



PRESS RELEASE

Paris Club creditors had a preliminary discussion on the situation of Iraq's Paris Club debt on the occasion of their monthly "tour d'horizon" held in Paris on April 24, 2003.

They have taken note that the International Monetary and Financial Committee and the Development Committee stated in their recent communiqués that "It is important to address the debt issue, and we look forward to early engagement of the Paris Club". A further UN security council resolution is anticipated. They note that the IMF and the World Bank stand ready to play their normal role. Paris Club creditors agreed that they stood ready to engage on Iraq's debt. They agreed, as a first step, to carry out a comprehensive assessment of Iraq's indebtedness towards Paris Club countries. On this basis, they will review this issue in the coming months and follow closely developments on Iraq's situation.

The Paris Club of creditors countries was formed in 1956. It is an informal group of creditor governments from major industrialized countries. It holds negotiations with debtor countries to find coordinated and sustainable solutions to their payment difficulties and to agree on specific terms of restructuring of their debts. It also meets for a monthly "tour d'horizon" to overview pending issues concerning debtor countries.