

PRESS RELEASE

APMDD slams G20 for empty boasts of progress on debt solutions

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Manila, Nov. 1, 2021 — “The G20’s declaration comes as no surprise and only further exposes where its interests really lie - in ensuring the profitable business of lending with no regard for deep, widespread human suffering and intensifying climate change,” said Lidy Nacpil, coordinator of the regional alliance Asian Peoples’ Movement on Debt and Development (APMDD).

Nacpil scored claims in the G20 Rome Leaders’ Declaration [[1](#)] of “recent progress” on the G20 and Paris Club’s Debt Service Suspension Initiative and the Common Framework for Debt Treatments Beyond DSSI.

“Only \$12.7 billion has been deferred since these measures were launched in 2020, a paltry sum compared to at least \$3 trillion estimated by the UN to help developing countries alone.” With no extension for the DSSI, low-income countries given temporary respite will bear the full brunt of debt servicing in 2022, while middle-income countries that were ignored despite facing equally difficult circumstances, face even heavier burdens due to massive borrowings incurred in the last two years.

She added that as before, “the G20 persists in its kid gloves treatment of commercial or private lenders who have not been compelled to participate in efforts at debt suspension, albeit limited and temporary.” Lenders fully know of many developing countries’ heavy exposure to private lenders, relative to official bilateral lenders and multilateral lending institutions.

Much praise is also accorded by the G20 to the IMF’s approval of a general allocation of \$650 billion Special Drawing Rights. But the IMF’s moves clearly signal more borrowings — by urging rich countries to channel their hefty SDR allocations into boosting the Fund’s own lending programs, which come attached with austerity measures; and on-lend to multilateral institutions such as the World Bank.

Decrying the Rome Leaders’ Declaration as a list of empty boasts and promises, Nacpil stated that “while lenders laugh all the way to bank, millions of people worldwide teeter on the brink of survival, caught in a multiple crises of deprivation, impoverishment and climate change that is not of their making.” She asserted: “Our hope lies ever more firmly in the collective strength of peoples, rising to demand debt cancellation, and pressing their governments to repudiate unsustainable debt, including illegitimate debts.”

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Asian Peoples’ Movement on Debt and Development (APMDD)

Footnotes

[1] <https://www.g20.org/wp-content/uploads/2021/10/G20-ROME-LEADERS-DECLARATION.pdf>