



**Australian Government**

---

**The Treasury**

# **CREATING A NEW FINANCIAL ARCHITECTURE**

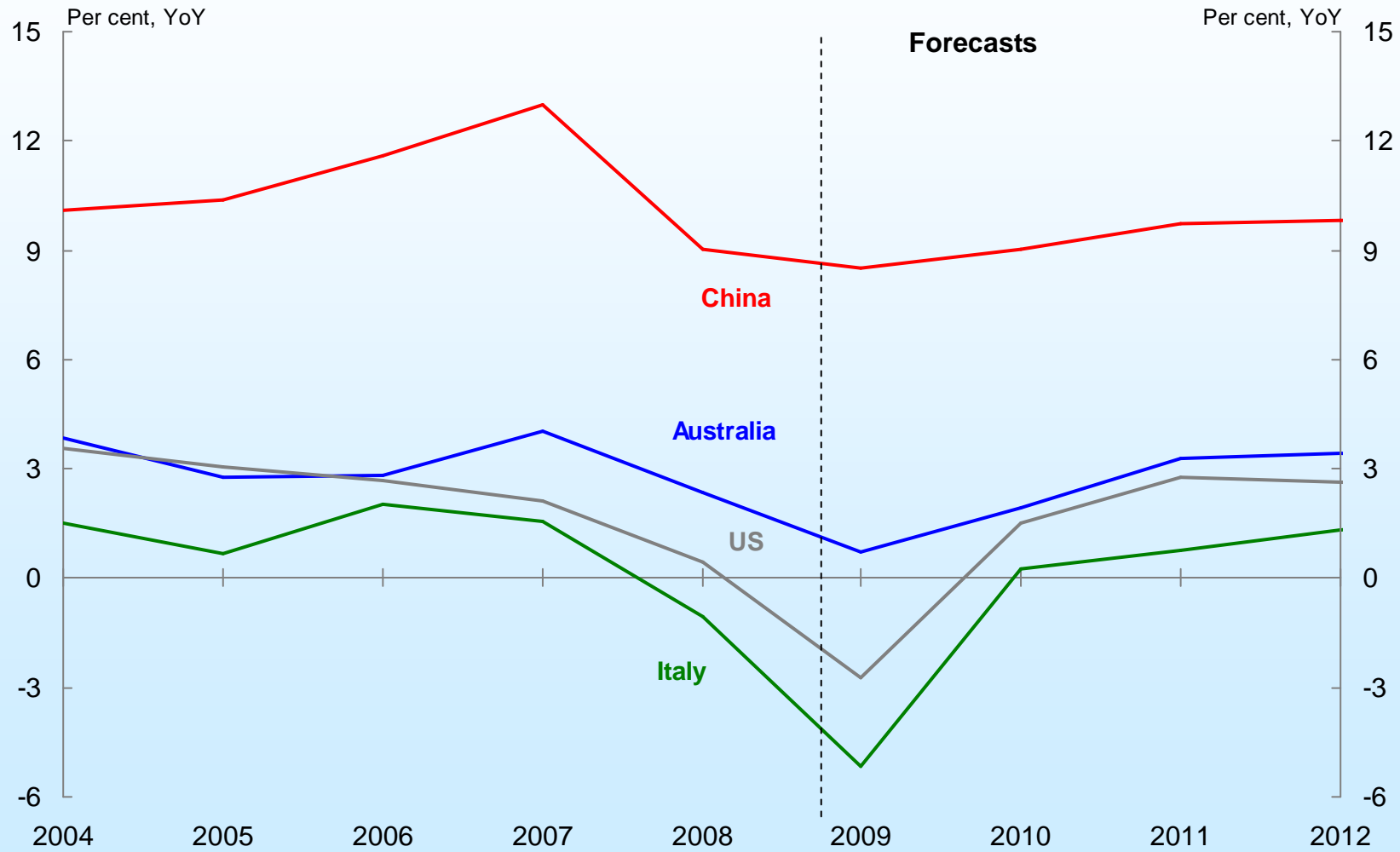
Presentation to the IAI/AREL International Conference  
(Rome, 18 November 2009)

Mr Damien Dunn, Australian Treasury

# The Agenda

1. Improve global financial stability.
2. Strengthen the effectiveness of the international financial institutions (IFIs).
3. Lay the foundations for sustainable economic growth.

# IMF WEO FORECASTS



# Impact of the Crisis

- Exposed weakness in financial regulation and supervision.
- Exposed weakness in the international financial institutions.
- Exposed weakness in intergovernmental cooperation.

# G20 MEMBERSHIP

- **Argentina:** President Cristina Fernández de Kirchner
- **Australia:** Prime Minister Kevin Rudd
- **Brazil:** President Luiz Inácio Lula da Silva
- **Canada:** Prime Minister Stephen Harper
- **China:** President Hu Jintao
- **France:** President Nicolas Sarkozy
- **Germany:** Chancellor Angela Merkel
- **India:** Prime Minister Manmohan Singh
- **Indonesia:** President Susilo Bambang Yudhoyono
- **Italy:** Prime Minister Silvio Berlusconi
- **Japan:** Prime Minister Yukio Hatoyama
- **Mexico:** President Felipe Calderón
- **Russia:** President Dmitry Medvedev
- **Saudi Arabia:** King Abdullah
- **South Africa:** President Jacob Zuma
- **South Korea:** President Lee Myung-bak
- **Turkey:** Prime Minister Recep Tayyip Erdoğan
- **United Kingdom:** Prime Minister Gordon Brown
- **United States:** President Barack Obama

# G-20 Actions

- \$13.6 trillion of support to stabilise the global financial system;
- \$5.5 trillion worth of fiscal stimulus into the global economy; and
- \$1.1 trillion in resources to the IFIs.

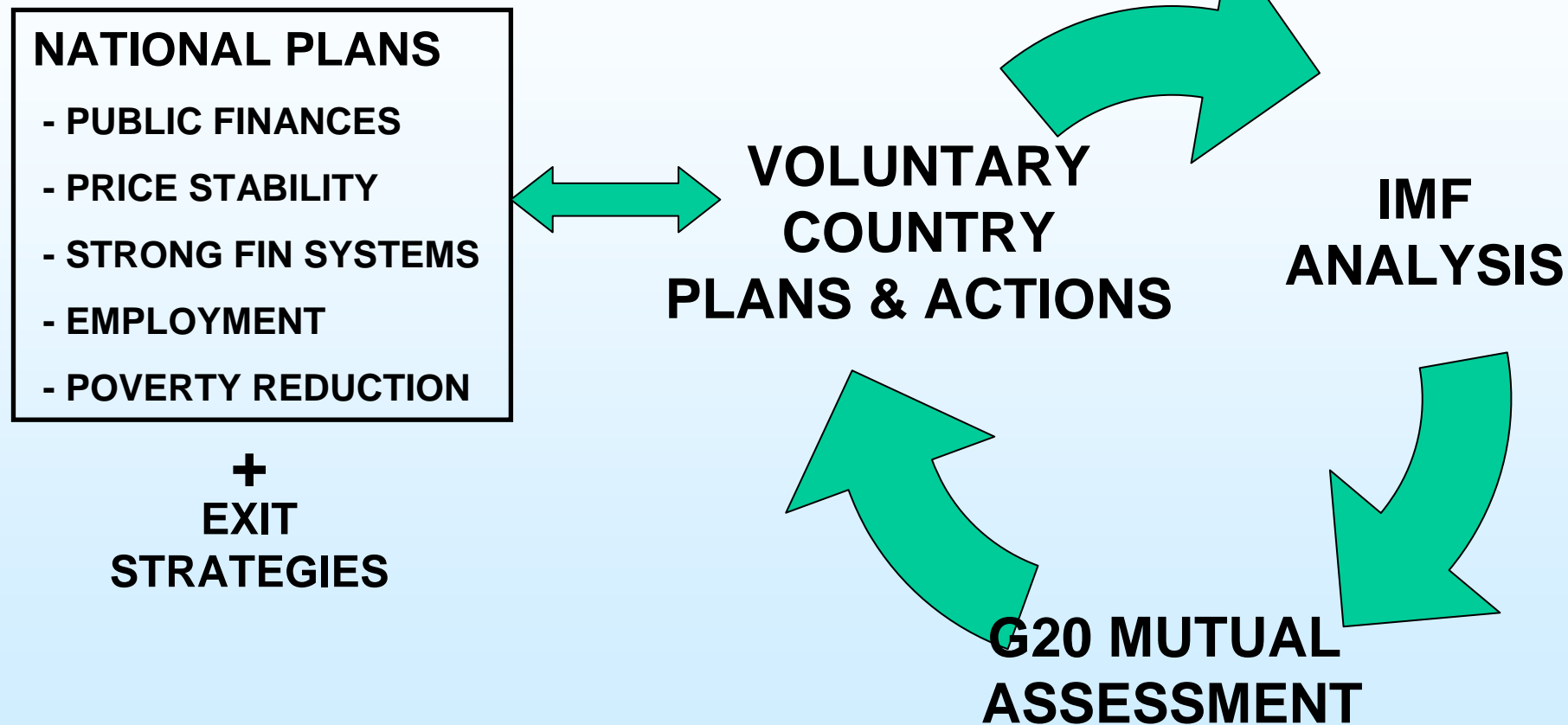
# Financial Stability Board

- monitoring the development and implementation of stronger regulatory frameworks.
- promoting global adoption of core regulatory standards
- promote better cross-border cooperation between national authorities and regulators.
- identify and address potential threats to global financial stability.

# Reforming the IMF

- Additional resources – good progress
- Improved governance and changes to ownership
- Review of the roles, responsibilities and mandates

# FRAMEWORK FOR STRONG, SUSTAINABLE AND BALANCED GROWTH



Round 1 – June 2010

# Framework Attributes

- The Framework has to be owned by the G20 members.
- Build on assessments of economies by the IMF and OECD, not re-create.
- Should focus on cooperation, not confrontation.
- Needs to be flexible and updated.
- Not one size fits all.
- Must not be bureaucratic.
- Should focus on policy objectives and outcomes, not on forecasts and projections.



**Australian Government**

---

**The Treasury**

# **CREATING A NEW FINANCIAL ARCHITECTURE**

Presentation to the IAI/AREL International Conference  
(Rome, November 2009)

Mr Damien Dunn, Australian Treasury