



INTERNATIONAL MONETARY AND FINANCIAL COMMITTEE

Forty-First Meeting April 16, 2020

Statement No. 41-21

Statement by Mr. Morneau 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 Prepared for the International Monetary and Financial Committee of the Board of Governors of the International Monetary Fund

The Honourable Bill Morneau, Minister of Finance, Canada

The COVID-19 pandemic is the most significant global health and economic crisis of our lifetime. Although we do not know how long this crisis will persist, we do know that the human and economic costs are already large, and are increasing every day. To minimize these impacts, we must do all we can to contain and defeat the virus, and provide whatever financial support is needed to support our businesses and citizens and protect jobs.

We are facing a challenge unlike any other. To beat it, we must use exceptional measures. We must be bold, and we must use all the tools at our disposal. Many countries, including in our constituency, have already taken strong actions to contain the spread of the virus and mitigate its economic effects. For example, Canada has quickly put in place significant economic measures to support households and businesses during this crisis. We must all continually monitor the effectiveness of our measures, and work together to take further action as necessary. I strongly support the G20 Action Plan on Supporting the Global Economy Through the COVID-19 Crisis.

The IMF has a key role to play in the global economic response, given its place at the centre of the Global Financial Safety Net. It must deploy the full extent of its resources and tools toward supporting the membership and maintaining global stability. It must also work very closely with other international financial institutions as a cohesive system to address the financial needs of countries as quickly and efficiently as possible. It is particularly important that we strongly support the poorest and most vulnerable countries through this crisis, as they will face the most severe impacts. For example, many small states in the Caribbean are facing exceptional hardships, and I call on the Fund to swiftly meet their requests for emergency assistance.

The Fund and other IFIs must also continue to work to identify gaps in their tools and resources as this crisis evolves. I fully support the increases to the IMF emergency loan limits, and the changes to accelerate approval of emergency loan requests. I also support the IMF providing more liquidity to the global economy through new precautionary credit lines – including through a new Short-term Liquidity Line facility – and a new Special Drawing Right allocation.

To help ensure that the Fund's total lending capacity remains at US\$1 trillion, Canada will renew its contributions to the Fund's borrowed resources very soon, and we call on other countries to do the same. We also look forward to the planned work to increase the support available for low-income countries through the Poverty Reduction and Growth Trust.

The road from containment, to stabilization, to recovery will be difficult. The international community must continue to work closely together in this fight. Canada stands with you. We will get through this together.