

25 June 2009



PRESS RELEASE OF THE PARIS CLUB

MEETING OF THE PARIS CLUB WITH REPRESENTATIVES OF NON PARIS CLUB BILATERAL CREDITORS AND REPRESENTATIVES OF THE PRIVATE SECTOR

On Thursday 25 June 2009, the Paris Club held its annual meeting with representatives of the private sector, including representatives of banks, bondholders, investment funds, and other members of the international financial community.

Like last year, representatives of non Paris Club bilateral creditors have been invited to this meeting. Representatives of Brazil, China, South Korea, Israel, Poland, Romania and Turkey took part in the meeting. As usual, representatives of the IMF and the World Bank also attended the meeting as well as the African Development Bank.

Paris Club creditors and representatives of the Institute of International Finance reported on recent activities as regards debt restructuring.

The first part of the discussion was dedicated to the recent activity of the IIF. Representatives of the private sector provided an update on implementation of the Principles for Stable Capital Flows and Fair Restructuring in Emerging Markets designed by the IIF and on the group on reconciliation of past-due sovereign debt. The IIF also presented a preliminary assessment of creditor litigation against low-income countries, aiming at broadening overall understanding of the nature of litigation in low-income countries and identifying its magnitude. These presentations were followed by a debate that allowed all participants to provide their comments. This kind of exchange can be the basis of a better understanding of the different methods and strategies of creditors, a prerequisite for satisfactory cooperation among them.

The second part of the discussion focused on the most recent restructuring activities of the Paris Club, including notably Seychelles and Côte d'Ivoire. Following the presentation of the Paris Club Secretariat, the discussion addressed in particular the actions to be taken by creditors in order to provide comparability of treatment.