

Towards a lasting solution to sovereign debt problems: Promoting Responsible Lending and Borrowing through Fair and Transparent Debt Arbitration.

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The World is in dire debt distress. Today, sovereign debts are no longer the problem of only the poor South. Low, middle and high income countries are experiencing increased levels of sovereign debts. With the drying up of finance for development due to the global economic crisis, countries want to borrow more money to increase their liquidity while creditors want their debts repaid.

There are increasing disputes over sovereign debt. However, to date, no international mechanism exists to deal comprehensively and effectively with sovereign debt problems. This presentation will look at the need for responsible lending and borrowing, and more importantly the urgent need for the establishment of an independent, fair and transparent debt arbitration mechanism.