

STATEMENT

4th MEETING OF THE CREDITOR COMMITTEE FOR CHAD UNDER THE COMMON FRAMEWORK FOR DEBT TREATMENTS BEYOND THE DSSI

The creditor committee for Chad formed by China, France, India and Saudi Arabia and co-chaired by France and Saudi Arabia (hereinafter “the creditor committee”) met virtually on June 10, 2021, in presence of the IMF staff and the World Bank staff.

The creditor committee examined the macroeconomic and financial situation of Chad, including its long-term debt sustainability, and its formal request for a debt treatment under the “Common Framework for Debt Treatments beyond the DSSI” endorsed under the Saudi G20 Presidency last November, which was also endorsed by the Paris Club.

The creditor committee supports Chad’s envisaged IMF upper credit tranche (UCT) program and its swift adoption by the IMF Executive Board to address Chad’s urgent financing needs. The creditor committee encourages Multilateral Development Banks (MDBs) to maximize their support for Chad to meet its long-term financial needs.

Consistent with their national laws and internal procedures, creditor committee members are committed to negotiate with the Republic of Chad terms of a restructuring of their claims to be finalized in a Memorandum of Understanding (MoU), in accordance with the “Common Framework for Debt Treatments beyond the DSSI”.

The creditor committee stresses that the Chadian authorities are expected to seek from all private creditors and other official bilateral creditors debt treatments on terms at least as favorable as those being considered by the creditor committee, in line with the comparability of treatment principle. Consequently, the creditor committee urges private creditors and other official bilateral creditors to commit without delay to negotiate with Chad such debt treatments that are crucial to ensure the full effectiveness of the debt treatment for Chad under the Common Framework.

Background notes

1. The creditor committee for Chad was formed on April 15, 2021, in application of “Common Framework for Debt Treatments beyond the DSSI” endorsed by the G20 and the Paris Club in November 2020.

2. The members of the creditor committee for Chad are representatives of the governments of China, France, India and Saudi Arabia. France and Saudi Arabia co-chair the creditor committee.

Observers at the meeting were representatives of the International Monetary Fund and the World Bank Group.