



PRESS RELEASE

THE PARIS CLUB HAS FULLY AND SUCCESSFULLY IMPLEMENTED THE DSSI AND ITS EXTENSIONS

The Debt Service Suspension Initiative (DSSI) was a historic and exceptional measure taken jointly by the G20 and the Paris Club on April 15, 2020 to offer support to 73 eligible low-income countries as they weathered the Covid-19 crisis.

The Paris Club has fulfilled its commitments to provide a debt service suspension to all requesting eligible countries. From May 1st, 2020 to December 31, 2021, Paris Club creditors suspended around USD 4.6 Bn of debt service due by 42 low income countries that signed an agreement with the Paris Club (cf. appendix). Portugal and Turkey, which are not members of the Paris Club, signed jointly with the Paris Club agreements implementing the DSSI and/or its extension. Turkey has participated in the reorganization of the debt of the Republic of Congo and Portugal in that of Cabo Verde and São Tomé e Príncipe.

By implementing the DSSI in a transparent manner, Paris Club creditors have made a significant contribution to support low-income countries during the Covid-19 crisis. The Paris Club's longstanding experience, as well as the prompt mobilization and commitment of its 22 members, have been instrumental to implement this swift and appropriate response to the crisis within a few weeks of the outbreak of the pandemic.

Despite some implementation challenges, Paris Club creditors consider that the DSSI has been successful in assisting low income countries and demonstrates that coordination among official bilateral creditors can deliver meaningful results. While Paris Club creditors have granted the DSSI to all debtor countries that requested it, they take note that a significant share of eligible countries have not yet concluded agreements with all their other G20 creditors. They note the uneven implementation among official bilateral creditors who agreed to the initiative but also the significant contribution made by the other G20 creditors. They regret the absence of a broad voluntary participation from private creditors. Yet, Paris Club creditors consider that the DSSI has reached its objective to support, in a coordinated manner with G20 non Paris Club members, low-income countries while preserving their market access.

After the expiration of the DSSI at the end of December 2021, Paris Club creditors recall their strong commitment to the ongoing implementation of the G20 and Paris Club Common Framework for Debt treatment Beyond the DSSI for all eligible countries which need a debt treatment consistent with the parameters of an Upper Credit Tranche IMF program. To date, three countries have made a formal request for the benefit of a debt treatment under the Common Framework (Chad, Ethiopia and Zambia). Paris Club members look forward to meaningful progress in the ongoing negotiations, in particular the conclusion between the creditor committee and Chad of a debt treatment in a timely manner for the first review of the IMF program. Paris Club members also urge Chad's private creditors and other official bilateral creditors to provide a debt treatment on terms at least as favorable. Furthermore, following the staff level agreement reached with IMF last December, Paris Club creditors stand ready to take part in the formation of a creditor committee and proceed without delay on the request from Zambia for a debt treatment within a creditor committee.

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

Appendix

Total deferred amounts reported by the Paris Club for the 42 beneficiary countries (Estimation, US\$ million)

Including the maturities falling due and arrears

		DSSI (May- Dec. 2020)	First extension (Jan.-June 2021)	Final extension (July- Dec. 2021)	Total
	Total	2 483	1 081	1 056	4 620
	Beneficiary countries	35	36	30	42
1	Angola	108,14	93,13	94,00	295
2	Burkina Faso	9,19	7,41	7,95	25
3	Cabo Verde	21,52	4,95	5,02	31
4	Cameroon	157,52	104,67	105,83	368
5	Central African Republic	-	-	-	-
6	Chad	1,03	0,58	0,58	2
7	Comoros	1,94	0,21	0,21	2
8	Congo, Democratic Republic of	12,70	11,11	10,84	35
9	Congo, Republic of	84,43	12,93	47,33	145
10	Cote d'Ivoire	123,29	1,53	-	125
11	Djibouti	15,11	3,01	3,01	21
12	Dominica	2,26	2,32	2,30	7
13	Ethiopia	20,77	13,03	-	34
14	Fiji	-	-	0,61	1
15	Grenada	1,43	-	-	1
16	Guinea	23,40	13,06	13,10	50
17	Guinea-Bissau	-	1,94	-	2
18	Kenya	-	105,35	103,24	209
19	Kyrgyz Republic	*	-	9,23	9
20	Lesotho	0,50	0,37	-	1
21	Madagascar	2,52	2,47	-	5
22	Maldives	1,81	1,63	1,94	5
23	Mali	3,60	5,58	6,19	15
24	Mauritania	13,00	6,06	6,03	25
25	Mozambique	143,52	13,50	13,74	171
26	Myanmar	98,06	-	-	98
27	Nepal	10,06	7,59	8,19	26
28	Niger	8,17	3,63	4,49	16
29	Pakistan	873,37	536,37	496,93	1907
30	Papua New Guinea	312,43	8,36	-	321
31	Samoa	1,01	1,03	1,03	3
32	Sao Tome and Principe	4,60	-	-	5
33	Senegal	35,05	29,79	36,96	102
34	Sierra Leone	0,01	0,002	0,003	0
35	St Lucia	0,44	0,48	0,48	1
36	St Vincent	-	1,85	2,00	4
37	Tajikistan	1,90	-	-	2
38	Tanzania	29,12	28,06	27,99	85
39	Togo	0,14	0,12	0,72	1
40	Uganda	-	14,36	-	14
41	Yemen, Republic of	351,60	38,32	38,50	428
42	Zambia	9,32	6,67	7,12	23

* Request removed