

While the global economy is experiencing a sharp contraction in 2020 due to the impact of the COVID-19 pandemic, the outlook is less negative with global economic activity showing signs of recovery as our economies have been gradually reopening and the positive impacts of our significant policy actions started to materialize. However, the recovery is uneven, highly uncertain and subject to elevated downside risks. We reaffirm our determination to continue to use all available policy tools as long as required to safeguard people's lives, jobs and incomes, support the global economic recovery, and enhance the resilience of the financial system, while safeguarding against downside risks.

The G20 Action Plan, endorsed at our meeting on 15 April 2020, sets out the key principles guiding our response and our commitments to specific actions to drive forward international economic cooperation as we navigate this crisis and take steps to support recovery and achieve strong, sustainable, balanced and inclusive growth. Recognizing that members are in different stages of responding to the crisis and that the global economic outlook continues to evolve, we endorse the updates to the G20 Action Plan (Annex I). These updates will ensure that we promptly respond to the evolving health and economic situation. The global landscape continues to be rapidly transformed by economic, social, environmental, technological, and demographic changes. We will sustain and strengthen as necessary our efforts, considering the different stages of the crisis, to achieve strong, sustainable, balanced and inclusive growth, while making the most of current transformations in shaping the recovery, in a way consistent with our pre-crisis agenda. We reiterate our commitment that the G20 Action Plan is a living document and to regularly review, update, track implementation of, and report on it. We underscore the urgent need to bring the spread of the virus under control, which is key to supporting global economic recovery, and will take forward the commitments agreed at the G20 Finance and Health Ministers meeting on 17 September 2020. We will continue to facilitate international trade, investment and to build resilience of supply chains to support growth, productivity, innovation, job creation and development. We will continue to take joint action to strengthen international cooperation and frameworks.

We remain committed to continue working together to support the poorest countries as they address health, social and economic challenges associated with the COVID-19 pandemic. We remain committed to implementing the Debt Service Suspension Initiative (DSSI), allowing DSSI-eligible countries to suspend official bilateral debt service payments through end-2020. We welcome the progress achieved thus far. The preliminary reporting from the fiscal monitoring framework by the International Monetary Fund (IMF) and the World Bank Group (WBG) highlighted that, together with exceptional financing, the DSSI is significantly facilitating higher pandemic-related spending. The IMF and WBG have also continued to work on their proposal of a process to strengthen the quality and consistency of debt data and improve debt disclosure, and we look forward to further efforts in this area. In light of the continued liquidity pressure, while progressively addressing debt vulnerabilities, we agreed to extend the DSSI by 6 months, and to examine by the time of the 2021 IMF/WBG Spring Meetings if the economic and financial situation requires to extend further the DSSI by another 6 months, with targeted complements to the April 2020 DSSI Term Sheet as set forth in the attached addendum (Annex II), which is also agreed by the Paris Club. All official bilateral creditors should implement this initiative fully and in a transparent manner. We will continue to closely coordinate its ongoing implementation to provide maximum support to DSSI-eligible countries. We are disappointed by the absence of progress of private creditors' participation in the DSSI, and strongly encourage them to participate on comparable terms when requested by eligible

countries. We welcome multilateral development banks (MDBs) commitments of USD 75 billion to DSSI-eligible countries over the period between April-December 2020 alone, part of their USD 230 billion commitment to emerging and low-income countries as a response to the pandemic. While protecting their current ratings and low cost of funding, MDBs are encouraged to go further on their collective efforts in supporting the DSSI, including through providing net-positive flows to DSSI-eligible countries during the suspension period, including the extension period. We ask the MDBs to provide further details on the new resources provided to each eligible country. Building on the proposal by the Organization for Economic Cooperation and Development (OECD) to host the data repository, we look forward to further update on the implementation of the Institute of International Finance (IIF) Voluntary Principles for Debt Transparency.

Given the scale of the COVID-19 crisis, the significant debt vulnerabilities and deteriorating outlook in many low-income countries, we recognize that debt treatments beyond the DSSI may be required on a case-by-case basis. In this context, we agreed in principle on a “Common Framework for Debt Treatments beyond the DSSI”, which is also agreed by the Paris Club. We look forward to the endorsement of the Common Framework by members, subject to their domestic approval procedures. To this end, we will convene, ahead of the Riyadh G20 Leaders’ Summit in November 2020, an extraordinary G20 Finance Ministers and Central Bank Governors meeting where we will publish the Common Framework and also discuss outstanding issues related to the DSSI.

We reiterate our commitment to ensure a stronger global financial safety net with a strong, quota-based, and adequately resourced IMF at its center, and will keep demands on IMF resources under close review. We reiterate our call on the IMF to explore additional tools that could serve members’ needs, drawing on relevant experience from previous crises. Beyond the crisis response, we call on the IMF to prepare an analysis of the external financing needs in low income developing countries in the coming years and sustainable financing options, and on the WBG, to scale up its work and deploy instruments in new ways to mobilize private financing to these countries. We also continue to support the G20 Compact with Africa (CWA) initiative.

We will continue our cooperation for a globally fair, sustainable, and modern international tax system. We acknowledge that the COVID-19 pandemic has impacted the work of addressing the tax challenges arising from the digitalization of the economy. We welcome the Reports on the Blueprints for Pillar 1 and Pillar 2 approved for public release by the G20/OECD Inclusive Framework on Base Erosion and Profit Shifting (BEPS). Building on this solid basis, we remain committed to further progress on both pillars and urge the G20/OECD Inclusive Framework on BEPS to address the remaining issues with a view to reaching a global and consensus-based solution by mid-2021. We welcome the report approved by the G20/OECD Inclusive Framework on BEPS on the tax policy implications of virtual currencies. We welcome the progress made on implementing the internationally agreed tax transparency standards. We will continue our support to developing countries in strengthening their tax capacity to build sustainable tax revenue bases.

We reiterate our commitment to the Financial Stability Board (FSB)’s principles, underpinning the national and international responses to COVID-19. We look forward to the FSB’s holistic review of the March 2020 turmoil, including its assessment of whether the non-bank financial intermediation sector was sufficiently resilient. The pandemic has reaffirmed the need to enhance global cross-border payment arrangements to facilitate cheaper, faster, more inclusive and more transparent payment transactions, including for

remittances. To that end, we endorse the G20 Roadmap to Enhance Cross-Border Payments, which includes practical steps and indicative timeframes to address the identified challenges. We ask the FSB, in coordination with international organizations and standard-setting bodies, to monitor the progress, review the roadmap and annually report to the G20. In the spirit of encouraging responsible innovation, we welcome the FSB's work on the growing entry of BigTech in finance in emerging markets and developing countries and the use of supervisory and regulatory technology by authorities and regulated institutions, including the work on the G20 TechSprint, a joint initiative with the Bank for International Settlements (BIS) Innovation Hub, which sought out solutions to common supervisory and regulatory challenges from the global FinTech community. We look forward to the FSB completing the evaluation of the effects of the too-big-to-fail reforms. We also welcome the reports on work to avoid harmful market fragmentation from the FSB and the International Organization of Securities Commissions (IOSCO), and look forward to their further work on this issue. We ask the FSB to continue to deepen their analysis on procyclicality and credit worthiness. We welcome the updated G20 Financial Inclusion Action Plan (2020 FIAP), which will guide the work of the Global Partnership for Financial Inclusion (GPII) for the next three years. We welcome the completion of the "GPII Work Program and Structure: A Roadmap to 2020", including the updated GPII Terms of Reference – 2020 as the final streamlining activity. Mobilizing sustainable finance and strengthening financial inclusion are important for global growth and stability. The FSB is continuing to examine the financial stability implications of climate change. We welcome growing private sector participation and transparency in these areas.

While responsible technological innovations can deliver significant benefits to the financial system and the broader economy, we are closely monitoring developments and remain vigilant to existing and emerging risks. We support that no so-called 'global stablecoins' should commence operation until all relevant legal, regulatory and oversight requirements are adequately addressed through appropriate design and by adhering to applicable standards. We support ongoing work by relevant international bodies on the benefits and existing and emerging risks arising from financial innovation. To this end, we welcome the reports on the so-called 'global stablecoins' and other similar arrangements submitted by the FSB, the Financial Action Task Force (FATF) and the IMF. We support the FSB's high-level recommendations promoting consistent and effective regulation, supervision and oversight of the so-called 'global stablecoins' across jurisdictions and look forward to the FSB's monitoring their implementation. We also look forward to the standard setting bodies engaging in the review of existing standards in light of the FSB report and making adjustments as needed. We look forward to the IMF's further work on macro-financial implications of digital currencies and so-called 'global stablecoins'. We support the FATF's ongoing work to address money laundering (ML), terrorist financing (TF) and proliferation financing risks relating to virtual assets and the so-called 'stablecoins' and call for the full, effective and swift implementation of the FATF standards worldwide. We welcome efforts by the FATF to highlight the ML/TF risks that have arisen during the COVID-19 pandemic and policy responses to address them. We support continued efforts to strengthen cyber resilience and welcome the FSB toolkit of effective practices for cyber incident response and recovery.

## ***Annex I: Updates to the G20 Action Plan – Supporting the Global Economy through the COVID-19 Pandemic.***

### **Introduction:**

The scale of the impact of COVID-19 on health and the global economy is still emerging and remains highly uncertain. The balance of risks remains tilted to the downside. Economies across the world are experiencing the profound economic effects of COVID-19 – no region has been spared. Our collective goal, set by G20 Leaders in March 2020, is to protect lives; safeguard people’s jobs and incomes; restore confidence, preserve financial stability, revive growth and recover stronger; minimize disruptions to global supply chains; provide help to all countries in need of assistance; and coordinate on public health and financial measures. As the crisis evolves – and in response to evolving health-related restrictions, a better understanding of the impact of restrictions on the global, national and local economies, and to country specific circumstances – a continued and interdependent health and economic policy response will be needed and we commit to use all available policy tools to support economies and return to strong, sustainable, balanced and inclusive growth.

In April 2020, we agreed a set of commitments to specific actions to drive forward international economic cooperation in response to COVID-19. We also agreed to regularly review, track implementation, update and report on the Action Plan, to take into account the evolving nature of the crisis. In the spirit of keeping the G20 Action Plan a living document, this document outlines updates to the G20 Action Plan to continue supporting our policy response to the COVID-19 pandemic and enable a swift and strong recovery.

### **Pillar 1: Health Response – Saving Lives.**

- 1. We remain committed to investing in an effective response to the COVID-19 pandemic to bring the spread of the virus under control and prevent further transmission,** thereby minimizing economic and social disruption while reinforcing our support for returning to strong, sustainable, balanced and inclusive growth. We encourage joint efforts including further voluntary contributions to relevant initiatives, organizations and financing platforms.
- 2. We emphasize the need for a global response and the importance of taking forward our collective action to accelerate the research, development, manufacturing and distribution of COVID-19 diagnostics, therapeutics and vaccines,** including through the Access to COVID-19 Tools Accelerator (ACT-A) initiative and its COVAX Facility and voluntary licensing of intellectual property, with the aim of supporting equitable and affordable access for all, which is key to overcoming the pandemic and supporting global economic recovery. We recognize the role of extensive immunization against COVID-19 as a global public good for health in preventing, containing and stopping transmission.
- 3. We support the World Bank Group’s initiatives to make available \$16 billion of fast-track financing for developing countries’ access to COVID-19 tools,** with the aim of supporting equitable and affordable access for all. We ask other Multilateral Development Banks (MDBs) to swiftly consider ways to strengthen the financial support for countries’ access to COVID-19 tools.

- 4. We reaffirm our commitment to full compliance with the International Health Regulations (IHR 2005), to improve their implementation and to the continued sharing of timely, transparent and standardized data and information including on health measures and the effectiveness of non-pharmaceutical interventions.**  
We encourage innovative ways of capturing and sharing user- and decision-friendly information.
- 5. We reemphasize our commitment to the G20 Shared Understanding on the Importance of Universal Health Coverage (UHC) Financing in Developing Countries** to improve the resilience, prevention, detection, preparedness and response of health systems through protecting and investing in public health.
- 6. We will continue to work with Health Ministers** to address and mitigate the impacts of the COVID-19 pandemic and we will follow up on the conclusions of the joint meeting of G20 Finance and Health Ministers in September 2020.

## Pillar 2: Economic and Financial Response – Support the Vulnerable and Maintain Conditions for a Strong Recovery

- 1. We commit to continue to do whatever it takes to support the global economy and financial stability, using fiscal, monetary and regulatory levers,** in a complementary way for as long as required, and consistent with governments' and central banks' respective mandates. We acknowledge that the macroeconomic response should be appropriate for country specific circumstances, and that fiscal support should not be withdrawn too quickly. We recognize that, as the crisis evolves, policy measures will need to adapt to support individuals, businesses especially small- and medium-sized enterprises, and the sectors of our economies that are most severely affected by the health-related measures that are introduced or which remain, while allowing for structural re-allocation to occur wherever necessary. We will continue to address the disproportionate economic and social impact of the crisis on women, young people, and the most vulnerable segments of society and consider ways to address the inequalities exacerbated by the COVID-19 pandemic.
- 2. We will maintain long-term fiscal sustainability, price stability and financial stability,** including through continued international coordination where necessary, taking into account the policy spillovers and different impacts of the COVID-19 pandemic across countries and regions. We recognize the need to maintain support through the crisis and for the recovery, while restoring longer-term fiscal sustainability to help prevent high debt levels from harming future growth prospects and financial stability.

## Pillar 3: Returning to Strong, Sustainable, Balanced and Inclusive Growth.

- 1. We commit to take steps to support an inclusive recovery and minimize the scarring impact of the pandemic on medium term economic growth,** by adopting relevant tools based on country circumstances such as active labor market policies including retraining and job creation measures, targeted sectoral support, and ensuring the flow of finance to the real economy. Alongside continued stabilization, we acknowledge that measures are needed on both the supply and demand sides to reduce uncertainty and support a strong and sustainable global recovery. We

welcome initiatives to ensure the continued flow of remittances to support receiving countries through the crisis.

- 2. We recognize that given the nature, scale and impact of the shock, structural re-allocation and productivity-enhancing reforms in G20 economies will be needed to support a recovery.** We will collaborate to support this structural change, and draw on analysis from the International Organizations to identify best policy practices across sectors including in areas such as corporate restructuring, SMEs' performance and labor market reforms.
- 3. We commit to share experiences and analysis, and task the relevant International Organizations to** provide policy advice on the appropriate timing, pace, and mode of exiting from crisis-related policies. We further task them to monitor and report on the recovery processes of G20 members and international spillover effects, through their surveillance mechanisms and in consultation with members.
- 4. We commit to leverage opportunities from current and emerging economic transformations in our recovery plans and guarding against negative consequences.** This includes accelerating our action to address longer-term global challenges that are becoming more urgent due to the pandemic and which continue to pose a threat to the global economy, harnessing new opportunities, notably through the digital economy and the potential for an environmentally sustainable and resilient recovery. We will be guided in these efforts by the 2030 Agenda for Sustainable Development and relevant international commitments.
- 5. G20 Trade and Investment Ministers agreed "G20 Actions to Support World Trade and Investment in Response to COVID-19".** We reiterate the importance that any emergency trade measures designed to tackle COVID-19, if deemed necessary, are targeted, proportionate, transparent, temporary, reflect our interest in protecting the most vulnerable, do not create unnecessary barriers to trade or disruption to global supply chains, and are consistent with WTO rules. We will continue to work to realize the goal of a free, fair, inclusive, non-discriminatory, transparent, predictable and stable trade and investment environment and to keep our markets open, including to assist in the recovery from the economic and social impacts of the pandemic.
- 6. We remain committed to following the FSB's principles on the response to COVID-19. We ask the FSB to continue to monitor, assess, and where appropriate address, potential vulnerabilities in the global financial system,** including the lessons from its forthcoming holistic review of the market turmoil in March; and to deepen its analysis of vulnerabilities relating to the solvency of non-financial corporates and to the procyclicality of credit rating downgrades.
- 7. We reiterate our commitment to re-double our efforts to promote quality infrastructure investment and accelerate efforts to mobilize private sources of infrastructure financing,** aimed at raising productivity, lifting growth, and promoting job creation.

#### Pillar 4: International Support to Countries in Need.

Since April 2020, the international community has deployed important support to countries in need. We will continue to provide support and to adapt it to the evolving stages of the COVID-19 crisis.

- 1. We welcome the swift and determined actions taken to help countries in need, including the emergency responses provided by the IMF, the World Bank and Regional Development Banks, and the implementation of the Debt Service Suspension Initiative (DSSI). Building on the successful emergency responses, we agreed to take additional actions and adopt a progressively longer-term structural approach.**
- 2. In light of the continued liquidity pressure, while progressively addressing debt vulnerabilities, we agreed to extend the DSSI by 6 months, and to examine by the time of the 2021 IMF/WBG Spring Meetings if the economic and financial situation requires to extend further the DSSI by another 6 months, with targeted complements to the April 2020 DSSI Term Sheet as set forth in the attached addendum (Annex II), which is also agreed by the Paris Club.**
- 3. Given the scale of the COVID-19 crisis, the significant debt vulnerabilities and deteriorating outlook in many low-income countries, we recognize that debt treatments beyond the DSSI may be required on a case-by-case basis. In this context, we agreed in principle on a “Common Framework for Debt Treatments beyond the DSSI”, which is also agreed by the Paris Club.** We look forward to the endorsement of the Common Framework by members, subject to their domestic approval procedures. To this end, we will convene, ahead of the Riyadh G20 Leaders’ Summit in November 2020, an extraordinary G20 Finance Ministers and Central Bank Governors meeting where we will publish the Common Framework and also discuss outstanding issues related to the DSSI.
- 4. We welcome the contributions already announced and call for more contributions to replenish the Poverty Reduction and Growth Trust (PRGT) and the Catastrophe Containment and Relief Trust (CCRT).**
- 5. We welcome MDBs commitments of USD 75 billion to DSSI-eligible countries over the period between April-December 2020 alone, part of their USD 230 billion commitment to emerging and low-income countries as a response to the pandemic. While protecting their current ratings and low cost of funding, MDBs are encouraged to go further on their collective efforts in supporting the DSSI, including through providing net-positive flows to DSSI-eligible countries during the suspension period, including the extension period. We ask the MDBs to provide further details on the new resources provided to each eligible country.**
- 6. We support the ongoing work of the IMF, the World Bank and Regional Development Banks, to continuously adapt their response to the evolving stages of the crisis.**
- 7. Beyond the crisis response, we call on the IMF to prepare an analysis of the external financing needs in low income developing countries in the coming years and sustainable financing options, and on the World Bank Group, to scale up its work and deploy instruments in new ways to mobilize private financing to these countries.** Specific attention should be given to catalyzing private sector investments and inflows, including the promotion of political risk insurance and other tools to promote risk-sharing. More than ever, strong coordination among development partners will be essential.
- 8. We will also continue to enhance financial resilience, including through harnessing the benefits while also managing risks associated to capital flows, and developing local currency bond markets and domestic capital markets.**

- 9. We reiterate our call on the IMF to explore additional tools that could serve members' needs, drawing on relevant experience from previous crises<sup>1</sup>.** We welcome the tools provided by regional financing arrangements (RFAs) and call for further progress to deepen the cooperation between IMF and RFAs.
- 10. We reiterate our commitment to a strong, quota-based and adequately resourced IMF at the center of the Global Financial Safety Net (GFSN).** We welcome the steps already taken by countries to implement the necessary domestic measures that are needed to maintain the IMF's current resource envelope and urge others to act swiftly. We remain committed to revisiting the adequacy of quotas and continuing the process of IMF governance reform under the 16<sup>th</sup> General Review of Quotas, including a new quota formula as a guide, by 15 December 2023.
- 11. We reiterate our support to further enhancing policy and operational coordination across all relevant international organizations at multilateral, regional and country level.** We ask these IOs, in particular the IMF, World Bank and Regional Development Banks, to continue to work together and report back regularly to us. We welcome the country-owned pilot platforms that have been deployed and look forward to further updates by Multilateral Development Banks on progress in this area.

## Pillar 5: Lessons Learned.

- 1. We commit to evaluate and learn the lessons from the impact of COVID-19 on our economies and the global financial system, as well as from our economic, financial and health response, and consider integrating these into future policy design where appropriate.** To support this, we will strengthen global risk monitoring, coordinating across relevant bodies, to protect ourselves against ongoing and future phases of COVID-19 and other crises, which can have devastating effects on our lives and impose huge costs on our economies. We will integrate the spillover effects, economic risks of pandemics, drug resistant infectious diseases, non-communicable diseases, and other high-impact tail risks more systematically into the G20's global risk monitoring and preparedness. It will be critical to enhance resilience against future shocks as agreed in our July communique, and to better understand our exposure to a range of risks.
- 2. We reiterate our commitment to build on G20 infrastructure efforts to increase the resilience of infrastructure against risks,** including from pandemics.

We will continue to review, update, track implementation of and report on the G20 Action Plan. This approach will ensure timely implementation of revisions to the Action Plan so our commitments reflect the situation we face; and will also ensure continuity given that some of the commitments will extend beyond 2020. The Action Plan Progress Report on the implementation of commitments will be prepared for the G20 Leaders' Summit in November 2020.

---

<sup>1</sup> The G20 International Financial Architecture Working Group also discussed the possibility of a Special Drawing Right (SDR) allocation or of countries that have excess SDRs granting or lending them to countries that need them. There was no consensus on the issue.