



INTERNATIONAL MONETARY AND FINANCIAL COMMITTEE

Forty-Ninth Meeting April 18–19, 2024

Statement No. 49-31

Statement by Ms. Freeland 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 by The Honourable Chrystia Freeland
Deputy Prime Minister and Minister of Finance, 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**

49th Meeting of the International Monetary and Financial Committee

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Canada and our constituency are committed to sustainable, inclusive economic growth that lifts up all people at home and around the world.

We unequivocally condemn the brutal terrorist attacks conducted by Hamas and other terrorist groups against Israel that began on October 7, 2023. In exerting its right to defend itself, Israel must fully comply with international law, including international humanitarian law. We call for an immediate release of hostages. We call for a sustainable ceasefire as well as urgent action to address the devastating and growing humanitarian crisis faced by innocent Palestinians, including allowing urgently needed humanitarian assistance to be delivered.

Today, Russia's illegal, full-scale invasion of Ukraine continues to have enormous impacts on the global economy, compounding macroeconomic challenges in all countries around the world and perpetuating poverty, income inequality, and food and energy insecurity - especially in low-income countries.

We remain firmly committed to supporting Ukraine for as long as it takes. Canada recently committed an additional C\$2.4 billion in financial support to Ukraine for 2024 through the IMF Administered Account for Ukraine, of which C\$2 billion was disbursed in March. This brings Canada's immediate financial support to Ukraine to over C\$7.4 billion, and to more than C\$14 billion in total multifaceted support to Ukraine since the beginning of 2022. Canada's federal budget, tabled on April 16, announced additional measures in support of Ukraine, including military assistance and support for reconstruction and development, as well as new investments in national defence given the actions of Russia, and others, are making the world less secure. Canada is also working, in close collaboration with G7 allies, to use Russian assets to rebuild Ukraine.

We welcome the attainment of the global commitment to channel US\$100 billion of Special Drawing Rights (SDRs) to low-income and other vulnerable countries. Now these pledges must be swiftly implemented to support countries in need. Canada has fully implemented its initial pledges, including the C\$1 billion pledge to the Poverty Reduction and Growth Trust (PRGT) and C\$2.44 billion to the Resilience and Sustainability Trust (RST). We are pleased to announce that we have now completed an additional contribution of SDR 700 million to the PRGT, also highlighted in Canada's federal budget, which brings Canada's total SDR channeling commitment to almost 60 per cent – amongst the highest of any country. Together with Ireland's grant contribution of SDR 19 million, our constituency continues to show leadership in

addressing the PRGT subsidy gap. We are open to exploring further options to ensure the long-term self-sustainability of the PRGT. We also welcome the announcement by Ireland ahead of the Spring Meetings committing to channel 20 per cent of its 2021 general SDR allocation to the RST.

We strongly support the Fund's contributions to global efforts to fight climate change, including through the RST, which continues to experience strong uptake - including from members of our constituency. It will be important to continue to make improvements to the RST, in order to further boost its impact and help everyone's resilience to climate change.

We welcome the progress made under the G20/Paris Club Common Framework for Debt Treatments and call for additional efforts for more predictable, timely, orderly, and coordinated debt restructurings. We look forward to the upcoming review of the IMF's Debt Sustainability Framework for Low-Income Countries as well as work to strengthen the Fund's capacity to support countries undertaking debt restructuring. In October 2023, Canada announced that it will offer Climate Resilient Debt Clauses, which can provide relief to borrowers experiencing climate crises and natural disasters. We are proud to have included Climate Resilient Debt Clauses in new sovereign loans to Guyana and Ecuador, and call on all creditors to do the same.

The IMF's capacity development and technical assistance work remains a priority for our constituency. Canada has been one of the largest contributors to the IMF's Institute for Capacity Development and is pleased to have contributed an additional C\$15 million to support Phase VI of the Caribbean Regional Technical Assistance Centre's (CARTAC) work. CARTAC helps strengthen economic institutions and build climate resilience in the Caribbean, which is critical to our Caribbean constituency members.

We strongly support the IMF's work on gender and diversity and call for continued advancements in this area. We support establishing a target for women to comprise 40 per cent of Executive Board positions by 2028.

The positive conclusion of the 16th General Review of Quotas (GRQ) restores the primacy of quotas and preserves the IMF's lending capacity. In the federal budget, Canada also announced that it has begun the process to undertake required legislative amendments to implement the GRQ outcome. We are committed to swift implementation and encourage all members to finalise their domestic procedures. We also acknowledge the importance of realignment in quota shares to better reflect members' relative positions in the world economy, while protecting the quota shares of the most vulnerable members. We continue to support the development, by June 2025, of possible approaches as a guide for further quota realignment, including through a new quota formula, under the 17th GRQ. We also welcome the creation of another Executive Director Chair for Sub-Saharan Africa.