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June 9, 2020

**Statement by Mr. Mahlinza, Mr. Nakunyada, Mr. Cham, and Mr. Essuvi on The  
Managing Director's Statement on the Work Program of the Executive Board  
(Preliminary)  
Executive Board Meeting  
June 11, 2020**

1. We welcome the Managing Director's Statement on the Work Program (WP) of the Executive Board, which broadly reflects the strategic priorities articulated in the Spring 2020 Global Policy Agenda (GPA) and the IMFC communiqué. Specifically, we support the focus on crisis-centered workstreams geared to help countries restore macroeconomic stability and create conditions for strong recovery.
2. We support the high priority devoted to emergency financing and efforts to adapt the Fund's lending toolkit to the rapidly evolving needs of the membership. We, therefore, view discussions on the lending strategy, review of the financing of the Fund's concessional assistance, and policy safeguards, as important. We also consider the formal Board discussion on the temporary modification of access limits scheduled for June 2020, as essential to create room for emergency financing and borrowing under follow-up UCT quality arrangements. That said, in view of recurrent questions on the general allocation of SDRs, we urge staff to consider including this important item in the Work Program. Further, in view of the increased demand for Fund resources, we wonder if it would be possible to bring forward the initial engagement on quota resources. *Staff comments are welcome.*
3. The increased access to emergency financing occasioned by the pandemic and the shifting debt landscape, has seen debt emerging as a critical risk. In this regard, we view planned Updates to the Joint WB-IMF Multipronged Approach for Addressing Emerging Debt Vulnerabilities, as important. That said, we emphasize the importance of collaborative work between the two institutions to complete outstanding work on the application of the negative pledge clause. In the same vein, we support the Fund's work to spearhead debt relief initiatives under the CCRT. Further, we emphasize the need for more work to ensure broad-based participation of creditors and removal of existing obstacles in accessing debt relief under the G20 Debt Service Suspension Initiative (DSSI). While we appreciate the planned

assessment of the DSSI scheduled for the later part of the year, we hope that efforts will be made to tackle impediments to the uptake of the DSSI, including the slow response by creditors to requests for debt relief.

4. The re-opening of several economies has highlighted the need for the preparation of a proactive strategy to support the resumption of bilateral surveillance. In this vein, we regard the discussion on Surveillance during the COVID-19 Crisis: Engagement on Country and Thematic Issues, as essential to outlining concrete steps to resume surveillance. We also view the discussion on Trade Developments as important given the recent rise in protectionist policies and the need to unlock trade and financial flows and promote a more trade-integrated world to anchor a strong recovery. We hope that this work will also focus on specific challenges faced by small countries during the COVID crisis, especially with the imposition of restrictions. In addition, work on financial stability would be essential to support a strong and inclusive recovery. Relatedly, we view planned work on digital currencies, Cyber-Security Risk and Financial Stability for Small and Developing Countries as important to help policymakers in resolving identified challenges. On multilateral surveillance, we support continued Board briefings in this area and emphasize the need for the flagship reports to achieve a more balanced coverage of crisis-related policy priorities across all regions.

5. The Fund should sustain efforts to make global growth more inclusive, durable, greener, and resilient to future shocks. We, therefore, support work on the Integrated Policy Framework (IPF), to guide policy responses to the COVID shock, amid volatile capital flows and exchange rate volatility in developing, emerging market, and frontier economies. We look forward to the application of IPF tools to ensure adoption of optimal policies in the context of widespread utilization of fiscal policies to respond to the crisis. Furthermore, we emphasize the need to prioritize complementary work on the IEO evaluation on capital flows to inform work on the IPF. To further entrench economic resilience, we support efforts to systematically integrate climate change issues into surveillance. Nevertheless, before this briefing, consideration should be given to the discussion on the IEO evaluation on climate change.

6. Finally, the impact of the crisis on economies, underscores the increasing need to integrate Capacity Development (CD) into surveillance. We positively note that sharing good practices through the Special Series on COVID-19 and other training sessions, afforded member countries the opportunity to reinforce their crisis response. That said, we encourage further work to improve the effectiveness of CD delivery including in low income countries, especially fragile and conflict affected states that face infrastructure challenges, including the remote delivery of CD during the crisis. In addition, further work is required to determine the immediate CD needs of governments to address continuity plans and crisis management.