
Multistakeholder Round Table 5: Realizing a development-oriented sovereign debt architecture

2nd July 2025: 3:00 PM – 6:00 PM
Fibes 1, Sevilla, Spain

Background

Amid successive crises and shocks, sovereign debt challenges have become one of the greatest obstacles to realizing sustainable development. Many developing countries face high debt service burdens and borrowing costs, which severely constrain their fiscal space and ability to address poverty and inequality and invest in sustainable development. Despite progress in reforming the sovereign debt architecture, restructurings are often still inadequate, late and lengthy. A development-oriented debt architecture, based on sound and transparent analysis of sovereign debt sustainability, is urgently needed to address these debt challenges.

The debt chapter of the Sevilla outcome document outlines four areas of actions to address these challenges: i) actions to strengthen debt management and crises prevention, debt transparency, and responsible borrowing and lending; ii) actions to lower borrowing costs and enhance fiscal space for investment in sustainable development in developing countries; iii) actions to achieve efficient, fair, predictable, coordinated, timely, and orderly restructurings; and iv) actions to promote debt sustainability and credit assessments that are more accurate, objective and long-term oriented.

Guiding Questions

1. What are your plans for taking forward the actions in the Sevilla outcome to achieve a development-oriented sovereign debt architecture?
2. How do you intend to progress in improving debt restructuring processes and outcomes in the near and long term for countries with unsustainable debt burdens?
3. How will you work towards advancing the Sevilla outcome to prevent future debt crises and provide urgent, timely and effective support to countries when they are faced with liquidity pressures?