

**GOVERNMENT OF INDIA
EXTERNAL AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:5287
ANSWERED ON:28.04.2010
CONFERENCE OF BRIC
Abdulrahman Shri

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether in a recently held conference in Brazil, Brazil, Russia, India and China (BRIC) have pressed for swift reform of international financial institutions like World Bank and International Monetary Fund to give developing countries a greater voice group in order to achieve a new world order;

(b) if so, the details thereof;

(c) whether steps are being taken to resist all trade protectionism and increasing commerce with one another in local currencies, bypassing the U.S. dollar; and

(d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SMT. PRENEET KAUR)

(a) & (b): Yes. The recently held Brazil, Russia, India and China [BRIC] Summit in Brasilia called for reform of the IMF and the World Bank. The Joint Statement issued after the Summit stressed that reforming these institutions' governance structures required a substantial shift in voting power in favor of emerging market economies and developing countries and called for open and merit based selection method for the positions of heads of IMF and the World bank and increased participation of developing countries in the staff of these institutions.

(c) & (d): The BRIC Summit urged all countries to resist all forms of trade protectionism. BRIC countries have agreed to study feasibilities of monetary cooperation, including local currency trade settlement arrangement between BRIC countries, to facilitate trade and investment.