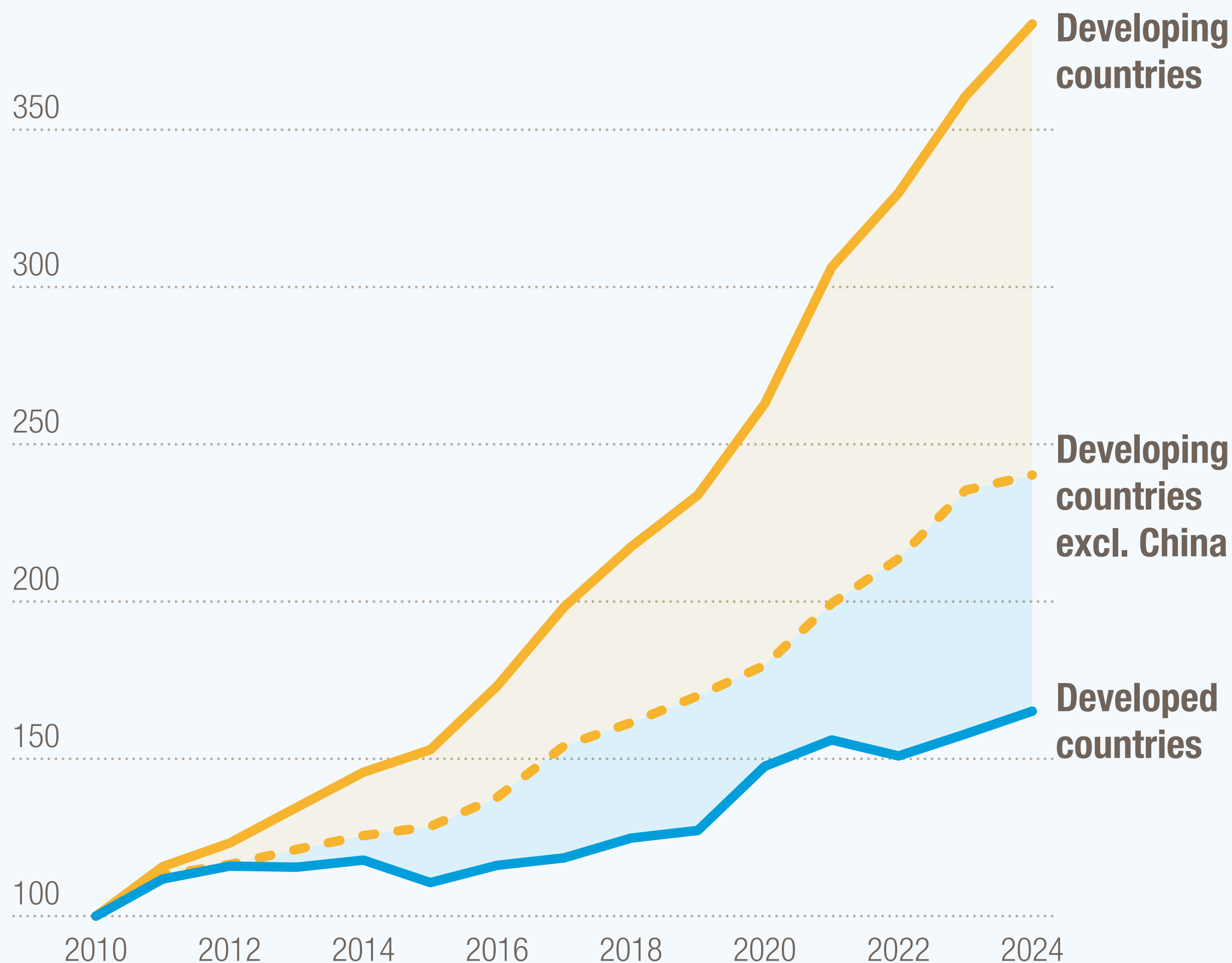
Source: UNCTAD Secretariat calculations based on IMF World Economic Outlook (April 2025).





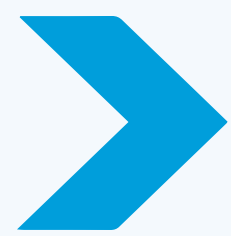
# Public debt grows twice as fast in developing than in developed countries.

Index: Outstanding public debt in 2010 = 100



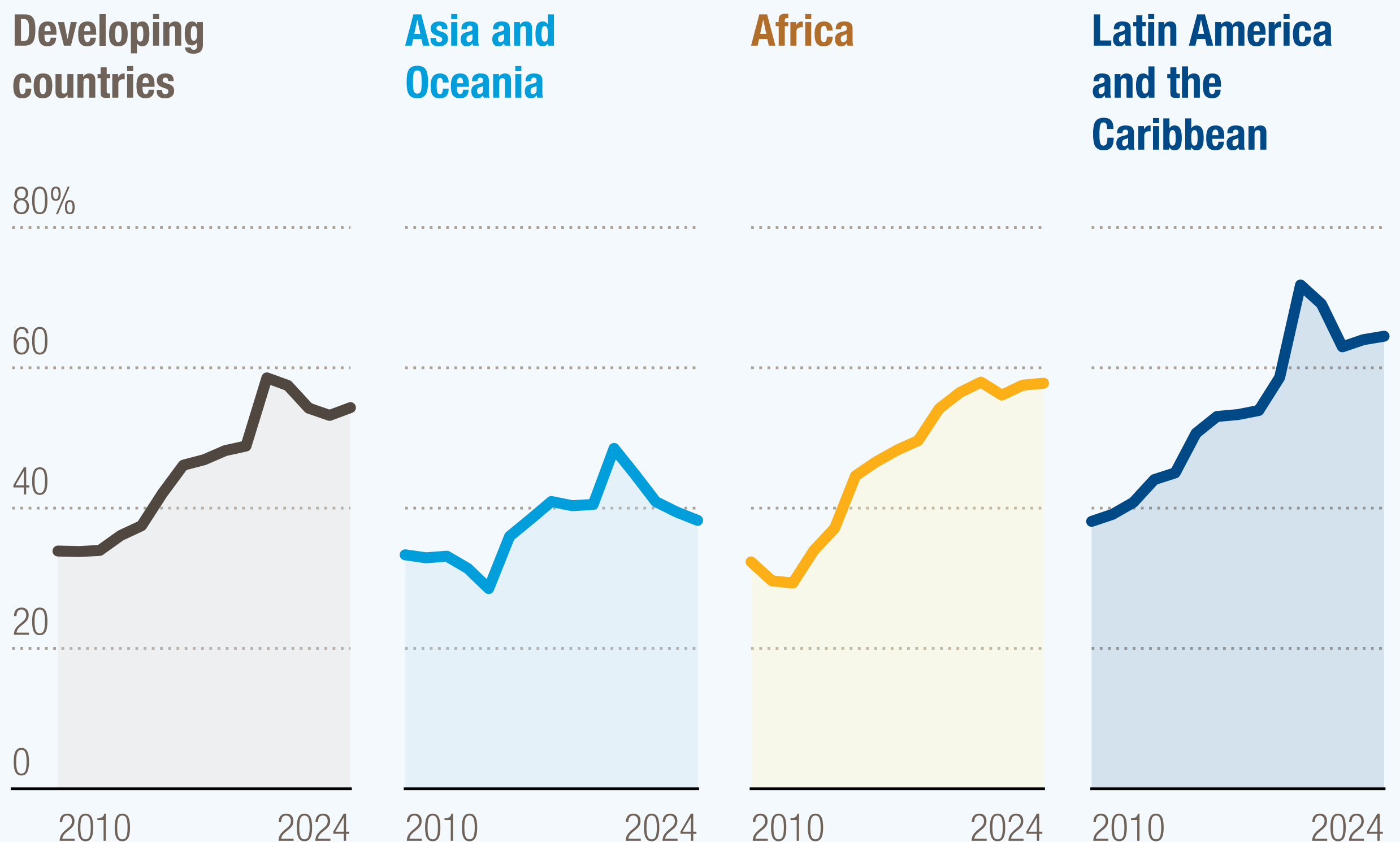
Source: UNCTAD Secretariat calculations based on IMF World Economic Outlook (April 2025).





# In 2024 debt-to-GDP ratios increased slightly, except in Asia and Oceania.

Public debt as a share of GDP - median per country group



Source: UNCTAD Secretariat calculations based on IMF World Economic Outlook (April 2025).

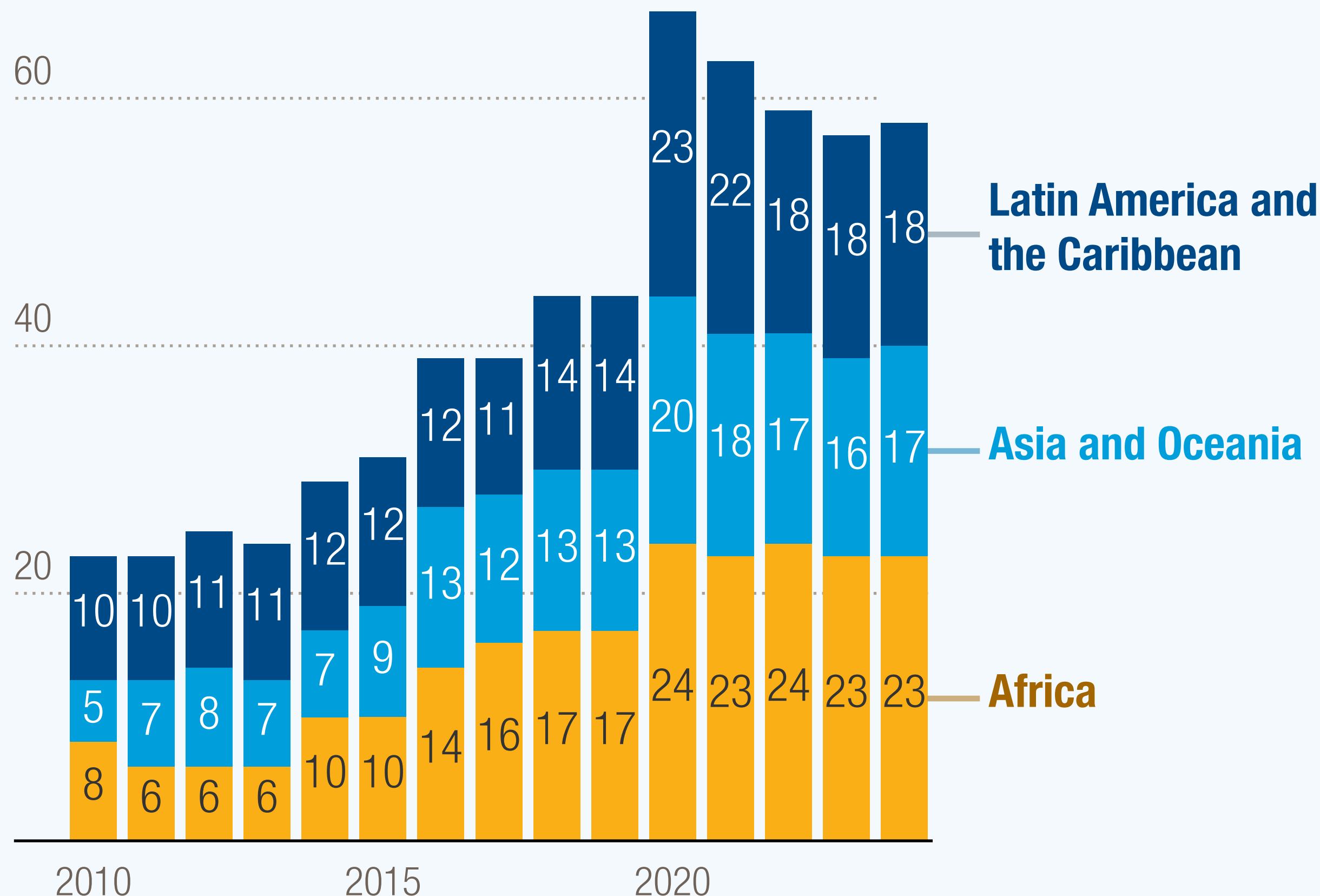
Note: The median represents the value that lies at the midpoint of the data distribution.





# The number of countries with heavy debt burdens remains high.

Number of developing countries with public debt exceeding 60% of GDP



Source: UNCTAD Secretariat calculations based on IMF World Economic Outlook (April 2025).

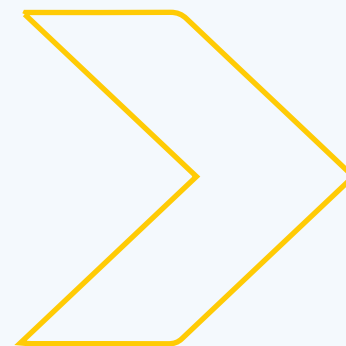
Note: A benchmark of 60% is used by the IMF as one of its indicators to assess debt burdens in emerging markets.





2

**The weight  
of external  
public debt.**

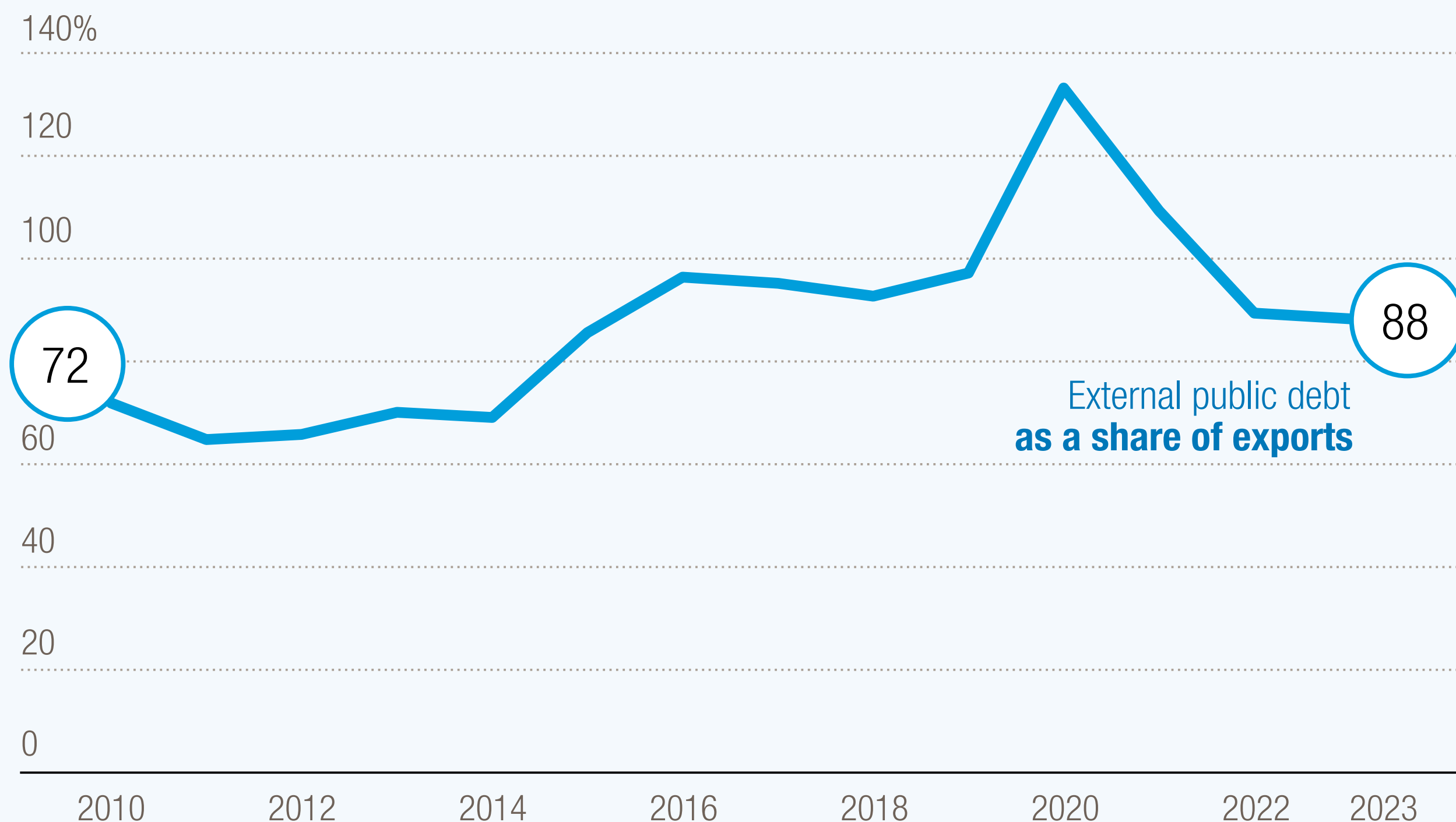






# The weight of external public debt declined recently, but remains high.

Median for developing countries



*Source:* UNCTAD Secretariat calculations based on World Bank International Debt Statistics and IMF World Economic Outlook (April 2025).

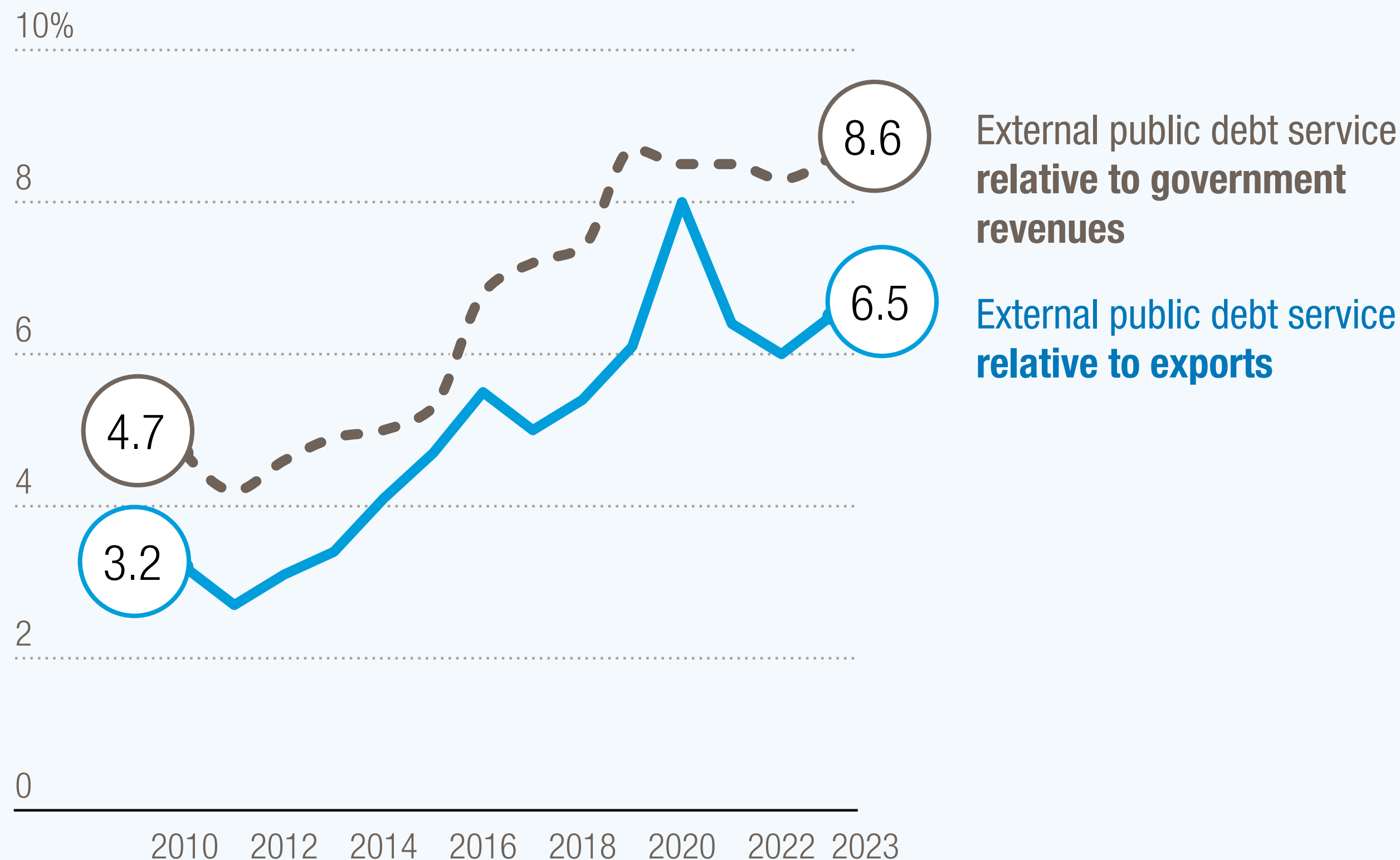
*Notes:* External public debt refers to external Public and Publicly Guaranteed (PPG) debt. Exports include exports of goods, services and primary income receipts. The median represents the value that lies at the midpoint of the data distribution.





# And external debt service burdens show little sign of improvement.

Median for developing countries



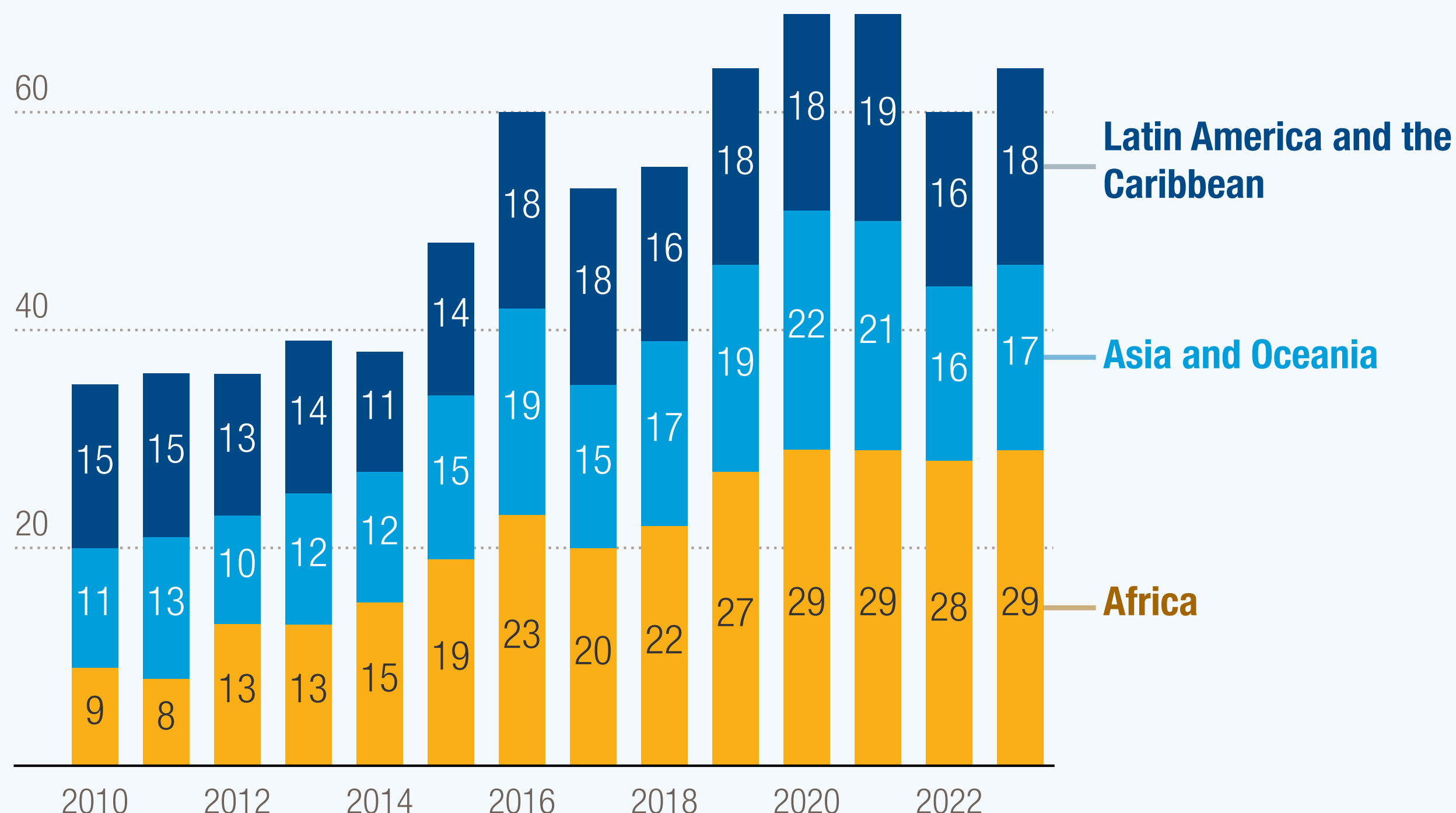
Source: UNCTAD Secretariat calculations based on World Bank International Debt Statistics and IMF World Economic Outlook (April 2025).

Notes: External public debt refers to external Public and Publicly Guaranteed (PPG) debt. Exports include exports of goods, services and primary income receipts. The median represents the value that lies at the midpoint of the data distribution.



# Countries with significant external debt service burden nearly doubled since 2010.

Number of developing countries spending more than 5% of exports on external public debt service



Source: UNCTAD Secretariat calculations based on World Bank International Debt Statistics (April 2025).

Notes: External debt service refers to Public and Publicly Guaranteed (PPG) debt. Exports refers to exports of goods, services and primary income receipts. To avoid undermining Germany's post-war recovery, the 1953 London Debt Agreement implied a debt burden of merely 5% of exports; a value used here as illustrative comparison.

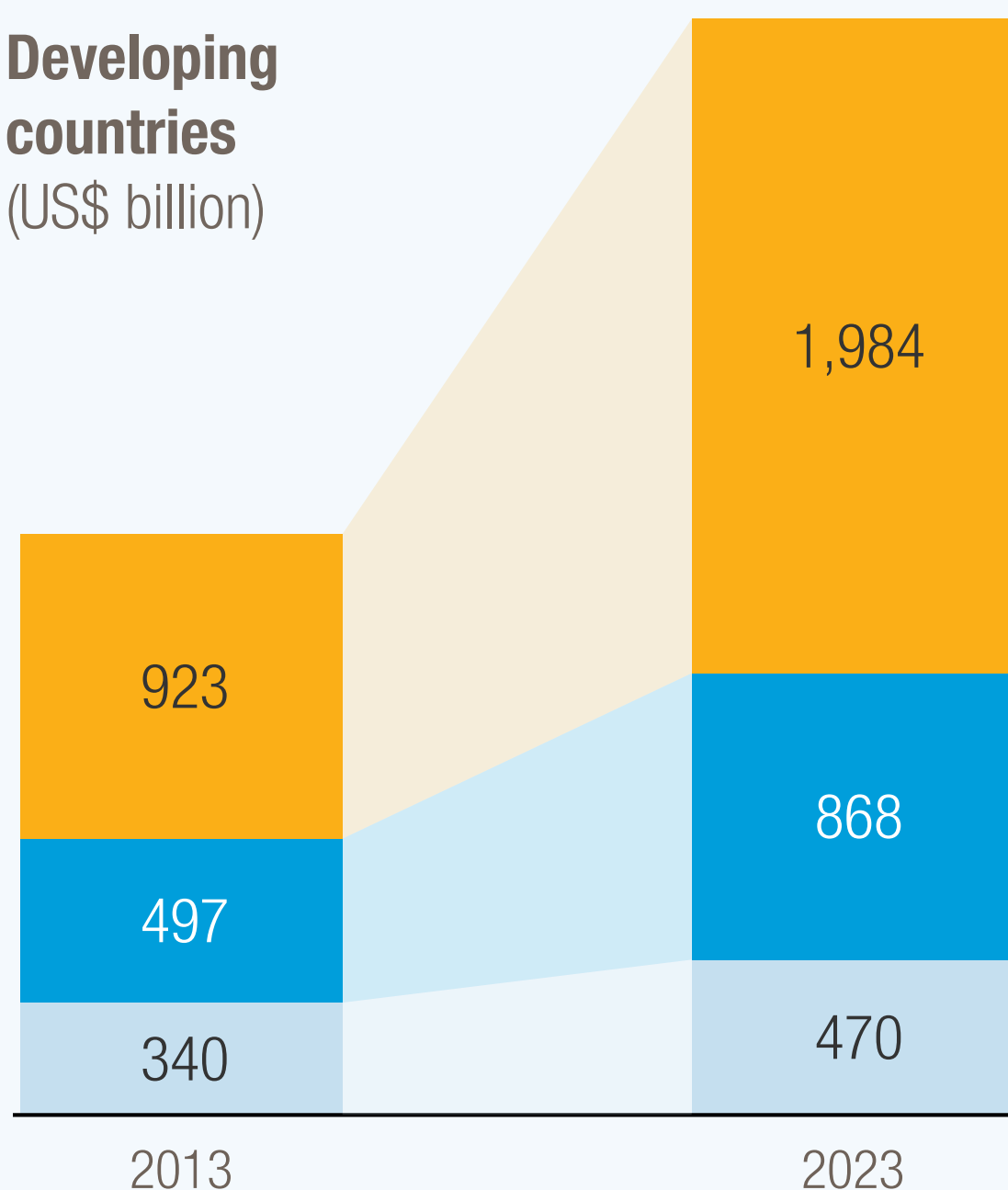


# ➤ Shifts in the creditor base drive up debt costs and complicate restructuring.

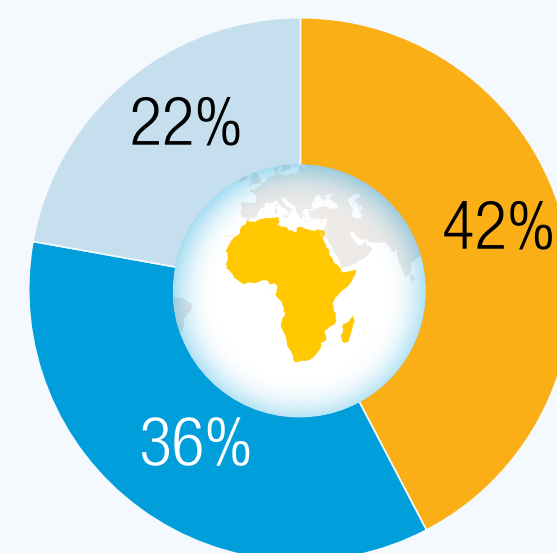
Composition of external public debt by type of creditor (2023)

■ Private creditors ■ Multilateral creditors ■ Bilateral creditors

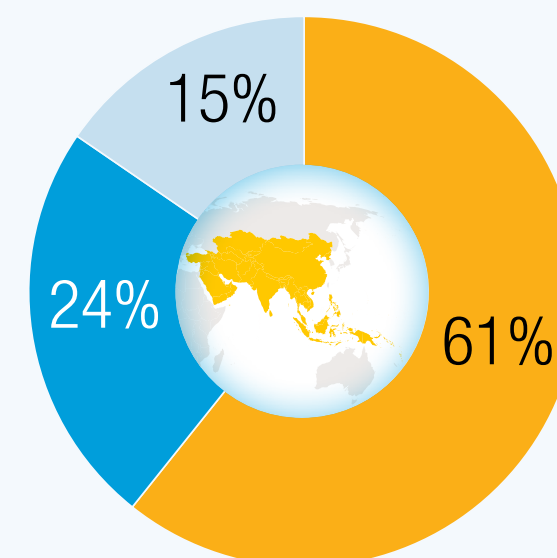
**Developing countries**  
(US\$ billion)



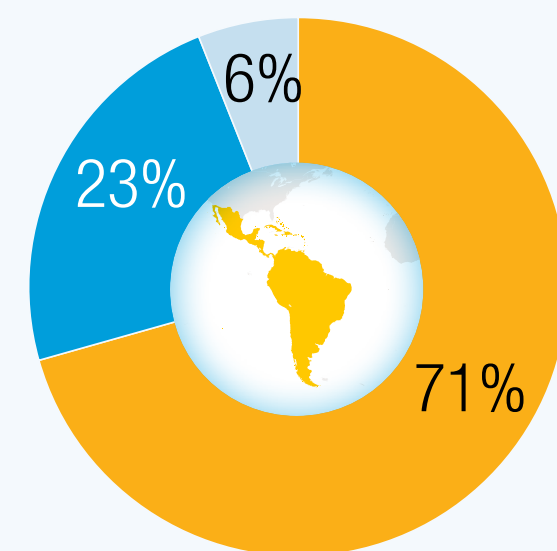
**Africa**



**Asia and Oceania**



**Latin America and the Caribbean**



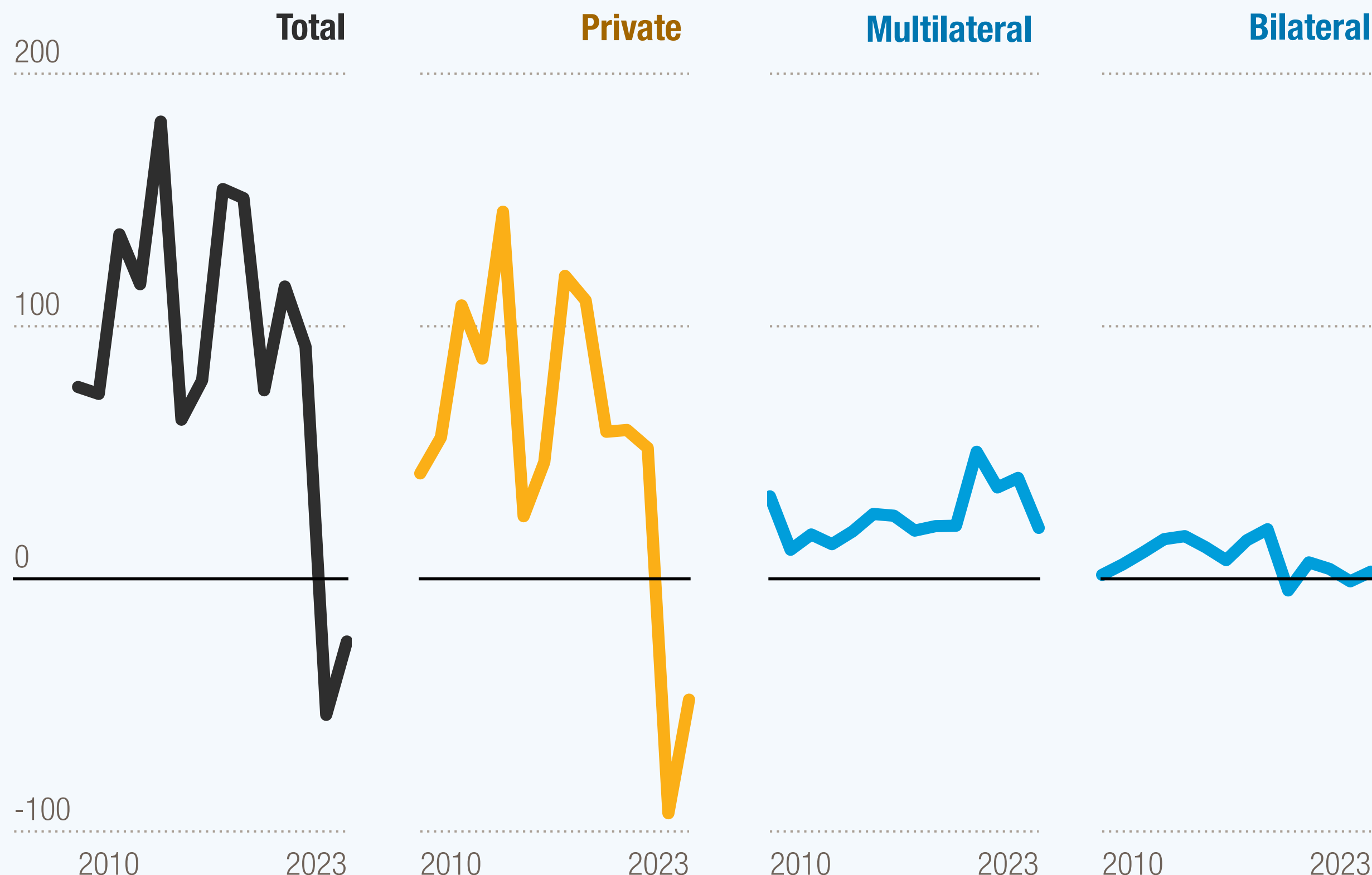
Source: UNCTAD Secretariat calculations based on World Bank International Debt Statistics (April 2025).

Note: External public debt refers to external Public and Publicly Guaranteed (PPG) debt.



# Private creditor withdrawals cause a US\$25 billion net outflow in 2023.

Developing countries' net transfers on external public debt, by type of creditor (US\$ billion)

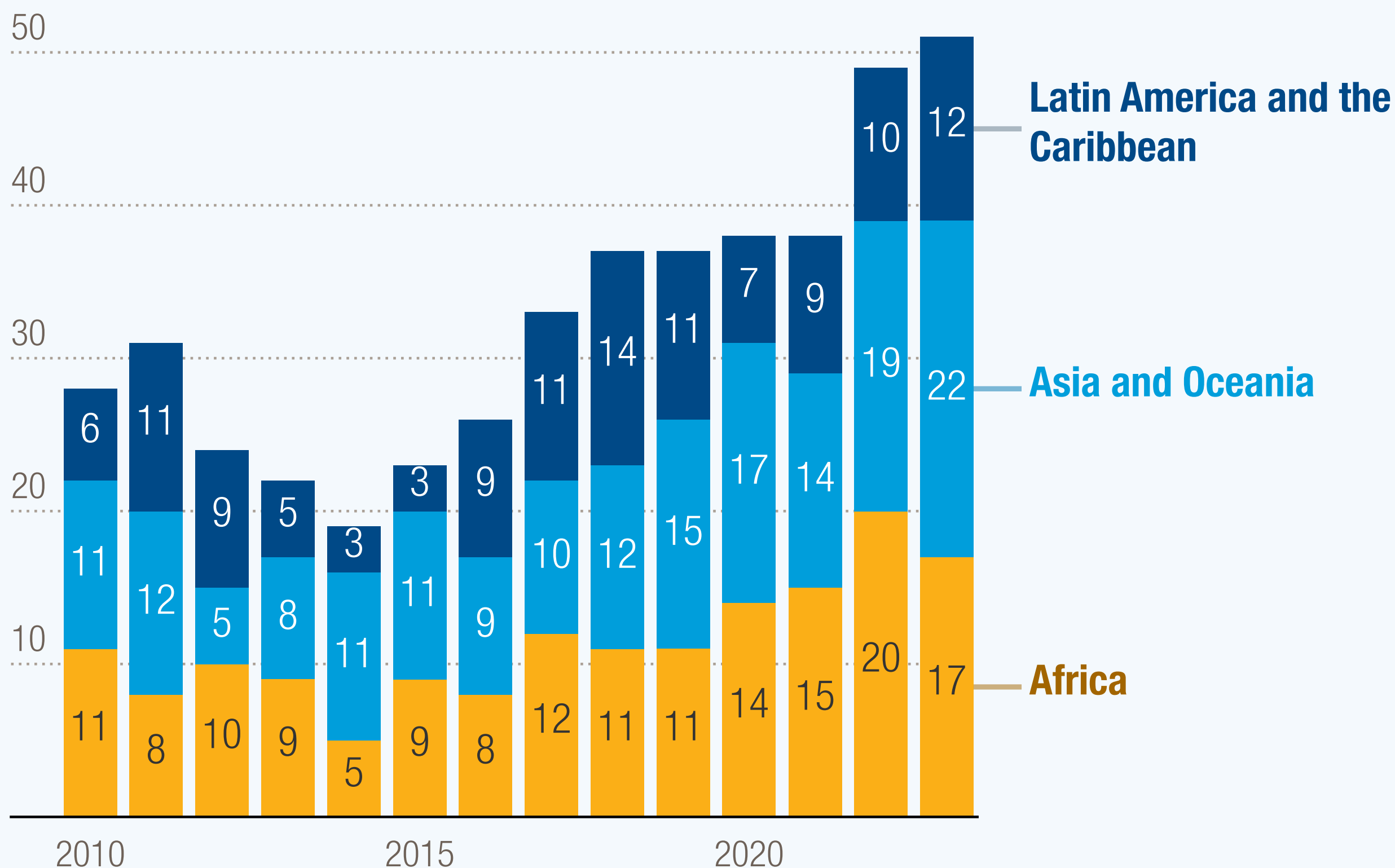


Source: UNCTAD Secretariat calculations based on World Bank International Debt Statistics (April 2025).  
Note: Net transfers are defined as disbursements minus debt service on external Public and Publicly guaranteed debt.



# Number of countries with net debt outflows doubled over the last decade.

Number of developing countries with net negative transfers on external public debt



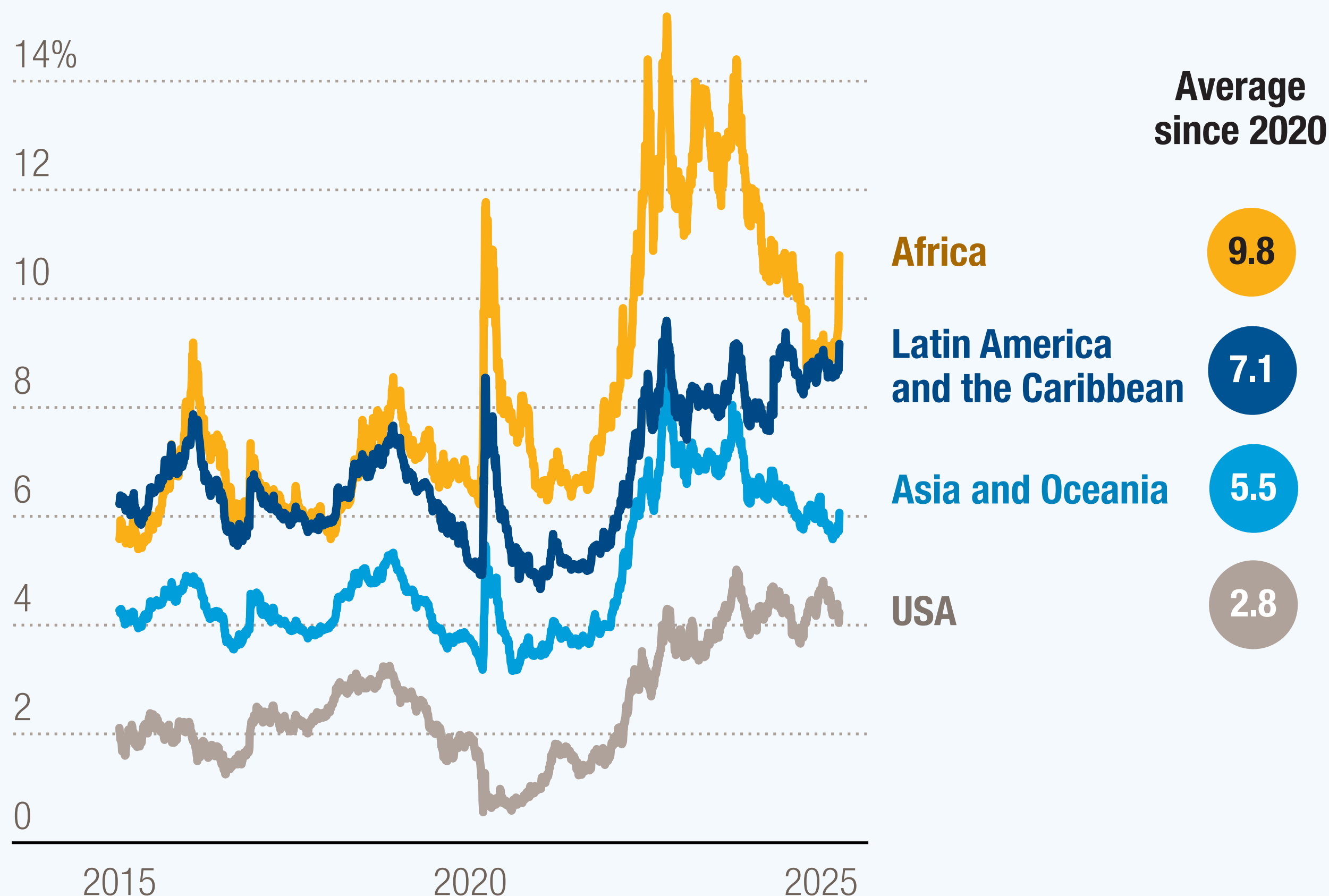
Source: UNCTAD Secretariat calculations based on World Bank International Debt Statistics (April 2025).

Notes: Net transfers on external public debt are defined as disbursements minus debt service on external Public and Publicly Guaranteed (PPG) debt.



# Developing countries face higher but divergent borrowing costs.

Bond yields for developing regions and for the USA (2015-2025)



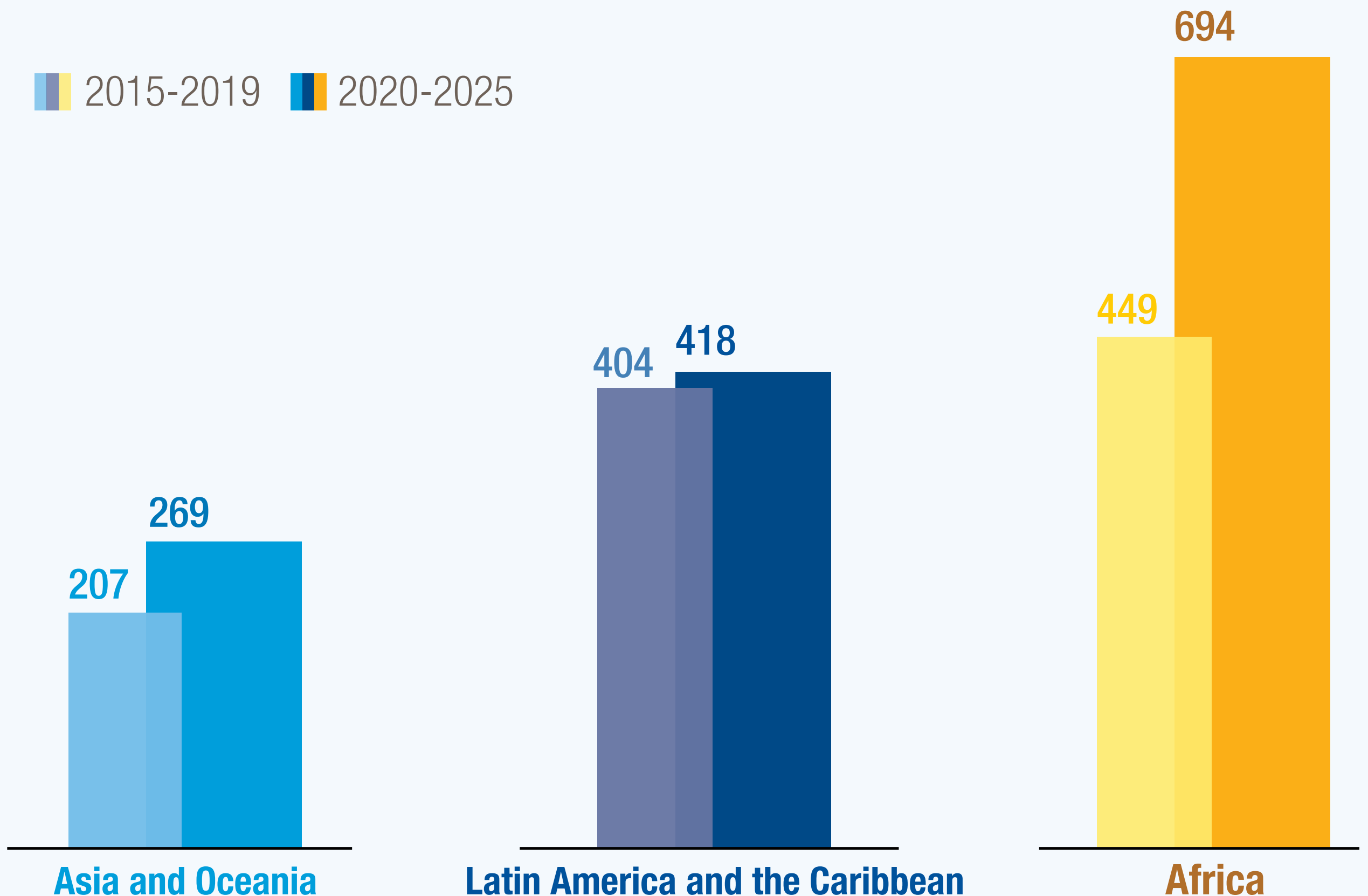
Source: UNCTAD Secretariat calculations based on LSEG (April 2025).

Note: Illustrative comparison of the average JPM EMBI Global Diversified bond yields per region with the 10-year bond yield of the United States.



# Developing countries' spreads have widened since 2020, especially in **Africa**.

Average spread between JPM EMBI regional indices and USA Treasury (basis points)



Source: UNCTAD Secretariat calculations based on LSEG (April 2025).

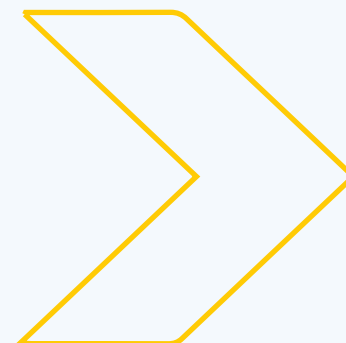
Note: Spread refers to the difference between the JPM EMBI Global Diversified yields per region and the corresponding point in the USA Treasury yield curve (2015-2019 and 2020-2025 period averages).





3

**People  
pay the  
price.**

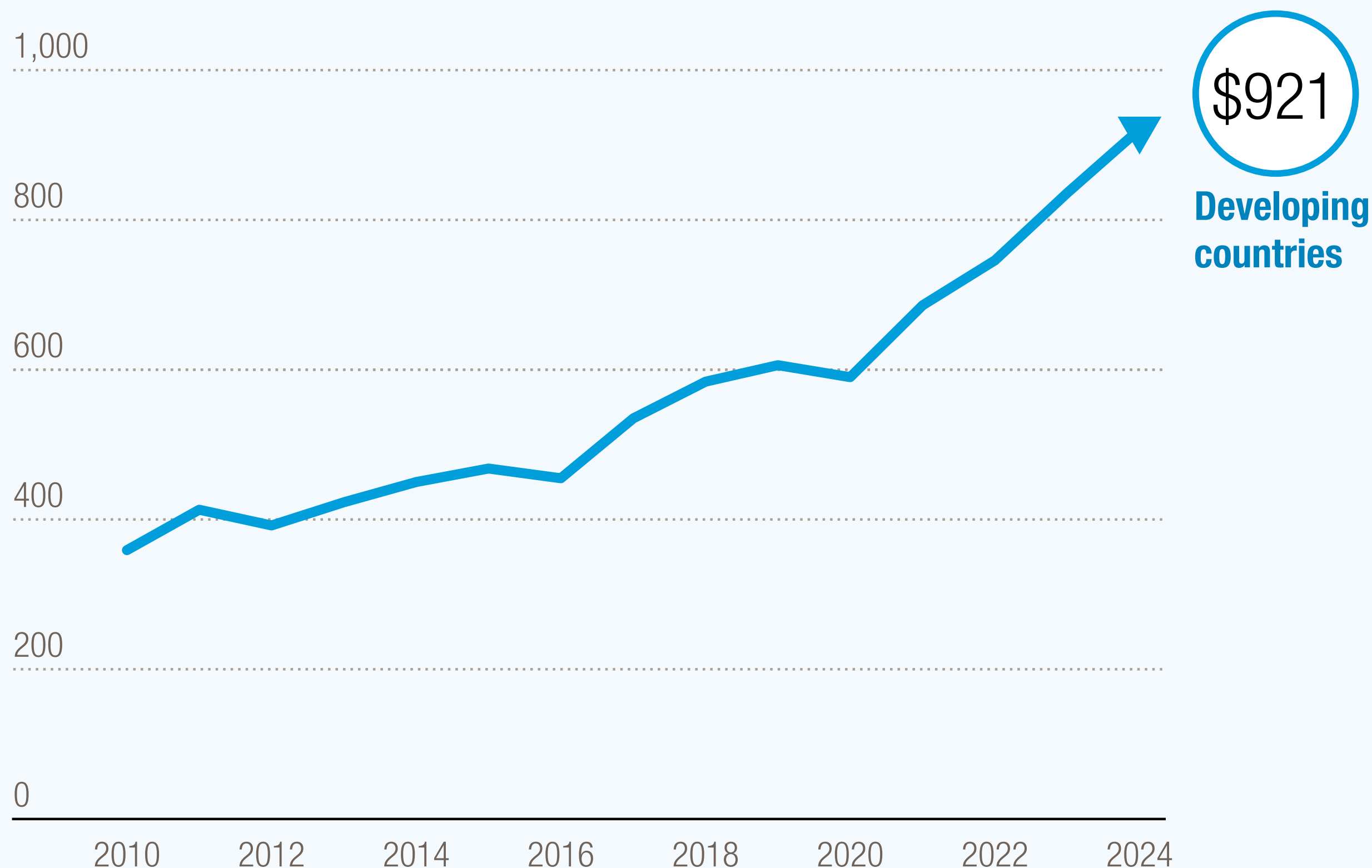






# Developing countries pay a record US\$921 billion in interest.

Net interest payments by general government in developing countries in US\$ billion



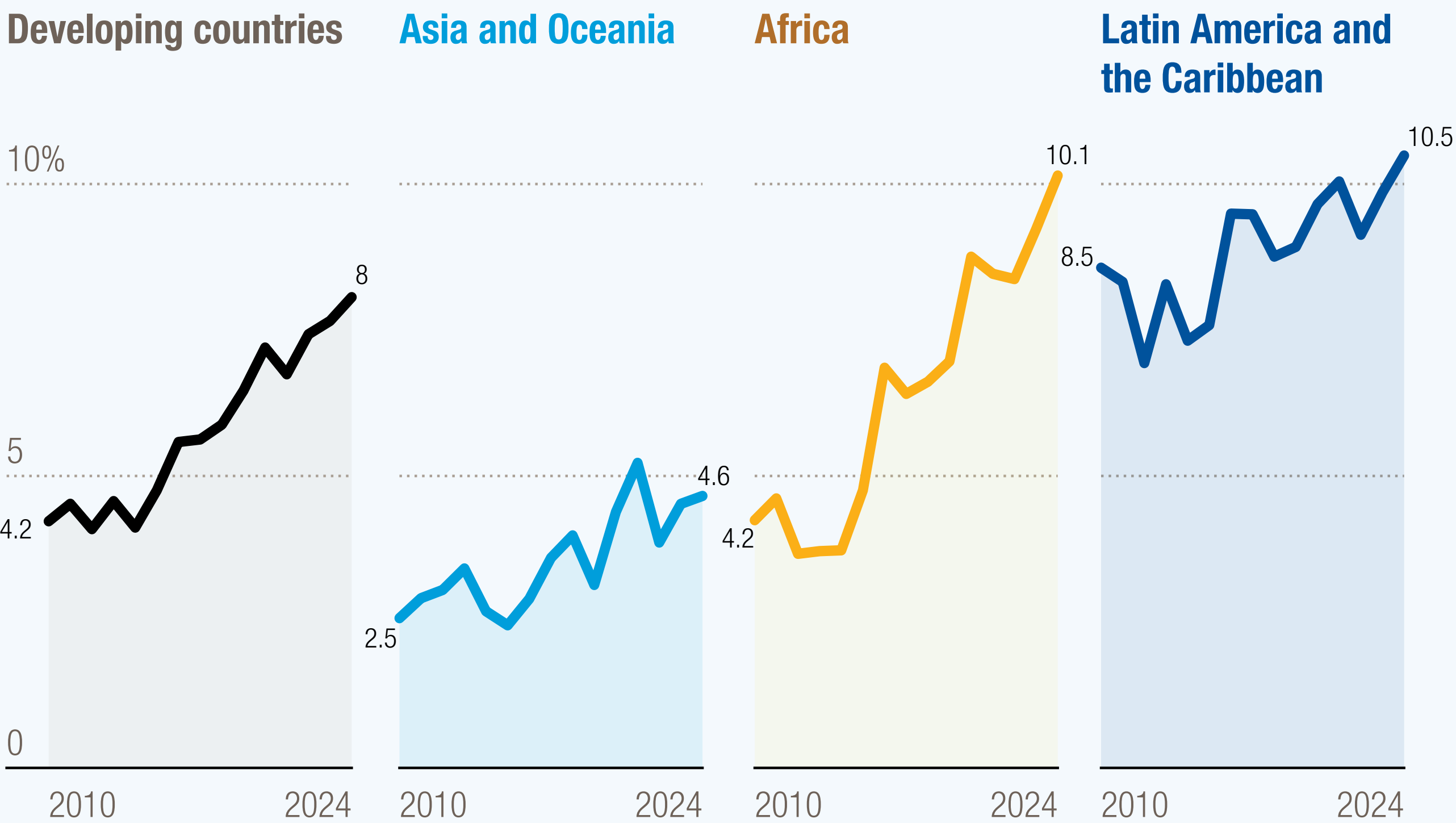
Source: UNCTAD Secretariat calculations based on IMF World Economic Outlook (April 2025).

Note: Net interest payments of the general government refer to the total amount of domestic and external interest expenses incurred from loans and other forms of borrowing, minus any interest income received.



# Developing countries' interest payments doubled relative to government revenues.

Net general government interest payments of developing countries relative to government revenues - median per country group



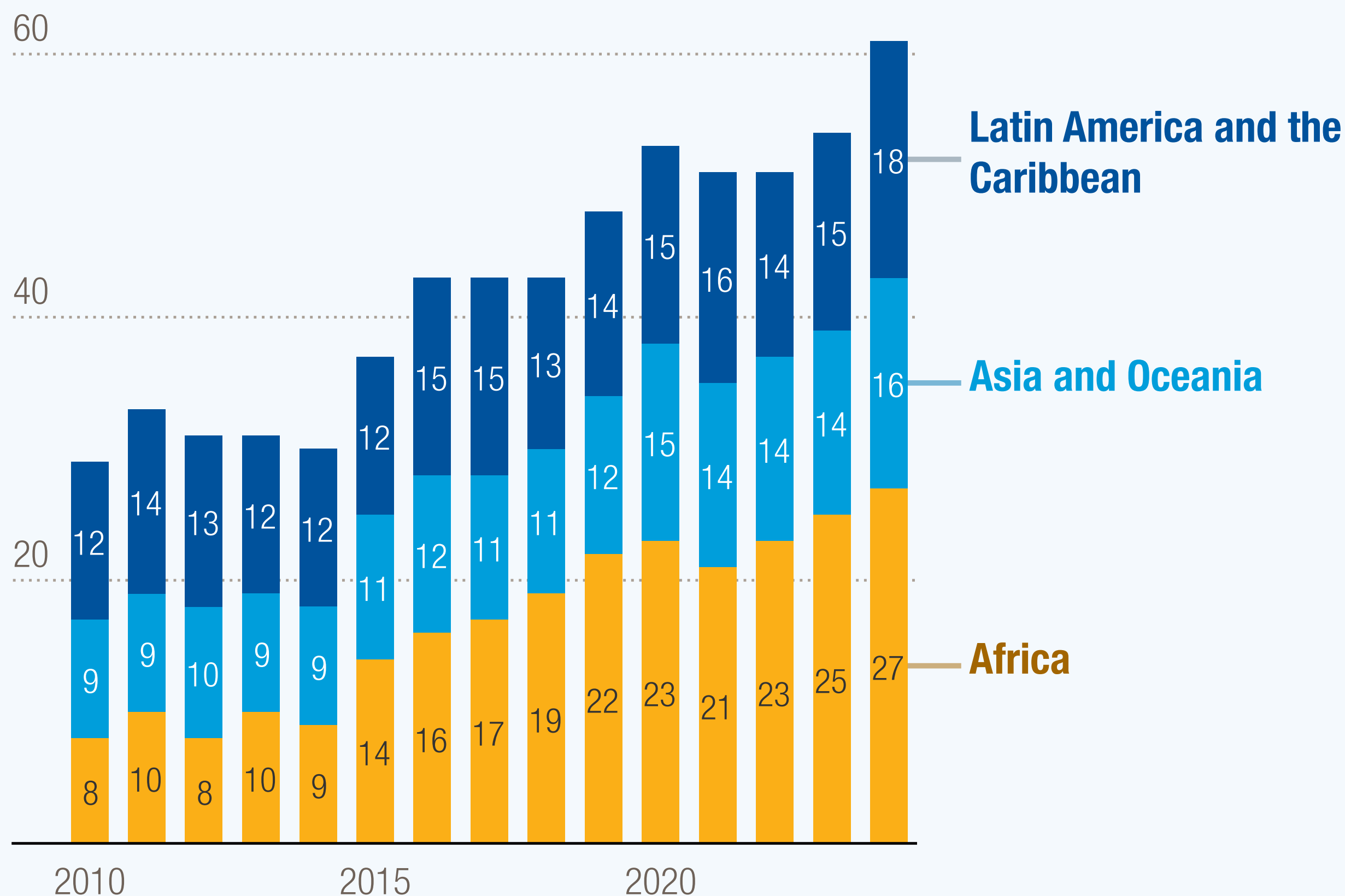
Source: UNCTAD Secretariat calculations based on IMF World Economic Outlook (April 2025).  
Notes: Net interest payments of the general government refer to the total amount of domestic and external interest expenses incurred from loans and other forms of borrowing, minus any interest income received. The median represents the value that lies at the midpoint of the data distribution.





# In 61 countries, interest payments exceeded 10% of government revenues.

Number of developing countries with net interest payments exceeding 10% of revenues



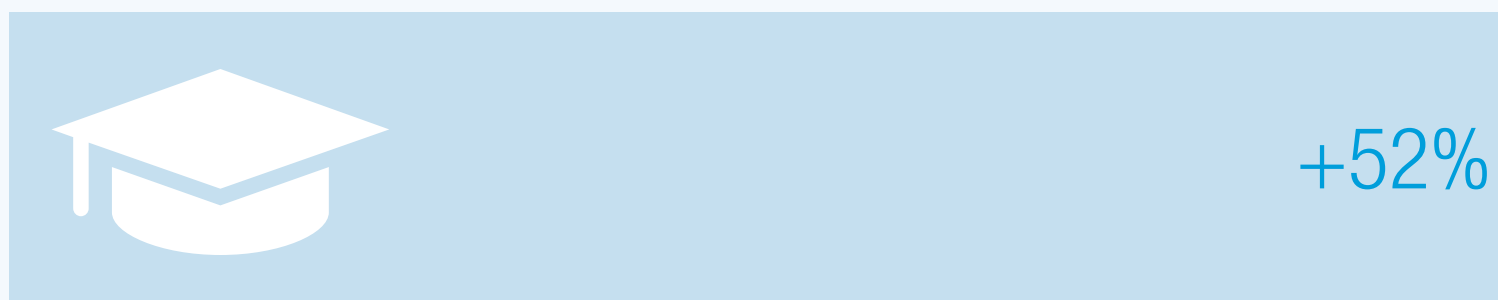
Source: UNCTAD Secretariat calculations based on IMF World Economic Outlook (April 2025).

Note: Net interest payments of the general government refer to the total amount of domestic and external interest expenses incurred from loans and other forms of borrowing, minus any interest income received.

# Interest payments are growing faster than other public expenditures.

Nominal change (%) in public expenditure categories in developing countries between 2011-2013 and 2021-2023

## Education



## Health



## Interest



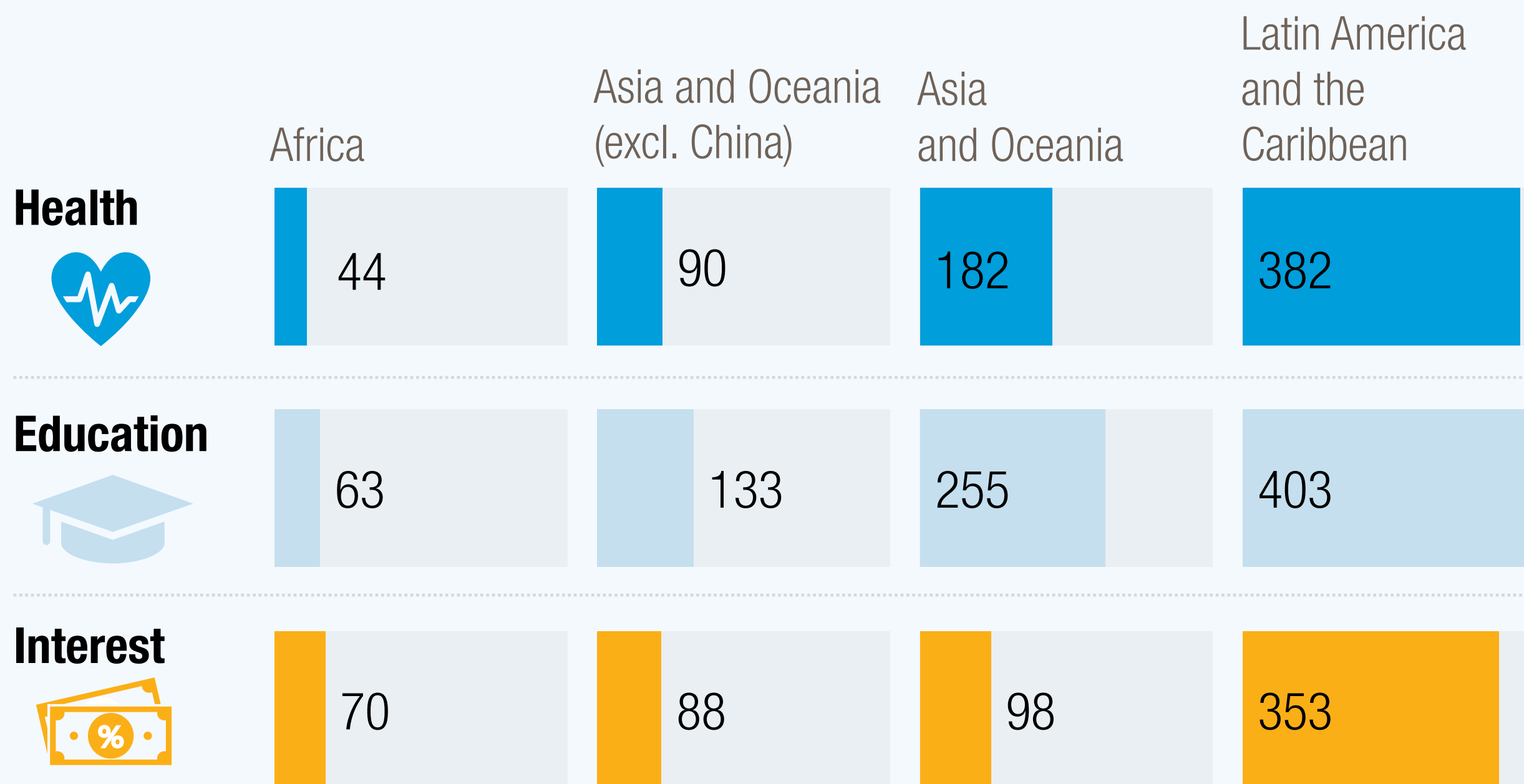
*Source:* UNCTAD Secretariat calculations based on IMF World Economic Outlook (April 2025) and World Bank World Development Indicators.

*Note:* Change in aggregate expenditures for developing countries. Interest refers to net interest payments.



# Africa spends more on interest than on health or education.

Public expenditure per capita on net interest, education and health in US\$ (2021-2023)



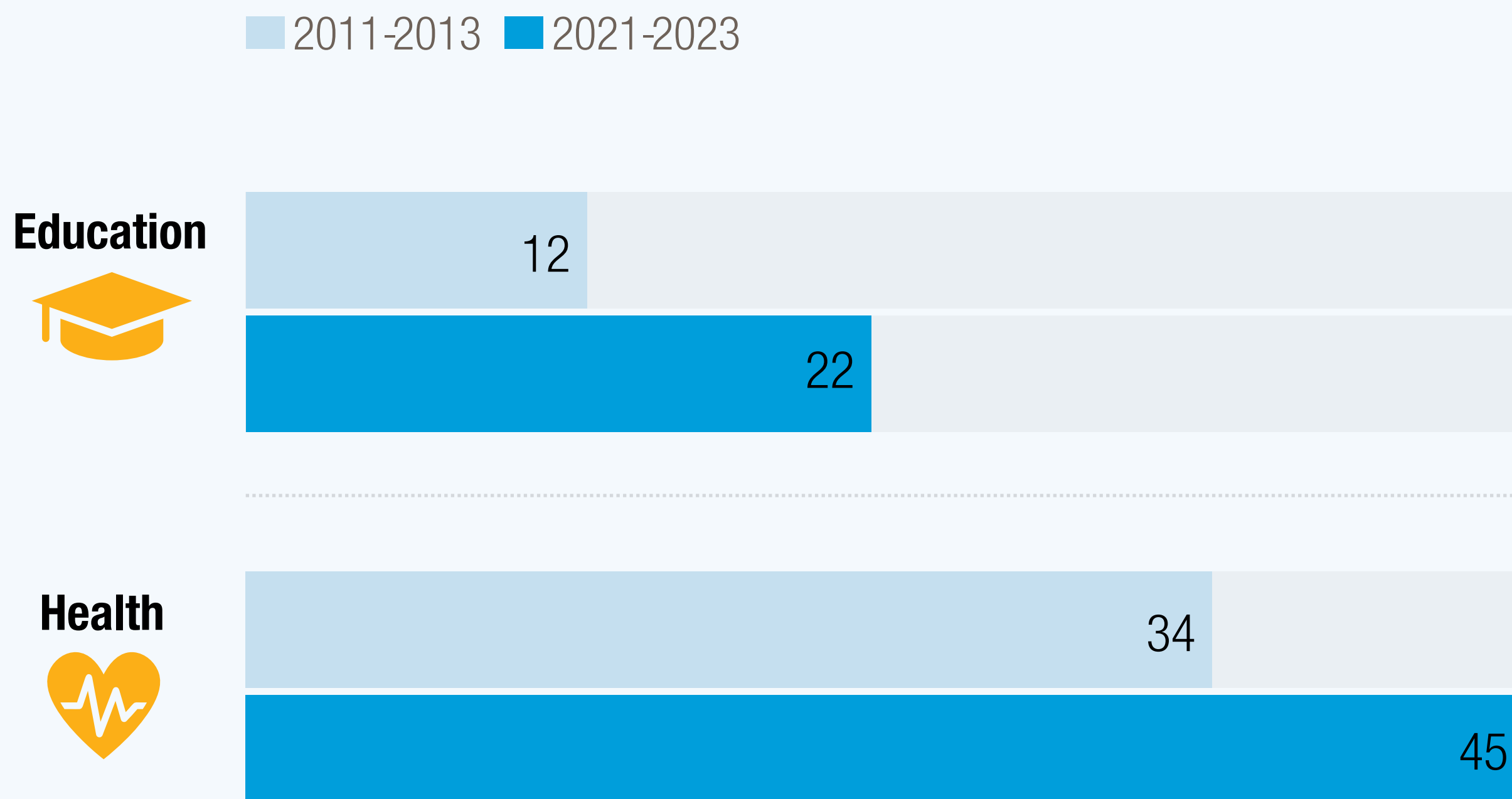
Source: UNCTAD Secretariat calculations based on IMF World Economic Outlook (April 2024) and World Bank World Development Indicators.

Note: Aggregate expenditures for developing countries. Interest refers to net interest payments.



# A rising number of countries spend more on interest than on basic services.

Number of developing countries spending more public resources on interest than on education or health



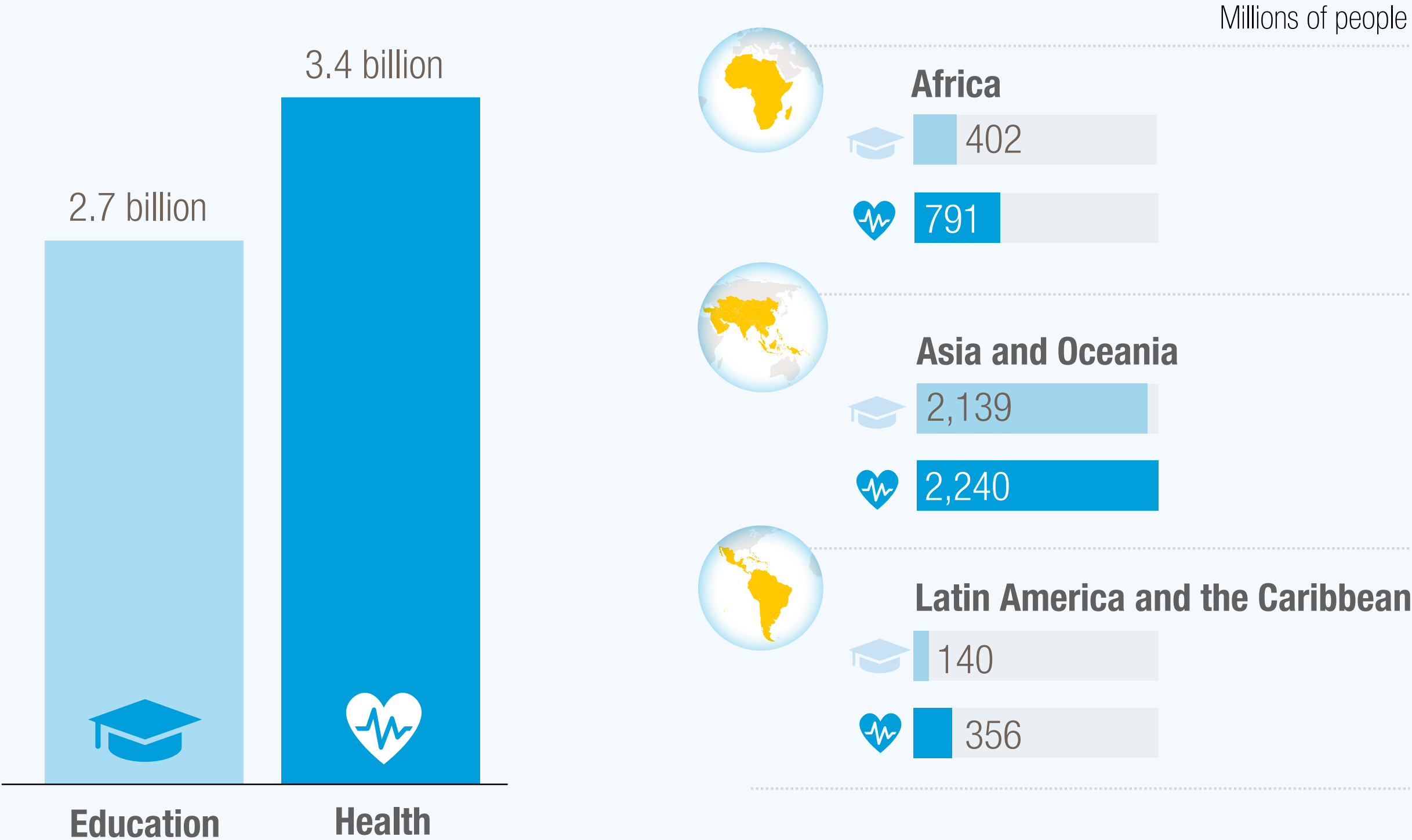
Source: UNCTAD Secretariat calculations based on IMF World Economic Outlook (April 2025) and World Bank's World Development Indicators.

Note: Interest refers to net interest payments.



# 3.4 billion people live in countries that spend more on interest than on health or education.

Population in developing countries where spending on interest exceeds spending on health or education (2021-2023)



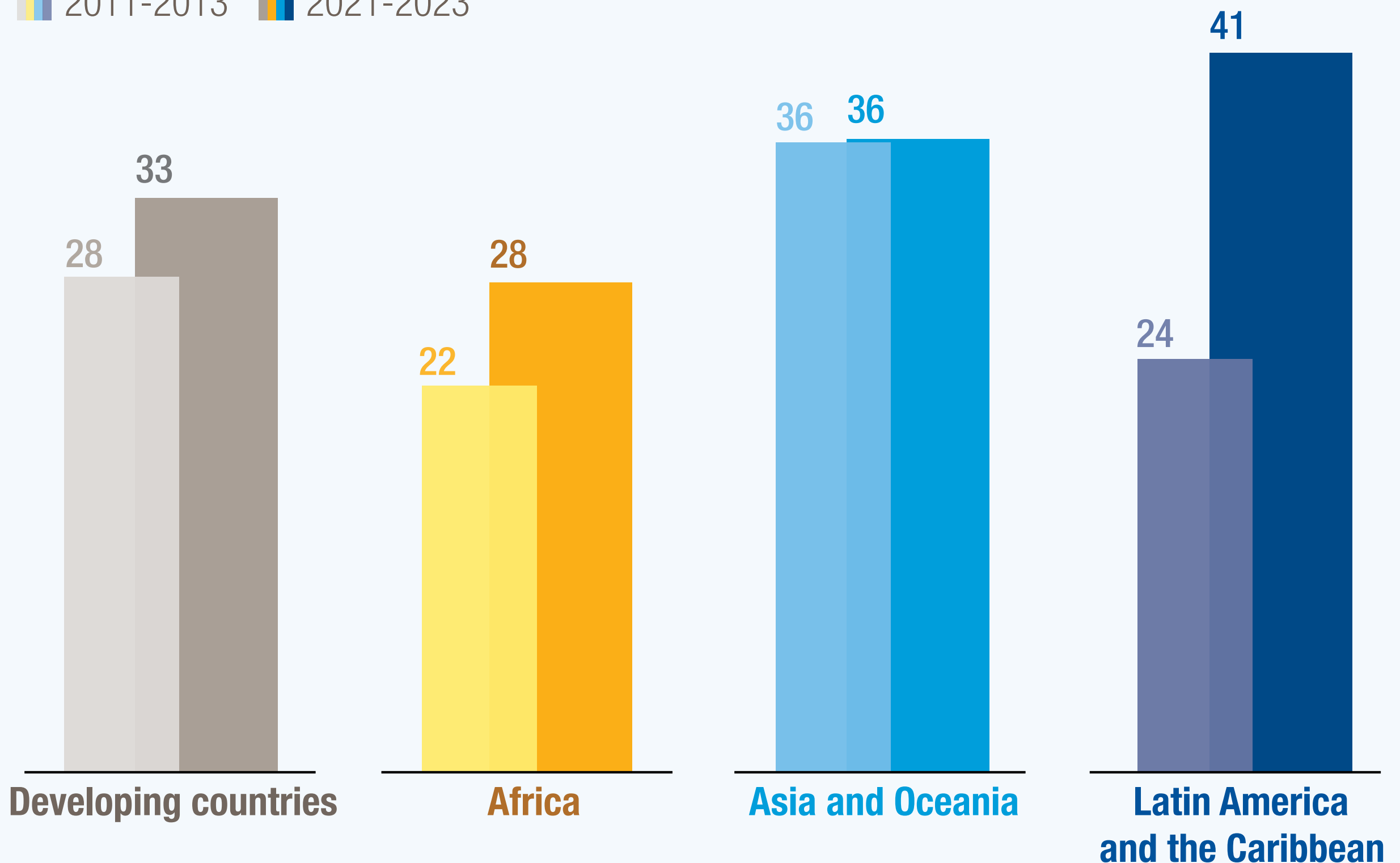
Source: UNCTAD Secretariat calculations based on IMF World Economic Outlook (April 2025) and World Bank's World Development Indicators.  
Note: Interest refers to net interest payments.



# Aid is increasingly shifting away from grants to loan instruments.

Share of concessional loans in total Official Development Assistance - ODA (%)

2011-2013 2021-2023



Source: UNCTAD (2025), "Aid at the crossroads: Trends in official development assistance".

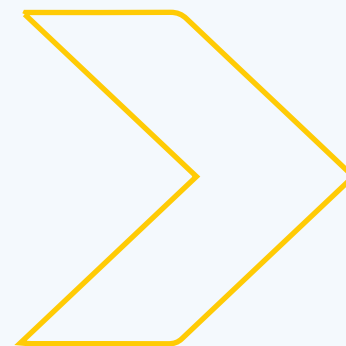
Note: Shares are computed on the basis of nominal values.



A close-up photograph of a person's hand, wearing a red ribbed sweater with a grey and white striped cuff, cupping water from a brass tap. The tap is mounted on a bright blue, textured wall. The background is slightly blurred, showing more of the wall and the person's arm.

**4**

# **A roadmap to finance sustainable development.**





## **A clear policy priority: Nearly 60 countries call for reform.**

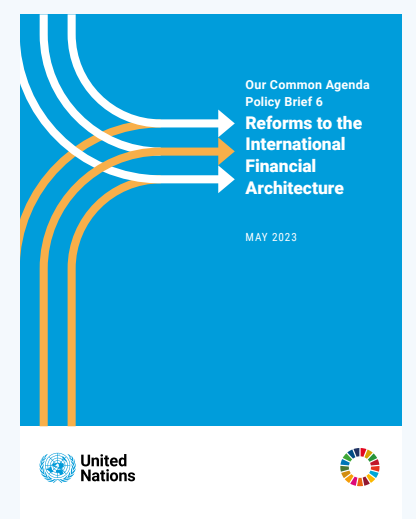
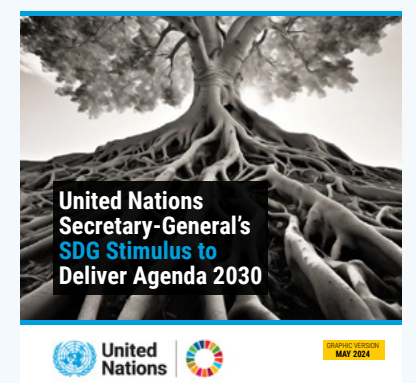
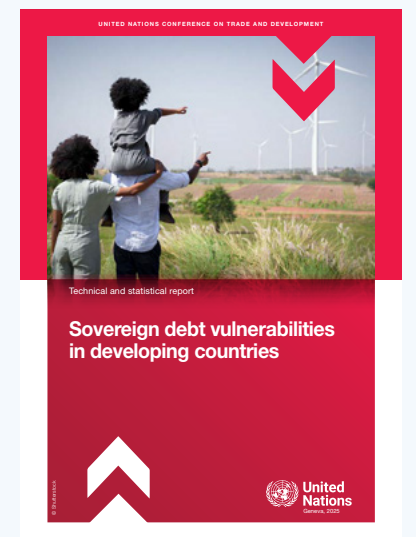
Mentions of finance- and debt-related topics in the United Nations General Assembly speeches, total number of countries raising the topic and corresponding share by development status

Topic in the context of	Number of speeches	Share of developed (%)	Share of developing (%)
Financing issues	168	72%	93%
Debt	60	15%	37%
Reform of the international financial architecture	59	15%	36%

*Source:* UNCTAD Secretariat calculations based on the analysis of 193 speeches of the General Debate at the 79th Session of the UN General Assembly, 24-28 and 30 September 2024.

# The United Nations outlines a way forward.

- 1 Making the system more inclusive and development-oriented** by improving the real and effective participation of developing countries in the governance of the international financial architecture.
- 2 Enhancing the availability of liquidity in times of crisis** through strengthened use of Special Drawing Rights, temporary suspension of IMF surcharges, greater access to IMF emergency financing windows linked to countries' quotas, and increased use of regional financial arrangements and South-South regional financial cooperation.
- 3 Creating an effective debt workout mechanism** that addresses the current deficiencies of the G20 Common Framework for Debt Treatment—caused by limited country eligibility, creditor coordination challenges, weak mechanisms to stimulate or enforce private creditors' participation, and the lack of automatic debt service suspension clauses.
- 4 Providing more and better concessional finance and technical assistance** to support countries in tackling the high cost of debt. Ways to do so include fulfilling aid and climate finance commitments, transforming and expanding multilateral development banks and strengthening technical assistance in debt management.



The world has long been talking about reform. The 4th International Conference on Financing for Development in Sevilla is a key milestone in this process.

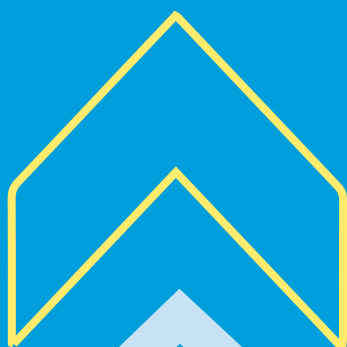
**It is time to move from conversation to action.**





Inequality is embedded in  
the international financial  
architecture.

**It is time for reform.**



Prepared by:  
**The Innovation and Research  
Coordination Unit**

