



PRESS RELEASE

PARIS CLUB AND SEYCHELLES AGREE TO A DEAL TO SUPPORT OCEAN CONSERVATION

Paris Club countries, South Africa (an ad hoc participant), and the representatives of the Republic of Seychelles met in Paris on 25 February 2015 and agreed to an early repayment scheme for debts rescheduled by the Paris Club in 2009, which will support marine conservation efforts.

Paris Club creditors and South Africa agreed to a partial buyback by Seychelles of its debt at a discount. Each creditor country will decide if it will participate in this deal. Several creditors have already announced their intention to do so, with a record participation of 91% of eligible debt. France committed to make an additional bilateral effort.

This operation will allow the government of the Republic of Seychelles to fund an initiative for marine conservation and adaptation to climate change, while simultaneously reducing its foreign-currency debt. This will improve the resilience of the Seychelles economy.

This is the 14th early repayment operation that members of the Paris Club, an efficient and coordinated forum for the recovery of claims, have engaged in since 1997. This dynamic management scheme allows debtors to buy back their debt ahead of schedule, to take advantage of strong economic performance.

The amount of Seychelles' Paris Club debt eligible is around USD 30 million. The early repayment will take place between 1st May and 30th June 2015, after the conclusion of bilateral implementation agreements.

This prepayment reflects the strong economic and financial performance of Seychelles and the Government's sound debt management strategy, and commitment to environmental conservation and the Blue Economy.

Background notes

1. The Paris Club was formed in 1956. It is an informal group of creditor governments from major industrialized countries.

2. The members of the Paris Club who are creditors of the Republic of Seychelles on debts eligible to this early repayment operation are Belgium, France, Germany, Italy, Japan, the Russian Federation, Spain and the United Kingdom. South Africa also decided to take part to this operation as an ad hoc participant.

3. The delegation of the Republic of Seychelles was headed by Mr. Jean-Paul ADAM, Minister of Finance, Trade and Blue Economy. The meeting was chaired by Mr Anthony REQUIN, Co-Chairman of the Paris Club.

Technical note

The Republic of Seychelles' debt owed to Paris Club creditors eligible for the early repayment operation amounts to around US\$ 30 million (in face value), to be paid up to 1st January 2022.