



Media Statement

End Business as Usual Amid Global Crises

Vaccines, Growth, Debt, Climate Change Dominate Developing Country Talks

Washington, DC 11 October 2021 — Needs greatly outstripping resources in emerging and developing countries is a longstanding issue, but heightened concerns were evident this week as the Group of Twenty-Four countries gathered to discuss responses to the confluence of crises confronting members. The need for swift action and an end to business as usual were prominent themes as discussions were dominated by COVID-19, climate change, debt, fiscal stress, and the vast resources needed to address these issues.

Accelerated access to COVID-19 vaccines was the top priority expressed by G-24 members, who noted the crisis and economic recovery will not end without fast and affordable access to vaccines. Emerging markets and developing economies (EMDEs) will need 2 billion more doses to vaccinate 40 percent of their population by end-2021 and nearly 4 billion more to vaccinate 60 percent by mid-2022. An additional 5 billion is needed to vaccinate 70 percent of their population toward the end of 2022.

Members noted that donations of and funding for vaccines were slow to arrive in many emerging markets. They seek more equitable access to affordable vaccines, and there was urgent need to find a pandemic exemption to intellectual property rules that limit global vaccine production, including in developing countries.

"COVID is not business as usual. It is a global emergency that needs swift action. We urgently need to enable global production of vaccines and accelerate distribution of and equitable access to life saving COVID-19 vaccines and medicines at affordable and fair prices to all nations in need." said Dr. Ali Salehabadi , Governor of the Central Bank of Iran and Chair of the G-24.

G-24 members noted that the pandemic has intensified a variety of crises all calling for additional financial resources. It drove deep recessions, raised unemployment, increased food insecurity and fiscal stress, particularly in states already nearing debt distress before the onset of COVID-19. G-24 members praised the pandemic responses and vaccine related programs launched by the International Monetary Fund (IMF), World Bank Group, G20 and multilateral development banks. Significant new international funding was made available swiftly but

more needs to be done.

The IMF was commended for a proposed \$50 billion of new financing to end the pandemic, but broad international support is needed to make the plan a reality. The Fund also received support for a proposed Resilience and Sustainability Trust (RST) to help low- and middle-income vulnerable countries to build resilience and achieve balance of payments viability over the longer-term.

The G-24 praised the IMF's \$650 billion allocation of Special Drawing Rights (SDR) to boost global liquidity. G-24 members called for meaningful re-channeling of SDRs from countries with strong external circumstances to vulnerable low- and middle-income countries that need support.

Other calls for reform grew from the confluence of crises. Alleviating severe fiscal constraints and managing debt vulnerabilities were significant parts of the G-24 discussion. Debt to GDP ratios sharply increased in the past 18 months. Public deficits in developing countries rose in 2020 – to 9.8% of GDP in emerging markets and 5.5% in low-income countries. Many developing countries with market access saw their sovereign credit ratings downgraded since early 2020, even though defaults have not been widespread. Policymakers are confronting difficult policy trade-offs in the face of severe fiscal constraints and limited means to respond to the crisis.

The G-24 Communique noted that climate change is a growing concern as effective responses require significant new resources for nations already resource-constrained. Solutions following from the Paris Agreement on climate change should offer opportunities to boost, not impede, development goals to enhance growth, reduce poverty and tackle inequality with increasing investments, especially in sustainable infrastructure, and greater access to affordable low-carbon technology. Advanced countries need to provide adequate levels of climate finance to developing countries to ensure a low-carbon transition, including more concessional finance for vulnerable countries. The IMF and WBG must tailor climate assistance to country circumstances and support countries' Nationally Determined Contributions under the Paris Agreement.

For more information or to schedule interviews, contact Lana Bleik (202) 623-6101.

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NOTE: Please refer to www.g24.org for more information. The G-24 October 2021 Communique can be found [here](#). G-24 Member Countries are Algeria, Argentina, Brazil, Colombia, Cote d'Ivoire, Democratic Republic of Congo, Ecuador, Egypt, Ethiopia, Gabon, Ghana, Guatemala, Haiti, India, Iran, Kenya, Lebanon, Mexico, Morocco, Nigeria, Pakistan, Peru, Philippines, Sri Lanka, South Africa, Syria, Trinidad and Tobago, Venezuela, and China as a special invitee.

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