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The G7 Research Group presents the
2022 G7 Elmau Summit Final Compliance Report

28 June 2022 to 17 April 2023

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“We have meanwhile set up a process and there are also independent institutions monitoring which objectives of our G7 meetings we actually achieve. When it comes to these goals we have a compliance rate of about 80%, according to the University of Toronto. Germany, with its 87%, comes off pretty well. That means that next year too, under the Japanese G7 presidency, we are going to check where we stand in comparison to what we have discussed with each other now. So a lot of what we have resolved to do here together is something that we are going to have to work very hard at over the next few months. But I think that it has become apparent that we, as the G7, want to assume responsibility far beyond the prosperity in our own countries. That’s why today’s outreach meetings, that is the meetings with our guests, were also of great importance.”

Chancellor Angela Merkel, Schloss Elmau, 8 June 2015

G7 summits are a moment for people to judge whether aspirational intent is met by concrete commitments. The G7 Research Group provides a report card on the implementation of G7 and G20 commitments. It is a good moment for the public to interact with leaders and say, you took a leadership position on these issues — a year later, or three years later, what have you accomplished?

Achim Steiner, Administrator, United Nations Development Programme,
in *G7 Canada: The 2018 Charlevoix Summit*



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21. Development: Debt Transparency

“We reaffirm our commitment to promoting transparency across all debtors and creditors, including private creditors, for improved debt sustainability”

Elmau G7 Leaders’ Communiqué

Assessment

| | No Compliance | Partial Compliance | Full Compliance |
|----------------|---------------|--------------------|-----------------|
| Canada | | 0 | |
| France | | 0 | |
| Germany | | | +1 |
| Italy | | | +1 |
| Japan | | | +1 |
| United Kingdom | | | +1 |
| United States | | | +1 |
| European Union | | | +1 |
| Average | | +0.75 (88%) | |

Background

The G7 has consistently made development a key area of focus throughout its history. Although debt sustainability has always been an implicit area of concern in commitments related to development, the idea of promoting debt sustainability through increased transparency has only been explicitly mentioned a few times in G7 commitments. Over the last two decades, debt sustainability became a more prominent element of development in G7 summits. Recent summits, such as the 2021 Cornwall Summit, explicitly reference aspects of sustainability, such as information sharing, as a key driver of improved debt sustainability.⁴³⁶⁴

At the 1983 Williamsburg Summit, G7 leaders introduced an international development strategy based on “close cooperation and timely sharing of information” among debtor nations and international institutions.⁴³⁶⁵ G8 leaders also recognized the importance of “private and official financing” in promoting “worldwide economic recovery.”

At the 1984 London Summit, G7 leaders reaffirmed a commitment to “encourage more openness towards private investment flows” and encourage international organizations such as the International Monetary Fund (IMF) and International Bank for Reconstruction and Development to take on a more central role in facilitating development.⁴³⁶⁶ Additionally, G7 leaders recognized that debtor nations “making successful efforts to improve their position” should negotiate the terms of their debt repayment. G7 leaders also reaffirmed a commitment to improve the “operation and stability of the International [Monetary and] Financial system.”

At the 1985 Bonn Summit, G7 leaders emphasized the role of the IMF and World Bank Group in “supporting policies by debtor countries necessary to strengthen the confidence of domestic and foreign creditors and investors” for the sake of long-term development.⁴³⁶⁷ Additionally, G7 leaders also resolved to discuss increasing the resources available to the World Bank Group to make this possible.

⁴³⁶⁴ Carbis Bay G7 Summit Communiqué: Our Shared Agenda for Global Action to Build Back Better, G7 Information Centre (Toronto) June 13 2021. Access Date: 24 September 2022 <http://www.g7.utoronto.ca/summit/2021cornwall/210613-communicue.html>

⁴³⁶⁵ Declaration on Economic Recovery, G7 Information Centre (Toronto) 10 February 2021. Access Date: 24 September 2022 <http://www.g7.utoronto.ca/summit/1983williamsburg/communiquue.html>

⁴³⁶⁶ The London Economic Declaration, G7 Information Centre (Toronto) 10 April 2020. Access Date: 24 September 2022 <http://www.g7.utoronto.ca/summit/1984london/communiquue.html>

⁴³⁶⁷ The Bonn Economic Declaration: Towards Sustained Growth and Higher Employment, G7 Information Centre (Toronto) 7 September 2014 <http://www.g7.utoronto.ca/summit/1985bonn/communiquue.html>

At the 1987 Venice Summit, G7 leaders recognized that increased lending by institutions like the World Bank and “adequate commercial bank lending” are essential elements in supporting middle-income debtors.⁴³⁶⁸ G7 leaders also recognized that commercial banks and debtor nations should develop a “menu of alternative negotiating procedures and financing techniques for providing continuing support to debtor countries.”

At the 1996 Lyon Summit, G7 leaders reaffirmed a commitment to replenish the “concessional resources of multilateral financial institutions” and equitably share the burden of providing multilateral support for development.⁴³⁶⁹ G7 leaders also committed to an “Enhanced Structural Adjustment Facility” as the centerpiece of the IMF support for the poorest countries.

At the 1998 Birmingham Summit, G8 leaders recognized the importance of “encouraging greater transparency in the World Trade Organization, and other international organizations” to promote greater support for the multilateral system.⁴³⁷⁰ G8 leaders also recognized the importance of ensuring that the rules of origins for least developed countries are transparent. Additionally, G8 leaders reaffirmed to “support the speedy and determined extension of debt relief to more countries, within the terms of the Heavily Indebted Poor Countries (HIPC) initiative agreed by the International Financial Institutions and Paris Club.” Lastly, G8 leaders reaffirmed the need to work with international institutions and other creditors to ensure relief measures are adequately provided and debt problems can be minimized.

At the 1999 Köln Summit, G8 leaders requested the Paris Club and other creditors to “forgive commercial debt up to 90% or more” to achieve debt sustainability.⁴³⁷¹ G8 leaders also requested the full cancellation of the Official Development Assistance debt.

At the 2000 Okinawa Summit, G8 leaders encouraged eligible countries to “create the right conditions to participate in the HIPC initiative” and reaffirmed their commitment to “provide 100% debt reduction of ODA claims” and eligible commercial claims.⁴³⁷² Additionally, G8 leaders reaffirmed their commitment to promote “more responsible lending and borrowing practices.”

At the 2001 Genoa Summit, G8 leaders reaffirmed their commitment to implement the “landmark” recommendations of the Organisation for Economic Co-operation and Development’s (OECD) Development Assistance Committee on Untying Aid to the least developed countries, which should “increase aid effectiveness and achieve more balanced effort--sharing among donors.”⁴³⁷³ G8 leaders also reaffirmed the development of assessment frameworks to identify the best practices in debt relief.

At the 2002 Kananaskis Summit, G8 leaders reaffirmed their commitment to work with other donor countries and international financial institutions to ensure that adequate resources are provided to achieve debt sustainability.⁴³⁷⁴ Additionally, G8 leaders reaffirmed to “assist countries through the HIPC programme” and ensure they leave the programme with a sustainable level of debt.

⁴³⁶⁸ Venezia Economic Declaration, G7 Information Centre (Toronto) 8 October 2018. Access Date: 24 September 2022 <http://www.g7.utoronto.ca/summit/1987venice/communique/index.html>

⁴³⁶⁹ Economic Communiqué: Making a Success of Globalization for the Benefit of All, G7 Information Centre (Toronto) 1 February 2015. Access Date: 25 September 2022 <http://www.g7.utoronto.ca/summit/1996lyon/communique.html>

⁴³⁷⁰ Communiqué, G7 Information Centre (Toronto) 15 September 2014. Access Date: 25 September 2022 <http://www.g7.utoronto.ca/summit/1998birmingham/finalcom.htm>

⁴³⁷¹ G8 Communiqué Köln 1999 Final, G7 Information Centre (Toronto) 3 February 2015. Access Date: 25 September 2022 <http://www.g7.utoronto.ca/summit/1999koln/finalcom.htm>

⁴³⁷² G8 Communiqué Okinawa 2000, G7 Information Centre (Toronto) 4 February 2015. Access Date: 25 September 2022 <http://www.g7.utoronto.ca/summit/2000okinawa/finalcom.htm>

⁴³⁷³ Communiqué, G7 Information Centre (Toronto) 9 March 2021. Access Date: 25 September 2022 <http://www.g7.utoronto.ca/summit/2001genoa/finalcommunique.html>

⁴³⁷⁴ The Kananaskis Summit Chair’s Summary, G7 Information Centre (Toronto) 15 February 2015. Access Date: 25 September 2022 <http://www.g7.utoronto.ca/summit/2002kananaskis/summary.html>

At the 2013 Lough Erne Summit, G8 leaders recognized the importance of “transparent data on G8 developmental assistance.”⁴³⁷⁵ G8 leaders also committed to implement “the Busan Common Standard on Aid Transparency, including both the Creditor Reporting System of the OECD Development Assistance Committee and the International Aid Transparency Initiative” in order to ensure that developmental assistance is effective.

At the 2016 Ise-Shima Summit, G7 leaders reaffirmed their commitment to use monetary, fiscal, and structural policy tools to “place debt on a sustainable path.”⁴³⁷⁶ As a part of this, G7 leaders reaffirmed their commitment to increase economic growth by investing in areas such as “the environment, energy, digital economy, human resource development, education, science and technology.”

At the 2017 Taormina Summit, G7 leaders reaffirmed their commitment to use monetary, fiscal and structural policy tools to “ensure debt as a share of GDP [gross domestic product] is on a sustainable path.”⁴³⁷⁷ G7 leaders stated that fiscal policy should be used to “strengthen growth and job creation,” namely by improving public finances and investing in infrastructure.

At the 2018 Charlevoix Summit, G7 leaders called for “greater debt transparency not only from low income debtor countries, but also emerging sovereign lenders and private creditors” in light of rising debt levels in low income countries.⁴³⁷⁸ Additionally, G7 leaders determined that public finance was insufficient in supporting economic growth and committed to the Charlevoix Commitment on Innovative Financing for Development to promote economic growth.

At the 2021 Cornwall Summit, G7 leaders reaffirmed their commitment to “fair and open lending practices” as well as information sharing.⁴³⁷⁹ G7 leaders also reaffirmed their commitment to the G20 and Paris Club Common Framework for Debt Treatments beyond the Debt Service Suspension Initiative and called on multilateral development banks to open additional financing options for developing countries.

Commitment Features

At the 2022 Elmau summit, leaders committed to “promoting transparency across all debtors and creditors, including private creditors, for improved debt sustainability.”⁴³⁸⁰ This commitment can be interpreted to be setting the target of “improved debt sustainability.”

“Promote” is understood to mean supporting or renewing old efforts or creating new efforts in the area. It should not have to be a new initiative.⁴³⁸¹ In the context of the commitment, it refers to efforts in the four dimensions of transparency.

⁴³⁷⁵ G8 Lough Erne Leaders Communiqué, G7 Information Centre (Toronto) 8 February 2015. Access Date: 25 September 2022 <http://www.g7.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>

⁴³⁷⁶ G7 Ise-Shima Leaders’ Declaration, G7 Information Centre (Toronto) 24 May 2018. Access Date: 25 September 2022 <http://www.g7.utoronto.ca/summit/2016shima/ise-shima-declaration-en.html>

⁴³⁷⁷ G7 Taormina Leaders’ Communiqué, G7 Information Centre (Toronto) 27 May 2017. Access Date: 25 September 2022 <http://www.g7.utoronto.ca/summit/2017taormina/communique.html>

⁴³⁷⁸ The Charlevoix G7 Summit Communiqué, G7 Information Centre (Toronto) 9 June 2018. Access Date: 25 September 2022 <http://www.g7.utoronto.ca/summit/2018charlevoix/communique.html>

⁴³⁷⁹ Carbis Bay G7 Summit Communiqué: Our Shared Agenda for Global Action to Build Back Better, G7 Information Centre (Toronto) June 13 2021. Access Date: 24 September 2022 <http://www.g7.utoronto.ca/summit/2021cornwall/210613-communique.html>

⁴³⁸⁰ G7 Leaders’ Communiqué, G7 Information Centre (Toronto) June 28 2022. Access Date: 24 September 2022 <http://www.g7.utoronto.ca/summit/2022elmau/220628-communique.html>

⁴³⁸¹ Compliance Coding Manual for International Institutional Commitments, Global Governance Program (Toronto) 12 November 2020. Access Date: 23 September 2022 http://www.g7.utoronto.ca/compliance/Compliance_Coding_Manual_2020.pdf

“Transparent” is understood to mean open, frank, candid,⁴³⁸² further interpreted as to be free from bias and deceit, to be publicly available and to be easily understood.

“All” refers to every member or individual component of.⁴³⁸³ In the context of the commitment, this is interpreted as “a significant portion” of the debtors and creditors, or several (at least four or five, for full compliance).

“Debtor” is understood to mean someone who owes a debt.⁴³⁸⁴ In this context, this refers to developing countries, like those classified as a Heavily Indebted Poor Country (HIPC).

“Creditor” is understood to mean one to whom a debt is owed.⁴³⁸⁵ In this context, this refers to wealthy countries and international institutions such as the IMF and multilateral development banks.

“Private Creditor” is understood to mean creditors that are neither governments nor public sector agencies. These include private bondholders, private banks, other private financial institutions, and manufacturers, exporters, and other suppliers of goods that have a financial claim.⁴³⁸⁶

“Improved” is understood to mean to advance or make progress in what is desirable.⁴³⁸⁷

“Debt sustainability” refers to a country’s ability to meet all its current and future financial obligations without help through exceptional financing or going into default.⁴³⁸⁸

“Promoting transparency,” has four dimensions: limiting bias, limiting deceit, increasing availability and increasing ease of understanding.

In terms of limiting bias, this includes action to eliminate unintentional shortcomings in the information and analysis surrounding debt sustainability, thereby increasing their accuracy. Some sources of bias in analysis can originate from an unjustified preference for certain types of actors or policies. Members can tackle such bias by placing a greater focus on methodologies verified by research or accounting for different types of positive financial practices.

In terms of limiting deceit, G7 members can work to eliminate intentional manipulation in the information and analysis surrounding debt sustainability, thereby increasing their accuracy. This includes actions against misrepresentation and fraud with respect to the financial handling of funds and the financial health of individuals, firms and other institutions.

In terms of increasing availability, G7 members can enhance the visibility and reach of available information and analysis relating to debt sustainability. This includes increasing the quantity, depth and level of organization of the data and analysis available to debtors and creditors, as well as increasing the transparency of economic and financial models and methods of analyses.

⁴³⁸² Compliance Coding Manual for International Institutional Commitments, Global Governance Program (Toronto) 12 November 2020. Access Date: 23 September 2022 http://www.g7.utoronto.ca/compliance/Compliance_Coding_Manual_2020.pdf

⁴³⁸³ All, Merriam-Webster (Springfield) n.d. Access Date: 23 September 2022 <https://www.merriam-webster.com/dictionary/all>

⁴³⁸⁴ Debtor, Merriam-Webster (Springfield) n.d. Access Date: 23 September 2022 <https://www.merriam-webster.com/dictionary/debtor>

⁴³⁸⁵ Creditor, Merriam-Webster (Springfield) n.d. Access Date: 23 September 2022. <https://www.merriam-webster.com/dictionary/creditor>

⁴³⁸⁶ External Debt Statistics: Guide for Compilers and Users – Appendix III, International Monetary Fund (Washington) 28 August 2003. Access Date: 25 September 2022 <https://www.imf.org/external/pubs/ft/eds/Eng/Guide/file6.pdf>

⁴³⁸⁷ Improved, Merriam-Webster (Springfield) n.d. Access Date: 23 September 2022. <https://www.merriam-webster.com/dictionary/improved>

⁴³⁸⁸ Analyze This! Debt Sustainability, International Monetary Fund (Washington) 28 July 2020. Access Date: 23 September 2022 https://www.youtube.com/watch?v=2kq72XCXB_o

In terms of increasing ease of understanding, G7 can enhance the comprehensibility of information relating to debt sustainability. This includes placing an emphasis on communicating information to stakeholders with varying levels of specialized knowledge. These actions support informed decision-making by debtors and creditors.

Full compliance, or a score of +1, will be given to G7 members that implement strong actions in improving debt transparency across public creditors (i.e. governments and development banks), private creditors (i.e. private banks and corporations) and debtors (i.e. HIPCs). The applicable strong actions to promote transparency include the allocation of resources to maintaining and publicising information; the creation or expansion of bureaucratic structures like regulatory financial offices; the creation, expansion, amendment or rescindment of programs, regulations and legislation; enforcement using judicial and policy actions to punish the publication of deceitful advertising or financial statements and financing international institutions with the same purpose. The instances mentioned here are not exhaustive.

Partial compliance, or a score of 0, will be assigned to G7 members that implement strong actions in improving debt transparency across one actor: public creditors (i.e. governments and development banks), private creditors (i.e. private banks and corporations) or debtors (i.e. HIPCs); or G7 members that took weak action to promote transparency across two or three actors. Weak actions include affirmations or remarks made by government officials in a remark, response, speech, conference or public address on debt sustainability and attendance at a relevant conference. The instances mentioned here are not exhaustive.

Non-compliance, or a score of -1, will be assigned if the G7 member took insufficient action to promote transparency across the three actors: public creditors (i.e. governments and development banks), private creditors (i.e. private banks and corporations) and debtors (i.e. HIPCs). This includes G7 members that took no action to promote transparency and G7 members that took weak actions to promote transparency across only one actor.

Scoring Guidelines

| | |
|----|--|
| -1 | The G7 member took no action to promote debt transparency across the three actors: public creditors (i.e. governments and development banks), private creditors (i.e. private banks and corporations) and debtors (i.e. HIPCs) OR took weak actions to promote debt transparency across only one actor. |
| 0 | The G7 member has taken strong action to improve debt transparency across one actor: public creditors (i.e. governments and development banks), private creditors (i.e. private banks and corporations) or debtors (i.e. HIPCs) OR has taken weak action to promote transparency across two or three actors. |
| +1 | The G7 member has taken strong action to improve debt transparency across public creditors (i.e. governments and development banks), private creditors (i.e. private banks and corporations) and debtors (i.e. HIPCs). |

*Compliance Director: Farhan Sakkir Karepilakkijil
Lead Analyst: Alan Fan*

Canada: 0

Canada has partially complied with its commitment to promote transparency across all debtors and creditors, including private creditors, for improved debt sustainability.

On 10 August 2022, Minister of International Development Harjit S. Sajjan announced that Canada would provide a CAD120 million loan to Jordan under the Sovereign Loans Program.⁴³⁸⁹ Such action demonstrates

⁴³⁸⁹ Minister Sajjan announces \$120-million sovereign loan offer and \$25 million in international assistance on trip to Jordan, Global Affairs Canada (Amman) 10 August 2022. Access Date: 6 November 2022. <https://www.canada.ca/en/global-affairs/news/2022/08/minister-sajjan-announces-120-million-sovereign-loan-offer-and-25-million-in-international-assistance-on-trip-to-jordan.html>

that Canada continues to contribute to the Sovereign Loans Program, which was initially launched in 2018 with three main objectives: market building for pro-poor investments, gender equality, and mobilizing public and private finance for the poor.” This program defends transparency for and by both the public creditor (the government of Canada) and the debtors, as the creditor can regulate and supervise the programs that take place with the loan, and the debtors have access to clear and transparent guidelines of the terms and payments that would need to take place.

On 28 September 2022, the Bank of Canada announced that starting January 2023, it will publish a “summary of deliberations after each policy rate announcement.”⁴³⁹⁰ This significantly increases accessibility for all debtors to view and understand the monetary policy that takes place within two weeks of the individual policy decisions made by the Bank of Canada, that in this instance, represents a public creditor.

On 11 October 2022, the Competition Bureau of Canada launched an investigation on the Royal Bank of Canada for misleading climate action claims over investments and loans.⁴³⁹¹ The investigation represents the government of Canada’s commitment to holding private creditors accountable to ensure transparency and provide debtors with sufficient information.

On 14 October 2022, Deputy Prime Minister and Minister of Finance Chrystia Freeland urged “all creditors to provide timely, coordinated, and orderly debt treatments to countries in need” to alleviate the rising sovereign debt” levels caused by the disproportionate impact that Small Island Developing States have faced by the COVID-19 pandemic, climate change, and the food and energy crises resulting from Russia’s invasion of Ukraine.⁴³⁹² By specifically promoting transparency across creditors, both private and public, this statement shows the Government of Canada’s awareness of the importance of debt transparency to enhance sustainable development.

On 4 November 2022, G7 Foreign Ministers issued a statement that said the G7 is “ensuring the swift delivery of results through the Common Framework for Debt Treatments beyond the Debt Service Suspension Initiative (DSSI)” to “increase debt transparency and find solutions to debt vulnerabilities.”⁴³⁹³ The Common Framework for Debt Treatments beyond the Debt Service Suspension Initiative “is an agreement of the G20 and Paris Club countries to coordinate and cooperate on debt treatments for up to 73 low-income countries that are eligible for the Debt Service Suspension Initiative (DSSI).”⁴³⁹⁴

On 31 December 2022, the Department of Finance updated its public database regarding the Government of Canada’s loans to countries. This database contains two tables. The first table is the exact loans since 2021, which presents information such as the loan’s date, the beneficiary, the use of proceeds, the grace period, the maturity, the interest rate type, etc. The second table contains the total outstanding loans up to 2022, which shows the quantities each debtor country owes to the Government of Canada and individual Canadian

⁴³⁹⁰ Bank of Canada response to detailed review report, Bank of Canada (Ottawa) 28 September 2022. Access Date: 6 November 2022. <https://www.bankofcanada.ca/2022/09/bank-of-canada-response-to-detailed-review-report/>

⁴³⁹¹ Competition Bureau opens investigation into RBC over climate claims, Financial Post (Ottawa) 12 October 2022. Access Date: 6 November 2022. <https://financialpost.com/fp-finance/banking/competition-bureau-opens-investigation-into-rbc-over-climate-claims>

⁴³⁹² Statement by the Honourable Chrystia Freeland, Deputy Prime Minister and Minister of Finance of Canada, on behalf of Antigua and Barbuda, The Bahamas, Barbados, Belize, Canada, Dominica, Grenada, Guyana, Ireland, Jamaica, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines, Office of the Deputy Prime Minister of Canada (Washington D.C.) 14 October 2022. Access Date: 23 December 2022. <https://deputyprime.minister-of-finance.gc.ca/en/news/statements/2022/10/14/statement-deputy-prime-minister-106th-meeting-development-committee>

⁴³⁹³ G7 foreign ministers statement, Global Affairs Canada (Münster) 4 November 2022. Access Date: 23 December 2022. https://www.international.gc.ca/world-monde/international_relations-relations_internationales/g7/documents/2022-11-04-joint-statement-declaration-commune.aspx?lang=eng

⁴³⁹⁴ Questions and Answers on Sovereign Debt Issues, International Monetary Fund (Washington D.C.) 8 April 2021. Access Date: 23 December 2022. <https://www.imf.org/en/About/FAQ/sovereign-debt#g20q1>

government entities.⁴³⁹⁵ Making this information public and accessible to all shows Canada's commitment to advancing and ensuring debt transparency in its capacity as a public creditor.

On 8 February 2023, the Bank of Canada, for the first time in its history, published a summary of deliberations of the Bank's Governing Council meetings.⁴³⁹⁶ This action demonstrates the Government of Canada's commitment with promoting debt transparency in its capacity of creditor, as it is publicizing previously confidential information. This promotes debt transparency by allowing all debtors to better understand the Bank of Canada's monetary policies.

On 25 February 2023, G20 Finance Ministers and Central Bank Governors met in New Delhi and agreed to continue working towards enhancing debt transparency, and invited private creditors to join these efforts.⁴³⁹⁷ This joint statement shows members' continued interest in enhancing debt transparency across debtors, public creditors, and most notably in this instance, private creditors to improve debt sustainability.

Canada has partially complied with its commitment to promote transparency across all debtors and creditors, including private creditors, for improved debt sustainability. The Government of Canada has developed programs, regulations, and policies to make sure that debt sustainability and debt transparency take place among public creditors but needs to take strong action among private creditors and debtors to attain full compliance.

Thus, Canada receives a score of 0.

Analyst: Alonso Muñoz Sanchez

France: 0

France has partially complied with the commitment to promote transparency across all debtors and creditors, including private creditors, for improved debt sustainability.

On 9 September 2022, under the initiative of Minister of Economy, Finance and Industrial and Digital Sovereignty Bruno Le Maire published and implemented the guidelines for the control of foreign investment in France.⁴³⁹⁸ Minister Le Maire said that the publication of guidelines on control of foreign investments in France will ameliorate legal conviction and likelihood of foreign transactions. These guidelines reaffirm the transparency and predictability of the control of foreign investments, enhancing the visibility of information to debtors and creditors.

On 4 November 2022, G7 Foreign Ministers issued a statement reaffirming their objective to promote debt transparency and reduce problems caused by debt vulnerabilities.⁴³⁹⁹ They also advocated for prompt distribution of results through the Common Framework for Debt Treatments beyond the Debt Service Suspension Initiative.

⁴³⁹⁵ Lending to National Governments, Department of Finance Canada (Ottawa) 31 December 2022. Access Date: 6 March 2023. <https://www.canada.ca/en/department-finance/programs/international-trade-finance-policy/lending-national-governments.html>

⁴³⁹⁶ Summary of Governing Council deliberations: Fixed announcement date of January 25, 2023, Bank of Canada (Ottawa) 8 February 2023. Access Date: 8 March 2023. <https://www.bankofcanada.ca/2023/02/summary-governing-council-deliberations-fixed-announcement-date-january-25-2023/>

⁴³⁹⁷ G20 Chair's Summary and Outcome Document: First G20 Finance Ministers and Central Bank Governors Meeting, G20 India Presidency (Bengaluru) 25 February 2023. Access Date: 7 April 2023. https://www.g20.org/content/dam/gtwenty/gtwenty_new/document/1st%20FMCBG%20Chair%20Summary.pdf

⁴³⁹⁸ Control of foreign investment in France: publication of guidelines, The Ministry of Economics, Finance and Industrial and Digital Sovereignty (Paris) 9 September 2022. Translation provided by Google Translate. Access Date: 24 October 2022 <https://presse.economie.gouv.fr/09-09-2022-controle-des-investissements-etranagers-en-france-publication-de-lignes-directrice/>

⁴³⁹⁹ G7 Foreign Ministers' Statement (4 November 2022, Münster), Ministry for Europe and Foreign Affairs (Münster) 4 November 2022. Translation provided by Google Translate. Access Date: 4 November 2022 <https://www.diplomatie.gouv.fr/en/country-files/europe/western-balkans-62918/article/g7-foreign-ministers-statement-4-november-2022-munster>

On 25 February 2023, G20 members agreed to continue working towards enhancing debt transparency, and invited private creditors to join these efforts.⁴⁴⁰⁰ This joint statement shows members' continued interest in enhancing debt transparency across debtors, public creditors, and most notably in this instance, private creditors to improve debt sustainability.

France has partially complied with the commitment to promote transparency across all debtors and creditors, including private creditors, for improved debt sustainability. France has taken effective action to increase transparency of financial models and make information available but has not taken substantial action in improving debt transparency effectively across public creditors, private creditors and debtors.

Thus, France receives a score of 0.

Analyst: Sara Ashim Ranu

Germany: +1

Germany has fully complied with its commitment to promote transparency across all debtors and creditors, including private creditors, for improved debt sustainability.

On 1 July 2022, the Federal Cabinet published the draft federal budget for 2023 which promotes clarity on the fiscal spending, future financial policies, and the debt brake.⁴⁴⁰¹ The draft budget clarifies reinstating the debt brake of the Basic Law, which advances financial sustainability without loans. This improves transparency regarding fiscal policies and debt rules for all creditors through the net borrowing budgetary indicators.

On 28 September 2022, the Federal Ministry of Finance (BMF) published an article called "Increase the transparency of markets and products" outlining guidelines for better regulation and investment decisions.⁴⁴⁰² Germany is encouraging international protocols to regulate shadow banks which would reduce risk to financial sustainability by ensuring that public creditor investments in these private creditors are backed by equity. In essence, shadow bank investment companies such as hedge funds would be modulated, increasing transparency.

On 12 October 2022, the BMF held a conference with G7 finance ministers to improve debt sustainability in African countries through the stronger implementation of the "Common Framework for Debt Treatments."⁴⁴⁰³ During Germany's 2022 G7 Presidency, the BMF called for improvements to the Common Framework by making information regarding debt reconstruction more accessible to debtor countries with clearer guidelines. Germany commands creditor coordination for Heavily Indebted Poor Countries for better data collection to improve debt transparency. Germany commits to boosting private sector-led recovery in Africa to diminish debt risks through the Common Framework and the G20 Compact with Africa initiatives. Additionally, it proposes a fiscal policy framework to improve taxation policies, raising tax revenue with the assistance of the International Monetary Fund (IMF).

⁴⁴⁰⁰ G20 Chair's Summary and Outcome Document: First G20 Finance Ministers and Central Bank Governors Meeting, G20 India Presidency (Bengaluru) 25 February 2023. Access Date: 7 April 2023.

https://www.g20.org/content/dam/gtwenty/gtwenty_new/document/1st%20FMCBG%20Chair%20Summary.pdf

⁴⁴⁰¹ Haushaltsentwurf 2023 beschlossen: Weichenstellung für eine höhere Resilienz der öffentlichen Finanzen, Bundesministerium der Finanzen (Berlin) 1 July 2022. Translation provided by Google Translate. Access Date: 2 November 2022. https://www.bundesfinanzministerium.de/Content/DE/Standardartikel/Themen/Oeffentliche_Finzen/Bundeshaushalt/2023/regerungsentwurf-bundeshaushalt-2023.html

⁴⁴⁰² Die Transparenz der Märkte und Produkte erhöhen, Bundesministerium der Finanzen (Berlin) 28 September 2022. Translation provided by Google Translate. Access Date: 4 November 2022.

https://www.bundesfinanzministerium.de/Content/DE/Standardartikel/Themen/Internationales_Finanzmarkt/Finanzmarktpolitik/transparenz-der-maerkte-und-produkte-erhoehen.html

⁴⁴⁰³ Internationale Schuldenstrategie zur Entlastung hoch verschuldeter Länder, Bundesministerium der Finanzen (Berlin) 12 October 2022. Translation provided by Google Translate. Access Date: 2 November 2022. https://www.bundesfinanzministerium.de/Content/DE/Standardartikel/Themen/Internationales_Finanzmarkt/Schuldenstrategie/schuldenstrategie.html

On 13 October 2022, Minister of Finance Christian Lindner and Bundesbank President Joachim Nagel attended the annual meeting of the IMF and the World Bank Group to discuss the debt situation of developing countries.⁴⁴⁰⁴ IMF's Reliance and Sustainability Trust was approved which funds debt reconstruction for climate and pandemic-related issues. Germany contributed EUR6.3 billion to support debtor countries with reconstruction and sustainability.

On 4 November 2022, G7 Foreign Ministers issued a statement reaffirming their objective to promote debt transparency and reduce problems caused by debt vulnerabilities.⁴⁴⁰⁵ They also advocated for prompt distribution of results through the Common Framework for Debt Treatments beyond the Debt Service Suspension Initiative.

On 7 November 2022, Minister Lindner made a statement regarding the Eurogroup meeting to assess the effect of the US's Inflation Reduction Act on Europe.⁴⁴⁰⁶ The Federal Ministry of Economic Cooperation and Development recognized the importance of combating inflation but affirmed the greater importance of the central bank's monetary policy over state fiscal policy. This is crucial for financial and debt sustainability, alongside further financing of Germany's debtors, such as Ukraine.

On 9 November 2022, Minister Lindner made a public statement to call for reform regarding the European Commission's proposal for the development of the Stability and Growth Pact.⁴⁴⁰⁷ The BMF recognizes that the previous rules of the pact were unsuitable for reducing debt ratios and encourages amendments for more realistic debt sustainability guidelines, especially with higher debt ratios post-pandemic. Germany suggests a uniform multilateral approach to European fiscal policies is essential for debt sustainability and equity.

On 15 November 2022, The Bundesbank held the virtual Digital Euro Summit to propose the concept of a digital euro to improve public and private sector cooperation.⁴⁴⁰⁸ Central Bank Digital Currency aims to stabilize central bank regulation. It promises a standardized platform for payment. Under the proposal, transparency and authenticity amongst private creditors would be enhanced by know-your-customer and anti-money laundering checks.

On 18 January 2023, the Federal Ministry for Economic Cooperation and Development published the development policy outcomes of Germany's G7 Presidency.⁴⁴⁰⁹ The statement acknowledges initiatives taken by the G7 with the G20 to involve private creditors in debt reconstruction in an effort to strengthen debt transparency and management.

⁴⁴⁰⁴ Jahrestagung des Internationalen Währungsfonds und der Weltbankgruppe (Berlin) 1 November 2022. Translation provided by Google Translate. Access Date: 28 February 2022. <https://www.bundesfinanzministerium.de/Monatsberichte/2022/11/Inhalte/Kapitel-3-Analysen/3-3-jahrestagung-iwf-und-weltbankgruppe.html>

⁴⁴⁰⁵ G7 Foreign Ministers' Statement (4 November 2022, Münster), Ministry for Europe and Foreign Affairs (Münster) 4 November 2022. Translation provided by Google Translate. Access Date: 4 November 2022 <https://www.diplomatie.gouv.fr/en/country-files/countryfiles/europe/western-balkans-62918/article/g7-foreign-ministers-statement-4-november-2022-munster>

⁴⁴⁰⁶ Christian Lindner vor dem November-Treffen der Eurogruppe (Berlin) 7 November 2022. Translation provided by Google Translate. Access Date: 28 February 2023. <https://www.bundesfinanzministerium.de/Content/DE/Standardartikel/Video-Textfassungen/2022/textfassung-2022-11-07-doorstep-eurogruppe.html>

⁴⁴⁰⁷ Christian Lindner zum Inflationsausgleich, Jahresgutachten des Sachverständigenrates und EU-Stabilitätspakt (Berlin) 9 November 2022. Translation provided by Google Translate. Access Date: 1 March 2023 <https://www.bundesfinanzministerium.de/Content/DE/Standardartikel/Video-Textfassungen/2022/textfassung-2022-11-09-lindner-inflationsausgleichsgesetz.html>

⁴⁴⁰⁸ Public-private partnership: key to the success of a digital euro, Bundesbank (Frankfurt) 15 November 2022. Access Date: 30 November 2022. <https://www.bundesbank.de/en/press/speeches/public-private-partnership-key-to-the-success-of-a-digital-euro-781050>

⁴⁴⁰⁹ Development policy outcomes of Germany's G7 Presidency in 2022 (Berlin) 18 January 2023. Access Date: 1 March 2023 <https://www.bmz.de/resource/blob/136424/development-policy-outcomes-of-germanys-g7-presidency-in-2022.pdf>

On 25 February 2023, G20 members agreed to continue working towards enhancing debt transparency and invited private creditors to join these efforts.⁴⁴¹⁰ This joint statement shows members' continued interest in enhancing debt transparency across debtors, public creditors, and most notably in this instance, private creditors to improve debt sustainability.

Germany has fully complied with its commitment to promoting transparency across all debtors and creditors, including private creditors, for improved debt sustainability by publishing information about fiscal spending, future initiatives to control debt and regulate private creditors, and suggestions to improve debt sustainability through better implementation of previously proposed policies by further integrating creditors and its associated institutions.

Thus, Germany receives a score of +1.

Analyst: Preksha Khemka

Italy: +1

Italy has fully complied with its commitment to promote transparency across all debtors and creditors, including private creditors, for improved debt sustainability.

On 14 October 2022, the Bank of Italy published its monthly report outlining statistics on general government debt and borrowing.⁴⁴¹¹ This report, in accordance with the European Union Excessive Deficit Procedure, includes data related to government debt, creditors, and debtors and makes transparent the economic models and methods of analyses used to do so.

On 21 October 2022, the Bank of Italy released its quarterly economic bulletin report.⁴⁴¹² This report provides information on economic developments in Italy, with a specific focus on national accounts and debt. This information increases the access and quantity of data and analysis available to debtors and creditors.

On 28 October 2022, the Bank of Italy released its twice-yearly report on local government debt.⁴⁴¹³ This report provides detailed statistics on the composition of consolidated and non-consolidated local government debt by sub-sector, instrument, and geographical area. This promotes debt transparency by publicizing detailed data and analysis related to debt.

On 4 November 2022, the Council of Ministers met to present its report on public finance objectives and expenditure targets of ministries for the 2023 to 2025 period.⁴⁴¹⁴ This included information on net debt of public administrations and gross domestic product and debt forecasts. This promotes debt transparency by increasing the availability of information.

On 4 November 2022, G7 Foreign Ministers issued a statement reaffirming their objective to promote debt transparency and reduce problems caused by debt vulnerabilities.⁴⁴¹⁵ They also advocated for the prompt

⁴⁴¹⁰ G20 Chair's Summary and Outcome Document: First G20 Finance Ministers and Central Bank Governors Meeting, G20 India Presidency (Bengaluru) 25 February 2023. Access Date: 7 April 2023.

https://www.g20.org/content/dam/gtwenty/gtwenty_new/document/1st%20FMCBG%20Chair%20Summary.pdf

⁴⁴¹¹ The Public Finances: Borrowing Requirement and Debt, the Bank of Italy (Rome) 14 October 2022. Access Date: 28 October 2022. <https://www.bancaditalia.it/pubblicazioni/finanza-pubblica/index.html>

⁴⁴¹² Economic Bulletin, the Bank of Italy (Rome) 21 October 2022. Access Date: 23 December 2022.

<https://www.bancaditalia.it/pubblicazioni/bollettino-economico/index.html?com.dotmarketing.htmlpage.language=1>

⁴⁴¹³ Local Government Debt, the Bank of Italy (Rome) 28 October 2022. Access Date: 23 December 2022.

<https://www.bancaditalia.it/pubblicazioni/debito-amministrazioni/index.html>

⁴⁴¹⁴ Press release of the Council of Ministers n. 3, Government of Italy (Rome) 4 November 2022. Access Date: 4 November 2022. <https://www.governo.it/en/node/20919>

⁴⁴¹⁵ G7 Foreign Ministers' Statement (4 November 2022, Münster), Ministry for Europe and Foreign Affairs (Münster) 4 November 2022. Translation provided by Google Translate. Access Date: 4 November 2022.

<https://www.diplomatie.gouv.fr/en/country-files/europe/western-balkans-62918/article/g7-foreign-ministers-statement-4-november-2022-munster>

distribution of results through the Common Framework for Debt Treatments beyond the Debt Service Suspension Initiative.

On 15 November 2022, the Bank of Italy published its monthly report outlining statistics on general government debt and borrowing.⁴⁴¹⁶ This report, in accordance with the European Union Excessive Deficit Procedure, includes data related to government debt, creditors, and debtors and makes transparent the economic models and methods of analyses used in the report. This promotes debt transparency by increasing the availability of information.

On 25 November 2022, the Bank of Italy published its bi-annual publication on the stability of the Italian financial sector.⁴⁴¹⁷ The publication provides information on the state of the financial system and debt and contextualizes them in the context of the world economy, international finance, and domestic and external risk factors. Thus, debt transparency is promoted.

On 2 December 2022, the Bank of Italy published annual statistics on general government net borrowing, debt, and main non-financial account items of Italy, other EU countries, and G7 countries.⁴⁴¹⁸ These statistics, as part of Italy's Statistics Series, publicize detailed public finance information relevant to both public and private creditors and debtors across Italy and other countries. In turn, by increasing ease of understanding and supporting informed decision-making, debt transparency is improved.

On 15 December 2022, the Bank of Italy published its monthly report outlining statistics on general government debt and borrowing.⁴⁴¹⁹ This report, in accordance with the EU Excessive Deficit Procedure, includes data related to government debt, creditors, and debtors and promotes transparency by detailing the economic models and methods of analyses used in the report.

On 21 December 2022, the Ministry of Economy and Finance released its public debt guidelines and public debt auction calendar for 2023.⁴⁴²⁰ These reports contain the Italian government's public debt management strategy and the dates of auctions, announcements, and settlements for all government securities. In doing so, information on debt management and transparency is made accessible, which promotes debt sustainability.

On 30 December 2022, the Bank of Italy published a report on the financial and credit system, specifically about loans, borrowers, bank-borrower relationships, credit quality, and lending rates and guarantees.⁴⁴²¹ This report improves debt sustainability by publicizing debt-related information for private debtors and creditors.

On 16 January 2023, the Bank of Italy published its monthly report outlining statistics on general government debt and borrowing.⁴⁴²² This report, in accordance with the EU Excessive Deficit Procedure, includes data related to government debt, creditors, and debtors and promotes transparency by detailing the economic models and methods of analyses used in the report.

⁴⁴¹⁶ The Public Finances: Borrowing Requirement and Debt, the Bank of Italy (Rome) 15 November 2022. Access Date: 9 March 2023. <https://www.bancaditalia.it/pubblicazioni/finanza-pubblica/index.html>

⁴⁴¹⁷ Financial Stability Report, the Bank of Italy (Rome) 25 November 2022. Access Date: 9 March 2023. <https://www.bancaditalia.it/pubblicazioni/rapporto-stabilita/index.html?com.dotmarketing.htmlpage.language=1>

⁴⁴¹⁸ Public Finance Statistics in the European Union, the Bank of Italy (Rome) 2 December 2022. Access Date: 23 December 2022. <https://www.bancaditalia.it/pubblicazioni/finanza-pubblica-ue/index.html>

⁴⁴¹⁹ The Public Finances: Borrowing Requirement and Debt, the Bank of Italy (Rome) 15 December 2022. Access Date: 23 December 2022. <https://www.bancaditalia.it/pubblicazioni/finanza-pubblica/index.html>

⁴⁴²⁰ 2023 Public Debt Auction calendar and Public Debt Guidelines are now online, Ministry of Economy and Finance (Rome) 21 December 2022. Access Date: 23 December 2022. https://www.dt.mef.gov.it/en/news_debito_pubblico/2022/calendario_linee_guida_2023.html

⁴⁴²¹ Banks and Financial Institutions: Credit Conditions and Risk by Sector and Geographical Area, the Bank of Italy (Rome) 30 December 2022. Access Date: 9 March 2023. <https://www.bancaditalia.it/pubblicazioni/condizioni-rischiosita/index.html>

⁴⁴²² The Public Finances: Borrowing Requirement and Debt, the Bank of Italy (Rome) 16 January 2023. Access Date: 9 March 2023. <https://www.bancaditalia.it/pubblicazioni/finanza-pubblica/index.html>

On 20 January 2023, the Bank of Italy released its updated quarterly economic bulletin report.⁴⁴²³ This report provides information on economic developments in Italy, with a specific focus on national accounts and debt. This information increases the access and quantity of data and analysis available to debtors and creditors.

On 15 February 2023, the Bank of Italy published its monthly report outlining statistics on general government debt and borrowing.⁴⁴²⁴ This report, in accordance with the EU Excessive Deficit Procedure, includes data related to government debt, creditors, and debtors and promotes transparency by detailing the economic models and methods of analyses used in the report.

On 24 February 2023, the Bank of Italy released its twice-yearly report on local government debt.⁴⁴²⁵ This report provides detailed statistics on the composition of consolidated and non-consolidated local government debt by sub-sector, instrument, and geographical area. This promotes debt sustainability by publicizing detailed data and analysis related to debt.

On 9 March 2023, the Bank of Italy published monthly statistics on monetary policy, banks' balance sheets and bad debts, and deposit and loan interest rates.⁴⁴²⁶ These statistics increase the accessibility of debt-related data and economic models and tables, all of which support decision-making by debtors and creditors.

On 14 March 2023, the Italian Treasury, Organisation for Economic Co-operation and Development, and World Bank launched an e-book on debt sustainability entitled “Sustainability of Debt Management in the Post-Pandemic Era.”⁴⁴²⁷ This e-book summarizes the proceedings of the second Public Debt Management Network Conference with the aim of maintaining and publicizing information on debt sustainability.

On 25 February 2023, G20 members agreed to continue working towards enhancing debt transparency and invited private creditors to join these efforts.⁴⁴²⁸ This joint statement shows members' continued interest in enhancing debt transparency across debtors, public creditors, and most notably in this instance, private creditors to improve debt sustainability.

On 15 March 2023, the Bank of Italy published its monthly publication of statistics on Italian debt securities and the portfolios of investment funds.⁴⁴²⁹ This report provides information on Italy's financial market and increases the amount of debt-related information available for creditors and debtors, which promotes debt transparency.

On 16 March 2023, the Bank of Italy released its publication on markets, infrastructures, and payments systems in Italy.⁴⁴³⁰ This publication contains information on net debt positions and debt securities and is created with the aim of raising awareness and fostering debate about Italy's debt institutions, markets, and other economic

⁴⁴²³ Economic Bulletin, the Bank of Italy (Rome) 20 January 2023. Access Date: 9 March 2023.

<https://www.bancaditalia.it/pubblicazioni/bollettino-economico/index.html>

⁴⁴²⁴ The Public Finances: Borrowing Requirement and Debt, the Bank of Italy (Rome) 15 February 2023. Access Date: 9 March 2023. <https://www.bancaditalia.it/pubblicazioni/finanza-pubblica/index.html>

⁴⁴²⁵ Local Government Debt, the Bank of Italy (Rome) 24 February 2023. Access Date: 9 March 2023.

<https://www.bancaditalia.it/pubblicazioni/debito-amministrazioni/index.html>

⁴⁴²⁶ Banks and Money: National Data, the Bank of Italy (Rome) 9 March 2023. Access Date: 9 March 2023.

<https://www.bancaditalia.it/pubblicazioni/moneta-banche/index.html>

⁴⁴²⁷ PDM Network: a webinar on the topic “Sustainability of Debt Management in the Post-Pandemic Era”, Ministry of Economy and Finance (Rome) 14 March 2023. Access Date: 14 March 2023. https://www.dt.mef.gov.it/en/news/2023/pdm_event.html

⁴⁴²⁸ G20 Chair's Summary and Outcome Document: First G20 Finance Ministers and Central Bank Governors Meeting, G20 India Presidency (Bengaluru) 25 February 2023. Access Date: 7 April 2023.

https://www.g20.org/content/dam/gtwenty/gtwenty_new/document/1st%20FMCBG%20Chair%20Summary.pdf

⁴⁴²⁹ The Financial Market, the Bank of Italy (Rome) 15 March 2023. Access Date: 8 April 2023.

<https://www.bancaditalia.it/pubblicazioni/mercato-finanziario/index.html>

⁴⁴³⁰ Mercati, infrastruttura, sistemi di pagamento, the Bank of Italy (Rome) 16 March 2023. Access Date: 8 April 2023.

<https://www.bancaditalia.it/pubblicazioni/mercati-infrastrutture-e-sistemi-di-pagamento/index.html>

infrastructures. By providing educational materials targeted at non-specialist readers, the publication increases debt sustainability.

On 27 March 2023, the Ministry of Economy and Finance released updates on its quarterly government bond issuance program.⁴⁴³¹ This document updated creditors and debtors on public debt issuance and the macroeconomic and public finance frameworks and provided corrected information on debt/GDP ratios and public debt.

On 31 March 2023, the Bank of Italy published its yearly report on annual accounts, constituting its balance sheet and profit and loss account.⁴⁴³² This report provided financial reporting that increases understanding of the bank's activities and included information on government debt, debtor positions, and liabilities, which promotes debt transparency.

Italy has fully complied with its commitment to promote transparency across all debtors and creditors, including private creditors, for improved debt sustainability. Italy has increased the visibility and reach of information and analysis related to debt sustainability when it comes to the government's role in the financial markets. Italy's monthly, quarterly, and annual reports provide updated and new information that informs the decisions of both private creditors and debtors. Italy has also funded resources to ease the understanding of debt and publicize information on debt sustainability and the state of the financial market.

Thus, Italy receives a score of +1.

Analyst: James Jiang

Japan: +1

Japan has fully complied with its commitment to promote transparency across all debtors and creditors, including private creditors, for improved debt sustainability.

On 28 August 2022, the African Development Bank and the government of Japan announced a joint USD5 billion program with the objective of “enhancement of debt transparency and sustainability” in Africa.⁴⁴³³ Through this program, a Special Window will be created that will support countries that are struggling but making improvements in their debt payments. Japan's support to debtors in the form of public creditors demonstrates Japan's positive compliance with debt transparency.

On 14 October 2022, the Ministry of Finance urged creditor countries to “share their lending data with the IMF and World Bank” to allow those institutions to increase their data accuracy and therefore improve debt transparency.⁴⁴³⁴ The urgency with which Japan addresses creditor countries demonstrates that debt transparency and global debt sustainability are priority topics that they are not only taking action towards addressing but also providing tools for other nations to effectively address.

On 4 November 2022, the World Bank announced that the Government of Japan plans to contribute to many of the World Bank's initiatives, including USD5 million to the' Global Data Facility “to improve debt transparency and accountability, particularly through the redesign and expansion of the Debt Reporting System

⁴⁴³¹ Public Debt, the quarterly issuance program is online, Ministry of Economy and Finance (Rome) 27 March 2023. Access Date: 8 April 2023. https://www.dt.mef.gov.it/en/news_debito_pubblico/2023/programma_trimestrale_27032023.html

⁴⁴³² Annual Accounts, the Bank of Italy (Rome) 31 March 2023. Access Date: 8 April 2023. <https://www.bancaditalia.it/pubblicazioni/bilancio-esercizio/index.html>

⁴⁴³³ Japan and the African Development Bank announce up to \$5 billion in support for Africa's private sector, African Development Bank Group (Tunis) 28 August 2022. Access Date: 6 November 2022. <https://www.afdb.org/en/news-and-events/press-releases/japan-and-african-development-bank-announce-5-billion-support-africas-private-sector-54402>

⁴⁴³⁴ Japan's Statement at the 106th Meeting of the Development Committee, The Ministry of Finance (Washington D.C.) 14 October 2022. Access Date: 23 December 2022. https://www.mof.go.jp/english/policy/international_policy/imf/dc/20221014_1.html

(DRS) and technical assistance to strengthen debt recording and reporting in borrowing countries.”⁴⁴³⁵ The Global Data Facility was created by the World Bank as their “primary mechanism to mobilize and coordinate donor support for data and statistics priorities at the global, regional, national, and community levels,” which will enable partnerships between countries and development organizations to increase accountability across debtors and creditors and accelerate the loaning processes.⁴⁴³⁶ The contributions of programs that increase the effectiveness of data and information on debt and transparentize the processes of debtors, public creditors, and private creditors accurately demonstrate the government of Japan’s commitments to improving debt transparency and therefore improving debt sustainability.

On 13 February 2023, the International Monetary Fund and the Japan International Cooperation Agency held a joint conference in Tokyo with the objective of presenting public financial management practices for sustainable fiscal policy in the late stages of the COVID-19 pandemic. In this conference, one of the four key topics included enhancing “fiscal transparency and accountability” to facilitate the achievement of fiscal targets.⁴⁴³⁷ The conference shows the Government of Japan’s commitment to promoting debt transparency across creditors as it calls for publishing data on public liabilities and it also shows its commitment to promoting debt transparency across public debtors by calling low-income developing countries to publish and regularly update debt data.

On 20 February 2023, the African Development Bank Group announced that the Government of Japan and the African Development Bank signed an exchange of notes for USD350 million in relation to the Bank’s private sector operations department. This is the latest of eight private assistance loans that the Government of Japan has provided to the African Development Group. Moreover, the Bank emphasized Japan as “one of the Bank’s biggest contributors,” providing the example of the Japan International Cooperation Agency’s USD1 billion contribution with the objective of promoting debt transparency across the African continent.⁴⁴³⁸ By strengthening the African Development Bank’s private sector operations, Japan reaffirms its commitment to improving debt transparency between debtors and creditors.

On 25 February 2023, G20 Finance Ministers and Central Bank Governors met in New Delhi and agreed to continue working towards enhancing debt transparency, and invited private creditors to join these efforts.⁴⁴³⁹ This joint statement shows members’ continued interest in enhancing debt transparency across debtors, public creditors, and most notably in this instance, private creditors to improve debt sustainability.

Japan has fully complied with its commitment to promote transparency across all debtors and creditors, including private creditors, for improved debt sustainability. Through partnerships with international development organizations, such as the International Monetary Fund and the African Development Bank, Japan has proven to have debt transparency and debt sustainability as a top policy priority. Japan has taken the figure of public creditor and has worked closely with private creditors to ensure that debtor countries can benefit from loans while improving debt sustainability.

⁴⁴³⁵ Japan Provides \$8 Million to Bolster Key Research and Data Functions of World Bank Group, The World Bank (Washington D.C.) 4 November 2022. Access Date: 26 December 2022. <https://www.worldbank.org/en/news/press-release/2022/11/04/japan-provides-8-million-to-bolster-key-research-and-data-functions-of-world-bank-group>

⁴⁴³⁶ Global Data Facility, The World Bank (Washington D.C.) 12 August 2021. Access Date: 26 December 2022. <https://www.worldbank.org/en/research/brief/global-data-facility>

⁴⁴³⁷ Fiscal Policy During the Exit from Pandemic: Strengthening Public Financial Management to Support a Sustainable and Inclusive Growth, International Monetary Fund (Tokyo) 14 February 2023. Access Date: 7 March 2023. <https://www.imf.org/en/News/Seminars/Conferences/2023/02/14/-/media/DF7DA1B38E154B2E894D821FB80AFE5D.ashx>

⁴⁴³⁸ African Development Bank Group and Japan sign exchange of notes for \$350 million private sector assistance loan to finance Bank’s private sector operations, African Development Bank Group (Abidjan) 20 February 2023. Access Date: 7 March 2023. <https://www.afdb.org/en/news-and-events/press-releases/african-development-bank-group-and-japan-sign-exchange-notes-350-million-private-sector-assistance-loan-finance-banks-private-sector-operations-59219>

⁴⁴³⁹ G20 Chair’s Summary and Outcome Document: First G20 Finance Ministers and Central Bank Governors Meeting, G20 India Presidency (Bengaluru) 25 February 2023. Access Date: 7 April 2023. https://www.g20.org/content/dam/gtwenty/gtwenty_new/document/1st%20FMCBG%20Chair%20Summary.pdf

Thus, Japan receives a score of +1.

Analyst: Alonso Muñoz Sanchez

United Kingdom: +1

The United Kingdom has fully complied with its commitment to promote transparency across all debtors and creditors, including private creditors, for improved debt sustainability.

On 11 July 2022, the UK Debt Management Office and Her Majesty's Treasury published its annual report on its debt management office and debt management account from 2021 to 2022.⁴⁴⁴⁰ This report includes accountability, sustainability, and performance reports of UK debt accounts.

On 19 July 2022, the UK government released information on its lending to other national governments, releasing information about its creditor portfolio on a loan-by-loan basis.⁴⁴⁴¹ This conforms to the G20 Operational Guidelines for Sustainable Financing.

On 28 October 2022, the Office for National Statistics published its quarterly report on the estimates of the UK government's debt and deficit.⁴⁴⁴² This report publicizes detailed debt information and data, promoting debt transparency.

On 1 November 2022, the Ministry of Justice launched a program that will allow around 20,000 people facing debt difficulties to receive free early-stage legal advice.⁴⁴⁴³ This program allocates resources to promote debt transparency and to increase understanding of debt sustainability.

On 4 November 2022, G7 Foreign Ministers reaffirmed their objective to promote debt transparency and reduce problems caused by debt vulnerabilities.⁴⁴⁴⁴ G7 members also advocated for the prompt distribution of results through the Common Framework for Debt Treatments beyond the Debt Service Suspension Initiative.

On 17 November 2022, the Treasury published a policy paper setting out the government's fiscal framework and debt management policy, including debt objectives and targets.⁴⁴⁴⁵ This paper eases the understanding of debt management, which promotes debt transparency and sustainability.

On 15 December 2022, the Treasury published a report outlining the outstanding debt owed by other countries to its government.⁴⁴⁴⁶ This report increases the visibility and quantity of information and data available to debtors.

⁴⁴⁴⁰ UK Debt Management Office and Debt Management Account annual report and accounts, 2021 to 2022, Government of the United Kingdom (London) 11 July 2022. Access Date: 3 November 2022. <https://www.gov.uk/government/publications/uk-debt-management-office-and-debt-management-account-annual-report-and-accounts-2021-to-2022>

⁴⁴⁴¹ UK lending to other national governments in 2022-23, Government of the United Kingdom (London) 19 July 2022. Access Date: 3 November 2022. <https://www.gov.uk/government/publications/uk-lending-to-other-national-governments-in-2022-23>

⁴⁴⁴² UK government debt and deficit: June 2022, Office for National Statistics (London) 28 October 2022. Access Date: 26 December 2022. <https://www.ons.gov.uk/economy/governmentpublicsectorandtaxes/publicspending/bulletins/ukgovernmentdebtanddeficitforeurostatmast/june2022>

⁴⁴⁴³ Free legal advice piloted to help people facing financial difficulties, Government of the United Kingdom (London) 1 November 2022. Access Date: 3 November 2022. <https://www.gov.uk/government/news/free-legal-advice-piloted-to-help-people-facing-financial-difficulties>

⁴⁴⁴⁴ G7 Foreign Ministers' Statement (4 November 2022, Münster), Ministry for Europe and Foreign Affairs (Münster) 4 November 2022. Translation provided by Google Translate. Access Date: 4 November 2022. <https://www.diplomatie.gouv.fr/en/country-files/europe/western-balkans-62918/article/g7-foreign-ministers-statement-4-november-2022-munster>

⁴⁴⁴⁵ Charter for Budget Responsibility: Autumn 2022 Update, Government of the United Kingdom (London) 17 November 2022. Access Date: 6 March 2023. <https://www.gov.uk/government/publications/charter-for-budget-responsibility-autumn-2022-update>

⁴⁴⁴⁶ Report on outstanding debt owed by other countries to His Majesty's Government in 2022, Government of the United Kingdom (London) 15 December 2022. Access Date: 26 December 2022. <https://www.gov.uk/government/statistics/report-on-outstanding-debt-owed-by-other-countries-to-his-majestys-government-in-2022>

On 15 December 2022, the Treasury published a document describing the procedure for preparing government annual reports and accounts in the UK, including its debt management account.⁴⁴⁴⁷ This document introduces regulations and rules to ensure the transparency of financial statements in the UK, which improves debt transparency for both debtors and creditors.

On 21 December 2022, the Treasury published its monthly report on public sector finances.⁴⁴⁴⁸ This report provides the latest available estimates for key financial statistics such as public sector borrowing, debt, and deficits. This increases the accessibility of debt-related data and economic models and tables, all of which support decision-making by debtors and creditors.

On 20 January 2023, the UK government released updated information on its lending to other national governments, publishing information about its creditor portfolio on a loan-by-loan basis.⁴⁴⁴⁹ This improves on previous debt transparency data and conforms to the G20 Operational Guidelines for Sustainable Financing.

On 31 January 2023, the Office for National Statistics published its quarterly report on the estimates of the UK government's debt and deficit.⁴⁴⁵⁰ This report publicizes detailed debt information and data, promoting debt transparency.

On 25 February 2023, G20 members agreed to continue working towards enhancing debt transparency and invited private creditors to join these efforts.⁴⁴⁵¹ This joint statement shows members' continued interest in enhancing debt transparency across debtors, public creditors, and most notably in this instance, private creditors to improve debt sustainability.

On 13 March 2023, the Treasury published a document containing the 2023 to 2023 guidance for government departments on the budgeting framework for expenditure control.⁴⁴⁵² These principles and standards make transparent key aspects of the UK public spending and debt management framework, which promotes debt sustainability.

On 15 March 2023, the Treasury published a policy paper outlining its spring budget for 2023.⁴⁴⁵³ This document included information on public debt, debt interest, debt forecasts, and plans to decrease debt, which increases public debt data.

On 31 March 2023, the Office for National Statistics published its report on the UK's quarterly sector accounts.⁴⁴⁵⁴ This report publicized data on household debt to income ratio, the UK government's borrowing

⁴⁴⁴⁷ Government Financial Reporting Manual: 2023-24, Government of the United Kingdom (London) 15 December 2022. Access Date: 26 December 2022. <https://www.gov.uk/government/publications/government-financial-reporting-manual-2023-24>

⁴⁴⁴⁸ Public sector finances bulletin, Government of the United Kingdom (London) 21 December 2022. Access Date: 26 December 2022. <https://www.gov.uk/government/statistics/public-sector-finances-bulletin>

⁴⁴⁴⁹ UK lending to other national governments in 2022-2023, Government of the United Kingdom (London) 20 January 2023. Access Date: 6 March 2023. <https://www.gov.uk/government/publications/uk-lending-to-other-national-governments-in-2022-23>

⁴⁴⁵⁰ UK government debt and deficit: September 2022, Office for National Statistics (London) 31 January 2023. Access Date: 6 March 2023. <https://www.ons.gov.uk/economy/governmentpublicsectorandtaxes/publicspending/bulletins/ukgovernmentdebtanddeficitforeurostatmaast/september2022>

⁴⁴⁵¹ G20 Chair's Summary and Outcome Document: First G20 Finance Ministers and Central Bank Governors Meeting, G20 India Presidency (Bengaluru) 25 February 2023. Access Date: 7 April 2023. https://www.g20.org/content/dam/gtwenty/gtwenty_new/document/1st%20FMCBG%20Chair%20Summary.pdf

⁴⁴⁵² Consolidated budgeting guidance 2023 to 2024, Government of the United Kingdom (London) 13 March 2023. Access Date: 14 March 2023. <https://www.gov.uk/government/publications/consolidated-budgeting-guidance-2023-to-2024>

⁴⁴⁵³ Spring Budget 2023, Government of the United Kingdom (London) 15 March 2023. Access Date: 7 April 2023. <https://www.gov.uk/government/publications/spring-budget-2023>

⁴⁴⁵⁴ Quarterly sector accounts, UK: October to December 2022, Office for National Statistics (London) 31 March 2023. Access Date: 7 April 2023. <https://www.ons.gov.uk/economy/nationalaccounts/uksectoraccounts/bulletins/quarterlysectoraccounts/octobertodecember2022>

position, and the lending positions of financial and non-financial corporations. This information increases the access and quantity of data and analysis available to debtors and creditors.

On 5 April 2023, the Treasury published its monthly statistics on the UK's official holdings of international reserves.⁴⁴⁵⁵ These statistics show details of movements in the UK's gold, foreign currency assets, and International Monetary Fund assets. In conjunction with other published reports on financing items, this allows debtors and creditors to assess debt risk, balance of payments, and the capacity of the government to service and repay its debt.

The United Kingdom has fully complied with its commitment to promote transparency across all debtors and creditors, including private creditors, for improved debt sustainability. The UK has taken action to increase ease of understanding, information, analysis, and data related to debt management and sustainability. The UK's monthly and quarterly reports and releases promote debt sustainability by allowing for informed debt risk assessment by private debtors and public creditors. The UK has also allocated resources to introduce regulations and promote debt transparency.

Thus, the United Kingdom receives a score of +1.

Analyst: James Jiang

United States: +1

The United States has fully complied with the commitment to promote transparency across all debtors and creditors, including private creditors, for improved debt sustainability.

On 6 July 2022, Secretary of State Antony J. Blinken attended the G20 Foreign Ministers' Meeting in Bali, Indonesia.⁴⁴⁵⁶ The Secretary of State reinforced the United States' commitment on improving debt transparency through a multilateral approach. Secretary Blinken reaffirmed creditors to apply the G20 Common Framework for Debt Treatments completely and transparently to effectively tackle debt vulnerabilities and support debt sustainability.

On 29 July 2022, the United States and Japan released a joint statement regarding strengthening economic security at the US-Japan Economic Policy Consultative Committee.⁴⁴⁵⁷ The countries reaffirmed their intent to ensure debt sustainability and transparency and encouraged other countries to respect global rules and principles including the G20 Principles for Quality Infrastructure Investment and the G20 Common Framework for Debt Treatments beyond the Debt Service Suspension Initiative (DSSI). The United States and Japan emphasized on creditor coordination to enable fair burden sharing among all creditors in debt treatments under the Common Framework.

On 20 September 2022, the Counsellor to the Secretary of the Treasury Brent Neiman gave a speech at the Peterson Institute for International Economics.⁴⁴⁵⁸ Counsellor Neiman emphasized on supporting sustainability and transparency in debt ventures including the G20 guidelines, the Organisation for Economic Co-operation and Development and the Institute of International Finance debt transparency initiative. He

⁴⁴⁵⁵ UK official holdings of international reserves: March 2023, Government of the United Kingdom (London) 5 April 2023. Access Date: 7 April 2023. <https://www.gov.uk/government/publications/uk-official-holdings-of-international-reserves-march-2023>

⁴⁴⁵⁶ The United States and G20: Building a More Peaceful, Stable, and Prosperous World Together, U.S. Department of State (Washington D.C.) 6 July 2022. Access Date: 20 October 2022 <https://www.state.gov/the-united-states-and-g20-building-a-more-peaceful-stable-and-prosperous-world-together/>

⁴⁴⁵⁷ Joint Statement of the U.S.-Japan Economic Policy Consultative Committee Strengthening Economic Security and the Rules-Based Order, U.S. Department of Commerce (Washington D.C.) 29 July 2022. Access Date: 24 October 2022. <https://www.commerce.gov/news/press-releases/2022/07/joint-statement-us-japan-economic-policy-consultative-committee>

⁴⁴⁵⁸ Remarks by Counselor to the Secretary of the Treasury Brent Neiman at the Peterson Institute for International Economics, U.S. Department of the Treasury (Washington D.C.) 20 September 2022. Access Date: 27 October 2022. <https://home.treasury.gov/news/press-releases/jy0963>

further elaborated on multilateral debt restructuring through transparency in financial statements, encouraged creditors to adopt transparency measures and improved coordination among creditors and debtors.

On 13 October 2022, Secretary of the Treasury Janet Yellen released the Joint International Monetary and Finance Committee and Development Committee Statement.⁴⁴⁵⁹ This statement reiterates challenges emerging due to rising debt and emphasis on the International Monetary Fund (IMF) and World Bank's role in promoting debt transparency through collaborative efforts. The statement reaffirms the Sustainable Development Financing Policy of the World Bank to improve transparency and sustainability in debt.

On 20 October 2022, the Department of the Treasury released the Chair of the Committee on Foreign Investment in the United States (CFIUS) enforcement and penalty guidelines.⁴⁴⁶⁰ The CFIUS enforcement and penalty guidelines aim to make information available to the public about the legislative framework and regulations of financial transactions, leading to increased visibility and availability of information.

On 4 November 2022, G7 Foreign Ministers issued a statement reaffirming their objective to promote debt transparency and reduce problems caused by debt vulnerabilities.⁴⁴⁶¹ They also advocated for prompt distribution of results through the Common Framework for Debt Treatments beyond the DSSI.

On 11 November 2022, the governments of the United States and India released a joint statement at the Ninth India-US Economic and Financial Partnership.⁴⁴⁶² The countries reaffirmed their commitment towards debt transparency and sustainability in bilateral lending. The countries also reiterated their intent to implement the G20 Common Framework for Debt Treatment promptly and coherently. This action will help in promoting transparency across debtors leading to improved debt sustainability.

On 15 December 2022, Secretary Yellen held a bilateral meeting with President of the Republic of Zambia Hakainde Hichilema.⁴⁴⁶³ Both countries reinforced their commitment towards achieving debt sustainability. Secretary Yellen also proposed the inception of a debt treatment for Zambia through the Common Framework immediately and discussed the need for a fair share of burden among all bilateral creditors to promote debt credibility. This action will help in promoting debt sustainability by ameliorating transparency among creditors and debtors.

On 25 February 2023, G20 members agreed to continue working towards enhancing debt transparency and invited private creditors to join these efforts.⁴⁴⁶⁴ This joint statement shows members' continued interest in enhancing debt transparency across debtors, public creditors, and most notably in this instance, private creditors to improve debt sustainability.

The United States has fully complied with the commitment to promote transparency across all debtors and creditors, including private creditors, for improved debt sustainability. The United States has taken action to

⁴⁴⁵⁹ Joint IMFC and Developing Committee Statement by Secretary of the Treasury Janet L. Yellen, U.S. Department of the Treasury (Washington D.C.) 13 October 2022. Access Date: 24 October 2022 <https://home.treasury.gov/news/press-releases/jy1018>

⁴⁴⁶⁰ Treasury Releases CFIUS Enforcement and Penalty Guidelines, U.S. Department of the Treasury (Washington D.C.) October 20 2022. Access Date: 27 October 2022, <https://home.treasury.gov/news/press-releases/jy1037>

⁴⁴⁶¹ G7 Foreign Ministers' Statement (4 November 2022, Münster), Ministry for Europe and Foreign Affairs (Münster) 4 November 2022. Translation provided by Google Translate. Access Date: 4 November 2022 <https://www.diplomatie.gouv.fr/en/country-files/europe/western-balkans-62918/article/g7-foreign-ministers-statement-4-november-2022-munster>

⁴⁴⁶² Joint Statement on the Ninth India-U.S. Economic and Financial Partnership, US Department of the Treasury (New Delhi) 11 November 2022. Access Date: 18 December 2022 <https://home.treasury.gov/news/press-releases/jy1099>

⁴⁴⁶³ Remarks by Secretary of the Treasury Janet L. Yellen at Bilateral Meeting with the President of the Republic of Zambia Hakainde Hichilema, US Department of the Treasury (Washington D.C.) 15 December 2022. Access Date: 18 December 2022 <https://home.treasury.gov/news/press-releases/jy1167>

⁴⁴⁶⁴ G20 Chair's Summary and Outcome Document: First G20 Finance Ministers and Central Bank Governors Meeting, G20 India Presidency (Bengaluru) 25 February 2023. Access Date: 7 April 2023. https://www.g20.org/content/dam/gtwenty/gtwenty_new/document/1st%20FMCBG%20Chair%20Summary.pdf

increase public transparency of financial models and make information available and has taken effective action in improving debt transparency effectively across public creditors, private creditors and debtors. It has aimed to improve debt sustainability through the implementation of policies to improve public knowledge and integrated global financial institutions and countries in its suggestions to increase transparency.

Thus, the United States receives a score of +1.

Analyst: Sara Ashim Ranu

European Union: +1

The European Union has fully complied with its commitment to promoting transparency across all debtors and creditors, including private creditors, for improved debt sustainability.

On 23 September 2022, the European Banking Authority launched its EU-wide Transparency exercise to monitor financial risks through better data collection.⁴⁴⁶⁵ More than one million data points are expected to be reported by more than 120 banks across the European Union. Published in December, the report is expected to collect more information on risk exposure amounts and asset quality, amongst other aspects.

On 14 October 2022, in the 46th meeting of the International Monetary and Financial Committee, Executive Vice President Valdis Dombrovskis and Commissioner Paolo Gentiloni, on behalf of the European Commission, committed to using fiscal policy to preserve debt sustainability.⁴⁴⁶⁶

On 4 November 2022, G7 Foreign Ministers issued a statement reaffirming their objective to promote debt transparency and reduce problems caused by debt vulnerabilities.⁴⁴⁶⁷ They also advocated for prompt distribution of results through the Common Framework for Debt Treatments beyond the Debt Service Suspension Initiative.

On 30 November 2022, the Committee on Economic and Monetary Affairs held a public hearing on Public and Private Debt Sustainability to review the fiscal rules.⁴⁴⁶⁸ The International Monetary Fund provides policies that focus on sustaining inflation and living costs for sustaining debt and strengthening debt reconstruction.

On 8 December 2022, the European Commission proposed tax transparency rules for crypto-asset transactions in the European Union.⁴⁴⁶⁹ The proposal codifies the Organisation for Economic Co-operation and Development Crypto-Asset Reporting Framework into EU law. It aims to counter tax fraud, tax evasion and tax avoidance by crypto-asset providers, thereby increasing transparency in digital transactions.

On 17 January 2023, the Economic and Financial Affairs Council made recommendations to fiscal policy surveillance regarding the implementation of the Stability and Growth Pact.⁴⁴⁷⁰ It recommends that fiscal policy should involve increased public and private investment to preserve debt sustainability. Additionally, the European Commission proposed to move to a risk-based EU surveillance framework that considers risks to

⁴⁴⁶⁵ EBA launches 2022 EU-wide transparency exercise, European Banking Authority (Paris) 23 September 2022. Access Date: 6 November 2022. <https://www.eba.europa.eu/eba-launches-2022-eu-wide-transparency-exercise>

⁴⁴⁶⁶ MFC Statement by Valdis Dombrovskis Executive Vice President, International Monetary Fund (Washington D.C.) 14 October 2022. Access Date: 3 November 2022. <https://www.imf.org/-/media/AMSM/Files/AM2022/IMFC/EC.ashx>

⁴⁴⁶⁷ G7 Foreign Ministers' Statement (4 November 2022, Münster), Ministry for Europe and Foreign Affairs (Münster) 4 November 2022. Translation provided by Google Translate. Access Date: 4 November 2022. <https://www.diplomatie.gouv.fr/en/countryfiles/europe/western-balkans-62918/article/g7-foreign-ministers-statement-4-november-2022-munster>

⁴⁴⁶⁸ EU economic developments and projections (Strasbourg) 30 November 2022. Access Date: 5 March 2023. [https://www.europarl.europa.eu/RegData/etudes/BRIE/2020/645716/IPOL_BRI\(2020\)645716_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2020/645716/IPOL_BRI(2020)645716_EN.pdf)

⁴⁴⁶⁹ Taxation: New transparency rules require service providers to report crypto-asset transactions, European Commission (Brussels) 8 December 2022. Access Date: 16 December 2022. https://ec.europa.eu/commission/presscorner/detail/en/IP_22_7513

⁴⁴⁷⁰ Implementation of the Stability and Growth Pact under exceptional times (Strasbourg) 17 January 2023. Access Date: 5 March 2023. [https://www.europarl.europa.eu/RegData/etudes/IDAN/2022/699543/IPOL_IDA\(2022\)699543_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/IDAN/2022/699543/IPOL_IDA(2022)699543_EN.pdf)

debt sustainability by evaluating public debt challenges. For government structure, it presents a debt sustainability analysis methodology suggesting an “escape clause” for debtor countries depending on the varying level of debt. It suggests monitoring and supervision procedures for Heavily Indebted Poor Countries (HIPCs) that are non-compliant with the framework.

On 25 February 2023, G20 members including the EU agreed to continue working towards enhancing debt transparency and invited private creditors to join these efforts.⁴⁴⁷¹ This joint statement shows the EU’s continued interest in enhancing debt transparency across debtors, public creditors, and most notably in this instance, private creditors to improve debt sustainability.

The European Union has fully complied with its commitment to promote transparency across all debtors and creditors, including private creditors, for improved debt sustainability by taking recent actions and making improvements to past actions in areas of debt sustainability and transparency for HIPCs, with a focus on monitoring and risk assessment. Initiatives were taken to improve transparency amongst private creditors and debtors by trying to propose a directive for insolvent debt reconstruction.

Thus, the European Union receives a score of +1.

Analyst: Preksha Khemka

⁴⁴⁷¹ G20 Chair’s Summary and Outcome Document: First G20 Finance Ministers and Central Bank Governors Meeting, G20 India Presidency (Bengaluru) 25 February 2023. Access Date: 7 April 2023.
https://www.g20.org/content/dam/gtwenty/gtwenty_new/document/1st%20FMCBG%20Chair%20Summary.pdf