



PRESS RELEASE

PUBLICATION OF THE 2019 ANNUAL REPORT OF THE PARIS CLUB AND PROGRESS ON THE IMPLEMENTATION OF THE DEBT SERVICE SUSPENSION INITIATIVE (DSSI)

The 2019 annual report of the Paris Club is now available on the Paris Club website.

This report presents the activity of the Paris Club in 2019, which allowed to strengthen coordination between official bilateral creditors, whether they are members of the Paris Club, *ad hoc* participants in its meetings or non-Paris Club members (being G20 members or not). The Paris Club notably welcomed India as an *ad hoc* participant.

The year 2019 was marked by the meeting of the Paris Forum which took place on May 7, 2019 in Paris, with the support of the Japanese Presidency of the G20. This high-level meeting brought together more than sixty international leaders, including thirty ministers and governors of the Central Bank, leaders of international organizations and international financial institutions, as well as representatives of civil society and from the private sector. Participants of the Paris Forum discussed how to ensure sustainable financing for development, *via* the identification of more sustainable financing practices, investment in quality infrastructure and the implementation of policies to mitigate risks associated with volatile capital flows.

More recently, coordination between Creditors members of the Paris Club and non-members was deepened with the announcement on April 15, 2020 of an initiative to suspend debt service (DSSI). This joint initiative between the G20 and the Paris Club constitutes a historic breakthrough.

As of today, 32 eligible countries have officially requested from the Paris Club the benefit of this Initiative. Among those 32 countries, 18 (Burkina Faso, Cameroon, Chad, Comoros, Dominica, Ethiopia, Grenada, Guinea, Ivory Coast, Kyrgyzstan, Mali, Mauritania, Myanmar, Nepal, Niger, Pakistan, Republic of Congo and Togo) have already signed a Memorandum of Understanding with the Paris Club. For those 18 countries, the total amount of maturities initially due in 2020 thus deferred is around USD 1.3 billion to date, plus the deferment of pre-existing arrears.

Paris Club creditors will continue to closely coordinate with non-Paris Club G20 members and other stakeholders in the implementation phase of this initiative.

Background notes

1. The Paris Club was formed in 1956. It is an informal group of creditor governments that main role is to coordinate official creditors during debt restructuring.

2. The 22 members of the Paris Club are: Australia, Austria, Belgium, Brazil, Canada, Denmark, Finland, France, Germany, Ireland, Israel, Italy, Japan, Korea, the Netherlands, Norway, Russian Federation, Spain, Sweden, Switzerland, the United Kingdom and the United States of America.

3. The publication of an annual report, since 2008, is an example of Paris Club creditors' commitment to enhance the transparency of the Club's work and functioning.

4. The 2019 Paris Club annual report comprises five main chapters:

-- a chapter on the Paris Club's outreach activity,

-- a chapter on the sustainable debt for sustainable growth and for the sound financing for development, at the core of the May 7th, 2019, Paris Forum

-- a chapter on the Paris Club's engagement with the private sector to promote greater debt transparency and debt sustainability,

-- a chapter on the implementation of the G20 Operational Guidelines on Sustainable Financing,

-- a chapter on the contractual approach and its progress and challenges ahead.

In addition to these five main chapters, the annual report includes a presentation of the role of the Paris Club as well as its current claims on sovereign borrowers.