

G7

G7 Chair's Summary

The Honourable Jim Flaherty, Minister of Finance

Iqaluit, Nunavut, Canada, February 6, 2010

See News release with agenda, February 5, 2010

Good afternoon. I want to start of course by thanking our hosts here in Iqaluit, Nunavut for their wonderful hospitality yesterday and today.

We have had a very cordial, informal opportunity to have discussions. A number of the participants, Central Bank Governors and Ministers, have expressed their views that this is a new start for the G7 in terms of the informality and the welcoming, casual nature of our visit here. So we thank everyone in Iqaluit for this opportunity.

In terms of the global economic situation, obviously we had discussions about that. The global economic situation has, of course, improved and is improving. We do not have a firmly established recovery yet but there are good signs. We need to

continue to deliver the stimulus to which we are mutually committed and begin to look ahead to exit strategies and move to a more sustainable fiscal track, consistent with continued recovery.

With respect to financial reform, obviously that was an issue, a major issue of discussion. We discussed capital adequacy. We are agreed and committed to working closely together to ensure among other things that, to the extent a financial crisis is caused by financial institutions, we should let the financial institutions bear the costs of their contribution to those crises.

We are agreed on the timetable which we established asking the IMF to report back to us in April. We had a good, lengthy discussion on issues relating to development, with respect to responsibility, of course, for the Millennium Development Goals, especially maternal health care and child health care. We discussed both resources and reform of international financial institutions to support the poorest in the world.

We had discussions concerning the recent tragedy in Haiti. Unprecedented damage caused by the earthquake requires an exceptional response. We agreed that Haiti's recovery should not be burdened by debt.

We are committed in the G7 to the forgiveness of debt. In fact, all bilateral debt has been forgiven by G7 countries vis-à-vis Haiti. The debt to multilateral

institutions should be forgiven and we'll work with these institutions and other partners to make this happen as soon as possible.

We discussed the long term reconstruction assistance that Haiti will need as it emerges from the current urgent situation as a result of the earthquake.

Finally, with respect to the future of the G7, we had a very good fireside chat on that subject. I think our meeting has reaffirmed the proven role of the G7 as the first responder in an economic crisis, as a sounding board for common challenges and as a forum, quite frankly, for the largest aid donors in the world.

We look forward to our next meeting on the margins of the usual spring meetings of the IMF and World Bank in Washington, which take place annually in April.