

September 17, 2020

Dear Senator,

As representatives of faith-based organizations serving poor and vulnerable people around the world, we write to express our grave concern for the lives and wellbeing of people living in poverty in developing countries under the twin threats of the devastating coronavirus crisis and economic crisis. We speak out with urgency, grounded in the call of our faith to safeguard life, preserve the dignity of each person, prioritize the needs of people who are poor and vulnerable, and care for God's creation.

Our fears grow more urgent--sparked by the International Monetary Fund's prediction in June of a [decline in global growth of almost 5 percent in 2020](#) and UN reports indicating that [265 million people could face starvation](#) by the end of the year and [half-a-billion people could be pushed into poverty](#) by the global economic crisis--as each month passes without significant action by the United States. The United Nations Children's Fund (UNICEF) reported that coronavirus-related starvation is leading to the death of 10,000 children a month, 50 percent of whom live in Sub-Saharan Africa. "Without urgent action, the global number of children suffering from wasting could reach almost 54 million over the course of the year," UNICEF [said](#) on July 27. "This would bring global wasting to levels not seen this millennium."

The U.S. has an opportunity to restore and demonstrate global leadership at this critical moment in history.

The growing, grave threat to life and livelihood the coronavirus poses to people in countries less well-off than the United States, and recognizing that our nation's economy and efforts to contain the coronavirus are interconnected with those in other countries, **we ask that you co-sponsor S.4139, the Support for Global Financial Institution Pandemic Response Act, and ensure its provisions (Special Drawing Rights) move forward alongside a funding package that includes \$20 billion for foreign assistance.**

There are three key components of an effective international response:

### **Support for the issuance of 2 trillion in IMF Special Drawing Rights (SDR)**

At no cost to the U.S. taxpayer, around \$2.8 trillion (using current exchange rates) could be freed up through an International Monetary Fund (IMF) issuance of 2 trillion Special Drawing Rights (SDRs). The allocation will supplement a country's foreign exchange reserves providing developing countries with needed liquidity that can be used to address urgent food, health needs and social services. Congressional action is needed to instruct the U.S. representative to the IMF to support this important action, which is why your co-sponsorship of S.4139 is critically needed. This issuance of SDRs by the IMF would have an important impact on the lives of vulnerable people around the world and would enable developing countries to purchase U.S. exports, ultimately benefiting the U.S. economy. In addition, the nonpartisan Congressional Budget Office has stated that the IMF issuance will have no impact on the U.S. budget.

The IMF last issued SDRs in 2009 in response to the global financial crisis which helped ease the impact of the crisis on developing economies. The allocation is not a loan and does not need to be repaid, but it will save lives by enabling developing countries to use the precious resources they have to invest in health care to slow the spread of COVID-19 and address other growing needs for social services.

### **Support expanding debt relief**

Now more than ever, sovereign debt means death. Our members see this in poor countries like Kenya and Ecuador where governments spend more on servicing debt than on health care. Across 46 countries, debt payments for this year are currently projected to be 400 percent of their health budgets. With millions of people in developing countries without a social safety net and facing job loss, economic depression, food insecurity, and sickness from COVID-19, our call for debt relief for developing countries is about both compassion and recovery. It is impossible to recover without debt relief.

Following recommendations made in the latest [UN Secretary-General report](#), we urge the Senate to direct the Secretary of the Treasury to support expanding the moratorium on debt service payments owed by the world's poorest countries, canceling and restructuring debt by the IMF to bolster healthcare in developing countries affected by Covid-19, and increasing debt relief and aid through the IMF's Catastrophe Containment and Relief Trust and Poverty Reduction and Growth Trust Fund and other expanded processes.

### **No less than \$20 billion in foreign aid**

The global public health, humanitarian, and economic fallout from the pandemic has worsened as the year passes and the resources needed to address the problems created by the global pandemic have grown. Now we urgently request that no less than \$20 billion be included in the next supplemental spending bill. We echo humanitarian experts at [The One Campaign](#) and [InterAction](#) in calling for foreign assistance to respond to the desperation of our brothers and sisters abroad.

We feel this is a moral issue and believe that the go-it-alone approach by the Trump administration has crippled the international response to the largest international humanitarian crisis in the past half-century. Without leadership by the United States in coordination with other wealthy developed nations, the World Food Program and UNICEF have been unable to raise enough contributions to adequately address the public health, humanitarian, and socio-economic fallout of the pandemic. In addition, we are deeply concerned that the United States has decided not to participate in the ACT Accelerator, an initiative of the World Health Organization and the European Commission to pool international resources to cooperatively develop, finance and distribute coronavirus vaccines and medical treatments. Without U.S. leadership, the initiative has received pledges of just [\\$3.4 billion, far short of the needed \\$31.3 billion](#). Without significant foreign aid, we also fear gaps in infrastructure to support existing programming in vital sectors like the Global Fund to Fight AIDS, Tuberculosis and Malaria will grow and without United States support for emergency funding to support meals and tele-education to children in places like Haiti and Central America, a generation of children will be left behind, and contribute to the desperation that fuels out-migration.

### **Time is running out. Funding is needed immediately to save lives.**

The three components of an international response – SDRs, debt relief and foreign aid – can save lives, bolster health care, and protect workers and social welfare. Our faith in God and the teachings of our spiritual traditions require that we act on behalf of those most in need at home and abroad. All of our lives and recovery from COVID-19 depend on it.

Thank you for your consideration and leadership.

Sincerely,

Africa Faith and Justice Network  
Bread for the World  
Church World Service  
Columban Center for Advocacy and Outreach  
Congregation of Our Lady of Charity of the Good Shepherd, U.S. Provinces  
Friends Committee on National Legislation  
Friends in Solidarity, Inc.  
Islamic Relief USA  
Leadership Conference of Women Religious  
Maryknoll Office for Global Concerns  
Mennonite Central Committee U.S. Washington Office  
Missionary Oblates JPIC Office  
National Advocacy Center of the Sisters of the Good Shepherd  
Office of Justice, Peace and Integrity of Creation, Society of the Sacred Heart United States Canada Province  
Presbyterian Church (USA)  
Sisters of Mercy of the Americas Justice Team  
Sisters, Servants of the Immaculate Heart of Mary (IHM Sisters) Leadership Council