AFRODAD & Social Watch Benin challenge governments and development stakeholders to minimize the risk of debt distress

Benin civil society organizations and the government were presented with a range of strategies to initiate good governance of public debt in the country as AFRODAD together with its local partner Social Watch Benin continued their mandate to advocate for sustainable debt management policies in Africa.

AFRODAD in partnership with Social Watch Benin organized a one-day national debt advocacy meeting in the Republic of Benin on September 17, 2019 to discuss the debt situation in the country and to deliberate on strategies to ensure that country’s debt levels remain sustainable. The meeting also sought to draw lessons that can inform debt management strategies in other Africa countries. The main subject matter was “Debt Management strategies in Benin: Lessons for the States of West and Central African Countries”. The meeting brought together more than 30 participants drawn from government, civil society organizations and multi/bilateral development partners.

In her keynote address, the Chair of the Board of Directors of Social Watch Benin, Mrs. Blanche Sonon, described the forum as a well-timed initiative to generate commitments from government and various stakeholders to step up efforts to curb Benin’s corruption challenges and to reduce the country’s public debt which had reached 56.2% by December 31 2018. “It is impressive to realize how much Benin, through forums like these can benefit. This forum presents a good opportunity for the country and Africa to improve debt management strategies and at the same time allow citizens, civil society and the government to come together and shape the future of Benin in the face of the country’s unfavorable debt situation.” Sonon, said.

Speaking on AFRODAD’s behalf, Mr Yungong Theophilus Jong, Policy Analyst under the Debt Management highlighted AFRODAD’s commitment to support national governments and other development stakeholders to ensure that debt contraction reflects set institutional rules and frameworks that promote the transparent and accountable management of public funds. This includes working to establish a fair, accountable and sustainable debt resolution mechanism as fully captured in the African borrowing charter by AFRODAD.

Resultantly, the Assistant Director of the Autonomous National Sinking Fund of the Republic of Benin as well as the Director of the Civil Cabinet to the Ministry of Economy and Finance of the Republic welcomed the idea of Civil Society involvement in issues of debt management. To them, this is a sign that old approaches to issues of managing public finances have to change. They confided that discussions from the meeting would provide significant inputs into country’s ambitious debt management plans and innovative strategies of managing public finance. They highlighted the fact that Benin has rigorous multi-stakeholder institutional frameworks on debt management that have kept the country relatively free of debt distress. They committed to remain open and receptive to suggestions on transparent debt management as per AFRODAD and its partner Social Watch Benin advice.

One of the major highlights of the meeting included an interactive panel discussion which created fruitful exchanges on the way forward in challenging transparent management of public funds. One central issue that filtered from panel discussions included the fact that Civil Society engagements on issues of public finance should not just be a passive formality. They should play an active role in promoting transparent and accountable debt management. The other highlight of the day was a presentation of a research on responsible debt contraction in the Republic of Benin commissioned by AFRODAD. Findings showed some debt management best practices from the Republic of Benin that should instruct other countries in the West and Central Africa regions on how to undertake transparent management of public funds.