Many thanks to the delegates for their very valuable and timely comments, which enrich the discussion and exchange of experiences we had today.

I would like to briefly share the experience of Paraguay.

The Covid19 outbreak affected economic growth in Paraguay, so that our initial growth forecast for 2020 was 4% and fell to -3.5%. In this scenario, the Government implemented important actions to deal with this situation, such as a total quarantine, the closure of borders and social distancing, complemented with an Emergency Law that contains clear actions to strengthen the health system, protect the employment, with an emphasis on social protection for the most vulnerable sectors.

Likewise, we have started the implementation of the recovery plan, the focus of which will be concentrated, in a first phase, in the second half of this year, and it is expected to impact the economy in order to promote recovery, through three pillars: i) more social protection; ii) more investment and employment; and iii) more financing to grow. This plan will support the recovery in 2021 and incorporates a strong component of structural reforms to be implemented in order to ensure sustainable growth.

Paraguay will be one of the countries with the lowest decline in 2020 and with the greatest recovery in 2021 according to the perspectives of the International Monetary Fund (IMF). The pandemic has given us an opportunity to implement policies that go beyond mitigating the immediate consequences of the crisis, and that must be designed and implemented in a coordinated manner at the international level.

An effective multilateral system will facilitate the provision of global public goods and will enable developing countries to reduce their vulnerabilities to crises, as well as preserve fiscal space and face, in the future, the increase in debt that the pandemic generated.

This event is an opportunity to reflect on the perspective of developing countries and emerging economies and to encourage dialogue with OECD members. The member countries and associated International Organizations emphasized the serious impact of the COVID-19
crisis in developing countries and the risks that this represents for the achievement of the SDGs and global recovery.

- The preceding interventions underscored that recovery, to be resilient, sustainable and inclusive, must be global. In this sense, they highlighted the need to maintain a sense of solidarity and urgently implement policy measures that address the immediate consequences, but also the medium and long-term effects of the crisis, which lay the foundations for a more sustainable development model.

- There is a need to rebuild better after this unprecedented crisis. In helping developing countries, it will be necessary to respond not only to urgent and short-term medical needs, but also to strengthening their health and medical systems, thereby creating economic resilience in the medium and long term.

- The Development Centre has excellent experience and analytical capacity in the area of investment in infrastructure and will be one of the most relevant partners for all of us to make the G20 Principles for Investment in Quality Infrastructure widely recognized and implemented in the international community.

- Economic resources are limited, and the debts generated to face the crisis will have a significant impact on budgets. Consequently, it will be necessary to use all available resources to deal with this situation.

- Some countries highlighted that the consequences of the pandemic have been successfully mitigated with different approaches; however, to face the next challenges, it will be necessary to improve infrastructure and advance on low-carbon technologies.

- There have been proposals to strengthen cooperation between countries to ensure safe and comprehensive provision not only of technical assistance in medical and treatment terms, but also in economic assistance.

- We will all benefit from the global cooperation mechanism, once the tools are made available to the international community, for example through the platforms such as the ACT accelerator. This implies that it will be necessary to look beyond the immediate crisis, working towards a more supportive recovery.

- In the coming years it will be necessary to focus on the provision of basic services, technological innovations, and a better framework focused on financing, and on the empowerment of women, and above all the need to adopt new measures to protect the most vulnerable.

- It was pointed out the need that in the face of the recovery, the different initiatives to increase production and imports, as well as new technologies to strengthen employment and electronic commerce, will lay the basis for a more resilient recovery.

- On the way back to normality, it will be necessary that together we define the new normality, in which the International Community must act by incorporating development
strategies in its cooperation plans. Including new, more transparent support mechanisms, without condemning the sustainable development of the most vulnerable countries.

● Multilateralism should bring the necessary balance to the need to regain trust between the different actors in society.

● The Sustainable Development Agenda makes it clear to us that we must also work together between the different regions of the world, and thus support each other in successful initiatives.

● It was also highlighted the impact of investment in its three dimensions: economic, social and environmental, and in that line, the need to increase financing for green projects; as well as encouraging gender equality and equity, especially in the income of women. In economic matters, the deficiencies and high liquidity costs in the most vulnerable countries must be addressed.

● We all unanimously agree that the strengthening of health and social protection systems, particularly for the large informal workforce, should be a global priority along with the recognition of the important role of women in facing the pandemic and contributing to recovery. Developing countries face a contraction in their fiscal resources. A strong commitment from national governments, businesses and the international community is needed to finance the expansion of health and social protection systems. The costs of inaction could be much higher.

● From the international organizations perspective, it was emphasized that the global governance architecture needs reforms to give more relevance and voice to those most vulnerable countries, which is why a renewed and restructured multilateral system is very necessary, in order to maintain a greater balance in the distribution and determination of priorities so as not to leave anyone behind.

● Along these lines, the international community’s approach should focus on new investments, formalization of the economy, health, education and a more inclusive economy.

● Debt sustainability will play a key role in the recovery and beyond. The G20 / Paris Club Debt Service Suspension Initiative (DSSI) is an important milestone in providing liquidity support, albeit to a relatively limited number of eligible countries. Increasing debt to finance the response to the crisis calls for urgent efforts by the international community to design a multilateral approach to provide a predictable and orderly treatment of outstanding debt for countries of all income levels.

● The resilience of production systems is an integral part of recovery. Policies that aim to create jobs through business development, diversification, industrialization, global value chains and quality infrastructure need to be designed to mitigate the impact of COVID-19 and reduce the vulnerability of developing countries to future crises. These policies and the development and global diffusion of innovative technologies can help promote a virtuous cycle of growth and respect for the environment that enables a sustainable transition to a low-carbon future.
In conclusion, we welcome the efforts of the OECD Development Centre to respond to this crisis by joining forces and creating mutually beneficial partnerships with international and regional organizations and non-state actors. We also provide our support for its Program of Work and Budget 2021-22. Finally, we welcome the increasing coordination within the OECD Development Cluster and their joint contribution to inform the OECD Ministerial Council meeting on October 28-29, 2020.