



## **PRESS RELEASE**

### **SOUTH AFRICA BECOMES A PROSPECTIVE MEMBER OF THE PARIS CLUB**

The Paris Club welcomes South Africa's decision to upgrade its participation in the Paris Club from *ad hoc* participant to prospective member. This status provides countries an enhanced engagement in the work of the Paris Club, with the opportunity to join the Paris Club as a full member in the near term.

It demonstrates both South Africa's interest to work more closely on sovereign debt issues with Paris Club members as well as the attractiveness of the Paris Club principles for emerging creditors.

South Africa has been playing a growing role as a sovereign creditor over recent years and its decision to join the Club as a prospective member is the continuation of a long story of cooperation with the Paris Club. Since 1982, South Africa has participated in 13 Paris Club negotiations as a creditor; these treatments have benefited 6 debtor countries. South Africa has also participated in the G20 and Paris Club Debt Service Suspension Initiative (DSSI). The Paris Club has highly appreciated the attendance of South Africa at Paris Club meetings on an *ad hoc* basis since 2015. This has contributed to the establishment of an excellent relationship on sovereign debt issues.

South Africa and the Paris Club share common interest in promoting coordinated solutions to help borrowing countries. The deepening of the relationship between South African and the Paris Club consolidates the role of the Paris Club as the main international forum for sovereign debt restructuring.

#### **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.