

In addition to providing financial support, the international community is seeking to learn lessons from the Asian experience to reduce the risk of future crises and improve the ability to handle them. G-7 finance ministers have identified some key areas for further work. These include

- Strengthening the efficiency of global markets by improving financial sector supervisory and regulatory frameworks
- Improving transparency and disclosure for data standards, policy making and private sector governance
- Strengthening national and international financial systems, including the IMF's role in international capital flows, so it can help countries implement reforms to effectively access global capital markets
- Reinforcing the role of the international community by ensuring adequate financial resources for the IMF and approval of the IMF quota increase (which Canada is doing through its 1998 budget)
- Ensuring that private sector borrowers and lenders take due account of the risks involved in investing in emerging markets and share appropriately in the costs of resolving international financial crises

To meet some of these needs, on April 15, 1998, Canada's Finance Minister outlined a plan to help establish an international agency to promote regulatory and supervisory surveillance. The primary objective would be to support a peer review process among domestic financial supervisors and regulators. It would survey supervisory systems and identify financial sector problems before they become crises. This new body would initially focus on the banking sector.

In addition to its G-8 involvement, Canada helped develop the Manila framework in November 1997. This was an agreement, reached at a meeting of officials, on measures to help restore and maintain stability in the Asia-Pacific region. These proposals were ratified at the Asia-Pacific Economic Cooperation (APEC) Economic Leaders' Meeting in Vancouver and led to a short-term financing facility at the IMF and efforts to enhance regional surveillance and technical co-operation.

More recently, Canada and 21 other countries met in Washington to set up working groups to examine how to improve the transparency of the international monetary system, strengthen financial systems and involve the private sector in crisis resolution. This G-22, or Group of 22, meeting provided a forum to discuss financial strains in emerging markets and to develop ways to cope with them and avoid them in the future.