

Paris Club/London Coalition/IIF Workshop to Improve Understanding of ECA Backed Loans in Sovereign Debt Financing and Restructurings

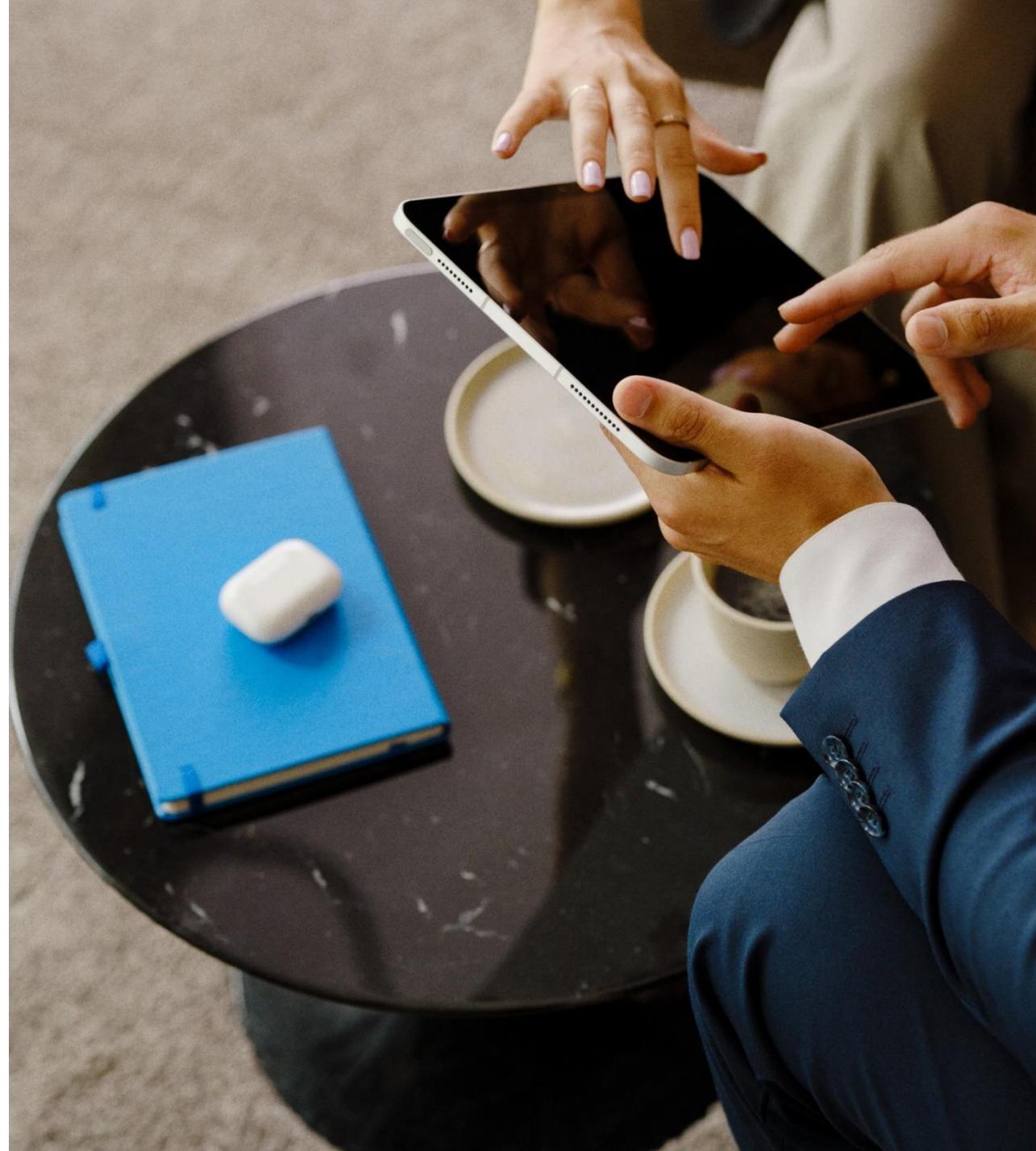
Tuesday, 10 March 2026

French Ministry of Economy and Finance, 75012 Paris, France

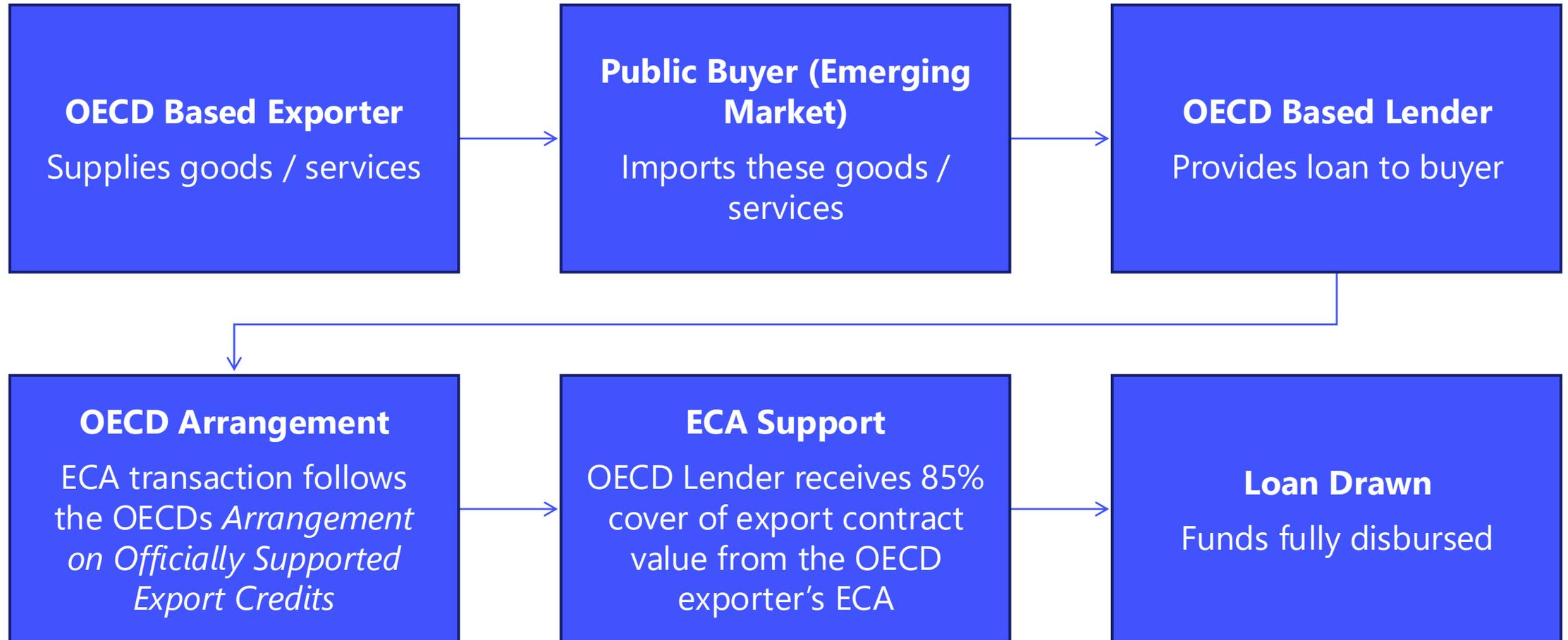
Clifford Chance

Practical Issues arising from ECA Cover in Sovereign Debt Restructurings

March 2026



Simplified Paradigm Transaction



Default Scenario

1. Debtor country declares a general moratorium (leading to payment default)
2. Debtor country seeks an IMF-supported program
3. Debtor country seeks a Common Framework or Paris Club debt treatment
4. The exporter's ECA is based in a creditor nation country (Common Framework country or permanent Paris Club country)

Relevant Considerations for Lenders

What steps will a Lender need to take upon the announcement of a sovereign payment default?

Does ECA payment follow the original schedule, or can it be accelerated if the Lender accelerates?

Once a payment has been made to the Lender, what rights does the ECA acquire under the Loan?

What is the process for uninsured or unguaranteed amounts under the Loan?

How should information sharing be approached before a Paris Club/OCC MoU is reached (namely in relation to key IMF Program parameters) and during OCC/Paris Club negotiations?

How is a payment default handled on a Loan with repayments extending over many years, where the ECA does not pay accelerated amounts?

Can a SOE importer, without a sovereign debtor guarantee, have its obligations replaced with an obligation owed by the sovereign debtor?

How are multilateral official bilateral agreements on restructuring terms (e.g. through an MoU), consummated?

How do bilateral agreements change rights under individual loan agreements or other debt contracts, including where the ECA has subrogation or assignment rights in favour of the Lender?

How do MoU future-event adjustments to sovereign debt obligations affect Lenders where the ECA (or applicable OECD country) leads both covered and uncovered restructurings?

Next Steps

1. Assimilation of ECA survey feedback and feedback from this meeting.

2. Preparation of a draft Guidance Note for input by relevant stakeholders including London Coalition, Paris Club Secretariat, IIF, ECAs and others.

Objective: Create a non-binding Guidance Note setting out relevant practices to assist better market understanding and anchor timely restructuring of ECA backed debt and linked debt.

Clifford Chance

Thank you

Clifford Chance, 10 Upper Bank Street, London, E14 5JJ

© Clifford Chance 2026

Clifford Chance LLP is a limited liability partnership registered in England and Wales under number OC323571

Registered office: 10 Upper Bank Street, London, E14 5JJ

We use the word 'partner' to refer to a member of Clifford Chance LLP, or an employee or consultant with equivalent standing and qualifications

[cliffordchance.com](https://www.cliffordchance.com)