



## **MEETING OF G-20 FINANCE MINISTERS AND CENTRAL BANK GOVERNORS**

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Berlin, December 15-16, 1999

### **COMMUNIQUÉ**

#### **G-20 Finance Ministers and Central Bank Governors**

1. Finance Ministers and Central Bank Governors of the G-20 held their inaugural meeting on December 15-16, 1999 in Berlin, Germany. The meeting was chaired by Canada's Finance Minister, Paul Martin, and hosted by German Finance Minister Hans Eichel. (A list of participants follows).
2. The G-20 was established to provide a new mechanism for informal dialogue in the framework of the Bretton Woods institutional system, to broaden the discussions on key economic and financial policy issues among systemically significant economies and promote co-operation to achieve stable and sustainable world economic growth that benefits all.
3. Ministers and Governors welcomed the improvement in global economic conditions. They reaffirmed the importance of continued progress by the WTO toward multilateral liberalization of trade in goods and services that would bring broad-based benefits to the global economy.
4. Ministers and Governors at this inaugural meeting discussed the role and objectives of the G-20, and ways to address the main vulnerabilities currently facing their respective economies and the global financial system. They recognized that sound national economic and financial policies are central to building an international financial system that is less prone to crises. They noted the importance of strengthening national balance sheets to help cushion against unexpected shocks. They encouraged steps to strengthen sovereign debt management, and greater attention to the impact of various government policies on the borrowing decisions of private firms. They recognized that unsustainable exchange rate regimes are a critical source of vulnerability, and that a consistent exchange rate and monetary policy is essential. They discussed a range of possible domestic policy responses to the challenges of globalization, and exchanged views on the role of the international community in helping to reduce vulnerability to crises.
5. They welcomed the important work that has been done by the Bretton Woods institutions and other bodies toward the establishment of international codes and standards in key areas, including transparency, data dissemination, and financial sector policy. They agreed that the more widespread implementation of such codes and standards would contribute to more prosperous domestic economies and a more stable international financial system. To demonstrate leadership in this area, Ministers and Governors agreed to undertake the completion of Reports on Observance of Standards and Codes ("Transparency Reports") and Financial Sector Assessments, within the context of continuing efforts by the IMF and World Bank to improve these mechanisms. This commitment will help mobilize support for measures to strengthen domestic capacity, policies and institutions.

6. Members of the G-20 asked their Deputies to consider existing work in other fora (including the Financial Stability Forum) and to examine further ways to reduce vulnerabilities to crises. Deputies will report on their progress at the time of the next meeting of G-20 Finance Ministers and Governors, to be held in Canada in autumn 2000.

ANNEX: LIST OF PARTICIPANTS

<b>Finance Ministers</b>	<b>Central Bank Governors</b>
<b>Argentina</b>	
Jorge Remes Lenicov Minister of the Economy and Works and Public Services	Sr. Mario Blejer President, Central Bank of the Republic of Argentina
<b>Australia</b>	
Peter Costello Treasurer	I.J. MacFarlane Governor, Reserve Bank of Australia
<b>Brazil</b>	
Pedro Sampaio Malan Minister of State Ministry of Finance	Armínio Fraga Neto Governor, Central Bank of Brazil
<b>Canada</b>	
John Manley Minister of Finance	David Dodge Governor, Bank of Canada
<b>China</b>	
Xiang Huaicheng Minister of Finance	Dai Xianglong Governor, People's Bank of China
<b>France</b>	
Laurent Fabius Minister of the Economy and Finance	Jean-Claude Trichet Governor, Bank of France
<b>Germany</b>	
Hans Eichel Minister of Finance	Ernst Welteke President, German Federal Bank
<b>India</b>	
Jaswant Singh Minister of Finance and Chair of the G- 20	Bimal Jalan Governor, Reserve Bank of India
<b>Indonesia</b>	
Dr. Boediono Minister of Finance	Sjahril Sabirin Governor, Bank of Indonesia
<b>Italy</b>	
Mr. Giulio Tremonti Minister of the Treasury and Budget	Antonio Fazio Governor, Bank of Italy

<b>Japan</b>	
Masajuro Shiokawa Minister of Finance	Masaru Hayami Governor, Bank of Japan
<b>Korea</b>	
Yun-Churl Jeon Minister of Finance and Economy	Seung Park Governor, Bank of Korea
<b>Mexico</b>	
Francisco Gil Díaz Secretary of Finance and Public Credit	Guillermo Ortíz Martínez Governor, Bank of Mexico
<b>Russia</b>	
Alexei Leonidovich Kudrin Minister of Finance	Sergei M. Ignatiev Chairman, Central Bank
<b>Saudi Arabia</b>	
Ibrahim Abdulaziz Al-Assaf Minister of Finance and National Economy	Hamad Saud Al-Sayari Governor, Saudi Arabian Monetary Agency
<b>South Africa</b>	
T.A. (Trevor) Manuel Minister of Finance	T.T. (Tito) Mboweni Governor, Central Bank of South Africa
<b>Turkey</b>	
Kemal Dervis Minister of Treasury and Economic Coordination	Süreyya Serdengeçti Governor, Central Bank of the Republic of Turkey
<b>United Kingdom</b>	
Gordon Brown Chancellor of the Exchequer	Eddie George Governor, Bank of England
<b>United States</b>	
Paul Henry O'Neill Secretary of the Treasury	Alan Greenspan Chairman, Board of Governors, Federal Reserve System

## **European Union**

<b>European Union Presidency</b>
The European Union Presidency is currently held by Denmark. Greece will hold the presidency from January 1 to June 30, 2003.
<b>European Central Bank</b>
Wim Duisenberg

President
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## **Bretton Woods Institutions**

<b>International Monetary Fund (IMF)</b>
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Hörst Kohler Managing Director, International Monetary Fund
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<b>International Monetary and Financial Committee of the IMF</b>
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Gordon Brown Chancellor of the Exchequer for UK and Chair of the International Monetary and Financial Committee of the IMF.
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<b>World Bank</b>
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James D. Wolfensohn President, World Bank
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<b>Development Committee of the IMF and the World Bank</b>
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Mr. Trevor Manuel Minister of Finance for South Africa and Chair of the Development Committee.
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