



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR INTERNATIONAL PARTNERSHIPS

Latin America and The Caribbean; Relations with all Overseas Countries and Territories
South America and Regional Operations 1

Brussels, 08 June 2023

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Dear Petitioner,

On behalf of the President of the European Commission, Ursula von der Leyen, I thank you for your letter concerning the debt swap for nature initiative in Argentina.

As you mentioned, the actual global context and the COVID-19 pandemic have highlighted the need for a comprehensive approach to tackling global challenges. The European Union (EU) launched the Global Recovery Initiative on 28 May 2020 to provide public relief to lower income countries in a context of constrained public finances and massive recourse to social buffers, while supporting investments towards the achievement of the United Nations (UN) Sustainable Development goals (SDGs).

Because of their (i) potential positive impact on debt metrics and (ii) associated commitment to pursue SDG-related objectives, debt swaps are receiving increased attention from international financial institutions and creditor and debtor countries alike. They have figured prominently in the public debate in recent years as a potential scalable solution to help address debt, climate, and biodiversity crises, and to provide additional financing towards the achievement of the SDGs.

The EU is committed to promoting environmental sustainability and biodiversity protection in Argentina and around the world. We believe that nature-based solutions can play a critical role in mitigating the impacts of climate change while also supporting economic development. That is why we have implemented various programs and initiatives in Argentina to support sustainable agriculture and forestry management, conservation of biodiversity and the promotion of renewable energy sources.

We fully support Argentina's efforts to reduce its public debt burden and promote sustainable economic recovery and we are interested in exploring with other partners, how

debt swaps for nature initiatives could promote a global movement towards protecting the environment while achieving economic development. We will monitor the progress of the initiatives promoted in the country and explore opportunities to support it further.

Thank you for your advocacy on this important issue, as we look forward to continuing our collaboration with Argentina and other partners to build a sustainable future for all.

Yours faithfully,

E-signed

Olivier LUYCKX
Head of Unit