

# **Global Sovereign Debt Roundtable**

## **6<sup>th</sup> Cochairs Progress Report**

April 15, 2026

## Executive Summary

**Most of the debt restructuring cases that started in 2021-22 are now largely completed**, both under the Common Framework, with the cases of Ethiopia, Ghana, and Zambia, and outside, with the cases of Sri Lanka and Suriname. These cases now involve only residual commercial creditors, with the exception of Ethiopia where an agreement with bondholders and some other commercial creditors is yet to be reached. Full implementation of the memoranda of understanding reached with official bilateral creditors, through finalization and signature of bilateral agreements, is also not yet completed in most cases.

**However, debt vulnerabilities remain elevated, in particular in low-income countries, against a backdrop of elevated risk and uncertainty in the global economy. This calls for additional progress on:**

- ***Further improving restructuring processes***, including under the Common Framework, to ensure countries with unsustainable debt have access to timely and adequate debt relief.
- ***Stepping up support for countries with a strong reform agenda and sustainable debt, but facing short-term financing challenges***. The IMF–World Bank “three-pillar approach” provides the conceptual framework for that support.
- ***Enhancing debt transparency, debt management, and sovereign investor relations***.

**The Global Sovereign Debt Roundtable (GSDR) continues to support progress on these different aspects.** Since the GSDR last met at Principals level in October 2025, the GSDR has advanced its work on (i) restructuring processes, including to accelerate the restructuring of non-bonded commercial debt, and support improvements in overall processes; (ii) help implementation of the “three-pillar approach”, including through contribution from official bilateral creditors and support to country authorities considering liability management operations (LMOs) with credit enhancements; and (iii) foster progress on data transparency, debt management and debtor-investor relations.

**On debt restructuring, the GSDR helped advance practical solutions to accelerate the restructuring of bank loans and other non-bonded commercial debt.** Restructuring of this debt has been marked in recent years by delays linked to the absence of coordination mechanism for these creditors (unlike for official bilateral creditors and bondholders). The GSDR held close engagement on these issues with the private sector, in particular through the London Coalition, and welcomed the elaboration by the London Coalition of the “*Implementation Guide to Restructuring Private Sector Sovereign Loans*” which is now referenced in the updated version of the “*Restructuring Playbook*”. The “*Guide*” provides a useful voluntary, non-binding reference document for supporting restructuring negotiations between the debtor and its banks and other non-bonded commercial creditors, including the possible formation of a Loan Creditor Committee. The GSDR also welcomed the parallel efforts envisaged by the London Coalition and other stakeholders to restore institutional knowledge within the bank community on how to undertake efficient restructurings, through workshops and outreach, as well as the work engaged, together with the Paris Club and the Institute of International Finance, to clarify how different claims are treated in a restructuring process, in particular with regards to private loans backed by an export-credit agency (ECA).

**Two important improvements also received broad support: the early publication of the parameters against which comparability of treatment will be assessed; and the publication of an implementation table to monitor the finalization of bilateral agreements with official bilateral creditors.** The GSDR

agreed that, to accelerate the restructuring process and ensure private creditors have early information on comparability of treatment (CoT), the debtor can, if this meets its negotiation strategy, publish the three parameters against which CoT will be assessed (i.e., NPV reduction, change in debt service over the IMF program, and change in duration of the treated claims) as soon as it has reached an agreement in principle (AIP) with its official bilateral creditors. In addition, and to incentivize faster implementation of the collective memorandum of understanding (MOU) reached between the debtor and its official bilateral creditors, the GSDR supported the publication of an “MOU implementation table”, with regular updates on the status of signature of the bilateral agreements. This publication would facilitate MOU implementation monitoring. Against this backdrop, the GSDR agreed that *“absent specific circumstances, the debtor could expect finalizing the bilateral agreements within 12 months of the MOU”*, while preserving some flexibility.

**The updated version of the “Restructuring Playbook”, published alongside this Progress Report, reflects all advances in GSDR common understanding since the first version released in April 2025.**

**In parallel, good progress could also be made on the support to countries with a strong reform agenda and sustainable debt, but facing short term financing challenges, with the “LMO Manual” serving as a practical tool to help countries considering liability management operations.** The GSDR has focused its support to the implementation of the “three-pillar approach” on two specific aspects: how official bilateral creditors can support the collective effort; and what concrete action can be done to help countries considering LMOs. Discussions underlined that official bilateral creditors could contribute to the collective effort by aiming at maintaining, where possible, for countries engaged in Fund-supported programs, their exposures over the program period. On LMOs, the GSDR supported the publication of the practical “LMO Manual” prepared by staff from the World Bank and the IMF to help country authorities considering LMOs with credit enhancements. The Manual will be updated as needed to incorporate new information, including examples of LMO transactions and their key design features.

**Last but not least, the GSDR has further advanced its work to support enhanced debt transparency, debt management, and sovereign investor relations.** This includes support to increased transparency of restructuring processes, including the key abovementioned publication of the three parameters against which CoT will be assessed as soon as an AIP has been reached with official bilateral creditors, and the publication of an “MOU implementation table” to monitor the status of signature of bilateral agreements. This also includes broad support to the World Bank’s ongoing creditor-debtor debt data reconciliation exercise, and the recommendation for all G20 creditors to participate in it. The GSDR also engaged work on the challenges associated with financial collateral and importance of strengthening sovereign investor relations (SIR).

**Looking ahead, GSDR Principals supported advancing work at the GSDR and in other fora on:**

- ***Stepping up support for countries with a strong reform agenda and sustainable debt, but facing short-term financing challenges***, including further engagement with official bilateral creditors on how they could contribute to this support, as well as preliminary sharing of experience on the implementation of LMOs with credit enhancement.
- ***Continuing progress on debt restructuring processes***, focusing on targeted technical issues and exploring ways to improve coordination for countries not eligible to the Common Framework.

## Section 1: Update of developments since October 2025

### **Most of the debt restructuring cases that started in 2021-22 are now largely completed.**

Ongoing restructurings have continued to progress since October 2025, both under the Common Framework, with the cases of Ethiopia, Ghana, and Zambia, and outside, with the cases of Sri Lanka and Suriname<sup>1</sup>. These cases now involve only residual commercial creditors, with the exception of Ethiopia, where an agreement with bondholders and some other commercial creditors is yet to be reached. Full implementation of the memoranda of understanding reached with official bilateral creditors, through finalization and signature of bilateral agreements, is also not yet completed in most cases (see table below).

- **Ethiopia** received in December 2025 the signature by all members of the Official Creditor Committee (OCC) of the memorandum of understanding (MOU) that was finalized in July 2025. The first bilateral agreement implementing the MOU was signed on February 11, 2026. In parallel, Ethiopia completed the 4th review of its Fund-supported program in January 2026. Negotiations with bondholders are still pending, after an agreement in principle (AIP) reached early January was assessed by the OCC as not meeting comparability of treatment (CoT) requirements. As for other commercial debt, an AIP has been reached with one large commercial creditor on terms assessed as meeting CoT.
- **Ghana** continues to advance the negotiation with its residual non-bonded commercial creditors, which now represent less than 5 percent of the debt treatment perimeter. Signature of bilateral agreements implementing the OCC MOU is still ongoing. Ghana completed the 5th review of its Fund supported program in December 2025.
- **Zambia**, as Ghana, is close to full completion of its debt restructuring. Residual negotiation focuses on a small group of non-bonded commercial creditors. Zambia completed the 6th and final review of its Fund supported program in January 2026.
- **Sri Lanka's** debt restructuring is also nearly complete. Signature of bilateral agreements is well advanced while not yet fully finalized. Sri Lanka completed the 4th review of its Fund-supported program in July 2025 and received emergency financing under the IMF's Rapid Financing Instrument in December 2025 in the aftermath of a cyclone. In response to the Government's request, the World Bank made up to US\$120 million in emergency support available by repurposing funds from ongoing projects to support recovery and help restore essential services and infrastructure. Authorities continue good-faith negotiations with the residual remaining commercial creditors.
- **Suriname** finalized the second phase of its debt restructuring with Paris Club creditors in October 2025. Finalization of the second phase with China is expected to be finalized soon. Suriname completed its Fund-supported program in March 2025.

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<sup>1</sup> The case of Malawi, where the debt restructuring involves challenges with specific regional commercial creditors, has not been the focus of the GSDR work so far.

	Common Framework				Non-Common Framework	
	Chad	Zambia	Ghana	Ethiopia	Suriname	Sri Lanka
Date of SLA 1/	January 27, 2021	December 3, 2021	December 12, 2022	May 7, 2024	April 29, 2021	September 1, 2022
Paris Club / OCC assurances	June 16, 2021	July 30, 2022	May 12, 2023	July 11, 2024	November 30, 2021	February 7, 2023
Program approval	December 10, 2021	August 31, 2022	May 17, 2023	July 29, 2024	December 22, 2021	March 20, 2023
SLA on 1st review		April 6, 2023	October 6, 2023	November 27, 2024	May 18, 2023	October 19, 2023
AIP reached with PC or OCC	November 11, 2022	June 22, 2023	January 12, 2024	March 21, 2025	June 22, 2022	November 29, 2023
1st review 2/ 3/	December 22, 2022	July 13, 2023	January 19, 2024	October 18, 2024	June 14, 2023	December 12, 2023
2nd review 2/	December 22, 2022	December 20, 2023	June 28, 2024	January 17, 2025	December 15, 2023	June 12, 2024
Current IMF program review	First review ECF (SLA)	Sixth review ECF	Fifth review ECF	Fourth review ECF	Ninth (final) review EFF (April 15 2025)	Fifth review EFF (SLA)
Bond exchange offer closed	N/A	May 28, 2024	October 3, 2024	-	November 6, 2023	December 13, 2024
<b>Number of months passed between:</b>						
SLA & program approval	10.5	8.9	5.2	2.1	7.8	6.6
Program approval & 1st Review 3/4/	12.4	10.4	8.0	6.0	17.7	8.8
Program approval & closing of bond exchange	N/A	22.0	16.0	-	24.0	23.0
<b>First rating upgrade after debt event 5/</b>						
Moody's	n/a	Caa2 (6/14/2024)	Caa2 (10/11/24)	Caa3 (9/15/2023)	Caa1 (10/22/2024)	Caa1 (12/23/2024)
S&P	B- (10/28/2024)	CCC+ (11/21/2025)	CCC+ (5/9/2025)	SD (12/15/2023)	CCC+ (12/6/2023)	CCC+ (9/19/2025)
Fitch	B- (10/30/2024)	B- (11/28/2025)	B- (6/16/2025)	RD (12/27/2023)	n/a	CCC+ (12/20/2024)
<b>Current rating (Moody's / S&amp;P / Fitch)</b>	n.a. / B- / B-	Caa2 / CCC+ / B-	Caa1 / B- / B-	Caa3 / SD / RD	Caa1 / CCC+ / RD	Caa1 / CCC+ / CCC+
<b>Number of bilateral deals signed</b>	Not Applicable	6 out of 14	9 out of 23	2 out of 14	3 out of 3	7 out of 17
<b>Residual debt to be restructured</b> , as percent of total debt in the restructuring 6/	0%	6%	4%	-	0%	1.7%

1/ For Ethiopia, there was no formal announcement of the SLA. The table shows the date when agreement was made between IMF staff and the Ethiopian authorities on policies.  
2/ For Chad, the 1st and the 2nd Reviews were combined. For Suriname, the dates are for the 2nd and the 4th EFF reviews respectively since their reviews occurred on a quarterly basis.  
3/ For Ethiopia, the first two reviews were designed to be quarterly; therefore the relevant comparator is the 2nd review. Note 2nd review was approved in the expectation of an imminent AIP with official creditors.  
4/ The protracted timeline for Suriname was not only owed to difficulties in the restructuring process, but other country-specific circumstances.  
5/ Red-colored ratings indicate that the country was not upgraded following the debt event (default or announcement of the restructuring), and the rating shown reflects its default status. This information is current as of March 19, 2026. October 2024 marked the first time that both S&P Global Ratings and Fitch Ratings issued a credit rating for Chad.  
6/ These figures are estimates as of March 19, 2026. For Sri Lanka, the figure is computed as a share of total external debt under the restructuring perimeter at end-2023. Residual debt figures only reported for countries that have completed their Eurobond exchange.

## **In parallel, policy work at the GSDR or of interest for the GSDR has included:**

- **The IMF and World Bank Executive Boards** further advanced the comprehensive review of the Debt Sustainability Framework for Low-Income Countries (LIC-DSF). The two Boards are having informal engagement on the proposed new framework in April, with the objective to finalize the review ahead of the IMF-World Bank Annual Meetings in October.
- **The G20 Presidency and the Paris Club** held on December 12 a G20-Paris Club workshop to discuss how official bilateral creditors could support countries with a strong reform agenda and sustainable debt, but facing short term financing challenges.
- **A GSDR Technical Group meeting was held on February 5** to examine the proposals from the London Coalition to improve the restructuring of non-bonded commercial debt, in particular through a new *“Implementation Guide to Restructuring Private Sector Sovereign Loans”*, and to support further efforts to strengthen debt transparency, including through enhanced creditor-debtor debt data reconciliation, and to address the transparency and restructuring challenges posed by the increasing use of financial collateral in private sector lending.

- **The Paris Club organized a workshop on March 5** to further clarify how the Paris Club assesses Comparability of Treatment (CoT) across different creditors and creditor groups.
- **The Paris Club, the Institute of International Finance (IIF) and the London Coalition co-organized on March 10 a workshop on private loans backed by export-credit agencies.** These loans are often an important component of the debt to be restructured, and clarity on how these claims are being treated in a restructuring can bring significant progress.
- **A second GSDR Technical Group meeting was held on March 16** to advance further improvements in restructuring processes, building on previous meetings, and to discuss key updates that could be inserted in the “Restructuring Playbook”. The meeting also discussed concrete actions to support countries considering liability management operations (LMOs).
- **A GSDR Open Workshop was held on March 19** to discuss concrete steps to enhance debt transparency, debt management, and sovereign investor relations. The workshop gathered all GSDR members as well as G20 members, Paris Club members, and a large representation of private creditors, borrowers, multilateral development banks (MDBs), civil society organizations (CSOs), credit rating agencies (CRAs), advisory firms and debt experts.
- **The G20 and the Paris Club are working on a template memorandum of understanding (MOU) for Common Framework cases.**
- **GSDR Deputies met on March 27** to review and further advance the technical work and prepare the meeting of GSDR Principals on April 15.

## Section 2: Advancing the Technical Work to Address Debt Vulnerabilities and Debt Restructuring Challenges

Debt vulnerabilities remain elevated, in particular in low-income countries, against a backdrop of elevated risk and uncertainty in the global economy. This calls for additional progress on:

- **Further improving restructuring processes**, including under the Common Framework, to ensure countries with unsustainable debt have access to timely and adequate debt relief.
- **Stepping up support for countries with a strong reform agenda and sustainable debt, but facing short-term financing challenges**. The IMF–World Bank “three-pillar approach” provides the conceptual framework for that support.
- **Enhancing debt transparency, debt management, and sovereign investor relations**.

### 1. [Further improving restructuring processes](#)

The GSDR has contributed to improving restructuring processes since its launch in 2023. Alongside progress in actual debt restructuring cases, and work in fora such as the G20 and the Paris Club, the GSDR has helped forge consensus on key technical issues through concrete “understandings” available in a one-stop [Compendium of Common Understanding on Technical Issues](#) which covers a wide range of topics. The [GSDR Sovereign Debt Restructuring: A Playbook for Country Authorities](#), published for the first time in April 2025, provides country authorities considering a restructuring with a user-friendly summary document of the key steps, concepts and processes.

Work at the GSDR since October enabled further progress on:

- **Restructuring of non-bonded commercial debt**. GSDR participants welcomed the work launched by the London Coalition to improve the restructuring of bank loans and other non-bonded commercial debt. In particular, they welcomed the London Coalition’s proposed “*Implementation Guide to Restructuring Private Sector Sovereign Loans*” which provides a practical way to strengthen coordination of creditors for which there is no established coordination mechanism. Participants agreed that having a reference to this “*Guide*” in the GSDR Restructuring Playbook would improve the knowledge-sharing available to country authorities considering a restructuring. GSDR participants also welcomed the parallel efforts envisaged by the London Coalition and other stakeholders to restore institutional knowledge within the bank community on how to undertake efficient restructurings, through workshops and outreach. The lack of contractual coordinating mechanisms for non-bonded commercial debt makes improvements in awareness-raising within the bank community even more important.
- **ECA-backed claims**. There are ongoing efforts to clarify how different claims are treated in a restructuring process, in particular with regards to private loans backed by an export-credit agency (ECA). The Paris Club, the IIF and the London Coalition organized a workshop on these issues on March 10, the outcome of which was discussed by the GSDR Technical Group at the March 16 meeting. GSDR participants noted that practices vary among ECAs and their sovereigns among OECD countries, in particular on how the unguaranteed portion of the underlying commercial loan is treated. While, for all OECD ECAs, the guaranteed portion of the underlying commercial loan would

be treated as “official claim”, typically included in the perimeter of the OCC for Common Framework cases, even when the guarantee is not called, practices differ on the unguaranteed portion of the underlying commercial loan. Some creditor would treat the whole underlying commercial loan as part of the pool of official bilateral claims, typically included in the perimeter of the OCC for Common Framework cases, including the unguaranteed portion; others would distinguish the guaranteed portion (treated as official bilateral claim) and the unguaranteed portion (treated as commercial claim, to which CoT applies). China clarified that all Sinosure-backed commercial loans are assessed as commercial, including for the portion that is guaranteed. GSDR participants welcomed the ongoing clarification on how different claims are treated in a restructuring process, acknowledging that practices are likely to remain diverse given different characteristics and institutional frameworks. They looked forward to the “*Practice Note*” on ECA-backed loans that is being envisaged by the London Coalition and the Paris Club.

- **Level of application of the CoT requirements.** GSDR participants noted that the Paris Club has formed a position that CoT should be assessed at the level of each individual AIP reached with private creditors. In that perspective, CoT should not be assessed at the aggregated level of “*all private creditors*” as a group, as was typically the approach in past Paris Club treatments, nor at a sub-aggregated level such as “*all non-bonded commercial creditors*” if these creditors are not part of the same AIP. While noting the position, some GSDR participants expressed the view that some flexibility or aggregation should be preserved in practice, when dealing with marginal or residual creditors.
- **Publication of the key terms upon which comparability of treatment (CoT) will be assessed.** Having early and large access to the key terms upon which CoT will be assessed by official bilateral creditors is essential to ensure timely and efficient processes. GSDR participants agreed that, to accelerate the restructuring process and ensure private creditors have early information on CoT, the debtor can, if this meets its negotiation strategy, publish the three parameters against which CoT will be assessed (i.e., NPV reduction, change in debt service over the IMF program, and change in duration of the treated claims) as soon as it has reached an AIP with its official bilateral creditors.
- **Implementation of OCC MOUs.** Experience of recent Common Framework restructuring cases shows that the timeline between the OCC MOU and its actual implementation through bilateral agreements can be protracted. GSDR participants agreed that practical steps could be implemented to ensure earlier finalization of bilateral agreements, so that “*absent specific circumstances, the debtor could expect finalizing the bilateral agreements within 12 months of the MOU*”, while preserving some flexibility. Publication of an “MOU implementation table”, with regular updates on the status of signature of the bilateral agreements, could facilitate MOU implementation monitoring.

**The GSDR also welcomes the updated version of the “Restructuring Playbook”**, which includes additional details on the mandate of legal and financial advisors, early engagement with official bilateral creditors, negotiation and information sharing with private creditors, application of CoT, expected timelines, and post-restructuring credit rating upgrades.

## 2. *Stepping up support for countries with a strong reform agenda and sustainable debt, but facing short-term financing challenges*

Recognizing that the operationalization of the 3-pillar approach entails multiple partners, the GSDR work since October has focused on two specific aspects: on the one hand, how official bilateral creditors can support the collective effort, and on the other hand, what concrete actions can be done to help countries considering liability management operations (LMOs):

- **Support from official bilateral creditors.** The G20 Presidency and the Paris Club held in December a useful workshop aimed at sharing information on the measures taken by various bilateral partners to support countries facing short-term financing challenges. Participants underlined the increasing use of crisis-resilient debt clauses, which have been adopted by a number of bilateral creditors to support countries faced with shocks, but also the use of debt-for-development swaps and other flexible arrangements. With the view to step up support for countries with a strong reform agenda and sustainable debt, but facing short-term financing challenges, official bilateral creditors could contribute to the collective effort by aiming at maintaining, where possible, for countries engaged in Fund-supported programs, their exposures over the program period.
- **LMOs.** GSDR participants continued to advance concrete steps that can help countries considering LMOs. LMOs can reduce short-term liquidity constraints and create space for growth-enhancing investment and broader development needs. Guarantees or insurances – provided by the official or the private sector – can make LMOs more effective by compressing borrowing costs, extending maturities, and broadening or strengthening investor demand. However, their impact depends on country context and the design of the specific operation. LMOs should not be seen as fit to any situation, nor coming without costs and risks. Staff from the World Bank and the IMF have prepared a practical note aimed at providing policy makers and debt managers with a user-friendly manual to guide decisions when considering LMOs with credit enhancements. The note draws on insights from recent LMOs and the results of a survey on credit enhancement availability conducted among major bilateral and multilateral providers. GSDR participants supported the publication of this note, building on the feedback received on a first draft during the March 16 meeting. The Manual will be updated as needed to incorporate new information, including examples of LMO transactions and their key design features.

### 3. *Enhancing debt transparency, debt management, and sovereign investor relations.*

**GSDR participants showed widespread support for concrete steps to improve debt transparency.**

This includes:

- **Improving the transparency of restructuring processes.** This includes key steps such as the publication of the three parameters against which CoT will be assessed as soon as of an AIP has been reached with official bilateral creditors; and the publication of an “MOU implementation table”, with regular updates on the status of signature of the bilateral agreements implementing OCC MOUs to facilitate implementation monitoring.
- **Improving creditor-debtor debt data reconciliation.** There is broad support to the World Bank’s ongoing creditor-debtor debt data reconciliation exercise, and for a GSDR recommendation for all G20 creditors to participate in it.
- **Strengthening institutional frameworks.** Recent amendments to domestic laws to improve debt transparency, such as in Zambia, provide examples on how strengthening institutional frameworks can be conducive to debt transparency. On the flipside, high profile cases of misreporting in some countries highlight how institutional shortcomings can undermine transparency and creditor confidence.
- **Addressing challenges associated with financial collateral.** GSDR discussions noted the role collateralized lending can play, while emphasizing the importance to use it transparently and appropriately. Recent cases of opaque and complex arrangements involving financial collateral involve significant risks. It is difficult to assess the scale of financial collateralization since data is often not published, which undermines sound lending and borrowing decisions. Similarly, the use of financial collateral raises important questions regarding its treatment in the event of a restructuring.
- **Developing sovereign investor relations.** Sovereign Investor Relations (SIR) is a critical debt management function to ensure timely, consistent, and credible information sharing to market participants and stakeholders. SIR is not an alternative to sound and credible macroeconomic policies and cannot replace adjustments or restructuring when these are needed. But SIR can support financing strategies by informing clearly and in a timely manner creditors, investors, and credit rating agencies, thus reducing information asymmetries and strengthening confidence. SIR is particularly important in periods of heightened uncertainty and potential stress in international financial conditions, as well as country-specific debt vulnerabilities, including following a debt restructuring.

## Section 3: Next Steps for GSDR Work

Looking ahead, GSDR Principals supported advancing work at the GSDR and in other fora on:

1. **Stepping up support for countries with a strong reform agenda and sustainable debt, but facing short-term financing challenges.** This could include further engagement with official bilateral creditors, including through the Paris Club and the G20, on how official bilateral creditors could contribute to this support, as well as preliminary sharing of experience on the implementation of LMOs with credit enhancement.
2. **Continuing progress on debt restructuring processes.** This could include:
  - a. taking stock of the experience with state-contingent debt instruments in the recent restructuring cases.
  - b. following up on the work at the London Coalition, including on dissemination and awareness raising on the *“Implementation Guide to Restructuring Private Sector Sovereign Loans”*, *“Practice Note”* on ECA-backed loans, and ongoing work on debt pause clauses in international bonds and contractual provisions for loans.
  - c. following up on issues related to financial collateral, including potential implications of such instrument for debt restructuring.
  - d. following up on the implementation of OCC MOUs through bilateral agreements and identifying further incentives to expedite this process.
  - e. exchanging views and experience on how privately held sovereign debt for which an arbitration has been launched are being approached in the broader restructuring.
  - f. exchanging views on ways to improve coordination for countries not eligible to the Common Framework.