

**The middle income trap, environmental  
vulnerability and sovereign debt sustainability:  
Experiences and policy responses**

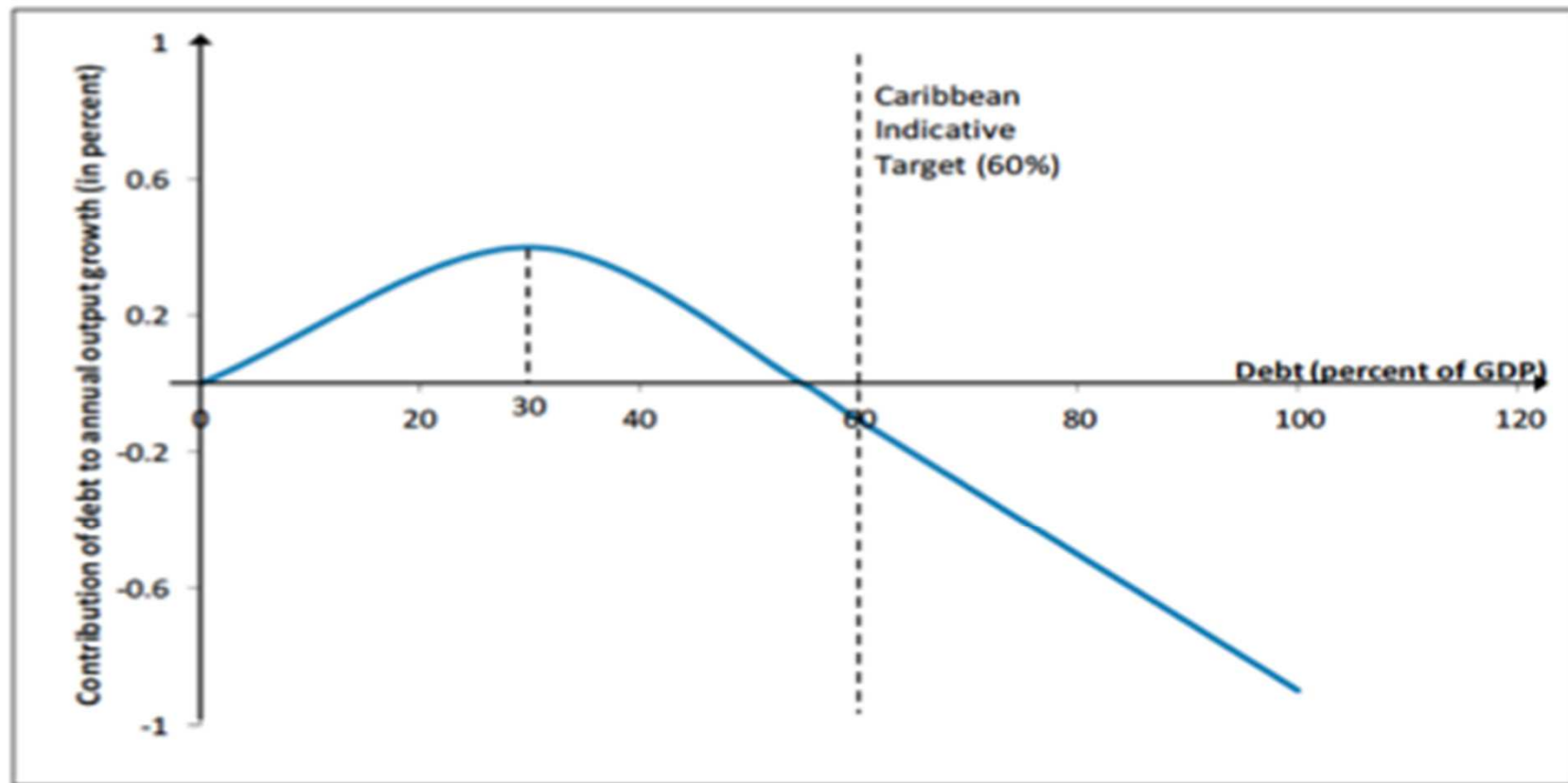
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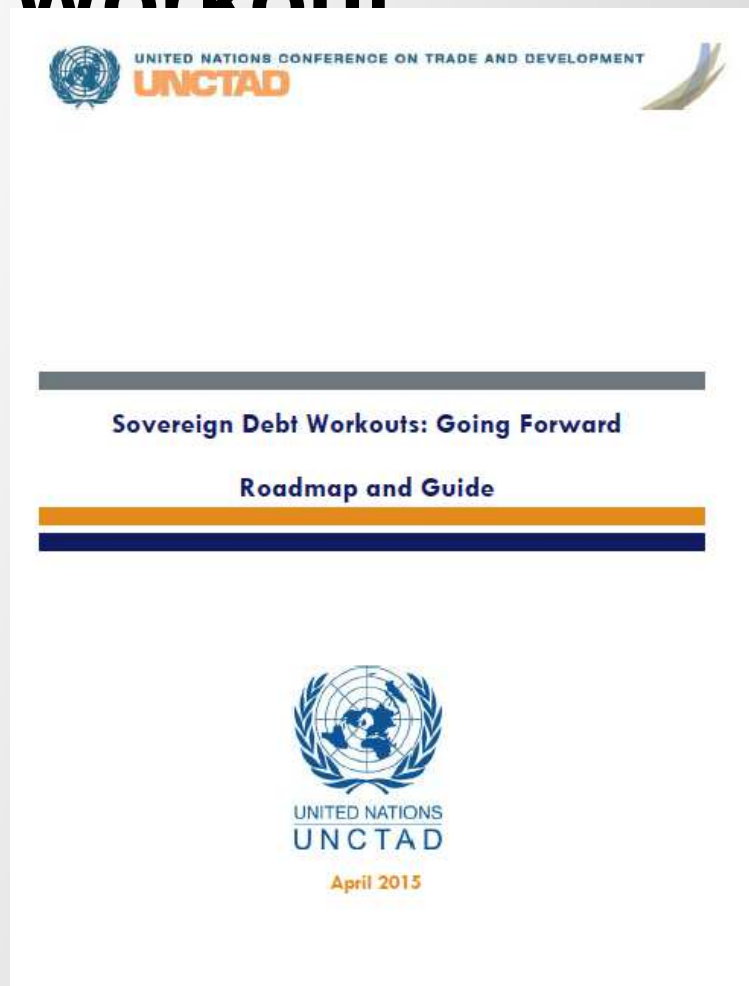
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# The Debt-Growth Nexus

Figure 12. Stylized Shape of the Threshold Effects of Public Debt on Growth



# UNCTAD Roadmap and Guide on Sovereign Debt Workout



# Recommendations



- Act **now** and develop a comprehensive debt restructuring framework;
- to suggest pragmatic **debt relief options for countries most in need**; f.i. a Heavily Indebted Caribbean Countries initiative
- build a new deal on debt on the **principles** of comprehensiveness, impartial assessment of the debtor's situation and impartial decision making.