

G7 Finance Ministers and Central Bank Governors' Statement

October 12, 2023

We, the G7 Finance Ministers and Central Bank Governors, met in Marrakech, joined by the Heads of the International Monetary Fund (IMF), World Bank Group (WBG), Organization for Economic Cooperation and Development (OECD), and Financial Stability Board (FSB). We were honored to be joined by the Ukrainian Finance Minister Sergii Marchenko.

1. We express our deepest condolences to the victims and their families affected by the earthquakes in Morocco and Afghanistan as well as the floods in Libya. We are committed to providing necessary assistance. We hope that the successful World Bank/IMF Annual Meetings in Marrakech will accelerate Morocco's strong recovery from the disaster. We unequivocally condemn the recent terror attacks by Hamas on the State of Israel and express our solidarity with the Israeli people.
2. We reiterate our unwavering support for Ukraine and are united in our condemnation of Russia's illegal, unjustifiable, and unprovoked war of aggression against Ukraine. Russia's war has caused tragic loss of life, destruction of property and infrastructure, increased global food insecurity, and exacerbated global economic challenges. We remain determined to foster international cooperation to address the global economic hardships caused by Russia's war against Ukraine and its weaponization of food and energy. In this context, we urge Russia to end its attacks on Ukrainian grain supplies and infrastructure and to expeditiously restore the Black Sea Grain Initiative to improve supply to the global market and reduce food price volatility. We call on Russia to immediately end its illegal war against Ukraine, which would clear one of the biggest uncertainties over the global economic outlook.
3. We will continue our efforts to ensure that Russia pays for the long-term reconstruction of Ukraine. We will also explore all possible avenues to aid Ukraine, consistent with our respective legal systems and international law. We welcome the initial effort by the Russian Elites, Proxies, and Oligarchs (REPO) Task Force to account for Russia's sovereign assets immobilized and held in REPO member jurisdictions which is at this stage estimated at around USD 280 billion and expect the REPO Task Force to refine this initial

effort over the coming months. We recall and reaffirm our Leaders' Statement that, consistent with our respective legal systems, Russia's sovereign assets in our jurisdictions will remain immobilized until Russia pays for the damage it has caused to Ukraine. We reiterate our unwavering resolve to impose and enforce sanctions and other economic measures to further undermine Russia's capacity to wage its illegal, unjustifiable and unprovoked war of aggression. We remain committed to countering any attempts to evade and undermine our sanction measures. We will continue to strengthen coordination in monitoring cross-border transactions between Russia and other countries, take further action directed at the Russian financial sector as necessary, and closely monitor the effectiveness of the price caps on Russian crude oil and petroleum products to ensure the measure delivers on its objectives, and take any necessary and appropriate enforcement actions required.

4. We reaffirm our unwavering support for Ukraine for as long as it takes. We remain strongly committed to supporting Ukraine's urgent short-term financing needs, as well as assisting its neighboring and other severely affected countries. Building on the successful completion of the first review of the IMF program for Ukraine, and looking ahead to the second review, we will continue our joint efforts to help address Ukraine's 2024 financing needs. We look forward to continued implementation of structural reforms by Ukraine and successful completion of the upcoming reviews, which will promote macroeconomic and financial stabilization, enhance governance and strengthen institutions, contribute to longer-term economic sustainability and post-war reconstruction. We will continue to support Ukraine's repair of its critical infrastructure, recovery and reconstruction, including through the Multi-agency Donor Coordination Platform for Ukraine. We will explore how any extraordinary revenues held by private entities stemming directly from immobilized Russian sovereign assets, where those extraordinary revenues are not required to meet obligations towards Russia under applicable laws, could be directed to support Ukraine and its recovery and reconstruction in compliance with applicable laws.
5. We welcome the successful launch of the "Partnership for RISE (Resilient and Inclusive Supply-chain Enhancement)" in collaboration with the WBG. This was achieved through financial and other contributions from G7 members, non-G7 countries and international organizations, and we call on more interested parties to join this important initiative. RISE aims to support low- and middle-income countries in playing bigger roles in the midstream and downstream in supply chains of clean energy products. Diversifying supply chains can contribute to safeguarding energy security, supporting macroeconomic

stability and resilience, strengthening capacity-building, and achieving net zero. We continue to support the implementation of RISE with speed and quality, including through pilot local information platforms to share relevant on-the-ground information and identify issues to be addressed by RISE. We will continue to coordinate on further enhancing supply chain resilience.

6. We reiterate our commitment to supporting emerging market and developing economies, particularly low-income countries, in dealing with multiple and complex challenges including climate change and food insecurity. In doing so, we recognize the important role of public finance in leveraging private capital through multilateral and bilateral initiatives. We also recognize the importance of improving business environments to attract more private investment in recipient countries and of supporting the mobilization of domestic resources. We welcome the strategy developed by the OECD to expand and deepen its outreach with non-OECD members, to support them in attracting more, better, and safe FDI. We also support the OECD's Inclusive Forum on Carbon Mitigation Approaches (IFCMA). The G7-Africa Ministerial Roundtable to be held on 14 October 2023 builds on last year's successful meeting and offers an opportunity for Finance Ministers of G7 members and the G20 Presidency to discuss with Finance Ministers of African countries how to further mobilize financing to Africa. We remain committed to further strengthening financial and economic collaboration and political dialogue with African countries and other emerging market and developing economies.
7. We reiterate our firm commitment to support progress of the G20's discussion on key issues such as debt, MDB evolution, robust and sustainable PRGT, and IMF quota review. We continue to support the G20's efforts to step up the implementation of the Common Framework in a predictable, timely, orderly and coordinated manner. We call for the finalization of the MOU on the debt treatment for Zambia as quickly as possible and swift agreements on debt treatments for Ghana and Ethiopia. We welcome significant progress at the official creditor committee towards agreement on debt treatment for Sri Lanka and look forward to its swift resolution. We welcome efforts to explore the integration of Climate-Resilient Debt Clauses in lending instruments and encourage more creditors to offer these. While welcoming the initial progress shown in the G20 Capital Adequacy Framework (CAF) Review Roadmap with a potential additional lending headroom of at least USD 200 billion over the next decade, we urge MDBs to continue their steadfast efforts to further implement the CAF recommendations. For the WBG, we will deliver on the G20 Leaders' commitment to collectively mobilize more headroom and concessional

finance to boost the World Bank's capacity to support low and middle-income countries that need help in addressing global challenges, and to provide strong support for the poorest countries. We will also play a proactive role and work closely with other shareholders in agreeing on a clear framework for allocating scarce concessional resources in a well-targeted and well-prioritized manner with a view to safeguarding global public goods, while continuing to prioritize the needs of the poorest countries. We will decide on the best options to contribute to these initiatives. We are committed to collectively securing an ambitious IDA 21 replenishment next year to support low-income countries. At the IMF, we also support the work to ensure the PRGT is on a sustainable footing to meet the growing needs of low-income countries. We continue our utmost efforts to ensure a swift and timely conclusion of the 16th General Review of Quotas of the IMF with a quota increase agreed by 15 December 2023. We reaffirm our May 2017 exchange rate commitments. We look forward to an ambitious replenishment of the International Fund for Agricultural Development (IFAD) resources at the end of the year.

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