



PRESS RELEASE

THE PARIS CLUB AND THE ARGENTINE REPUBLIC AGREE TO A RESUMPTION OF PAYMENTS AND TO CLEARANCE OF ALL ARREARS

The representatives of Paris Club creditors and of the Government of the Argentine Republic met on 28 and 29 May 2014 and agreed on an arrangement to clear debt in arrears due to Paris Club creditors over a five year period.

The scheme offers a framework for a sustainable and definitive solution to the question of arrears due by the Argentine Republic to Paris Club creditors, covering a total stock of arrears of USD 9.7 billion, as of 30 April 2014. It provides a flexible structure for clearance of arrears within five years including a minimum of USD 1150 million to be paid by May 2015, the following payment being due in May 2016.

During the meeting, the delegation of the Argentine Republic provided a description of the economic and financial situation of its country and presented the measures implemented by the Argentine Government aimed at enhancing inclusive growth and strengthening resilience to external shocks.

Paris Club creditors welcomed progress made by the Argentine Republic towards the normalization of its relations with creditors, the international financial community and institutions, following the 2001 crisis.

Realization of initial payment under a formal commitment of Argentina to fully clear its arrears is a necessary and important step for the normalization of financial relationships between Paris Club creditors and Argentina. Paris Club members' export credit agencies that wish to do so will resume their export credit activities.

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 Joint Declaration were representatives of the governments of Austria, Belgium, Canada, Denmark, Finland, France, Germany, Italy, Japan, the Netherlands, Spain, Sweden, Switzerland, the United Kingdom, and the United States of America. Israel also participated in this Joint Declaration.

Observers at the meeting were representatives of the governments of Australia, Norway, the Russian Federation, as well as the World Bank, the Inter-American Development Bank, the European Commission and UNCTAD, who did not participate in the negotiations.

3. The delegation of the Republic of Argentina was headed by Dr. Axel Kicillof, Minister of Economy and Public Finance. The meeting was chaired by Mr. Ramon Fernandez, Chairman of the Paris Club.