

**Introduction**

During the last few months, we have been reminded of the pitiful progress in financial regulation and oversight since the 2008 financial crisis. JP Morgan’s enormous trading loss, Barclays and the LIBOR affair, and HSBC’s money-laundering scandal all mark a failure in reform efforts from both regulators and the world’s largest banks. To read more about this brazen “business as usual”, read “Here They Go Again,” an article written by Seamus Finn, New Rules Board Member.

Mitigating future financial crises will certainly require more political will power and domestic regulation, but it will also necessitate better international coordination and implementation facilitation from the G20, the Financial Stability Board (FSB), the IMF and the Organization for Economic Co-operation and Development (OECD). Moreover, since the majority of growth and financial investment is occurring in Emerging Markets and Developing Economies (EMDEs), where vulnerability is highest, inclusion of EMDEs in the decision-making at these institutions is absolutely essential. Therefore, New Rules made this one of the key objectives in the New Rules Strategic Plan 2012-2015. The Strategic Plan, adopted in May 2012, outlines New Rules’ work to improve transparency, accountability, participation and responsibility in the IMF, FSB, G20, OECD and UN Tax Committee.

If you would like to participate or contribute the implementation of New Rules Strategic Plan, please visit http://new-rules.org/donate or contact Nathan at ncooplin@new-rules.org.

**IMF**

**International Monetary Fund**

*2010 IMF Quota Reforms:* Once implemented, the 2010 reforms will give the BRIC countries a 20 percent average increase in IMF voting shares. However, progress in IMF governance reform is slow. The agreed 2008 reforms took three years to go into force. Given that 75 countries, including the US, will be adversely affected by the 2010 reforms, it might take even longer. However, despite the slow pace of implementing the new IMF quota reforms, other shifts in governance are beginning to take shape. Perhaps in anticipation of the implementation of the 2010 reforms, two European IMF constituencies are dissolving and realigning. To read more about this realignment and the impact of the 2010 Reforms on IMF governance please see “Impact of 2010 IMF Reforms: Winners, Losers and Realignment.” While these reforms are unfavorable for many, more preferable reforms cannot be negotiated until the 2010 reforms are implemented. New Rules is working diligently with its partners to help facilitate this process.

The Poverty Reduction and Growth Trust (PRGT), and the three instruments that it funds, are a vital source of funding and policy advice for low income countries. New Rules is encouraging the IMF Executive Board Members to increase funding to the PRGT this August. To view or share the letter that outlines why and how to strengthen the PRGT, click here: PRGT Letter. Contact New Rules to see how you can contribute to this initiative.
Key IMF Resources:

- **Enhancing the IMF’s Focus on Growth and Poverty Reduction in Low-Income Countries** by Matthew Martin and Richard Watts

NEW RULES BEGINS BUILDING IMF NGO NETWORK

New Rules is looking for NGOs from low-income countries interested in IMF Governance and Impact. For more information about the network or how to join, please click here: IMF NGO Network.

- **Join IMF Governance and Impact Listserv**

**Revised FSB Charter**: On June 19, 2012 at the Los Cabos Summit, the G20 approved a revised charter for the FSB. The revised charter is reflective of several recommendations from last year’s High-Level Panel on FSB Governance. View the revised charter with New Rules annotations. Most noteworthy is that the revised FSB Charter calls for an expansion of public consultation.

The FSB recently released a paper on the **Unintended Consequences of Financial Reform on EMDEs**. While we welcome this analysis, it will remain incomplete and inadequate without broader inclusion of EMDEs in the design, implementation, and evaluation of global financial regulations. New Rules stresses that financial regulations and standards impact all countries and therefore mitigating future financial crises requires coordination between all countries. In this endeavor, New Rules is working with experts (“Translators”) to identify the ways in which FSB regulations and standards impact developing countries.

**INVITATION TO BE FSB TRANSLATOR**: FSB Translators monitors the FSB’s work and how it relates to six key issues in developing countries: Banking Regulations; Debt; Derivatives (Food and Fuel Commodities); Governance; Tax; and Trade and Financial Services. If you are interested in working on any of these issues as they relate to the FSB, please contact New Rules at jgriesgraber@new-rules.org.

- **Join FSB Action Listserv**
Key Tax Reform Resources:

- **Income Inequality: You Don’t Know the Half of It** by Nicholas Shaxson, John Christensen and Nick Mathiason
- **The Price of Offshore – Revisited** by James Henry
- **Tackling Offshore Tax Evasion** by OECD

Join the Global Tax Reform Listserv

Announcements

New Rules for Global Finance is accepting applications for its Fall Internship Program. To view or share this opening, click on this link: [New Rules Internship](#).

Call for Seminar topics: What issues do you think need more attention? New Rules welcomes suggestions for relevant themes for future events and seminars. Please submit your suggestions to ncoplin@new-rules.org.

REMINDER: Please take 2-3 minute to complete New Rules for Global Finance Survey. Click link below:

[New Rules Survey](#)

Thank you!