



PRESS RELEASE

PUBLICATION OF THE 2012 ANNUAL REPORT OF THE PARIS CLUB

The 2012 annual report of the Paris Club is now available on the Paris Club website.

In 2012, the Paris Club pursued its efforts to promote orderly sovereign debt treatments, both for heavily indebted poor countries, by delivering timely debt relief at each stage of the Heavily Indebted Poor Countries (HIPC) Initiative (Republic of Guinea and Republic of Côte d'Ivoire) and by negotiating debt treatment under the Evian approach for other countries that faced debt problems (St Kitts and Nevis). The benefits of past debt treatments on the economic and social development of debtor countries are illustrated, in the annual report, by the examples of Tanzania and Vietnam. The fiscal space provided by Paris Club treatments allow governments to make needed economic reforms and investments, and will ensure that creditors can be fully repaid over the long term.

In the context of the global financial crisis, the Paris Club has continued its commitment to promote coordinated solutions to debt crises. It is crucial for the Paris Club to continue elaborating a constructive dialogue with official non-Paris Club creditors and representatives of the private sector. The contributions of the State of Israel and of the Institute of International Finance (IIF) illustrate these cooperative efforts.

In addition to its debt treatment activity, the Paris Club reflected on other international debt issues, such as recent debt trends in post-HIPC countries, the IMF's debt sustainability framework for market-access countries, or the participation of the Paris Club in a conference organized by the Belgium and Netherlands authorities on the evaluation of debt relief efforts.

Background notes

1. The Paris Club was formed in 1956. It is an informal group of creditor governments from major industrialized countries. It meets in Paris with debtor countries in order to agree with them on restructuring their debts.

2. The members of the Paris Club are: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, the Netherlands, Norway, Russian Federation, Spain, Sweden, Switzerland, the United Kingdom and the United States of America.

3. The publication of an annual report, since 2008, demonstrates Paris Club creditors' commitment to enhance transparency on Paris Club work and functioning.

4. The 2012 Paris Club annual report comprises three main chapters:

- one chapter on Paris Club activity regarding debt treatment during the year,

- one chapter on the impact of Paris Club debt treatment on the situation of developing countries,

- one chapter on general issues discussed in the framework of the Paris Club, mainly topical subjects regarding international debt.

In addition to these three main chapters, the annual report includes detailed annexes, especially on the presentation, functioning and main principles of the Paris Club.