



## **PRESS RELEASE**

# **THE PARIS CLUB HAS SUCCESSFULLY IMPLEMENTED THE DSSI AND IS COMMITTED TO THE COMMON FRAMEWORK**

As of today, 32 eligible countries have requested to benefit from the final extension of the Debt Service Suspension Initiative (DSSI) by the Paris Club. Of these requesting countries, 19 have already signed an agreement with the Paris Club to implement the final extension of the DSSI from July 1 through December 31, 2021. These countries are: Angola, Burkina Faso, Cabo Verde, Cameroon, Congo (Republic of the), Djibouti, Dominica, Fiji, Kenya, Kyrgyz Republic, Maldives, Mali, Mauritania, Mozambique, Nepal, Pakistan, Saint Vincent and the Grenadines, Samoa and Zambia.

Portugal, which is not a Paris Club member, signed jointly with Paris Club creditors the agreement implementing the final extension of the DSSI with Cabo Verde.

For these 19 beneficiary countries, the total amount deferred by Paris Club creditors thanks to the final extension of the DSSI is approximately USD 1 billion (Cf. Appendix). To date, Paris Club creditors have deferred a total of USD 4.5 billion for 42 countries since May 2020. By implementing the DSSI, Paris Club creditors have made a significant contribution to support low-income countries during the Covid-19 crisis.

Paris Club creditors will continue to coordinate closely with non-Paris Club G20 members and other stakeholders in the ongoing implementation of the final extension of the DSSI, so as to provide maximum support to beneficiary countries. Paris Club members remind eligible countries that they are expected to send formal requests to all their official bilateral creditors, and Paris Club members encourage all other official bilateral creditors and their institutions to implement this initiative fully and in a transparent manner. They also reiterate their call on private creditors to participate on a voluntary basis in the initiative on comparable terms when requested by eligible countries.

In view of the expiration of the DSSI at the end of 2021, Paris Club creditors recall their strong commitment to the ongoing implementation of the Common Framework for all requesting countries with debt vulnerabilities. To date, three countries have made formal request for the Common Framework (Chad, Ethiopia and Zambia). Paris Club creditors welcome the ongoing work of the creditor committees for Chad and Ethiopia. Paris Club members urge Chad's private creditors and other official bilateral creditors to commit without delay to negotiate a debt treatment on terms at least as favorable. Furthermore, Paris Club creditors stand ready to proceed without delay on the request from Zambia for a debt treatment within a creditor committee, and look forward to timely progress on the conclusion of an upper credit tranche (UCT) program between the Zambian authorities and the IMF.

### **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.

## Appendix

Total deferred amounts for the 19 beneficiary countries (estimation) for the final extension of the DSSI (July-December 2021)

*Including the maturities falling due and arrears*

<b>Beneficiary countries</b>	<b>Estimated deferred amounts (M USD)</b>
Angola	94
Burkina Faso	8
Cabo Verde	5
Cameroon	107
Congo, Republic of the	3
Djibouti	3
Dominica	2
Fiji	1
Kenya	103
Kyrgyz Republic	12
Maldives	2
Mali	7
Mauritania	6
Mozambique	14
Nepal	8
Pakistan	534
Samoa	1
St Vincent	2
Zambia	6
<b>Total</b>	<b>918</b>