

# 1st BRICS Finance Ministers and Central Bank Governors (FMCBG) meeting

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In news

Recently, Union Minister for Finance participated in the 1st BRICS Finance Ministers and Central Bank Governors (FMCBG) meeting under the BRICS Russian Chairmanship

## Key highlights of the meeting

- **The agenda of the meeting:** It included discussions on the outcomes of G20 Saudi Presidency in 2020, a digital platform to encourage infrastructure investments and expansion of the membership of the New Development Bank.
- The Finance Minister observed that the G20 has delivered some very significant initiatives this year including the **G20 Action Plan** in response to COVID-19 which has provided broad guidance to navigate a collective global response to the crisis.
- They have mentioned that the **G20 Debt Service Suspension Initiative** ensured immediate support to address the liquidity needs of low-income countries.
- The Finance Minister noted that BRICS members have played an important role in ensuring that concerns of emerging economies are appropriately reflected in these initiatives.
- On the ongoing international efforts to find a solution to the issue of taxation of digital economy, the Minister said that a consensus solution will play an important role in ensuring fairness, equity and sustainability of tax systems.
- The BRICS Finance Ministers and Central Bank Governors

also discussed expansion of the membership of the New Development Bank (NDB).

- The Finance Minister supported the expansion of the membership of NDB and emphasised the importance of regional balance.
- The Minister also shared her perspective on Russia's initiative to develop an integrated Digital Platform (Data Room).

### **What is the G20 Action Plan?**

The G20 Action Plan in response to COVID-19 in Africa and LDCs lays out G20 commitments towards concrete collective actions to help Africa and LDCs meet the essential needs of the most vulnerable, control the pandemic and its impacts, and set the path for recovery

### **What is the G20 Debt Service Suspension Initiative?**

- DSSI means that bilateral official creditors will, during a limited period, suspend debt service payments from the poorest countries (73 low- and lower-middle-income countries) that request the suspension.
- It is a way to temporarily ease the financing constraints for these countries and free up scarce money that they can instead use to mitigate the human and economic impact of the COVID-19 crisis.