



EMEA WEBINAR

# REFORMING INTERNATIONAL DEBT ARCHITECTURE: CAN DEBT TRANSPARENCY BE ACHIEVED FOR AFRICA?

Thursday 22 October, 2020 15:00- 16:50 CET

## Moderator:

**Alonso Soto**  
Correspondent Nigeria, Bloomberg

## Panelists:

**Prof. Rym Ayadi**  
President, Euro-Mediterranean Economists  
Association (EMEA), Professor, The Business School  
(Former CASS), London

**Prof. Emiliós Avgouleas**  
Professor, Chair, Edinburgh Law School

**Sonja Gibbs**  
Managing Director, Institute of International Finance

**Thomas Wyatt Laryea**  
Orrick Law Firm

**Funsho Allu**  
Founding Partner, TIA Capital

**Moritz Kraemer**  
Chief Economic Advisor, Acreditus

**Kwame Sarpong Barnieh**  
Partner, KPMG Ghana



The COVID-19 global pandemic has shown the world that neither developed nor developing nations were adequately equipped to prevent or manage a health exogenous shock of this magnitude. The viral contagion hit China, followed by Europe and carried on to the South and East Mediterranean, Africa and other parts of the world.

To manage the looming uncertainty and the subsequent socio-economic consequences of the pandemic, governments world-wide increased their indebtedness. Africa and Middle East have been battling with poor economic preparedness and very low fiscal space as shown by EMEA COVID-19 Policy Response Monitor, while the World Health Organisation has warned that the pandemic could infect 29 million to 44 million people on the African continent in the first year alone if it is not contained. African countries are also facing a combined \$44bn debt-servicing bill in 2020. In an April 15, 2020 Communiqué, the G20 announced an agreement with the Paris Club (a group of major creditor nations) to freeze debt payments for the 77 poorest countries from 1st May to the end of 2020, if requested by eligible countries, in order to free up cash for the pandemic. The IMF has been active in mobilizing billions of dollars in emergency financing through its Rapid Credit Facility instrument and in some cases by increasing the size of pre-existing programs as in Angola. Through the Private Sector Involvement (PSI) element of the Debt Service Suspension Initiative (DSSI) private creditors were asked to share the burden of suspending debt service payments to eligible countries requesting such relief. The take up of PSI i.e. countries requesting the suspension of commercial debt service obligations has been muted with many eligible countries fearing potential downgrades from ratings agencies as a result of such action and with it a potential loss of market access. Amidst persistent COVID-19 pandemic and dire global economic outlook, more African countries have transitioned to a high risk of debt distress and Zambia has already commenced the process of restructuring/reprofiling its debts.





On the eve of the October IMF-WBG Annual meeting, the IMF Managing Director demanded an urgent reform of the international debt architecture emphasizing the role of debt transparency. Debt transparency is essential for good public governance and accountability. It has been described as the “citizen’s best friend”. A recent paper published by the G20-T20 Task Force on International Financial Architecture called for the urgent implementation of a public global mechanism for the recording of old and new debt issues as well as debt-like liabilities including all forms of sovereign debt and guarantees to boost debt transparency. The paper called for setting up A Debt Transparency Platform powered by blockchain technology where all bilateral, multilateral and private sector players can register sovereign debt transactions thereby reducing market informational asymmetry.

In October 2020, EMEA together with its partners are launching an international financial debt architecture research initiative. This initiative aims to assess what has been achieved and what further steps can be taken to improve the financing and management of sovereign related projects in Africa specifically (primarily in the infrastructure space) and more broadly how these actions can better foster debt sustainability.

The focus of our titled webinar is to discuss the role of debt transparency in reforming the international debt architecture. The discussion will be Africa specific and tackle issues such as sovereign defaults and debt relief measures, the role of the international organisations (e.g. IMF and the EU), the private sector and the potential path towards debt sustainability via transparency and conditionality.

## Moderator:



**Alonso Soto**  
Correspondent Nigeria, Bloomberg

Alonso started his career reporting on immigration and labour unions in Chicago for Reuters before heading to Ecuador to start a 12-year tour through Latin America. He wrote about everything from cocaine trafficking to shocking debt defaults, a massive earthquake and the impeachment of a president. After his last post covering economics in Brazil, Alonso moved to Africa to report for Bloomberg about the continent's economics and politics. Based in Nigeria, he has reported extensively on the global push to grant debt relief to poor nations, mostly in Africa. Alonso is a native of Nicaragua and holds a Master's degree in public policy from Princeton University.

## Speakers:



**Professor Rym Ayadi**  
President, Euro-Mediterranean Economists Association (EMEA)  
and Professor The Business School (Former CASS), London

Professor Rym Ayadi is the Founder and President of the Euro – Mediterranean Economists Association (EMEA). She is Founder and Director of the Euro-Mediterranean Network for Economic Studies (EMNES). She is Senior Advisor at the Centre for European Policy Studies (CEPS); Professor at the Business School, City University of London; and Member of the Centre for Banking Research (CBR); Academic member and Chair (2018-20) of the European Banking Authority – Banking Stakeholders Group (EBA- BSG). She is also Associated Scholar at the Centre for Relationship Banking and Economics (CERBE) at LUMSA University in Rome.



**Prof. Emilius Avgouleas**  
Edinburg Law School, Member of the Advisory Board of EMEA.

A graduate of the LSE in law and finance (LLM, PhD) Professor Emilius Avgouleas holds the International Banking Law and Finance Chair at the University of Edinburgh. He is a Member of the Advisory Board of EMEA.

With an extensive publication record and scientific output, Emilius is regarded as one of the world leading scholars in the fields of Regulation of Financial Markets, Global Financial Governance, and Digital Finance. Emilius is the founding director of the interdisciplinary LLM programme in international banking law and finance, and a senior research fellow of the Edinburgh University blockchain technology lab, School of Informatics. He is a senior fellow and visiting professor at the School of European Political Economy, Luiss Guido Carli University. He currently serves as an elected member (2020-2024) of the European Securities and Markets Group, the Stakeholder Group of the European Securities and Markets Authority (ESMA). He has been a distinguished visiting professor the National University of Singapore, Hong Kong University, Duke Law School, the China-EU School of Law and the Athens University of Economics and Business. He has also been a senior visiting research fellow at Yale Law School (2016), Duke Law School (2009), and Harvard Law School (2016). He has also served for 2 terms (2015-2020) as an elected member of the European Banking Authority's Stakeholder Group (EBA-BSG) in the section "top-ranking academics".



**Sonja Gibbs**  
Institute of International Finance

Sonja's research interests include multi-asset investment strategy, with a focus on emerging/frontier markets, capital flows and ESG investment. She authors the IIF's *Weekly Insight*, which offers a concise perspective on global financial markets in the context of topical economic and political developments, and oversees the quarterly *Global Debt Monitor*, which looks across mature and emerging economies for debt-related vulnerabilities such as the rapid build-up in EM corporate debt levels. Sonja leads IIF policy work on sustainable finance and infrastructure investment, including advocacy and liaison efforts vis-à-vis the G20, the multilaterals and the international regulatory community.

Sonja has spent over 20 years in banking and financial markets, most recently with Nomura International in London, where she was Chief Equity Strategist. Previously she was Head of East European Economics and Senior European Bond Analyst, also for Nomura. She has taught undergraduate microeconomics at U.C. Berkeley and spent several years with the Berkeley-Stanford Program on Soviet International Behavior. Sonja's work is widely cited in the financial press, including Bloomberg, the *Wall Street Journal* and the *Financial Times*; she is a regular speaker at industry conferences and has been a frequent commentator for financial television and radio in her strategist/analyst roles.



**Thomas Wyatt Laryea**  
Orrick Law Firm

Thomas is a recognized international law and policy expert in sovereign debt restructuring. While he has a special interest in Africa, his experience is truly global. Thomas formerly served as Assistant General Counsel at the International Monetary Fund, where he was responsible for the IMF's legal relations in finance and economic surveillance with each of its member countries. His practice bridges legal and strategic advice on the transactional, public policy and dispute resolution aspects of international finance and investment.

**Representative Engagements**

- Legal and government relations advice to U.S. renewables power developer in Nigeria.
- Advice on the allocation of assets and liabilities between Sudan and South Sudan.
- Advice on an integrated transportation infrastructure project between Niger and Benin.
- Advice to major oil company on direction of Extractive Industries Transparency Initiative.
- Government relations advice to investor in Gabon.
- Representation of a Libyan sovereign wealth fund on sanctions and investment issues.
- Advice to the Government of Niger on U.S. trade law matters.
- Advice to a U.S. fund on settlement of a debt dispute with Democratic Republic of Congo.
- IMF and U.S. government-related legal and policy advice to fund in debt litigation against Argentina.
- Advice to creditors in Ukraine debt restructuring.
- Advice to bondholders in Mozambique government debt restructuring.
- Advice to Government of Sudan on strategy for debt relief.
- Advice to the government of Ghana on IMF legal relations and financing.
- Advice to bondholder committee in Belize debt rescheduling
- Advice to bondholder committee in Argentina debt restructuring



**Funsho Allu**  
 Founding Partner of TIA Capital

Funsho Allu is a Founding Partner of TIA Capital, a Sub-Saharan-African investment management business headquartered in London. He is currently based in Nairobi with a focus on East and Southern Africa and Francophone Africa geographies. TIA Capital, founded in 2009, invests in multi-strategy credit opportunities across the continent. He was a founding partner of 46 Parallels; a joint venture between TIA Capital and the JMH Group specialising in Private Debt in SSA-ex SA. Before TIA Capital, Funsho headed the EMEA Hedge Fund business for AIG Investments and PineBridge Investments in London. Prior to this, Funsho sat on the Investment Committee at Petercam Capital, a London-based boutique asset manager, which managed equity and alternatives investments on behalf of the Belgian bank. He began his career at GS in London in sales and sales-trading in European equities and equity-derivatives for institutional clients. He holds an MEng from the University of Bristol.



**Kwame Sarpong Barnieh**  
 Partner, KPMG Ghana

Kwame is a Partner for Internal Audit, Risk and Compliance. He has over 18 years' experience working across various dimensions of Internal Audit (IA), Risk Assessment & Management, Governance, and Compliance Review. He works with clients in diverse industries to understand their business environments to generate sustainable returns through the assessment, design and implementation of Enterprise Risk Management, Governance, Compliance, Internal Controls and Internal Audit frameworks. As a lead facilitator for KPMG's external training programmes, he designs and facilitates training programmes across various disciplines. Kwame is a Certified Public Accountant and a Certified Global Management Accountant.



**Moritz Kraemer**  
 Chief Economic Advisor, Acreditus

Dr. Moritz Kraemer is Chief Economic Advisor of Acreditus, a UAE-based risk consultancy firm, as well as Independent Non-Executive Director of Scope Ratings, the largest Europe-headquartered Credit Rating Agency. Until 2018 he was at S&P Global as the Sovereign Ratings Group' Global Chief Ratings Officer. Before that he started his career as an Economist at the Inter-American Development Bank in Washington, D.C. Moritz holds a PhD in Economics from the University of Göttingen (Germany). He studied Economics, Latin American Studies and Literature in Frankfurt, Southampton and San Diego. He currently teaches graduate courses at Goethe-University Frankfurt's House of Finance and the Centre International de Formation Européene (Nice).



SAVE THE DATE: Next webinar taking place on 05 November at 15:00 CET on Natural Resources in Africa: A Blessing or a Curse? .

