active financial institutions, on both an on-going basis and in emergency situations. These efforts should help the regulatory framework better reflect market developments. Moreover, Finance Ministers have agreed to support necessary changes in laws or regulations that facilitate and improve information exchange for supervisory purposes. Steps have been taken to strengthen risk assessment, reduce foreign exchange settlement risk, and improve market transparency to help our consumers, investors, and regulators better identify, manage, and control risks. In addition, the G-10 Working Party on Electronic Money identified a set of broad objectives and key considerations to help guide national approaches to emerging electronic payment technologies.

13. The Working Party on Financial Stability in Emerging Market Economies, which included representatives from those countries, has outlined a concrete strategy to assist emerging economies in strengthening their financial systems, and the Basle Committee on Banking Supervision has developed a set of "Core Principles" which will contribute significantly to the adoption of improved prudential standards worldwide. We urge the dissemination and endorsement of these reports and implementation of their recommendations.

14. These efforts to promote financial stability and mitigate possible financial crises are part of an important ongoing process to which we attach great importance. We urge our national supervisors to develop further and implement proposals to enhance international regulatory cooperation. We call on the international financial institutions and the international regulatory bodies to fulfill their roles in assisting emerging market economies in strengthening their financial systems and prudential standards. Our Finance Ministers will consult with the relevant supervisory and international regulatory bodies and international organizations to develop approaches for further actions, and report prior to next year's Summit on progress in implementing these initiatives.

Building an Integrated Global Economy

The International Financial Institutions in a Changing World

15. The rapid growth of global trade and private capital flows requires continuing adaptation and reform of the international financial institutions (IFIs). We therefore reaffirm our support for the ambitious program of IFI reforms underway following Halifax, and our conviction that their comprehensive implementation will substantially strengthen the effectiveness of the international monetary system. We pledge to work collaboratively with the institutions as they pursue these efforts, and to cooperate among ourselves and with others having a stake in the international monetary system to provide them the resources and multilateral support needed for success.

16. We value the IMF's surveillance of the international monetary system. We place particular importance on the IMF helping countries build long-term potential through trade and investment liberalization. By the time of the World Bank/IMF annual meetings in Hong Kong, we seek substantial agreement on key elements of an amendment to the IMF Articles to give the specific mandate to promote capital account liberalization to meet the new challenges in global capital markets. We welcome the IMF's progress in strengthening surveillance and promoting improved transparency. Increased attention to financial sector problems that could have significant macroeconomic implications, and to promoting good governance and transparency, will help prevent financial crises. Equally important is appropriate transparency in the Fund's activities with member countries. We welcome the IMF's progress in these areas. We seek substantial agreement toward a proposed amendment of the IMF Articles to provide for an "equity" allocation of Special Drawing Rights, and ask the IMF to work toward completing agreement by the time of the World Bank/IMF meetings in September.