

**GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:4975

ANSWERED ON:20.12.2002

G-20 MEETING

CHANDRA NATH SINGH;GADDE RAMAMOCHAN;GANGASANDRA SIDDAPPA BASAVARAJ;M.V.V.S MURTHI;NVEDITA
MANE;PRAKASH V. PATIL;SADASHIVRAO DADOBA MANDLIK

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

- (a) whether a meeting of Finance Ministers and the Governors of Central Banks of 20 countries of the world was held recently in Delhi;
- (b) if so, the issues discussed during this meeting;
- (c) the details of the opinion expressed by the participants;
- (d) whether the issues like reduction in taxes and economic package for developing countries were also raised during this meeting;
and
- (e) if so, the outcome thereof ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE & COMPANY AFFAIRS (SHRI ANANDRAO V. ADSUL)

(a): The fourth meeting of Group-20 (G-20) Finance Ministers and Central Bank Governors was held at New Delhi during 22-23 November 2002. The membership of G-20 comprises nineteen countries and four institutional members.

(b): The meeting reviewed the global economic situation and deliberated on matters concerning crisis prevention and resolution, globalization, the challenge of achieving sustained growth and development and combating the financing of terror.

(c), (d) & (e): The participants expressed their agreement on the need for sound national financial systems, effective supervision, and healthy corporate governance in line with evolving global best practices; and also on furthering capital account liberalization in an appropriately sequenced manner. They supported further work by the international community, in consultation with debtors and creditors, on comprehensive and market compatible approaches to crisis resolution.

While noting that globalization has been delivering rising living standards generally, it was felt that it had not yet delivered its potential in reducing poverty in some of the world's poorest countries. The participants felt that reduction of the remaining trade and related barriers and phasing-out of trade-distorting subsidies would contribute to spreading further the benefits of globalization, including to the poorest developing countries. The participants also reaffirmed their shared commitment to achieving the Millennium Development Goals. They acknowledged that development assistance can play a valuable catalytic role and welcomed the increase in official development assistance recently announced by some countries.

On combating the financing of terrorism, the participants reviewed the progress made in implementing G-20 Action Plan and agreed to continue efforts to eliminate other abuses of the financial system, particularly money laundering.