

To: Organisation for Economic Co-operation and Development (OECD), G20, European Commission.

- sent via e-mail –

Brussels, 10 June 2021

We are writing to you in our capacity as Civil Society Organisations (CSOs) to highlight our concerns regarding the design, consultation process and establishment of the OECD Debt Transparency Initiative (DTI). **As it stands, we believe that the OECD DTI is an inadequate mechanism for improving debt transparency.**

Debt transparency is of the utmost importance for CSOs. We have systematically advocated for improvements in this area over recent decades. As a matter of principle, we believe that public debt data should be public. Implementation of this basic notion is good for everyone: transparency allows citizens and parliaments to have democratic oversight over lending and borrowing by their governments; it strengthens the debt management capabilities of governments; it improves sovereign borrowing markets; and it facilitates debt crisis resolution.

Against this backdrop, we welcome all efforts to improve transparency. The establishment of the OECD DTI is an acknowledgment of the urgent need for improvements in this area. Originally announced in October 2020, its purpose is to enhance transparency in debt transactions, terms and conditions in support of the implementation of the G20 Debt Service Suspension Initiative (DSSI) and the Common Framework for Debt Treatments Beyond the DSSI.

However, the process of design and direction of the OECD DTI raise substantial concerns in at least three respects:

- **Lack of participation and consultation with governments of the Global South:** The goal of the OECD DTI is to improve accountability and debt transparency for vulnerable low-income countries. However, following the Institute of International Finance (IIF) Voluntary Principles for Debt Transparency, the OECD DTI relies exclusively on information provided by private creditors. It is concerning that borrowers were excluded from the design and consultation process. The process of identification of common problems, priorities, data retrieval and development of debt management capacities must actively engage with authorities in these countries.
- **Lack of participation and consultation with stakeholders in the Global South:** Transparency is a common good. Domestic parliaments, CSOs, unions, social movements, academics and other relevant stakeholders are all direct beneficiaries of improvements in debt transparency. However, there has not been any effort by the OECD to publicly engage in a transparent manner with these actors as part of the process of design and establishment of the DTI. This dynamic severely undermines the credibility of the OECD DTI precisely in the countries where this initiative is needed the most.
- **Focus on the Voluntary Principles for Debt Transparency developed by the IIF:** Reliance on the IIF Principles limits the scope and capacity of the OECD DTI. To improve debt management capacities and facilitate debt crisis resolution efforts, debt transparency should apply to all debt instruments and countries, regardless of income levels. Furthermore, data disclosures must ensure interoperability with existing databases on debt at the national and international level. The IIF Principles fail to meet these criteria. Relevant debt instruments – such as publicly listed bonds and middle-income countries – are both excluded. In addition, disclosure restrictions on individual loans and contracts can limit the interoperability of the OECD DTI with other available databases.

These issues will hamper efforts in the area of public transparency in substantial ways. Accountability must start with the elected authorities of borrowing countries. Lack of engagement with authorities limits the scope of democratic oversight that relevant domestic stakeholders can exercise. Their involvement must be considered a prerequisite for increased debt transparency and accountability. Furthermore, in a landscape characterized by a fragmented creditor base, only borrowers have access to a reliable overview of their debt instruments. An approach to debt transparency that is exclusively creditor-focused, and voluntary, is bound to yield piecemeal results. Use of public resources to finance improvements in debt transparency must ensure that the data being made available to the public is free, comprehensive, interoperable and sustained over time.

Efforts that fail to address the issues we have raised in this letter will neither be in a position to act as a mechanism for increasing debt transparency in the Global South – nor will they be accountable to either borrowers or lenders.

With this in mind, we would like to take this opportunity to share with you a [proposal](#) supported by a global network of CSOs to establish a publicly accessible registry of loan and debt data that can be used as an input to the process of design and implementation of the OECD DTI.

We remain at your disposal for any clarification.

Yours sincerely, on behalf of the undersigned

Jean Saldanha

Eurodad Director

Co-signing Organizations:

CSOs from the Global South:

1. Aboh Youth and Community Initiative, Nigeria
2. Center for Peace Education and Community Development Jalingo Taraba state, Nigeria
3. Centro de los Derechos del Campesino, Nicaragua
4. Centro para Democracia e Desenvolvimento (CDD), Mozambique
5. CROSOL - Croatian Platform for International Citizen Solidarity, Croatia
6. Faith-Alive Vulnerable Foundation (FAVF), Nigeria
7. Forum de Monitoria do Orcamento (FMO), Mozambique
8. Freedom from Debt Coalition, Philippines
9. Health and Peace International Africa (HAPI), Nigeria
10. Initiative for Community and Human Development in Taraba (CAC/IT/NO 144202), Nigeria
11. Jesuit Centre for Theological Reflection, Zambia
12. Jubilee Caribbean, Grenada
13. KOTHOWAIN (Vulnerable Peoples Development Organization) Bandarban Hill Tract, Bangladesh
14. National Campaign for Sustainable Development Nepal, Nepal
15. Planned Governance Network, Zambia
16. Responsible citizenship and human development initiative (ReCHDI), Nigeria
17. Rural Area Development Programme (RADP), Nepal
18. Rural educational improvement and development, Nigeria
19. Rural infrastructure and human resources development organisations, Pakistan
20. Safe Environmental and Community Health Initiative, Nigeria
21. Save life community initiative SLICOM-I, Nigeria
22. SEATINI UGANDA, Uganda
23. Socio Economic Research and Development Centre, Nigeria
24. Success Capital Organisation, Botswana
25. Tansana Health and Community Integrated Development Initiative, Nigeria
26. Women and children health empowerment foundation. (WACHEF), Nigeria

CSOs from OECD countries

27. ACEP, Portugal
28. Alliance Sud, Switzerland
29. BNE Kompass EPIZ, Germany
30. CAFOD, UK
31. CNCD-11.11.11, Belgique
32. Debt Justice Norway, Norway
33. Diakonia, Sweden
34. Ekumenická akademie (Ecumenical Academy), Czech Republic
35. Equidad de Género: Ciudadanía, Trabajo y Familia, Mexico
36. Erlassjahr.de, Germany
37. Estonian Roundtable for Development Cooperation, Estonia
38. Fundación Mexicana para la Planeación Familiar, A. C. MEXFAM, México
39. Gender Action, USA
40. Instytut Globalnej Odpowiedzialności (IGO), Poland
41. INTERSOS, Italy
42. Jubilee Australia Research Centre, Australia
43. Jubilee Debt Campaign, UK
44. Jubilee USA, USA
45. KAIROS: Canadian Ecumenical Justice Initiatives, Canada
46. Latvian Platform for Development Cooperation, Latvia
47. LINK2007, Italy
48. National Society of Conservationists - FoE Hungary, Hungary
49. Norwegian Church Aid, Norway
50. Observatorio Mexicano de la Crisis, México
51. Oikos - Cooperação e Desenvolvimento, Portugal
52. Plateforme Dette et Développement, France
53. Public Eye, Switzerland
54. Sisters of Charity Federation, United States
55. SOMO, Netherlands
56. Tripla Difesa Onlus ODV, Italy

Global and regional networks

57. Eurodad
58. Afrodad
59. Latindadd
60. Oxfam International
61. Action Aid International
62. Tax Justice Network Africa