



PRESS RELEASE

THE PARIS CLUB AGREES ON A NEAR-TOTAL CANCELLATION OF THE DEBT OF THE REPUBLIC OF CÔTE D'IVOIRE UNDER THE FRAMEWORK OF THE ENHANCED HEAVILY INDEBTED POOR COUNTRIES INITIATIVE

Representatives of the Paris Club creditor countries met with representatives of Government of the Republic of Côte d'Ivoire on 29 June 2012 and agreed on a debt cancellation, the Republic of Côte d'Ivoire having reached its Completion Point under the enhanced initiative for the Heavily Indebted Poor Countries (enhanced HIPC Initiative) on 26 June 2012.

In order to contribute to restoring the debt sustainability of the Republic of Côte d'Ivoire, Paris Club creditors decided to cancel USD 1,771.6 million in nominal terms, which represents the Paris Club's share of the cancellation effort called for in the framework of the enhanced HIPC Initiative. Creditors welcomed and supported the commitment of the Republic of Côte d'Ivoire to seek comparable treatment from all their other external bilateral and commercial creditors (including other creditor countries).

Paris Club creditors also confirmed their willingness to grant additional debt relief on a bilateral basis for an amount of USD 4,725 million.

This agreement and additional bilateral efforts will result in a reduction of the debt of the Republic of Côte d'Ivoire to Paris Club creditors of 99.5%, i.e. USD 6,496.6 million.

Paris Club creditors welcomed the Republic of Côte d'Ivoire's determination to continue to implement a comprehensive poverty reduction strategy and an ambitious economic program providing the basis for sustainable economic growth.

The Republic of Côte d'Ivoire has committed to use the resources freed by this debt treatment for priority areas (health, education and basic infrastructure) identified in the country's poverty reduction strategy.

Background notes

1. The Paris Club was formed in 1956. It is an informal group of creditor governments from major industrialized countries.

2. The members of the Paris Club which participated in the restructuring of the Republic of Côte d'Ivoire's debt were representatives of the governments of Austria, Belgium, Canada, France, Germany, Italy, Japan, the Netherlands, Norway, Spain, Switzerland, the United Kingdom and the United States of America. Brazil also participated in this reorganization.

Observers at the meeting were representatives of the government of the Russian Federation, as well as the International Monetary Fund, the International Development Association, the African Development Bank and the Secretariat of the UNCTAD.

3. The delegation of the Republic of Côte d'Ivoire was headed by Mr. Charles Koffi DIBY, Minister of Economy and Finance. The meeting was chaired by Ms. Delphine d'AMARZIT, Co-Chairperson of the Paris Club.

Technical notes

1. The Republic of Côte d'Ivoire's economic program is supported by a three year Arrangement under the Extended Credit Facility approved by the International Monetary Fund on 4 November 2011. The Republic of Côte d'Ivoire reached the Decision Point under the enhanced Heavily Indebted Poor Countries (HIPC) Initiative in March 2009.

2. The external debt of the Republic of Côte d'Ivoire is estimated to be more than USD 12.49 billion as of end 2011 (source: IMF and IDA documents). The debt owed to Paris Club creditors was estimated to be USD 6,529.3 million as of 1st June 2012 (source: Paris Club).