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## **BUILDING BACK BETTER POST-COVID 19: LESSONS LEARNT AND THE FUTURE OF SOVEREIGN DEBT MANAGEMENT AND RESTRUCTURING IN SADC**

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### **15.1 Introduction**

African countries need foreign exchange to fund their development. They obtain these funds through export earnings, through foreign investments or through borrowing. Given the exchange rate risk associated with these debts, African governments always face a challenge in managing their external debts so that they do not pose a serious risk to their development strategies. Despite their best efforts, there is always the possibility – and at times the reality – that their debt management strategies will be undermined by issues outside their control such as changes in commodity prices, changes in key country interest rates, exchange rates, public health crises, and geopolitical developments. As a result of these changes, African countries can lose access to affordable external financing or can become unable to meet their debt obligations in a timely manner. African countries have also been forced into a debt crisis by their institutional and policy shortcomings, including ineffective or opaque debt management operations, and flawed macro-economic policies.

Regardless of their cause, these crises, in turn, can adversely affect the ability of the debtor states to formulate and implement effective policies, to finance education, health and social welfare, to promote job creation and to address developmental problems such as a lack of infrastructure and corruption. The need to meet their debt obligations can also force countries to favour those activities that generate foreign exchange in the short term regardless of their longer term impacts on the environment and local communities, especially vulnerable population groups such as women, children and the elderly.

History, therefore, teaches us that the management of Africa's sovereign debt is not only a financial matter. It also has important macro-economic, political, social and environmental ramifications. The salience of these inter-connected issues has been intensified by the COVID-19 pandemic and the increased demands it has placed on government finances and their responsibility to tackle the challenges of poverty and inequality. This suggests that there is a need for both academics and policy makers to pay careful attention to Africa's external debt and to explore the possibility for

more creative and effective approaches to the management of this debt. While there is a need to explore this issue at a continental level, it is also important to explore the sovereign debt issue at regional and national levels. This book has adopted the latter approach and has concentrated on the Southern African Development Community (SADC) region. In doing so, it brought together 18 contributing authors with different areas of expertise and different perspectives on the SADC region's debt situation. In an effort to chart a way forward for the region, the contributing authors addressed the following four themes:

- the impact of structural changes in the global economy on the SADC debt landscape;
- the challenges of sovereign debt management and restructuring in the SADC region;
- the implications of the lack of transparency on the accumulation and use of sovereign debt;
- options for incorporating human rights and social considerations into sovereign debt renegotiations and restructuring.

The book takes two approaches in developing these themes. First, some chapters provide a general overview of Africa's debt landscape, with a particular reference to the situation in the SADC region by presenting recent data, trends and dynamics. Most of the authors of these chapters also explore the role that the international financial institutions, particularly the International Monetary Fund (IMF), play in the region. Some of these authors further explore the link between debt and other areas such as international trade and human rights and the legal issues arising from these linkages. Second, the book contains six case studies that discuss how specific SADC member states have addressed particular aspects of these four themes.

This final chapter seeks to draw lessons from these two sets of chapters regarding the four themes in the book. Its goal is to provide the basis for developing a new and more sustainable and resilient approach to sovereign debt in Africa, in general, and the SADC, in particular. The chapter has two goals. The first goal is to provide an overview of the lessons that can be drawn from their research. The second objective is to draw some policy-relevant conclusions about the debt situation in the SADC region and to offer some suggestions for future research on the topic.

## 15.2 COVID-19 and sovereign debt in SADC: What have we learnt so far?

Not surprisingly, the COVID-19 pandemic has adversely affected the public finances, including the external debt situation, of all African countries. However, the impact has not been uniform, in part because some countries entered the pandemic in better economic shape than others, and in part because of the specific structural features of each state's political economy. The result is that the economies of some countries have been more severely affected by the pandemic than others.

In this regard, the SADC region is not unusual. There is substantial variation in the social and economic situations of the 16 member states. In his chapter Kessler provides a detailed overview of the debt landscape of the SADC countries, assessing both their pre-pandemic situations and the economic shock that the COVID-19 pandemic gave to their economies and their policy responses to the pandemic. He demonstrates that there was considerable variation in their situations. He notes that some countries entered the crisis vulnerable to debt distress (Angola and Zambia) having experienced deterioration in their debt sustainability profiles and downgrades in their credit ratings. Other countries entered the crisis with more sustainable debt profiles and so were better able to manage their debts during the crisis (Comoros, Democratic Republic of the Congo (DRC), Lesotho, Madagascar and Tanzania). Nevertheless, he notes that all the SADC states now face challenges in accessing new external finance.<sup>1</sup>

Herman supports this observation. In his chapter he details the 'inescapable surge in foreign borrowing' among developing countries that followed the advent of the pandemic.<sup>2</sup> Herman's assessment draws three main lessons from the experience of poorer countries, including those in Africa, in general, and SADC, in particular, during crises such as the COVID-19 pandemic. First, these countries are likely to resort to borrowing in order to meet their society's various health, social and economic needs. The alternative is for them to fall short on meeting these needs. Second, many of these countries, because of the relatively high level of their pre-pandemic debt burdens, will require external support. Although grants are the preferred form for this assistance, these countries are likely to have to resort to a mix of grants and loans. Third, these

1 See M Kessler ch 3 'Debt service suspension in Southern African Development Community countries'.

2 B Herman ch 2 'International assistance in catastrophes need not bankrupt countries'.

countries have a need for ‘escape clauses’. This means that, in order to avoid being overwhelmed by their debt obligations, they will need their creditors to provide some debt relief during the crisis. This does not free the debtor countries from the need to make good use of all their available sources of finance, including the limited relief that is available through initiatives such as the Debt Service Suspension Initiative (DSSI).<sup>3</sup>

The role of the IMF in this regard merits specific attention. As Edwards discusses in his chapter, historically its importance arises from both the financial support it offers to its member states and the policy advice it provides during its regular surveillance of the economies of its member states. The latter form of support, the author notes, needs to be critically evaluated because the ‘influence of the IMF over states and over markets is increasingly being challenged’. Edwards argues that IMF surveillance should be more transparent and he calls for the IMF’s policy advice during surveillance to become less opaque and more directly responsive to and useful in the actual situation in each state.<sup>4</sup> This conclusion also helps underscore the importance of transparency in government policy making and implementation in general, including in the sovereign borrowing process. This conclusion also points to the importance of ensuring that all the stakeholders in particular governmental actions, including sovereign borrowing and debt management, have access to all the relevant information.

Similar transparency and access to information issues arise from the chapter by Gallagher and Wang.<sup>5</sup> They maintain that the current approach to debt sustainability, with its focus on specific debt ratios, is inadequate. Instead, they argue for a balance sheet approach that focuses on the assets and liabilities of the sovereign debtor rather than on debt ratios. Based on this alternative approach, these authors propose some policy options for dealing with the SADC region’s current debt woes. First, they call for the IMF to issue more special drawing rights (SDRs) and to arrange for a favourable allocation or reallocation for use by African countries. Second, they suggest that the IMF increase the size and speed of disbursement of its emergency liquidity facilities. Third, they propose that creditors adopt a balance sheet approach in assessing the possibility of refinancing the debts of countries facing debt repayment difficulties. Fourth, they focus on the specific issue of China’s role as a creditor in Africa and propose that it adopt tailored and innovative approaches in restructuring its credits.

3 Kessler (n 1).

4 M Edwards ch 4 ‘The IMF and debt surveillance in SADC countries’.

5 K Gallagher & Y Wang ch 5 ‘Sovereign debt via the lens of asset management: Implications for SADC countries’.

Finally, they advocate the use of debt for nature swaps in dealing with particular debt crises.

The second part of the book is a series of six case studies. These case studies analyse how Mozambique, Namibia, South Africa, Zambia and Zimbabwe have addressed specific aspects of the complex questions relating to debt management that were raised in the first group of chapters. In each of the case studies the author, after presenting the case study, offers some recommendations on how to adopt a more creative approach to the issues raised in the case study. For example, in the Zambian case study N'gambi advocates the use of the Basic Principles on Sovereign Debt Restructuring Processes of the United Nations (UN) (sovereignty, good faith, transparency, impartiality, equitable treatment, sovereign immunity, legitimacy, sustainability and majority restructuring) to guide the country's restructuring.<sup>6</sup> To N'gambi, this would make the process more inclusive and would facilitate a debt restructuring process that offers Zambia a better chance of designing and implementing a sustainable and inclusive post-debt crisis development strategy.

A recurring theme in these case studies is the importance of transparency in debt management and restructuring. The Zambian case study highlights the challenge created by the lack of transparency of Chinese loans to Zambian entities. The author notes that the opaqueness of Chinese loans means that most stakeholders cannot learn enough about these loans to be able to adequately assess their impact on the country's debt sustainability. This risks undermining their confidence in the government's approach to its debt problems and their willingness to support its associated policy initiatives. The lack of transparency also constrains the willingness of other creditors to give Zambia any debt relief because they cannot be sure that the net effect of their actions will not simply be to free up funds to service Chinese debts.

Mozambique is another country that dramatically highlights the importance of transparency. In his chapter Koen discusses the litigation that has arisen from the revelations in 2016 that Mozambique had borrowed approximately US \$2 billion without informing Mozambique's Parliament or recording the debts in the government public accounts.<sup>7</sup> The crisis that the revelation of these debts caused for the country is a compelling demonstration of the severity of the risks of opaqueness in

6 SP Ng'ambi ch 11 'Sovereign debt: A case study of Zambia'.

7 L Koen ch 10 'The renegotiation of sovereign debt tainted by corruption: Mozambique's 'secret' debt in perspective'.

debt transactions. In this sense, it underscores the relevance of the Institute for International Finance's Principles for Debt Transparency (2019).<sup>8</sup>

Another important demonstration of this point is the chapter by Mutondoro, Hobi, Dhliwayo and Chiname in which they discuss the challenge of resource-backed loans in Zimbabwe. This form of borrowing has been substantially used by Zimbabwe to help fill the country's financing gap.<sup>9</sup> In their chapter the authors have highlighted the risks – high borrowing costs, lack of transparency in the debt terms, and potential negative human rights implications – associated with this form of borrowing. While their chapter makes a compelling case for treating such loans with caution, they do not discuss how the country should address the debt crisis caused in part by these loans. This issue is taken up by Pfumorodze. He uses his contribution to this book to assess the various options for dealing with Zimbabwe's debt and for proposing some possible new approaches, such as the use of municipal debt to repay Zimbabwe's debt.<sup>10</sup> It is clear from his chapter that the key missing ingredient in dealing with Zimbabwe's multilateral and bilateral debt is political will.

Another theme that emerges from the case studies is the importance of coherent financial regulation. The chapters by Aren, looking at debt management in South Africa, and by Zongwe, discussing the role of the central bank in regard to public finance in Namibia, both serve to underscore this observation. Aren in her chapter shows that the lack of adequate laws and regulations dealing with debt management can facilitate corruption and enable illicit financial flows from SADC countries. She also makes a number of policy recommendations to help South Africa deal with these challenges. First she proposes that the country increases government spending to address key social and economic needs and that it avoids adopting austerity measures during the current economic difficulties. Second, she calls for the country, if necessary, to promote a multilateral approach to renegotiating its debts, including with its private creditors. This is a version of the Common Framework for Debt Treatments beyond the DSSI (Common Framework) but for middle-income countries.<sup>11</sup> Third, she advocates increased resource mobilisation,

8 Institute of International Finance 'Principles for debt transparency' (10 June 2019), <https://www.iif.com/Publications/ID/3387/Voluntary-Principles-For-Debt-Transparency> (accessed 21 April 2021).

9 F Mutondoro, A Hobi, M Dhliwayo & J Chiname ch 13 'Resource-backed loans, COVID-19 and the high risk of debt trap: A case study of Zimbabwe'.

10 J Pfumorodze ch 14 'Towards utilisation of domestic resources in settling Zimbabwe's sovereign debt'.

11 In November 2020 the G20 approved the Common Framework which aims at restructuring sovereign debts of least-developed countries. In the words of the G20,

including a proposal for what she describes as a ‘minute taxing of domestic and cross-border digital transactions’.

In his chapter Zongwe argues that central banks should play a more important role in managing the public finances of developing countries. However, he cautions that they can only do so if their efforts are guided by effective laws and regulations. He proposes that Namibia should adopt a fiscal responsibility framework and makes some recommendations for the content of the framework. He further suggests that this framework could serve as a model for other countries in the region.

Another concern addressed by the contributors to this book is the shortcomings in the debt renegotiation process. Three authors in this publication explore the restructuring options available to the SADC member states and how far they deal with deeper structural issues such as human rights and development. In his contribution Jackson explores the link between sovereign debt and bilateral investment agreements and the potential challenges that the bilateral investment treaties (BITs) could create for sovereign debtors in difficulty. These challenges can arise if sovereign debt agreements fall within the definition of ‘investments’ contained in these agreements. He notes that the SADC model investment law adopts a relatively narrow definition of investment that excludes sovereign debt. In addition, by not including a most favoured nation clause in the model law, SADC has sought to protect its member states from the risk that BITs can be used to bring cases against sovereign debtors in difficulty.<sup>12</sup> This is an important protection for the SADC countries, particularly given the absence of an overarching legal mechanism for sovereign debt restructuring. He encourages the countries in the region to make use of the SADC model BIT should they decide to draft and enter into any more BITs. Nevertheless, some sovereign debtors are exposed to potential litigation under their current BIT. The size of this risk is unclear and it remains to be seen whether these countries will become defendants in debt-related BIT arbitration.

[t]he Common Framework brings together G20 and Paris Club creditors to coordinate and cooperate on debt treatments, on a case-by-case basis, initiated at the request for a debt treatment by an eligible debtor country’, with Chad being the first country to make use of the mechanism. See G20 ‘G20 Common Framework for debt burden relief dialogues for Low-Income Countries’ (8 April 2021), <https://www.g20.org/g20-common-framework-for-debt-burden-relief-dialogues-for-low-income-countries.html> (accessed 21 April 2021).

12 R Jackson ch 6 ‘Sovereign debts under bilateral investment treaties: Does the SADC Model BIT navigate the controversy?’

Muriungi in his contribution also focuses on the implications of the lack of a sovereign debt-restructuring mechanism. He notes that this situation should push countries to pay more attention to the terms of the contracts for any debt transactions into which they may enter. In this regard, he offers an overview and assessment of how debtors, *ex ante*, can use these contracts to strengthen their position in case of a crisis. He also suggests that they do have some options for mitigating their situation *ex post*.<sup>13</sup> His discussion highlights that, in the absence of a formal overarching sovereign debt-restructuring mechanism, sovereign debtors are forced to deal with their creditors on an *ad hoc* basis. This means that when countries find themselves burdened by unsustainable debt or are in default, there are not many options beyond the painful one of having to renegotiate with each of their various categories of creditors.

Masamba also highlights some of the problems that arise because of the lack of a global rule of law for debt restructuring. The author argues that the difficulties of present-day debt restructuring transcend the procedural concerns. She argues that the aspect that has been less discussed relates to fairness, or the lack thereof. In particular, she notes that this gap in the international legal order impedes the capacity for debtor states to link their need to restructure their sovereign debts to their obligations to respect, protect and fulfil the human rights of their citizens.<sup>14</sup> Consequently, to her, an ideal approach to restructuring necessitates addressing the multifaceted complexities in a holistic manner – by considering and then tackling both the substantive and procedural concerns.

These three chapters highlight the problems that arise from the lack of an overarching sovereign debt legal framework. Not only does this adversely affect the range of issues that can be easily addressed in these renegotiations, but it also exacerbates the power imbalance between the sovereign debtor and its creditors. It does this both by, in effect, excluding certain topics such as human rights from the scope of the negotiations and by requiring the debtor to deal with each category of its creditors separately. While the international community has made various efforts to develop generally-accepted norms and principles on debt restructuring, these have not yet gained sufficient acceptance to provide the basis for fair, equitable and effective debt renegotiations. Thus, there still is a need for a new set of norms and standards and a holistic framework that incorporates human rights and environmental and social considerations as well as

13 M Muriungi ch 7 'Managing and restructuring sovereign debt in the SADC region in the context of the COVID-19 pandemic'.

14 M Masamba ch 8 'Sovereign debt restructuring and human rights in SADC: Is there a false binary between the two fields in legal discourse?'

economic and financial ones. The precise design of this framework and how it should be implemented are still topics that remain open to debate by scholars and policy makers. The lack of such norms and standards and of such a framework both increases the demands on the resources of the debtor and weakens its bargaining power relative to its various creditors.

### 15.3 Mapping a way forward for Africa and SADC

The publication of this book was aimed at stimulating debate and research on how to more effectively deal with the issue of sovereign debt in the SADC region. It was also intended to produce some policy-relevant recommendations for the region. In so doing, the editors and contributors sought to look beyond the COVID-19 pandemic and to focus more closely on the broader structural weaknesses in the international debt management landscape. This has been motivated by the fact that the debt woes of the continent, and the SADC, not only predate the pandemic, but that they are also being exacerbated by the deeper structural weaknesses and vulnerabilities being exposed by the pandemic. In other words, the pandemic is merely another factor contributing to the difficult debt situation of some of the SADC states rather than the sole cause of the country's debt crisis.

A close review of the lessons that have been drawn from the contributions to this book indicates that there are a number of recommendations that policy makers should consider as they determine how to address the SADC debt situation in the coming years. These recommendations are the following:

- (a) **Debt transparency: The countries in the region should adopt comprehensive debt data disclosure requirements and state borrowing procedures that are transparent, participatory and that facilitate holding the relevant decision makers accountable.** Debt transparency is the cornerstone of reform of debt management. There are numerous aspects of debt transparency but a key requirement is the transparency of the sovereign's financial transactions. This includes the contractual terms and arrangements for enhancing the security of the loan, for example, in the case of resource-backed loans. This requires developing national debt disclosure initiatives as part of fiscal management. The multilaterals already have some transparency initiatives. For example, the World Bank has a Debt Reporting Heat Map for International Development Association countries.<sup>15</sup> Nevertheless, strengthening public

15 World Bank 'Debt transparency: Debt reporting heat map' (10 May 2021), <https://www.worldbank.org/en/topic/debt/brief/debt-transparency-report> (accessed 19

debt transparency should still be at the core of the transformation of the borrowing, spending and restructuring approaches in SADC.

Transparency on its own will not ensure responsible borrowing. Other requirements include participation, as appropriate by all stakeholders and accountability. Thus, there is a need for the debt management frameworks of countries to provide avenues for participation, as appropriate, by all stakeholders in the borrowing process and a mechanism through which these stakeholders can hold the sovereign accountable for the outcomes of its debt-management practices. While this does not mean that all decisions concerning the accumulation, spending and restructuring of debt require holding public forums, it does mean that there is a need for policy makers to be well aware of the concerns of those affected by their debt-related decisions. Notably, countries should not only share data and debt-related information with multilateral institutions, but within national frameworks, platforms should be developed to make publicly available, with appropriate safeguards, data, including contracts and any other relevant information on the financial transactions of the sovereign. Further actual engagement is necessary, for instance, with the full variety of civil society organisations.

- (b) Good governance: Strengthening national debt management policies to deal with issues of governance.** Beyond the issue of debt transparency, the issue of debt management more broadly is critical. Sovereign debt management is an aspect of general governance of the states. Consequently, the states' debt management practices should conform to all the principles of good governance. In this context, the key principles are transparency, participation, accountability, reasoned decision making and effective institutional arrangements.
- (c) Legal predictability: strengthening contractual provisions in debt contracts.** It is important to recognise that debt by its very nature is a contractual relationship. Consequently, it is important for both the debtor and its creditors that their contractual arrangements are as comprehensive as possible. This means that their contracts should fairly allocate risks between the parties according to who is better able and more willing to accept the risks and should provide the parties with clear answers to as many of the issues that could arise between them as possible. This will always be the case, but it is particularly important as long as there is no international framework for debt restructuring. Consequently, SADC policy makers need to provide guidance to their debt managers on what terms and conditions they can accept in their contractual negotiations. In this regard, they should consider drafting model contracts and promoting training of their debt negotiators on the technicalities of debt negotiations. African countries should be innovative, but they do not

need to reinvent the wheel. Lessons can be drawn from experiences of other sovereign and, where appropriate, corporate borrowers with debt contracts and from the various model contractual clauses developed by industry associations.<sup>16</sup> This means that the countries in the region should keep abreast of developments in financial contracts, including recent innovations in contract drafting and the problems arising from particular clauses.<sup>17</sup>

- (d) **Comparability of treatment: ensuring that where needed, restructuring of sovereign debts is conducted with all the creditors participating on comparable terms.** It is in the interest of SADC debtors to ensure that they can offer and can show that they have offered all their creditors comparable treatment. The benefit of being able to demonstrate to all their creditors that they are not asking more from them than they are asking from other creditors should enhance the creditor's confidence in the debtor and the realism of their demands. It should also give them comfort that any relief they provide will benefit the debtor and not other creditors. This in turn should facilitate the debtor's efforts to reach agreement with all its creditors.
- (e) **Developing a holistic approach: Re-imagining the future of debt management and restructuring holistically in terms of both the process and substantive considerations.**

There are diverse stakeholders in the sovereign debt restructuring process – the citizens of the debtor states, multilateral creditors such as the World Bank and IMF, international organisations such as the UN, institutional arrangements such as the Paris Club, bilateral creditors, and private creditors such as bondholders, institutional investors of various sorts and commercial banks. The sovereign debtor must seek to effectively engage with each of these actors. This suggests that there could be a need to develop a uniform and comprehensive mechanism for restructuring all these different classes of debt and for dealing with cross-cutting issues,

16 In 2014 the International Capital Markets Association developed a model collective action clause and model *pari passu* clause. See IMCA Group 'Standard collective action and *pari passu* clauses for the terms and conditions of sovereign notes', <https://www.icmagroup.org/Regulatory-Policy-and-Market-Practice/Primary-Markets/primary-market-topics/collective-action-clauses/21> (accessed 19 April 2021).

17 Among the most popular of these innovations is the strategic incorporation of contractual clauses, eg collective action clauses (CACs). CACs are contractual clauses that provide that changes to critical terms of the contracts be made by a predetermined supermajority of bondholders. However, the use of aggregated CACs in debt contracts is only one of these innovations. For a discussion on CACs, see F Weinschelbaum & J Wynne 'Renegotiation, collective action clauses and sovereign debt markets' (2005) 67 *Journal of International Economics* 47. Also see SJ Choi & G Gulati 'Innovation in boilerplate contracts: An empirical examination of sovereign bonds' (2004) 53 *Emory Law Journal* 929.

such as human rights, and the environmental and social concerns of the citizens of the debtor countries.

It is indisputable that sovereign debt is not only a financial issue. It has implications for the social, political, economic, cultural and environmental situation in the debtor country. It also has implications for the ability of the debtor state to meet its international legal obligations to protect, respect and promote the human rights obligations of its citizens.<sup>18</sup> Increasingly it is also being recognised that the way in which both the official and private creditors treat their sovereign debtors has implications for their own compliance with their international responsibilities and/or obligations. For example, the bilateral official creditors are bound by the international legal commitments of their sovereign. These commitments may include human rights and environmental treaty obligations. Similarly, the private creditors could have responsibilities to their stakeholders, which include the citizens of the debtor state under the treaty obligations of their home states, their own policies and the applicable international norms and standards, some of which some will have incorporated into their own policies.<sup>19</sup>

## 15.4 Conclusion

As indicated, the purpose of this book was to stimulate a policy-relevant debate about the management of sovereign debt in the SADC region. The arguments and ideas in it both raise questions regarding the issue of sovereign debt in the SADC, in particular, and Africa, more broadly. The authors also propose possible approaches that could improve the management of this debt. However, the subject is too complex to be addressed comprehensively within the confines of one book. Consequently, the editors of the book caution that the book should be seen as a starting point for a more rigorous discussion of the topic rather than as defining the

18 The human rights obligations of states are enshrined in various international and regional human rights instruments. The duty to 'respect', the duty to 'protect' and the duty to 'fulfil' is most relevant in the context of economic, social and cultural rights. The United Nations Declaration for Human Rights (1948) recognises an individual's right to social security (art 22); a right to an adequate standard of living which includes access to essential social services including medical care, health and clothing (art 25); and the right to education (art 26). The International Covenant on Economic, Social and Cultural Rights is fully dedicated to economic, social and cultural rights which include, but are not limited to, the rights to social security and social protection in arts 9 and 10 respectively; an adequate standard of living and to food in art 11; health in art 12 and the right to education in art 13. Similar rights are also enshrined in regional instruments, in the African context, the African Charter on Human and Peoples' Rights (1981). Of relevance as well are civil and political rights as contained in the International Covenant on Civil and Political Rights and other regional instruments.

19 Many financial institutions have acknowledged the relevance of international human rights and environmental norms and standards to their work.

outcomes of such a discussion. There are too many issues that it has not addressed for this to be the case. For example, it has not delved into such issues as sovereign debt and green growth and climate change, the debt implications of public-private partnerships, and the general implications of the state's contingent liabilities. In addition, given the nature of debt in the SADC region, the book has neither fully addressed the complex challenge of the treatment of privately-held sovereign debt, nor does it provide an in-depth comparison of the management of the debt owed to Paris Club and non-Paris Club lenders. These are all topics that merit further research, assessment and debate. We hope that other researchers and people interested in this topic will build on our effort and address these topics, particularly as it applies to specific regions in Africa.

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