



THE SECRETARY-GENERAL

23 March 2020

Excellency,

I welcome the decision by the leaders of the Group of Twenty (G-20) to convene an emergency virtual summit to respond to the catastrophic challenges posed by the COVID-19 pandemic. As the global health crisis spreads human suffering and upends the global economy, the world looks forward to concerted and decisive action by world leaders.

This is above all a human crisis, with multifaceted threats. Even in the wealthiest countries, we see health systems buckling under pressure. Around the world, the socioeconomic impacts of the pandemic are already tangible – schools are closing, already pervasive inequalities are deepening, many countries are unable to respond to the enormous needs of the elderly; and women, who represent 70 per cent of health-care workers, are disproportionately affected. A recession is in prospect. The question is: how long it will last and how much damage will it do to the productive capacities of our economies and the livelihoods of our citizens.

COVID-19 will require a response like none before – a “war-time” plan in times of human crisis. The G-20 leadership has an extraordinary opportunity to step forward with a strong response package to address the various threats of COVID-19. This would demonstrate solidarity with the world’s people, especially the most vulnerable.

Allow me to share with you 3 critical areas for discussion and decision-making at the upcoming G-20 meeting:

First - coordination and cooperation to suppress the virus

Our first priority is to tackle the pandemic everywhere, to be safe anywhere. It must be clear, that our strategy is a coordinated suppression of the virus.

His/Her Excellency
Mr./Ms. XX
[Title]
[City]

I call on G-20 leaders to establish an articulated response mechanism guided by the World Health Organization, to achieve suppression together. Such a mechanism would strengthen the global response and provide countries with stronger capabilities to stop transmission: test, trace, quarantine, treat the sick and coordinate measures to restrict movement and contact. It would also help enhance scientific collaboration in the search for a vaccine and therapeutic treatment.

We also see the need for a continued global effort to better determine the emerging needs for medical and protective equipment, increase and help procure critical supplies, and establish additional transportation and supply chains to fight the virus across all borders. The United Nations stands ready to support facilitating such effort, building on the experience to combat Ebola. Our global supply network is fully at your disposal.

Let us remember that we are only as strong as the weakest health system in our interconnected world.

To this end we must create the conditions and mobilize the resources necessary to ensure that developing countries have equal opportunities to respond to this crisis in their communities and economies. Anything short of this commitment would lead to a pandemic of apocalyptic proportions affecting us all.

I urge G-20 leaders to commit to ban tariffs, quotas or non-tariff measures, and remove restrictions on cross border trade that affect the deployment of medical equipment, medicines and other essential goods to fight the epidemic.

And I am encouraging the waiving of sanctions imposed on countries to ensure access to food, essential health supplies, and COVID-19 medical support. This is the time for solidarity not exclusion.

Second - we must minimize the social and economic impact of COVID-19 for everyone and stimulate a faster recovery everywhere

By the end of this year, the cost of this pandemic is likely to be measured in the trillions of dollars. The response of G-20 leaders must be decisive and commensurate. It must inject massive resources into economies, reaching double-digit percentage points in the world's gross domestic product.

We must all acknowledge that "business-as-usual" economic rules and policy tools no longer apply. These are unprecedented times.

Unlike 2008, this is not a banking crisis. While the liquidity of the financial system must be guaranteed, we need to focus on people – families, low-wage workers, small and medium enterprises and the informal sector. Important steps have already been taken by developed countries in this direction. This must be scaled up.

But this is not enough. I urge G-20 leaders to consider the urgent launch of a large-scale, coordinated stimulus package in the trillions of dollars to target the direct provision of resources to businesses, workers and households in those countries unable to do so alone. This would include scaling up cash transfer measures, social protection, tax abatement, fiscal stimulus, low interest rates, access to credit, insurance and wage support schemes.

And these expansionary policies must be accompanied by a clear repudiation of protectionism. It is possible with your collective commitment and action.

Let us be reminded that the G-20, accounting for 85 per cent of the world's gross domestic product, has a direct interest and a critical role to play in helping developing countries cope with the crisis. If we allow the virus to spread like wildfire across the globe, its eradication will remain elusive. So, the second support package we need is one of support to developing economies.

The G-20 can help provide immediate liquidity relief to the private and financial sector in the developing world in the form of trade credits, liquidity lines and guarantee schemes.

Working with international financial institutions, the G-20 can help significantly increase access by developing countries to concessional financing.

Today, the resources available to the International Monetary Fund (IMF) are insufficient to address this crisis of unprecedented proportion. We must steadily increase them, namely by leveraging Special Drawing Rights to rapidly inject resources into countries. Debt restructuring must also become a priority – including immediate waivers on interest payments for 2020. Financial support to the IMF Catastrophe Containment and Relief Trust is another critical venue to help the poorest countries with immediate debt relief.

Further coordination among major central banks could help ease swap lines and provide liquidity in the financial system, especially in emerging economies and developing countries. The cost of remittances – a lifeline in the developing world – should be brought as close to zero as possible.

On Wednesday, 25 March 2020, I will be launching a humanitarian appeal focused primarily on forty of the most vulnerable countries, where the impact of COVID-19 on people will be particularly severe. Without this critical support to countries where health systems are most unable to cope, I fear that the virus may take a deep foothold.

I urge G-20 leaders to contribute generously to this appeal.

Third - we must reaffirm our common responsibility to “recover better”, with more inclusive and sustainable models of development

The current crisis is a stark reminder of humanity’s common fate and of the need for upfront investments to reduce the catastrophic downstream risks of the pandemic. It also provides a watershed moment for investment in critical public services and global public goods. The 2008 financial crisis demonstrated that countries with robust social protection systems suffered the least and recovered most quickly from its impact.

The world has agreed on a framework for action – the 2030 Agenda for Sustainable Development and the Paris Agreement on Climate Change – and they continue to offer a guiding light for people and planet. We must ensure that the recovery strategy out of this crisis keeps us on track towards these longer-term objectives, building a sustainable and inclusive economy.

The upcoming extraordinary meeting allows G-20 leaders to make a decisive step forward in our battle against COVID-19 and re-establish trust in public institutions and the hope for a better future in solidarity.

I am convinced that only international coordination can avoid a worst-case scenario. A unified message of concerted action from G-20 leaders is needed now more than ever.

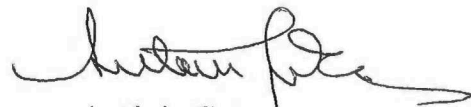
The United Nations – with its global network of country offices and partners – stands ready to work with the G-20 in support of all countries. Together, we can ensure that the global economy and the people we serve emerge stronger from this crisis.

I look forward to an ambitious set of concrete commitments at the upcoming G-20 virtual meeting.

Please accept, Excellency, the assurances of my highest consideration.

with my warmest personal

regards



António Guterres