

## **Media Note on the Informal Meeting of BRICS Leaders Ahead of G20 Summit in Los Cabos, Los Cabos, 18 June 2012**

BRICS Leaders held an informal meeting on 18 June 2012 ahead of the formal opening of the G-20 Summit in Los Cabos.

All the BRICS Leaders agreed that the Eurozone crisis threatened global financial and economic stability and that it was necessary to find cooperative solutions to resolve this crisis.

The Leaders also agreed to increase resources available with the International Monetary Fund. In this context, they agreed to enhance their own contributions to the IMF. This is with the understanding that these resources will be called upon only after existing resources, including the New Arrangements to Borrow, are substantially utilized. This would promote adequate burden sharing amongst IMF creditors. These new contributions are being made in anticipation that all the reforms agreed upon in 2010 will be fully implemented in a timely manner, including a comprehensive reform of voting power and reform of quota shares.

The Leaders discussed swap arrangements among national currencies as well as reserve pooling. They agreed to ask their Finance Ministers and Central Bank Governors to work on this important issue, in a manner compatible with internal legal frameworks, and report back to the Leaders at the 2013 BRICS Summit.

The Leaders also emphasized the need for increasing the resource base of Multilateral Development Banks, so that increased resources could be provided for development, particularly for investments in infrastructure and in the social sectors in developing countries. They felt that the G20 should pay importance to the development aspect in its agenda of work.

The Leaders emphasized that given the current global situation and the need to bolster market confidence, it was important that the G20 Summit issue a strong statement of intent in combating the international slowdown and the effects of the Eurozone crisis.

The Leaders agreed that this process of informal consultations on the sidelines of multilateral events was valuable and contributed to closer coordination on issues of mutual interest to BRICS economies.