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**PM's statement to the press at the conclusion of G-20 Summit**

Following is the text of statement of the Prime Minister Dr Manmohan Singh to the press at the conclusion of G-20 Summit at London on April 2nd, 2009:

1. We met in London at a significant moment for the world economy and therefore for the world as a whole. I am grateful to Prime Minister Gordon Brown for the initiative that he has taken to host this second Summit of leaders of the G-20, and for the excellent arrangements that were made for our meetings.

2. The purpose of this Summit meeting was to take forward the search for solutions to the economic crisis facing the global economy today. The world is going through the worst recession since the Great Depression. We have fared much better than others though we are also affected. This is a global crisis requiring global solutions.

3. Earlier today and yesterday evening, we discussed various ways in which the crisis can be addressed. All countries have used monetary policy. An effective fiscal stimulus is also being resorted to by all major economies. There was agreement that credit flows to developing countries also must be restored. There was also agreement that we must tackle the crisis in a way which does not create other problems for the future. For instance, protectionism or restrictions on the free flow of trade and persons would be counter productive. Nor can development be halted or sacrificed in the search for solutions to the financial crisis. Hence the need for special attention to the needs of developing countries.

4. I was happy to note that our views received wide acceptance and support.

5. We emphasised the need to make good the decline that has taken place in capital flows to developing countries by providing adequate resources to the international financial institutions. I am happy to say that the G-20 have agreed to expand the resources of the IMF and the ADB and to also bring forward the quota review in the IMF. The leaders have also agreed to a fresh issue of SDRs. These are positive decisions. Together they involve a massive provision of \$ 1.1 trillion for emerging market economies. India does not need IMF funding but we have been in favour of expanding IMF resources as this will help developing countries that need assistance. It will restore confidence about emerging markets.

6. We also discussed and agreed on broad direction for improvements in regulatory and supervisory structure for the world's financial system. These will take time to take effect but they are very important. They will be carried forward by the Financial Stability Forum (FSF) and the Basle Committee on Banking Supervision, the two key standard setting bodies. India is now a member of both bodies. Broadening representation in these bodies is an important improvement. The directions of the reform of financial regulation and

supervision that have been agreed are in line with our own thinking in India.

7. This meeting has shown the utility of the G-20 Leaders' process, and we took forward to the next Summit meeting of G-20 leaders in the second half of the year, and to the early implementation of what has been agreed today. There is a continuing need to redefine the role of our institutions of global economic governance to deal with the problems of today and to reflect contemporary realities.

8. As you know, I also had an opportunity to meet Prime Minister Gordon Brown yesterday, where we reviewed our bilateral relationship and discussed ways of taking India-UK relations forward. India and the UK enjoy a close partnership in diverse fields of human endeavour. We are determined to and confident of carrying this partnership forward.

9. Earlier this afternoon I met with President Barack Obama of the United States of America. This was our first meeting and was marked by exceptional warmth and cordiality. We reviewed our bilateral relations. I thanked President Obama for all that he has done in the US Senate and outside in the past few years to make possible the transformation of India-US relations, and to bring to fruition our civil nuclear initiative. Today we discussed several positive and constructive steps to take the India-US global partnership forward.

10. We discussed regional and global issues, including the threat that terrorism emanating from our neighbourhood poses to all free societies, and the international efforts that are required to deal with this problem. We had a significant convergence of views and approaches in this regard. President Obama informed me of the new comprehensive US strategy for Afghanistan and Pakistan. I welcomed his clear enunciation of the problems and the goals. India will continue to play a constructive role, working to build peace and stability in our periphery.

11. I leave London satisfied that my bilateral and other meetings have been productive and useful, and that the G-20 Leaders Summit has shown a way forward. The process of overcoming the global crisis will not be easy. Given the goodwill and the meeting of minds among leaders that was possible in London over the last two days, the world has a basis to begin solving the crisis. The international community can and must work together to do so.

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