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**PRESS RELEASE OF THE PARIS CLUB**

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

On Wednesday 11 June 2008, 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.

This year, representatives of countries non members of the Paris Club have been invited to this meeting, so that all major constituencies of low-income countries' creditors were represented. Representatives of Abu Dhabi, Brazil, the EXIM Bank of China, Israel, Kuwait, South Africa, South Korea and Turkey took part to the meeting. As usual, representatives of the IMF and the World Bank also attended the meeting.

The first part of the discussion was dedicated to South-South financing flows towards low-income countries. Several countries non-members of the Paris Club presented to the other participants their lending policies and their strategy concerning sovereign claims' management. These presentations were followed by a debate that allowed all participants to provide their comments on the rising importance of South-South financing flows and to exchange on their respective experiences of dealing with low-income debtor countries. This kind of exchange can be the basis of a better mutual understanding of the different methods and strategies of creditors, a prerequisite for a satisfactory cooperation among them.

The second part of the discussion focused on the impact of the global financial crisis on emerging markets and new issuers. Presentations by representatives of the World Bank, the IMF and of the private sector provided a basis for a debate among all parties regarding the present impact of the recent crisis and its long-term consequences. The debate addressed in particular the possible actions to be taken by creditors to reduce the impact of this kind of crisis on the capacity of low and middle-income countries to service their external debt.

As usual, the Paris Club Secretariat and the representatives of the Institute of International Finance made a presentation of their activities during the past year.