

UK statement – FFD session on debt

- Access to credit and sustainable debt finance is crucial.
- Whilst we agree that “there is not yet a consensus on the best approach for reform”, there has been significant buy-in from the international community on the IMF’s current work on improving the contractual approach to restructurings.
- We also agree that sovereign debt restructurings are often “too little too late”, hence the need to focus on domestic and international measures towards debt crisis prevention.
- We should work together to ensure ‘that no country enters a situation where it is at high risk of, or in, debt distress’.
- We can do this by enhancing debt management capacity building in developing countries.
- We could also work towards agreeing a common set of ‘best practice’ principles of sustainable borrowing and lending.
- Finally, improved transparency of data on debt finance would also help to increase knowledge about debt finance, and allow citizens to better hold their governments to account.
- Last, but by no means least, the international community should continue working with the governments of the remaining HIPC-eligible countries to fulfil the steps necessary to move towards HIPC completion.