

**Press Information Bureau, Government of India  
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**PM's Statement at Second Plenary session of G-20 Leaders on "Strengthening the international financial architecture and the financial system and promoting financial inclusion"**

"We welcome the efforts to strengthen the IMF resources and as I announced yesterday, we will contribute US\$ 10 billion.

I must point out however that progress in quota reform is proceeding more slowly than raising resources. I recognise that there are practical reasons why the quota reform agreed in 2010 will not be completed by the end of 2012, but it must be done expeditiously thereafter.

It is also important that the quota review schedule for January 2013 is completed in time. Quotas must reflect economic weights, in a manner that is simple and transparent.

These objectives can be best achieved by recognizing the predominant role of GDP on PPP basis in the formula without going into other variables. This basic position should not be compromised in any way and we need to reiterate our position strongly.

I welcome the progress made in financial regulatory reform. However much remains to be done. We discussed the need to move towards a banking union in Europe to help strengthen financial stability.

I am also concerned that prudential rules adopted in banking regulation do not discriminate against lending to developing countries."

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