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PRESS RELEASE

THE REPUBLIC OF THE CONGO BENEFITS FROM THE DEBT SERVICE SUSPENSION INITIATIVE (DSSI)

In application of the term sheet of the Debt service suspension Initiative (DSSI) also endorsed by the G20, the Paris Club recognized that the Republic of the Congo is eligible to benefit from the initiative. Therefore, the representatives of the Paris Club Creditor Countries have accepted to provide to the Republic of the Congo a time-bound suspension of debt service due from 1st May to 31st December 2020.

The Government of the Republic of the Congo is committed to devote the resources freed by this initiative to increase spending in order to mitigate the health, economic and social impact of the COVID19-crisis. The Government of the Republic of the Congo is also committed to seek from all its other bilateral official creditors a debt service treatment that is in line with the agreed term sheet.

This initiative will also contribute to help the Republic of the Congo to improve debt transparency and debt management.

Paris Club creditors will continue to closely coordinate with other stakeholders in the implementation phase of this initiative, in particular when considering a possible extension of the suspension period.

As of today, 30 eligible countries have officially requested from the Paris Club to benefit from the implementation of the DSSI. Among these countries, 12 countries have signed a Memorandum of Understanding with the Paris Club. For these 12 countries, the total amount of 2020 maturities thus deferred to date is around USD 1.1 billion, plus the deferment of pre-existing arrears.

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 which participate in the reorganization of the Republic of the Congo's debt are the governments of Belgium, Brazil, France and the Russian Federation.

Observers to the agreement are representatives of the governments of Australia, Austria, Canada, Denmark, Finland, Germany, Ireland, Israel, Italy, Japan, the Netherlands, Norway, the Republic of Korea, Spain, Sweden, Switzerland, the United Kingdom and the United States of America.