



PRESS RELEASE

THE PARIS CLUB IS CLOSE TO FULLY ACHIEVE THE IMPLEMENTATION OF THE DEBT SERVICE SUSPENSION INITIATIVE (DSSI)

As of today, 38 eligible countries have requested to benefit from the Debt Service Suspension Initiative (DSSI)ⁱ by the Paris Club. Of these requests, 36 have already signed a Memorandum of Understanding with the Paris Club creditors to implement the DSSI. These countries are: Angola, Burkina Faso, Cabo Verde, Cameroon, Chad, Comoros, Congo (Democratic Republic of), Congo (Republic of), Djibouti, Dominica, Ethiopia, Grenada, Guinea, Ivory Coast, Kyrgyz Republic, Lesotho, Madagascar, Maldives, Mali, Mauritania, Mozambique, Myanmar, Nepal, Niger, Pakistan, Papua New Guinea, Samoa, São Tomé and Príncipe, Saint Lucia, Senegal, Sierra Leone, Tajikistan, Tanzania, Togo, Yemen and Zambia. For Cabo Verde and São Tomé and Príncipe, Portugal, which is not member of the Paris Club, signed jointly with the Paris Club creditors both Memoranda of Understanding implementing the DSSI.

For these 36 countries, the total deferred amounts agreed by Paris Club creditors thanks to the DSSI - also including the deferment of arrears that pre-existed the implementation of the DSSI - reaches USD 2.5 billion (Cf. Appendix).

Paris Club creditors will continue to closely coordinate with non-Paris Club G20 members and other stakeholders in the ongoing implementation of the DSSI and its extension, so as to provide maximum support to beneficiary countries. After having agreed to extend the DSSI by six months until 30 June 2021, Paris Club members will examine by the time of the 2021 IMF/WBG Spring Meetings if the economic and financial situation requires to extend further the DSSI by another six months.

Furthermore, Paris Club members have endorsed a “Common Framework for Debt Treatments beyond the DSSI” and welcome the decision taken by the extraordinary G20 Finance Ministers and Central Bank Governors’ Meeting to also endorse this Common Framework. Recognizing that efficiently addressing ongoing debt vulnerabilities will require a strong creditors’ coordination, the Common Framework sets out a multilateral approach to facilitate debt treatments for DSSI-eligible countries by Paris Club and G20 creditors in a timely, coordinated and orderly manner, while ensuring a broad participation among creditors, including the private sector through the comparability of treatment principle. This Framework represents a major breakthrough in the international financial architecture and will strengthen the coordination between Paris Club creditors and other G20 creditors at a time when debt vulnerabilities are high, particularly in low-income countries.

“The Paris Club has worked actively to implement swiftly the DSSI in order to respond without delay to requests from eligible countries. It has once again proven its effectiveness and ability to coordinate closely with non-Paris Club G20 members. To meet the current debt challenges many countries are facing, the Paris Club continues to show its leadership in designing and implementing multilateral initiatives on debt issues. It remains strongly committed to implementing the DSSI extension and the Common Framework in the coming months.” says Emmanuel Moulin, Chairperson of the Paris Club.

Background notes

1. The Paris Club was formed in 1956. It is an informal group of official creditors whose role is to find coordinated and sustainable solutions to the payment difficulties experienced by borrower countries.

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

ⁱ One request received by the Paris Club has not being considered as eligible to DSSI.

Appendix

Total deferred amounts agreed for the 36 beneficiary countries (estimation)

Including the maturities falling due and arrears.

Beneficiary countries	Estimated deferred amounts (M USD)
Angola	108
Burkina Faso	9
Cameroon	158
Cape Verde	22
Chad	1
Comoros	2
Congo, Democratic Republic of	13
Congo, Republic of	84
Djibouti	15
Dominica	2
Ethiopia	21
Grenada	1
Guinea	23
Ivory Coast	123
Kyrgyz Republic	10
Lesotho	0.5
Madagascar	3
Maldives	2
Mali	4
Mauritania	13
Mozambique	144
Myanmar	98
Nepal	10
Niger	8
Pakistan	873
Papua New Guinea	312
Saint Lucia	0.4
Samoa	1
Sao Tome and Principe	5
Senegal	35
Sierra Leone	0.01
Tajikistan	2
Tanzania	29
Togo	0.1
Yemen, Republic of	352
Zambia	9
Total	2493