



The Managing Director of the IMF and the Heads of the RFAs emphasize their readiness to cooperate to mitigate the impact of COVID-19 on the global economy

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The Managing Director of the International Monetary Fund (IMF), Ms. Kristalina Georgieva; the Director General Chairman of the Board of the Arab Monetary Fund, Mr. Abdulrahman Al Hamidy; Director of ASEAN+3 Macroeconomic Research Office (AMRO), the surveillance unit of the Chiang Mai Initiative Multilateralisation (CMIM), Mr. Toshinori Doi; the Managing Director of the Eurasian Fund for Stabilization and Development (EFSD), Mr. Andrey Shirokov; the Deputy Director-General for Economic and Financial Affairs of the European Commission (EC), Mr. Declan Costello; the Managing Director of the European Stability Mechanism, Mr. Klaus Regling; the Executive President of Latin American Reserve Fund (FLAR), Mr. José Darío Uribe; and the co-chair of the G20 International Financial Architecture Working Group (G20 IFA WG), Mr. Guillaume Chabert, held a teleconference today and reported on efforts taken by their institutions to forcefully address the impacts of the COVID-19 outbreak on the global economy. Stressing the urgent need for combined, multilateral efforts to face the extraordinary human and economic crisis caused by the pandemic, the heads issue the following statement:

“The IMF and the world’s Regional Financing Arrangements stand united in addressing the global challenges related to the Coronavirus (COVID-19) pandemic and wish to extend our deepest sympathies to all those affected. We are following the situation very closely in order to contribute to the decisive actions needed globally to face these exceptional and uncertain circumstances. We are determined to provide the necessary support to mitigate the economic and financial impacts of the pandemic, especially on the most vulnerable people and countries.

These unprecedented circumstances require unprecedented actions. To this end, the IMF has doubled access to its emergency facilities, approved debt service relief for 25 low-income countries through a reformed Catastrophe Containment and Relief Trust (CCRT), and established a new instrument – the Short-Term Liquidity Line – to provide quick-disbursing financing to strengthen buffers and help in managing liquidity pressures for countries with strong economic policies. The IMF membership has so far pledged commitments amounting to \$11.7 billion in response to the Fund’s call to triple its concessional lending capacity. For the first time, the G20 and the Paris Club, supported by the IMF and World Bank, agreed to a time-bound suspension by bilateral official creditors of debt service payments for the poorest countries that request forbearance.

The Regional Financing Arrangements, for their part, are supporting their members through lending activities, adjustments of policies and toolkits to make them compatible with the emergency nature of the COVID-19 crisis, and policy and technical advice to help their authorities through these challenging economic times. Regional rescue funds are closely coordinating with IMF country teams to exchange information and expertise necessary to expeditiously address the needs of countries facing the most pressing financing needs.

Recognizing the sheer size of this crisis, we emphasize that looking ahead, the most effective way to support the global economies is a comprehensive response and mobilization of the resources and expertise available at all layers of the Global Financial Safety Net (GFSN). Against this backdrop and leveraging the deep ties created among our institutions during the past years, the IMF, at the center of the GFSN, and the RFAs, emphasize their readiness to cooperate to mitigate the impact of the pandemic on the global economy and contribute to its recovery. We remain strongly committed to working together closely, in accordance with our individual mandates and policies, to exchange information on the needs of our members, and to coordinate assistance across different regions of the world. Where appropriate and feasible, we will cooperate to facilitate co-financing operations to address our members' needs and stand ready to provide technical assistance and policy advice.”

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