



## **LEGAL FRAMEWORK FOR DEBT RESTRUCTURING PROCESSES: OPTIONS AND ELEMENTS**

**Columbia University, New York, 31 March 2015**

*Organized by:*

United Nations Conference on Trade and Development (UNCTAD)<sup>1</sup>  
Initiative for Policy Dialogue (IPD) at Columbia University

*Venue: Presidential Room 1, Faculty House, Columbia University*

**8:45 am Registration**

**9:00 am Opening remarks**

**Jose Antonio Ocampo** - *Professor, Columbia University*

**Richard Kozul-Wright** - *Director, Division on Globalization and  
Development Strategies, UNCTAD*

**9:30 am SESSION I - Principles for a multilateral debt restructuring processes**

There is broad agreement that national bankruptcy procedures are part of the regulatory framework of a healthy modern economy. In moving the issue of sovereign bankruptcy to the international level much of the debate involves whether and how to translate the national-level legal approach to the multilateral level where soft laws are the norm. This session will discuss some of the general principles of international law that could help guide the discussion of debt restructuring at the multilateral level and consider whether a treaty based approach is desirable (or necessary) to codify these principles at a working level.

**Discussion facilitators:**

**Matthias Goldmann** - *Professor, Max Planck Institute*

**Martin Guzman** - *Professor, Columbia University*

**Q & A**

**10:45 am Coffee Break**

**11:00 am Keynote Speech by Professor Joseph Stiglitz - Professor, Columbia University**

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<sup>1</sup>The Government of Norway, through the UNCTAD Sovereign Debt Project, and the Ford Foundation have contributed to the financing of the seminar.

## 11:30 am SESSION II - The building blocks of debt restructuring

This session will consider the specific elements that are needed to design a consistent debt workout mechanism from the decision to restructure (extension of maturity and/or haircut) to an end point which allows the debtor to exit and start afresh. This will involve moving through receivership and declaring a standstill, a stay of enforcement, capital controls, the verification of claims, the legitimacy of the restructuring process, interim financing and lending into arrears, seniority of loans, cut off dates, and the conclusion of negotiations.

### Discussion facilitators:

- Yuefen Li** - *Senior Adviser, South Centre*  
**Robert Howse** - *Professor, New York University School of Law*  
**Marcus Miller** - *Professor, University of Warwick*

### Q & A

## 12:45 pm Lunch

## 14:00 pm SESSION III - Institutional options for debt restructuring processes

This session will consider the range of options that could be used to institutionalize a debt workout mechanism; from a fully-fledged debt restructuring mechanism (SDRM type) hosted in an independent institution with an internal tribunal, through hybrid (private/public) arrangements where restructuring negotiations take place in existing fora and are guided by general principles of international law that are implemented through existing international public tribunals/panels to de minimis options combining contractual and domestic statutory improvements guided by international soft law norms.

### Discussion facilitators:

- Sebastian Soler** - *Attorney, Argentina and New York*  
**Rodrigo Olivares Caminal** - *Professor, Queen Mary University*  
**Thomas Lambert** - *Director, Lazard Bank*

## 15:30 pm Coffee Break

## 15:45 pm SESSION IV - Political challenges and strategy for moving forward

The final session will consider how to get institutional and political agreement on each of the options and the possible sequencing of institutional reforms needed to achieve the best result. It will also examine the political economy of bailing in the private sector as well as the possible role of civil society.

### Discussion facilitators:

- Ambassador Sacha Sergio Llorentty Solíz** - *Permanent Representative of the Plurinational State of Bolivia to the United Nations*  
**Albrecht Ritschl** - *Professor, London School of Economics*  
**Guðrún Johnsen** - *Assistant Professor, University of Iceland*

## 17:00 pm Concluding remarks