

Address by Dr. Barham Salih,  
The President of the Republic of Iraq

HIGHT-LEVEL EVENT ON FINANCING FOR DEVELOPMENT IN THE ERA OF  
COVID-19 AND BEYOND

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Excellencies, ladies and gentlemen,

I am deeply grateful to the Prime Ministers of Canada and Jamaica, and to the Secretary General of the United Nations, for organizing this important meeting.

Sharing ideas and finding solutions for sustaining development in this era of COVID-19 are vitally important for the world as it faces up to this pandemic and the economic and social destruction that it has left in its wake.

The challenges that we, as a global community, face are immense and urgent, all the more so in the Middle East and the developing world, where the impact of

But these challenges are not insurmountable, if we show common purpose and stand together. The temptation may be to look inward, and to leave each country to fend for itself. But while the impact of the virus is felt locally, the crisis is a global one, and it requires a global response. We need to be united in our commitment to combat the spread of COVID-19, to find a vaccine, and to restoring our economic well-being. The issues identified in this forum are core to achieving these goals.

measures to meet non-discretionary spending. Eventually, our spending may need to be rationalized, but even then we face the prospect of a significant budget deficit this year that will need be financed by drawing down reserves and increasing debt. Overall, our economy is forecast to contract by almost 10% in 2020, with a possible rebound expected in 2021.

All of this comes at a sensitive time for Iraq. We are still a country in recovery. We have overcome civil war, violence, and the terrorism of so-called Islamic State, but our rebuilding process is fragile. The popular demonstrations of last autumn and winter, and the tragic deaths that accompanied them, were a stark reminder that the patience of the Iraqi people has its limits.

We have no illusion that the road ahead will be long and arduous. But we have no option but to persevere and prevail. We need to act with a sense of urgency, compassion and resolution to deliver results. Otherwise, we will be letting down our population, especially our youth.

We cannot hope to succeed without the cooperation of the international community, including international financial institutions and partner states. The fiscal and liquidity crises that we face make meeting our basic financing and debt obligations difficult. We hope that the international community will support these efforts, including assisting us with economic restructuring and helping us to realize our investment budget, which is crucial for building infrastructure, maintaining essential services, and creating jobs.

For developing countries like Iraq that face these challenges, access to vehicles that will help us to ensure domestic liquidity, private-sector access to credit, and which reduce the immediate debt burden on the government are critical if we are to ensure that the current crisis does not cripple us and undermine our ability to push through much-needed reform in the longer-term.

We need bridging mechanisms that will allow us to implement counter-cyclical fiscal stimulus policies now in order to stabilize our finances and our economy as we face up to impact of COVID-19. We can then use this as a platform to make smarter spending choices in the future that will stimulate economic growth.

Sustainability and resilience are key to building a better future for all Iraqi. We must ensure economic growth and development and not allow this crisis to become a choice between lives and livelihoods, or a catalyst for