

First meeting of the Creditor Committee for Sri Lanka

Statement

9 May 2023

On May 9th, 2023, 17 countries have formally formed an official creditor committee, co-chaired by India, Japan and France, to discuss the Sri Lankan authorities' request for a debt treatment. The committee includes Paris Club creditors as well as other official bilateral creditors. This first meeting occurred after the successful launch of the debt restructuring process for Sri Lanka led by the co-chairs on April 13th, 2023.

The Sri Lankan authorities attended the meeting and formally presented their request for a debt treatment. They reiterated their commitment to transparency and comparability of treatment towards their official bilateral creditors. The IMF and World Bank representatives presented the latest macroeconomic developments regarding Sri Lanka and the current status of their relationship with the country.

The creditor committee takes note of the open letter addressed by the President of Sri Lanka to all its official bilateral creditors on March 14, 2023 assuring transparency and comparability of treatment for all external creditors and ensuring that no side arrangements inconsistent with comparability of treatment will be made with any creditor. The committee welcomes passage of the resolution for implementation of the IMF-supported programme by the Sri Lankan Parliament on April 28, 2023.

The creditor committee for Sri Lanka will pursue its work to find an appropriate solution to Sri Lanka's external debt vulnerabilities, consistent with the parameters of the IMF program. It stresses the importance for private creditors and other official bilateral creditors of Sri Lanka to provide a debt treatment on terms at least as favorable as the ones agreed by this creditor committee, in line with the comparability of treatment principle. It reiterates its invitation to other bilateral official creditors to formally join the creditor committee.

Background notes

1. The members of the creditor committee are representatives of countries with eligible claims on Sri Lanka.
2. Paris Club members with no eligible claims as well as China, Saudi Arabia and Iran attended the meeting as observers.
3. Representatives of the International Monetary Fund and the World Bank Group attended the meeting as well.