



National Pension Scheme Authority

Levy Business Park
Corner Kabelenga Road and Church Roads
P.O. Box 51275
Lusaka, Zambia

HEAD OFFICE

Tel: +260 211 395000
+260 211 395677
E-mail: info@napsa.co.zm
www.napsa.co.zm

PRESS STATEMENT

FOR IMMEDIATE RELEASE

NAPSA CLARIFIES THE LUSAKA-NDOLA ROAD PROJECT FINANCING ARRANGEMENT

(11th June 2026 – Lusaka, Zambia) The National Pension Scheme Authority (NAPSA) wishes to clarify misleading claims circulating in the public domain regarding its participation in the financing of the Lusaka–Ndola dual carriageway project.

Firstly, NAPSA was not directed by Government to finance this project as alleged. The concessionaire approached NAPSA with a financing proposal as part of their broader financing structure for the project. NAPSA considered the proposal in line with its investment guidelines and approved participation only after satisfying itself with the loan recovery mechanisms and collateral arrangements that would be put in place.

Secondly, assertions that NAPSA should have been given the toll gates to recover its investment are inaccurate and misrepresent how the financing arrangement was structured. Under the agreed security framework, all revenues collected from allocated toll gates and revenue sources are deposited into an escrow account, from which lenders are paid according to a predetermined hierarchy. As a senior lender, NAPSA enjoys first right of repayment.

As announced at the media briefing during the signing of the financing agreement on 26 March 2024, NAPSA committed US\$300 million to the project out of a total financing package of US\$650 million. The facility was approved and signed at an interest rate of 9.5% per annum. It is structured over 13 years, with a 3-year moratorium during construction, followed by repayment principal and interest over 10 years. To date, NAPSA has already received US\$5.9 million interest on loan disbursements made during the first year of the facility.

This is a secure infrastructure investment governed by strict investment guidelines and internal processes and designed to protect members' funds. The collateral package includes collection of road user charges and toll gate revenues through an escrow mechanism that ensures disciplined debt service. This is the kind of structured safeguard that NAPSA requires to preserve capital while earning sustainable returns for members.

Be smart, secure your future

The project offers clear value to NAPSA and its members. It broadens the Authority's portfolio through exposure to infrastructure as an asset class, helping to diversify beyond traditional fixed income investments. Because the facility is US Dollar denominated, it also provides protection against local currency depreciation and inflation, thereby helping preserve the value of members' funds. In addition, the facility is expected to generate interest income of more than US\$220 million over its life.

In addition to returns to members, the investment supports national infrastructure development and job creation agenda, helping to expand the contributor base for the long-term sustainability of the Scheme.

NAPSA therefore wishes to assure all members and stakeholders that the Authority remains firmly committed to safeguarding members' funds, delivering sustainable returns and supporting investments that create long-term value for members and for Zambia.

Issued by

Cephas Sinyangwe

Head Corporate Affairs

National Pension Scheme Authority (NAPSA)

