

**STATEMENT BY SINGAPORE
FIRST DRAFTING SESSION**

SOVEREIGN DEBT RESTRUCTURING

- As a member of the G77 and China, Singapore views the restructuring of sovereign debt as an important issue, and thus, we note with interest the policy ideas as set out in the annex on this issue.
- However, Singapore would like to express once again our concerns that the UN may not be the best forum for such discussions. There are established international financial institutions, such as the IMF, that are better placed to take these discussions forward.
- The IMF has the mandate and necessary expertise. The IMF is already engaged in serious work on the technical issues needed to address and strengthen sovereign debt restructuring. A good example is their recently published work on potential changes to international sovereign bonds contracts, focusing on contractual reforms designed to address collective action problems so as to achieve orderly sovereign debt restructurings. We should allow the IMF to continue these deliberations in good faith and thus not reinvent the wheel.
- We continue to hope that further deliberations will proceed with all due care and consideration for the complex and wide-ranging interests involved, including the need for the contractual rights of all creditors to be taken into account in any debt restructuring.
- As such, Singapore hopes that countries, in particular those which oppose to a multilateral framework for sovereign debt restructuring, would participate in the deliberations in the UN.