



PRESS RELEASE OF THE PARIS CLUB AND THE IIF

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

On Wednesday 16 June 2010, the Paris Club and the Institute of International Finance jointly organized for the 10th consecutive year the annual meeting between Paris Club creditors, representatives of non-Paris Club bilateral creditors and of private creditors. The IMF and the World Bank also attended this meeting.

As in previous years, representatives of non Paris Club bilateral creditors were invited to this meeting. Representatives of Brazil, Israel, Kuwait, Poland, the Republic of Korea and Romania took part in the meeting.

Creditors discussed several current global finance issues.

Firstly, the discussion was focused on specific debt issues in several countries including Iceland, Kazakhstan, Ukraine and Dubai in the wake of the international financial crisis, as well as in the context of applying the voluntary, market-based framework of the Principles for Stable Capital Flows to help promote transparent, cooperative solutions to debtor-creditor relations.

Then, creditors had an exchange of views on recent legal cases against HIPC countries, and discussed initiatives to assess and address issues of litigating creditors in HIPC countries. Paris Club creditors also stressed the importance of sustainable lending and borrowing practices and underlined the role of the Debt Sustainability Framework developed by the IMF and the World Bank in this respect.

This was followed by a discussion on the reinforcement of the role of Trustees in Sovereign Bond Indenture so as to improve coordination among bondholders in case of restructuring.

Creditors also discussed the most recent restructuring activities of the Paris Club, with emphasis on the issue of comparability of treatment in Cote d'Ivoire, Republic of Congo, Democratic Republic of the Congo, Central African Republic and the Seychelles. Finally, creditors reflected on the most recent developments related to Argentina's debt situation.