



## **PRESS RELEASE**

### **PUBLICATION OF THE 2021 ANNUAL REPORT OF THE PARIS CLUB**

The [2021 annual report](#) of the Paris Club is now available on the Paris Club website.

In 2021, the Paris Club continued to be very active in promoting coordinated multilateral solutions to sovereign debt problems around the world. Its considerable efforts were reflected in the exceptional measure adopted by the G20 and the Paris Club in April 2020 and extended until the end of 2021 to provide support to 73 low-income countries during the COVID-19 crisis, by implementing the extensions of the Debt Service Suspensions Initiative (DSSI). From 1 May 2020 to 31 December 2021, the Paris Club has signed agreements to suspend approximately USD 4.6 billion in debt service owed by 42 low-income countries that requested the DSSI support.

With the expiration of the DSSI at the end of December 2021, and in order to address the significant debt-related vulnerabilities in low-income countries, the Paris Club creditors continue to affirm their commitment to implement the Common Framework for Debt Treatment beyond the DSSI. The Common Framework, endorsed by the members of G20 and the Paris Club, provides a coordinated response to all eligible countries that request and need debt treatment within the parameters of an IMF upper credit tranche programme. For the three countries - Chad, Ethiopia and Zambia - that have formally requested a debt treatment under the Common Framework, the Paris Club is committed to making significant and timely progress in the ongoing negotiations and appreciates the fruitful cooperation established with China and Saudi Arabia, respectively co-chairs of the creditor committees for Ethiopia and Chad.

The support to low-income countries was also provided through the implementation of the Enhanced Initiative for Heavily Indebted Poor Countries (HIPC), the Paris Club signed on 15 July 2021 a multilateral agreement with Sudan. However, after the removal of the Transitional Government of Sudan by the military forces, the signature of the bilateral agreements implementing this multilateral one is suspended until the situation improves and the implementation of the IMF program resumes. The Paris Club continues to monitor carefully the situation, in close collaboration with the IMF and the World Bank Group.

In 2021, the Paris Club also provided assistance to emerging countries in need of a debt treatment. In particular, the Paris Club played a leading role by providing financing assurances in a timely manner which paved the way for Suriname to have access to IMF financial support.

Last year, Paris Club creditors have pursued their regular and constructive engagement with private creditors. Furthermore, they have continued to support greater debt transparency.

**Background notes**

1. The Paris Club was formed in 1956. It is an informal group of creditor governments whose main role is to coordinate official creditors during debt restructuring.

2. The 22 members of the Paris Club are: Australia, Austria, Belgium, Brazil, Canada, Denmark, Finland, France, Germany, Ireland, Israel, Italy, Japan, Korea, 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, is an example of Paris Club creditors' commitment to enhance the transparency of the Club's work and functioning.

4. The 2021 Paris Club annual report comprises six main chapters:

-- a chapter on the successful implementation of the Debt Service Suspension Initiative (DSSI) by the Paris Club,

-- a chapter on the strong support of the Paris Club and the implementation of the G20 and Paris Club Common Framework for Debt Treatments beyond the DSSI,

-- a chapter on the Paris Club's agreement with the Republic of the Sudan to restructure its external debt in the framework of the Enhanced Initiative for Heavily Indebted Poor Countries,

-- a chapter on the Paris Club's support to the approval of an IMF program for Suriname,

-- a chapter on the Paris Club's engagement with the private sector,

-- a chapter on the Paris Club's promotion of greater debt transparency.

In addition to these six main chapters, the annual report includes a presentation of the role of the Paris Club as well as its current claims on sovereign borrowers.