

13. Together with the international community as a whole, we undertake to ensure that the IMF has the resources needed to perform its tasks in the service of international monetary stability:

- We welcome the agreement reached on a framework for doubling the resources currently available to the IMF under the General Arrangements to Borrow in order to respond to financial emergencies. These arrangements will include a broader group of countries with the capacity to support the international monetary system. We welcome this sharing of monetary responsibilities, thereby adapting our cooperation to new economic circumstances;
- The IMF should remain an institution based on quotas providing the resources necessary to accomplish its traditional tasks. Any quotas increase should take into account the changes in the economic and financial weight of its members. Given the prospective evolution of the Fund's liquidity, we request that the 11th quota review be completed as soon as possible.

14. Lastly, the IMF should continue to reflect on the role of Special Drawing Rights within the international monetary system. We continue to hope for progress on proposals that would permit all Member countries to participate on an equitable basis in the SDR system. We invite the IMF Member States to pursue their dialogue in order to settle this issue.

15. As we recognized last year, international financial fraud is a growing problem for our financial systems. In order to strengthen the fight against this phenomenon, we will continue to look for ways of facilitating, as much as possible, the exchange of information on cases involving serious financial crime and regulatory abuse between law enforcement agencies and regulatory bodies, in accordance with our own domestic legal systems and other basic principles. We intend to maintain our dialogue to review progress and developments in this field.

16. Finally, globalization is creating new challenges in the field of tax policy. Tax schemes aimed at attracting financial and other geographically mobile activities can create harmful tax competition between States, carrying risks of distorting trade and investment and could lead to the erosion of national tax bases. We strongly urge the OECD to vigorously pursue its work in this field, aimed at establishing a multilateral approach under which countries could operate individually and collectively to limit the extent of these practices. We will follow closely the progress on work by the OECD, which is due to produce a report by 1998. We will also follow closely the OECD's continuation of its important work on transfer pricing, where we warmly endorse the significant progress that the OECD has already achieved.