

Statement
**Meeting of the creditor committee for Chad under the Common
Framework for debt treatments beyond the DSSI**

October 13, 2022

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 September 13 and 27, 2022, in presence of the IMF staff and the World Bank staff.

The creditor committee examined the latest developments on the macroeconomic and financial situation of Chad and noted that no debt relief from official bilateral creditors is currently needed given the surge in oil prices since the approval of the IMF upper credit tranche (UCT) program by the Executive Board on December 10, 2021.

In that context, the creditor committee committed to reconvene and address the need for a debt treatment if a financing gap is identified, in accordance with the “Common Framework for Debt Treatment beyond the DSSI”. For that purpose, the creditor committee is finalizing a Memorandum of Understanding (MoU). In addition, the creditor committee reiterated that the Chadian authorities will be expected to seek from all private and other official bilateral creditors debt treatments on terms at least as favorable as those that will be implemented by the creditor committee should a debt treatment be necessary. The creditor committee welcomes the Multilateral Development Banks (MDBs)’s support for Chad’s development and encourages them to maximize their support for Chad to meet its long-term financial needs.

The creditor committee urges the largest private external creditor to reaffirm its commitment to provide a debt treatment during the IMF program should a financing gap be identified, consistent with the approach described above for the creditor committee, on terms at least as favorable as those agreed by creditor committee members. It also urges the largest private external creditor to address the remaining debt vulnerabilities that result from its acceleration repayment mechanism.

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.