

**INTERGOVERNMENTAL GROUP OF TWENTY-FOUR ON INTERNATIONAL
MONETARY AFFAIRS AND DEVELOPMENT**

COMMUNIQUÉ

Chaired by Kenneth Ofori-Atta, Minister of Finance of Ghana

April 14, 2020

1. We mourn together with you and regret the extensive human loss caused by the COVID-19 outbreak. We heartily express our sympathy to all families and communities that have been affected.

2. We are all confronting an unprecedented humanitarian, public health, and economic challenge from the pandemic. We must work in solidarity to address this global crisis. The social and economic impacts of the pandemic on emerging markets and developing countries (EMDCs) are particularly severe and could be long-lasting on people's health, jobs, and livelihoods. We commend the national urgent policy measures being undertaken by advanced countries and EMDCs, including the G-24 members. A comprehensive and coordinated global response, including with the World Health Organization (WHO), International Monetary Fund (IMF), World Bank Group (WBG), and other Multilateral Development Banks (MDBs), is critical to enhance national efforts to deal with the ongoing crisis and support a rapid economic recovery. We welcome the G20's commitment for enhanced global coordination, which must be at the scale required to fight the pandemic, safeguard jobs and incomes, revive economic activity, and restore confidence in all countries.

3. Containing the spread of the COVID-19 pandemic is our immediate priority. We are deeply concerned about the impact and enormous challenges EMDCs are facing in this regard. Fragile health systems should rapidly be upgraded to monitor and detect cases early, including deploying preventive measures and ensuring the availability of vital medical care, supplies, and equipment. Containing the outbreak will be particularly difficult in densely populated areas where access to health and sanitation services are limited. As part of the global response, we call on the international community and multilateral and regional organizations to use, to the fullest extent and in a broad-based and equitable manner, their financial and technical assistance to assist EMDCs limit the loss of lives, manage the outbreak, and address the social impact of the health crisis. Humanitarianism and the moral obligation for everyone to share scientific advancement and its benefits should guide the timely and unrestricted provision of necessary medical supplies and assistance, to help all countries in need, without any exception. Addressing the outbreak in all countries is essential to halt the pandemic.

4. We are responding quickly with a broad set of policy measures, as national circumstances permit, to provide social protection, assist the poor and vulnerable, protect jobs and incomes, maintain financial resilience, and sustain economic activity. The rapid decline of trade, travel, tourism, and remittances coupled with massive capital and investment outflows, however, are eroding our fiscal space and reserve buffers at a time when they are most needed. The sharp fall in commodity prices, especially of crude oil, is

taking a significant toll on commodity-exporting EMDCs. All countries need to work together to support the flow of trade and investment and instill confidence among investors and financial markets. International cooperation is essential to address the erosion of our tax bases and revenues needed to sustain our economies and service our debt. We call to alleviate the burden on migrant workers, including by giving weight to humanitarian considerations on immigration policies. We seek for further expansion of major central banks' swaps and trade lines of credit to more EMDCs. We call for a globally coordinated response to support EMDCs deal with the enormous challenge of managing the economic downturn, obtaining timely liquidity support to avert solvency crises, and laying the foundations for a robust economic recovery as the pandemic abates.

5. Debt vulnerabilities are being amplified in many EMDCs. To provide fiscal space to address the pandemic and prevent widespread debt crises, fast and decisive actions need to be taken to provide debt relief to those facing debt distress. The IMF and the WBG called on all bilateral creditors to temporarily suspend debt payments from low-income IDA countries so they can focus on fighting the pandemic. In this context, we support discussions with multilateral and bilateral creditors, in line with countries' national laws, on ways to alleviate the debt burden of developing countries that request forbearance during these exceptional circumstances. We should further recognize that other EMDCs will require support as debt vulnerabilities build up due to the economic shock. In some cases, fair and comprehensive debt restructuring will be needed to restore debt sustainability. Private creditors should share the burden of alleviating debt distress. The IMF and WBG should provide continued support to strengthen borrowers' debt management capacity. They also should, as a matter of urgency, echo our call to Credit Rating Agencies to avoid downgrading countries that are restructuring their debts to manage the impact of the pandemic.

6. We commend the IMF and WBG for their swift action in responding to the needs of EMDCs in these extraordinary times. We urge the IMF and WBG to use all available instruments and facilities in a flexible and timely manner, including emergency financing and enhanced regular financing, policy advice, and technical assistance, as part of a coordinated global response.

- We welcome the IMF's initiative to streamline its internal processes during the period of the pandemic to accelerate access to its emergency financing facilities. We fully support the doubling of access limits under the Rapid Credit Facility and Rapid Financing Instrument. We stress that access under the emergency facilities must be truly additional and should not be constrained by annual access limits. We welcome enhancements to the Catastrophe Containment and Relief Trust (CCRT) to alleviate debt service pressures on many LICs. To shore up the Fund's ability to support LICs and small vulnerable states, we call on countries to urgently increase the resources of the Poverty Reduction and Growth Trust and replenish the CCRT and congratulate the donors who made early pledges. We also welcome the recent doubling of the New Arrangements to Borrow and the new round of Bilateral Borrowing Agreements. We urge the Fund to continue reviewing the adequacy of its lending toolkit and advisory support to respond to countries' needs in these extraordinary times and stand ready to

introduce innovative approaches if necessary. In this regard, we call on the IMF to accelerate discussions on a short-term liquidity line instrument to support EMDCs' efforts to deal with massive capital outflows. We support IMF's efforts to rapidly deploy resources and continue discussions on a new SDR allocation, as was done in the previous financial crisis. We continue to underscore the importance of an adequately resourced, quota-based IMF at the center of the Global Financial Safety Net.

- We welcome the WBG's fast-track COVID-19 Facility Package to support and enhance the EMDCs' preparedness and response to the outbreak and improve resilience of the private sector through the economic downturn. The WBG has a crucial role to play in supporting countries tackle the health emergency. We support the measures taken to ensure a flexible response while safeguarding compliance with operational standards. We welcome the WBG's announcement of a financial package for the next fifteen months to deal with the social and economic repercussions of the crisis. The WBG should use its immense convening power to mobilize new sources of financing to fight the pandemic and revive growth in EMDCs, given the enormous threat to all our economies. We urge the WBG to continue to take all necessary operational steps to fully harness the Bank Group's combined financial support and knowledge in protecting the poor and vulnerable, including through strengthening social safety nets, building economic resilience, and rekindling growth. We look forward to effective coordination among multilateral and regional development banks and international organizations, in particular the WHO, to enhance countries' response to address the pandemic's health, social, and economic impact.

7. This is an extraordinary time and an opportunity to embrace our common humanity. We highlight the need for an inclusive forum to examine the adequacy of the existing international financial and economic architecture and its ability to respond equitably and rapidly to global crises. We are confident that, working together, we will overcome the challenge facing us today and restore growth and prosperity for all.