

(English version)

**Question for written answer E-001569/25
to the Commission
Fabio De Masi (NI)
(17 April 2025)**

Subject: Position on initiatives to restructure the external debt of developing countries and reform special drawing rights (SDRs)

Does the Commission support global initiatives within the G20 and the IMF ⁽¹⁾ ⁽²⁾ ⁽³⁾ to restructure the external debt of developing countries and reform the system SDRs?

Submitted: 17.4.2025

**Answer given by Mr Dombrovskis on behalf of the European Commission
(20 June 2025)**

The Commission supports the G20 Common Framework (CF) for Debt Treatments, which is a mechanism to provide poorer countries with orderly and coordinated debt restructurings.

The Commission supports making the CF timelier and more predictable for debtor countries and extending it to middle-income countries that need it.

The CF has started to deliver and restructuring timelines are now shorter. The International Monetary Fund (IMF) Global Sovereign Debt Roundtable Playbook on sovereign debt restructuring, which includes indicative guidance on timelines, is an important step in the right direction.

The Commission is an observer at the IMF and is not a prescribed holder of Special Drawing Rights (SDRs), therefore it does not hold SDRs. The EU at the IMF Board supported the USD 650 billion SDR allocation and the Commission supports EU Member States' SDRs rechanneling efforts towards vulnerable countries.

EU Member States so far pledged around USD 37 billion of SDRs (or equivalent contributions) to the IMF trust funds and lead the way in transferring the resources to these funds with around USD 35 billion delivered.

Decisions to allocate SDRs are based on long-term global liquidity needs and require approval by an 85% majority of the total voting power.

The Commission supports the proposals to channel SDRs through multilateral development banks for countries in a position to do so, whilst respecting national legal frameworks and their reserve asset status.

For EU Member States it is not legally possible to channel SDRs to multilateral development banks because of Article 123 of the Treaty on the Functioning of the European Union.

¹ https://www.t20brasil.org/media/documentos/arquivos/TF03_ST_02_Reallocating_Special66e19a93d2b08.pdf

² <https://www.uneca.org/stories/transforming-the-global-financial-architecture-new-report-advocates-for-imf-reforms-to>

³ <https://aercafrica.org/imf-isnt-doing-enough-to-support-africa-billions-could-be-made-available-through-special-drawing-rights/>