



Presentation during the First Borrowers' Platform Governing Council Meeting 12 October 2026, Bangkok, Thailand

Presented by Janet Zhou on behalf of the delegation of Global South organisations of the Civil Society FfD Mechanism and its Southern debt leads:

African Forum and Network on Debt and Development (AFRODAD)

Asian Peoples' Movement on Debt and Development (APMDD)

Latin American and Caribbean Network for Economic, Social and Climate Justice (Latindadd)

1. Opening: A shift in the architecture

Chair, Honourable Ministers, Governors, Heads of Delegation, colleagues from civil society, the media and other stakeholders, all protocol observed.

This first Borrowers' Platform Governing Council meeting is a historic day for developing countries. We thank the people of Thailand for their warm welcome.

We begin in solidarity with our hosts. In recent weeks, floods have taken lives and affected more than three million people across Thailand. Climate shocks like these push developing countries deeper into debt.

The Compromiso de Sevilla (Sevilla Commitment) set the reform of the global debt architecture in motion. We collectively welcome this Council and appreciate the inclusion of civil society. Our constituencies live the debt crisis every day, through cuts in public services, heavier tax burdens and a persistently high cost of living.

Creditors have long set the rules, most recently through the Group of Twenty (G20) Common Framework. Those rules have failed to prevent debt distress. This Platform puts borrowers at the core of the process. It is consistent with the Common African Position on Debt. We have long called for a shift from a creditor-centred debt architecture to a democratic one, grounded in international law through a United Nations (UN) Framework Convention on Sovereign Debt. The Borrowers' Platform is a critical element of such an architecture, and a complement to it.

2. Our concerns

Honourable Members, many countries now face a solvency crisis. The system that should resolve it is full of contradictions. The International Monetary Fund (IMF) is both a creditor and the arbiter of debt sustainability. Multilateral development banks stay out of debt restructurings to protect their own credit ratings. Five pressures drive the crisis:

- **The cost of capital.** Developing countries borrow at two to four times the rate of the United States.
- **Foreign exchange scarcity.** Scarce foreign exchange fuels instability, depreciation and inflation. This raises the real cost of borrowing, including on debt in local currency, and makes domestic debt unsustainable. Import-reliant and dollarised economies are hit hardest.
- **Shrinking aid.** Donors are diverting budgets to defence and military spending.

- **Debt service crowding out public services.** 3.4 billion people live in countries that spend more on interest payments than on health or education. Climate resilience and social protection are squeezed too.
- **Creditor-led debt restructuring.** There is no adequate and effective mechanism for resolving sovereign debt crises. The Common Framework is creditor-centred and cannot rein in private creditors. Many borrowers are ineligible for it and restructure through other processes that still run through the IMF.

3. Three recommendations

Chair, these challenges can be overcome. We offer three recommendations within your mandate.

Recommendation 1: Reduce the cost of capital for borrower countries.

Use peer learning to build countries' capacity to engage credit rating agencies, including on holding ratings during restructuring. Share experience on negotiating fair and transparent loan terms.

Recommendation 2: Use peer learning to strengthen national debt laws in borrower countries.

Support countries to shape laws on how debt is contracted, managed and restructured, so that debt serves development. Tools such as the African Borrowing Charter developed by AFRODAD can help.

Support citizens' and official debt audits that promote public consultation, transparency and accountability in national debt governance.

Recommendation 3: Own your debt sustainability analysis.

Creditors have challenged debt sustainability forecasts at every phase of the debt cycle, including in IMF Article IV reviews. Argentina, for instance, ran its own debt sustainability projections, and the IMF later publicly recognised that its initial analysis had been too optimistic.

This Platform can go further. It can use debt sustainability analysis (DSA) to integrate key national criteria, such as sustainable development, climate and human rights needs. This includes assessing how climate shocks worsen foreign exchange constraints and debt servicing difficulties for low-income countries, particularly dollarised economies. That moves us from debt management to debt justice.

4. In closing

Chair, the regional civil society organisations of the Global South are committed to the success of the Borrowers' Platform. We worked closely with the African Group and other Southern Member States to open and advance negotiations on the UN Framework Convention on International Tax Cooperation, taking part in key global spaces and processes. We look forward to building an equally fruitful working relationship with this Platform.

Thank you.