



PRESS RELEASE

PUBLICATION OF THE 2022 ANNUAL REPORT OF THE PARIS CLUB

The Paris Club is pleased to release its annual report. Presented at the Paris Forum, this [2022 annual report](#) highlights its main contributions over the year. The report is published on the Paris Club's website and hard copies are handed out to interested parties, including creditor and borrower countries, journalists, academics, NGOs etc. This practice is part of the Paris Club's commitment to greater transparency.

The year 2022 was impacted by significant shocks. Persistent inflationary pressures and tighter financial conditions exacerbated fiscal and financial imbalances in numerous countries, thereby intensifying pre-existing vulnerabilities. The impact of the deteriorating international environment on the economic and financial conditions of the most vulnerable nations has resulted in an increase in activity for the Paris Club.

In this challenging environment, the Paris Club successfully concluded two negotiations in 2022. Suriname and the Club reached a debt restructuring agreement in June 2022, following discussions that began in 2021, when the country faced severe economic difficulties due to the COVID-19 crisis. The second agreement was achieved with Argentina in October, putting an end to a three-year long arrears' situation.

In addition to a significant rise in vulnerabilities, the sovereign debt landscape has witnessed notable changes in the past few decades – due, among other things, to Heavily Indebted Poor Countries (HIPC) initiative massive debt cancellations and all-time low interest rates in the late 2000s. These developments have compelled the Paris Club to enhance its coordination efforts with other creditors, both public and private. As has been the case for several years, coordination efforts constituted a substantial part of the Club's activities in 2022. This includes the implementation of the Common Framework, such as the agreement with Chad and negotiations with Ethiopia, Ghana, and Zambia. Additionally, outside of this framework, significant work has been undertaken in recent months to find a coordinated solution to the difficulties faced by Sri Lanka.

The Club's fundamental mission in debt management is complemented by an ongoing process of monitoring and reflection. This process aims improve mutual understanding of key concepts, facilitate the implementation of innovative approaches and promote data sharing. In 2022, Paris Club creditors, partners and the Secretariat have undertaken various initiatives: the development of Climate Resilient Debt Clauses (CRDCs), the introduction of Majority Voting Provisions (MVPs) in syndicated loan contracts, data sharing with the World Bank and stocktaking exercise on data shared by public creditors with the international financial institutions.

Background notes

1. The Paris Club was formed in 1956. It is an informal group of official creditors whose role is to find coordinated and sustainable solutions to the payment difficulties experienced by borrower countries.

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. South Africa has been a prospective member since 2022.