

FORGING A COMMON AGENDA TO ACHIEVE DEBT SUSTAINABILITY IN DEVELOPING COUNTRIES

Background

Developing countries face mounting debt vulnerabilities which have diverted resources away from pressing development needs, exacerbated by a series of cascading global crises. According to the United Nations, the public debt of developing countries has reached record levels, surpassing \$29 trillion, with 48 countries spending more on interest payments than essential services, such as health, education or infrastructure. These figures are daunting, but the cost of inaction—economic, social, and environmental—is far greater.

The time for structural reform of the international financial architecture and the development of innovative financing mechanisms is now. Efforts are underway to improve implementation of the G20 Common Framework for Debt Treatments, to scale up financing for developing countries through the reform of Multilateral Development Banks, and to encourage the use of innovative mechanisms such as debt pause clauses and debt-for-development swaps, among others. But more needs to be done.

Responding to what has become known as the “silent debt crisis” requires a multi-pronged approach, to mitigate immediate risks, ensure long-term sustainability, as well as address root causes to prevent future crises. As the deadline established in the 2030 Agenda approaches and with many Sustainable Development Goals still far from being achieved, governments, international institutions, the private sector and academia are joining their efforts to explore feasible solutions to support countries facing increasing debt and liquidity pressures.

Objectives

South Africa and Spain have both made debt sustainability a key priority under the G20 Presidency and the 4th International Conference on Financing for Development respectively, seeking to find pragmatic solutions to alleviate the debt burden on developing economies, reduce the cost of capital and generate the fiscal space required to enable countries to invest in their people and economies.

The 4th International Conference on Financing for Development in Sevilla offers a unique opportunity to advance global discussions on this issue. In line with the agenda of the G20 Presidency and FFD4, this side event aims to:

- **Send a clear message** of renewed support from the international community to move forward with actionable proposals
- **Bring together a strong coalition of international actors** to rally consensus around coordinated debt initiatives capable of providing tangible solutions for vulnerable countries.
- **Create a platform** to promote these solutions, support best practice sharing and ensure implementation and follow-up over the coming years.

The role of academia and expert groups in contributing to the conference's success cannot be overstated. Various initiatives have been launched to develop solutions to the debt sustainability challenge, including the United Nations Group of Experts on Debt appointed by the UN Secretary-General, the African Leaders Debt Relief Initiative, the Expert Review on Debt, Climate and Nature, and the Jubilee Commission on Addressing the Debt and Development Crises in Countries from the South.

The ambitious effort of convening expert meetings, reports, and in-depth discussions ahead of Sevilla now provides us with a vast body of analysis and recommendations on what needs to be done; an opportunity that we cannot afford to miss.

Time and venue:

Date and time: 1 July 2025, 12:30-14:00

Location: Special Events Venue, FIBES 1, Pavilion 2

Run of the event:

Programme Director: Mr Mark Suzman, Chief Executive Officer of the Gates Foundation

- **12:30 – 12:50 Keynote address**
 - His Excellency Pedro Sanchez, President of the Kingdom of Spain
 - His Excellency Cyril Ramaphosa, President of the Republic of South Africa
- **12:50 – 13:00 Opening remarks**
 - Mr Enoch Godongwana, Minister of Finance of the Republic of South Africa
- **13:00 – 13:50 Panel discussion on “Forging a common agenda to achieve debt sustainability in developing countries”**

Moderated by Mr Carlos Cuerpo, Minister of Economy, Trade and Business of Spain

 - Mr. Trevor Manuel, former Minister of Finance of South Africa and Chair of the G20 Africa Expert Panel
 - Prof Martin Guzman, Professor at Columbia University and member of the Jubilee Commission
 - Ms Rebeca Grynspan, Secretary-General of UNCTAD
 - Dr Patrick Njoroge, former Governor of the Central Bank of Kenya
 - Ms Amina Mohammed, Deputy Secretary-General of the United Nations
 - Dr Mahmoud Mohieldin, UN Special Envoy on Financing the 2030 Sustainable Development Agenda
- **13:50 – 14:00 Closing remarks**
 - Mr Carlos Cuerpo, Minister of Economy, Trade and Business of Spain