



STATEMENT BY DR ABDULHAMID ALKHALIFA

DIRECTOR-GENERAL OF THE OPEC FUND FOR INTERNATIONAL DEVELOPMENT

TO THE MEETING OF MINISTERS AND GOVERNORS OF THE
INTERGOVERNMENTAL GROUP OF TWENTY-FOUR (G-24)

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We are gravely concerned about the unfolding COVID-19 pandemic, its immediate impact on people's health across communities, nations and continents, as well as the devastating downstream effects it is expected to have on the world's economy. The world must close ranks to fight the global threats induced by a lethal virus, including the ravaging economic and social disruption it could trigger.

The G-24 has always championed multilateralism, and global governance appears today more significant than ever. In the wake of this multidimensional and unprecedented crisis, we indeed strongly believe in the merit of coordinated and mutually reinforcing action. Solidarity needs to be at the core of our collective endeavours, and we trust in the relevance of horizontal cooperation among countries and institutions, and in particular South-South collaboration. Disruption in global supply chains, as well as lower demand in global markets for a wide range of exports from developing countries, could have a boosting effect on South-South trade, provided trade facilitation issues are comprehensively addressed, and major investments devoted to trade-related infrastructure.

We concur that our primary focus should remain on the health and humanitarian front. In this regard, we stand ready to support, within our means, the coordinated efforts spearheaded by the World Health Organization (WHO) and other specialized agencies of the United Nations system to curtail the spread of the disease, help countries mitigate the health effects of the pandemic, and provide informed guidance on the most appropriate public health measures.

In our early response, we have thus focused on providing financial assistance to partner countries on a *fast-track* approach in order to cater for their immediate requests. Substantive resources are also being earmarked to address the most pressing investments required in crucial sectors. In the same vein, the OPEC Fund stands ready to swiftly reallocate already approved funds towards redefined country and client priorities, whenever deemed necessary.

Growing debt vulnerabilities of low- and middle-income developing countries are also of great concern. LICs and Small Island states with fragile health systems and less resilient economies are already struggling with a high burden of debt while having to create fiscal space to be in a position to deal with the effects of the pandemic. We have witnessed an exponential increase of external debt in developing countries in the aftermath of the post-2008 financial crisis. This is worrisome and calls for a concerted, timely, and bold action to come up with a sustainable debt crisis resolution mechanism for the post-COVID-19 era in front of us.

In view of the magnitude of the problems laying ahead, we agree that there is no alternative but pooling resources and reaching out to all active forces in capacity to contribute. All our facilities are therefore mobilized to make the most effective use of available financing instruments, but also to consider introducing new and innovative mechanisms. It is our aim to participate fully alongside like-minded institutions in the global coordinated efforts underway to set up fast deployable financial packages, and to make use of the leveraging effects of strategic partnerships.

In times where humankind is facing a major global health crisis, we shall also join our voice to those advocating for a lifting of trade barriers to ease access to food, essential medicines and medical equipment, and to avoid a collapse of strained healthcare systems and fatal disruptions in food supply. These are times of inclusiveness.

The OPEC Fund is fully committed to support the G-24 and to deliver its share of the required international assistance needed to enable the most vulnerable cope with the devastating effects of the pandemic, in perfect coordination with the international development community, and in recognition of the collaborative efforts exerted by the WBG and the IMF.

The challenges are of high magnitude, as is our determination to overcome our vulnerabilities.

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