

May 22, 2020

Dear Senator,

While I sincerely appreciate your recognition of our common humanity by providing some critical humanitarian, peacebuilding, human rights, and poverty-focused programs in response to COVID-19 in previous emergency supplemental legislation, I am alarmed that the House-proposed HEROES Act contained no such support. New legislation to provide swift international assistance is needed urgently.

As the United States faces an escalating health crisis at home, we cannot afford to ignore the situation among our neighbors beyond our borders. The spread of COVID-19 in developing countries will hamper the United States' efforts to contain the pathogen domestically, impede global and domestic economic recovery, and intensify the political instability and human suffering that have contributed to high levels of migration in recent years.

To avoid dire economic and humanitarian consequences, I urge you to consider the following requests:

Provide emergency assistance: I urge Congress to provide no less than **\$12 billion** for the international response in the next legislative package, that includes significant resources for emergency global health and health security activities, as well as for food security, livelihood and other programs to mitigate the economic shock of the pandemic. In comparison, the U.S. provided an emergency appropriation of \$5.4 billion for three countries in West Africa to respond to the Ebola outbreak in 2015.

Within this response, I urge continued support to the World Health Organization, the only multilateral institution organization with the technical capacity and global mandate to support and coordinate the public health response of all countries.

Support a moratorium on debt service payments. I urge Congress to support expanding a moratorium on debt service payments to international financial institutions to allow indebted countries to increase spending on essential items to fight the pandemic. The IMF canceled debt payments for the 25 poorest countries and the G20 agreed to put debt on hold for others. But this is not enough. More than 100 countries are asking the IMF for more loans. Low- and middle-income countries owe their creditors an estimated \$2.7- \$3.4 trillion in foreign currency debt service over the two years 2020-21. Across 46 countries, debt payments for this year are currently projected to be 400% of their health budgets.

Support the IMF issuance of Special Drawing Rights. I urge Congress to instruct the U.S. representative to the International Monetary Fund (IMF) to support, not block, issuance of **\$3 trillion** in Special Drawing Rights (SDRs), an emergency financial liquid resource that is without any cost to U.S. taxpayers. I repeat, it costs nothing to the U.S. taxpayer for the IMF to issue SDRs.

A special international reserve asset created by the IMF, SDRs are distributed to central banks of countries in proportion to their IMF quotas. Countries can exchange SDRs for freely usable currencies when they are in weak financial positions. They are similar to the Federal Reserve's swap arrangements, which have primarily benefited wealthy nations, whereas SDRs are distributed to all IMF member countries. The IMF last issued SDRs in 2009 in response to the global financial crisis and thereby helped ease the impact of the crisis on developing economies.

Because SDRs are issued to each country roughly in proportion to the size of its economy, economists project that an issuance of \$3 trillion SDRs will ensure that significant help can reach Latin America, sub-Saharan Africa and other regions that face major economic and public health emergencies.

The United Nations World Food Program estimates that, as a result of the pandemic, 265 million people could face starvation by the end of the year. A report published by the United Nations University has found that half a billion people could be pushed into poverty. Bold, concerted international action is urgently needed now.

According to a poll released by the U.S. Global Leadership Coalition, people in the U.S. overwhelmingly support increased foreign assistance due to the pandemic, with 80% of poll respondents agreeing that assistance to other countries to fight diseases makes us safer.

Thank you.