



INTERNATIONAL MONETARY AND FINANCIAL COMMITTEE

Forty-Third Meeting April 8, 2021

Statement No. 43-17

Statement by Ms. Freeland Canada

On behalf of
Antigua and Barbuda, The Bahamas, Barbados, Belize, Canada, Dominica,
Grenada, Ireland, Jamaica, St. Kitts and Nevis, St. Lucia, and
St. Vincent and the Grenadines

**Statement by The Honourable Chrystia Freeland
Deputy Prime Minister and Minister of Finance, Canada**

**On behalf of
Antigua and Barbuda, The Bahamas, Barbados, Belize, Canada, Dominica, Grenada,
Ireland, Jamaica, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines**

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More than a year into the COVID-19 pandemic, the world continues to face significant public health and economic challenges. The disproportionate impact of the pandemic on women, young people, racialized people, Indigenous peoples, and other vulnerable groups remains concerning. While encouraging progress has been made on the vaccine rollout and stabilizing the global economy, there is much more to do. The international community must continue to take action together to end the pandemic and achieve a strong, sustainable, and inclusive recovery.

Our top priority must continue to be containing the spread of COVID-19 within our respective borders and across the world. We must do more to ensure timely and widespread global access to tests, treatments, and vaccines, including by continuing to support the Access to COVID-19 Tools Accelerator and by coordinating the efforts of initiatives across various fora.

As economic policymakers, we must also be sure to maintain measures to support our economies and citizens until the health and economic situation has stabilized. In line with this internationally agreed approach, Canada is continuing to make important investments to fight and defeat COVID-19, to support Canadians through this crisis, and to support a strong economic recovery. It will be important to continue monitoring the effectiveness of our individual and collective policy response efforts, share timely information on lessons learned, and collaborate on further actions as needed.

The IMF has made invaluable contributions to the global response to the pandemic, including by approving new financing for nearly 100 countries, totaling more than US\$100 billion. This has also catalyzed new financing from multilateral development banks, private sector creditors, and other sources. The IMF must work very closely with other international financial institutions to ensure that the medium-term needs of all members can be met, especially low-income countries and small states. These members continue to face very significant challenges – as has been made evident through the Financing for Development in the Era of COVID-19 and Beyond Initiative, convened by the United Nations, Canada, and Jamaica.

I am pleased to announce that Canada has finalized the process of increasing our loan commitment to the Poverty Reduction and Growth Trust (PRGT) from \$2 billion to \$3 billion to help ensure all financing requests by PRGT-eligible countries can be met. We look forward to planned work to further scale up the PRGT to help meet the significant medium-term financing needs, and call on the IMF to explore options for expanding PRGT eligibility. We also strongly welcome the progress being made toward a Special Drawing Rights (SDR) allocation later this year, which would provide an important boost to global liquidity, and we look forward to considering options for SDR recycling.

The IMF also has a key role to play in helping address unsustainable sovereign debt burdens, including through working closely with the World Bank to support the implementation of the Common Framework for Debt Treatments, which will be crucial to help address the growing

solvency challenges many low-income countries are facing. We also strongly endorse the IMF's plans to scale up its debt management capacity building in developing countries. To support these efforts, Canada has already funded a full-time debt management advisor for the IMF's Caribbean Technical Assistance Centre, and will now provide an additional \$5 million to fund full-time debt management advisors in IMF regional technical assistance centres in Africa.

As the world looks forward, we support the Fund's commitment to increase its focus on issues like climate change, inequality, and digitalization, which will be key to building stronger and more resilient economies and societies.

While the COVID-19 pandemic represents the greatest shared challenge of our generation, it also presents a unique opportunity to build a stronger, more sustainable, and inclusive global community. Together, we can achieve a brighter future for all.