

DEBT JUSTICE NOW

Global debt now stands at a record high of USD305 trillion, although the seeds of this global crisis have been sown long before COVID-19 and the Ukraine war. Colonial plunder and a legacy of neo-liberal reforms held developing countries locked up to massive liberalization, deregulation, and privatization of domestic economies while maintaining an export-led, foreign-funded development strategy.

Sixty percent of low-income countries, and at least 1/4 of all middle-income countries are in debt distress or at high risk of debt distress, meaning they can't make payments on debts owed to private creditors such as banks, suppliers and exporters, governments and other public sector financing institutions.

The poorest nations at highest debt risk as of February 2023

- Afghanistan
- Dominica
- Kiribati
- Burundi
- Ethiopia
- Lao P.D.R.
- Cameroon
- The Gambia
- Malawi
- Central African Republic
- Ghana
- Maldives
- Chad
- Grenada
- Marshall Islands
- Comoros
- Guinea-Bissau
- Micronesia
- Republic of Congo
- Haiti
- Mozambique
- Djibouti
- Kenya

WHAT RELIEF?

Debt Service Suspension Initiative (DSSI): suspending debt service payments from the poorest countries that request it

Catastrophe Containment and Relief Trust: debt relief for the poorest and most vulnerable countries hit by catastrophic natural or public health disasters

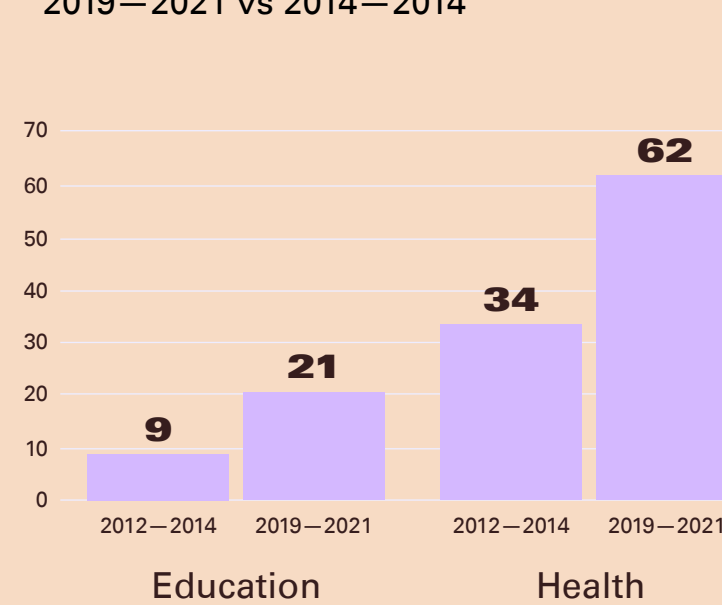
Debt restructuring: to reduce interest rates, extend repayment terms or reduce loan balance.

More loans!

Developing nations need as much as USD2.5 trillion to meet their external debt service costs.

This also affects countries' capacity to respond to the climate crisis, preventing them from investing in adaptation, resilience, or a just transition, and undermining their capacity to prepare for or respond to climate-induced disasters.

Countries spending more money on debt than selected sectors 2019–2021 vs 2014–2014



OUR DEMANDS

1. Debt cancellation granted to all countries in need by all creditors.
2. Use resources freed from debt toward universal healthcare and social protection.
3. A fair, transparent, binding and multilateral framework for debt crisis resolution.
4. Agree on common and binding principles on responsible borrowing and lending.
5. Reparations for the damages caused to people and planet due to illegitimate debts and conditions imposed.
6. Transform IMF and WB rules of governance and decision-making.