**II. E Debt Sustainability**

49 (a) – New Zealand does not support explicit calls for seniority clauses. Seniority clauses can cause debt dilution risk and may require complex legal provisions to offset.

50 (e) - We do not support the establishment of a multilateral sovereign debt mechanism.

Without further information, we do not see why a new formal process is needed. Would the UN be the right place to establish a Multilateral Sovereign Debt Mechanism (MSDM) (and if so, established housed and run by which entity, under what governance and funding?) We note the commitment elsewhere in the document to seek to consolidate rather than further fragment the multilateral system.