

A perspective from Asia and the Pacific

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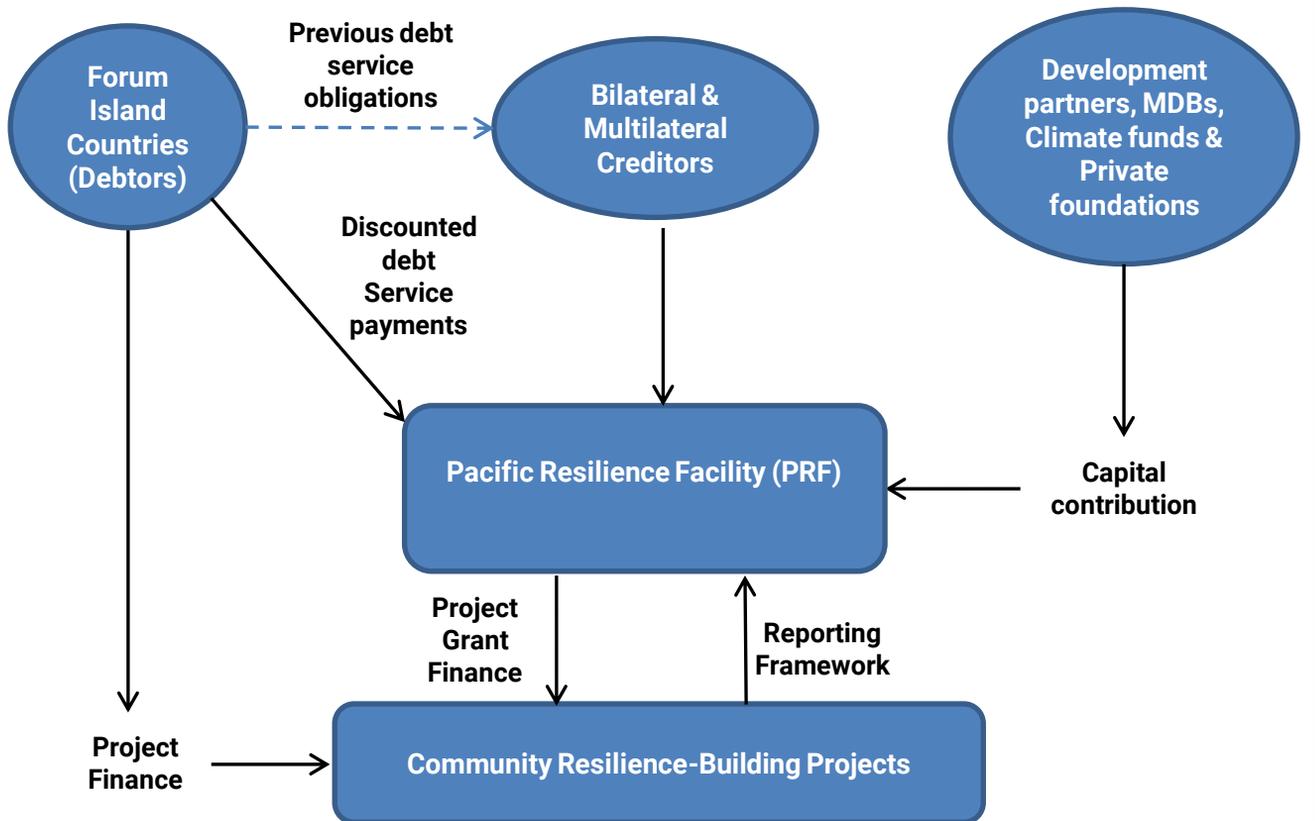
The Pacific SIDS are at high risk of debt distress

Country	DSSI Participation?	Risk of external debt distress	Risk of overall debt distress	Potential DSSI Savings May 2020 - June 2021
Fiji	Yes	0.4
Kiribati	No	High	High	
Marshall Islands	No	High	...	
Micronesia	No	High	High	
Papua New Guinea	Yes	High	High	1.4
Samoa	Yes	High	High	2.1
Solomon Islands	No	Moderate	Moderate	0.1
Tonga	Yes	High	High	2.4
Tuvalu	No	High	...	
Vanuatu	No	Moderate	Moderate	1.4

The Pacific Resilience Facility (PRF)

- Grants to governments for disaster risk reduction projects
- Community level, small-scale, \$50K to \$200K
- Retro-fitting critical infrastructure, community centers, schools
- Small-scale coastal protection
- Capital base of the PRF is to be preserved
- Disbursements for grants < capital gains

Debt resilience swaps – PIFS proposal



Challenges

- Will creditors be willing to ***partially forgive*** their debts to countries participating in the PRF?
 - Which creditors? ***Bilateral*** creditors only?
- ***What framework*** would be used for a negotiation with creditors for debt forgiveness to fund the PRF?
 - G20's ***Common Framework*** for Debt Treatments?
Something else?
- Effective and transparent ***management*** of the PRF

THANK YOU

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