



# G20 RESPONSIVENESS REPORT

## Evaluation Report 2020

**TRANSFORMING FOR INCLUSIVE GROWTH**



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## Foreword

2020 has unambiguously been a tumultuous year for governments, business and people, and the institutions that were created precisely to help mitigate global crisis. The G20 had a decisive role to play in this. Its readiness to respond to the health and the economic crises were humbled. Yet, the vociferous calls for it to lead the world out of once-in-a-generation predicaments, emphasised that the core values of collaboration and cooperation were more relevant than ever before.

The Saudi G20 Presidency was not going to have an easy going in the context of the steadily collapsing of international relations over the past, at least, four years. The Leaders' Declaration released on 22 November 2020, following a two-day Virtual Leaders' Summit, continues to acknowledge legacy issues, and passing it on to the Italian Presidency of the G20. Amidst the many acknowledgements are commitments that provide hope to the world.

The most notable set of commitments is to continue to collectively deploy resources in containing the pandemic, make vaccine affordable and available to everyone in all fairness, and begin the discussions on setting up a mechanism to ameliorate response to future pandemics. Related is the resolute economic stimulus to the global economy, including the extension of the DSSI (Debt Service Suspension Initiative) for the poorer countries and keeping open the possibility of yet another extension.

Beyond the immediate priorities of the crisis, the G20 notably elevated the anti-corruption agenda to Ministerial level, the declaration of which makes important progress on issues pending resolution over the past few years. The Saudi initiative on Circular Carbon Economy is yet another tangible progress on an existential issue of climate change. The Riyadh Initiative on WTO reforms is an attempt

to get past the stalemate. These are just highlights of a few but important commitments made by the G20, despite the challenges.

The B20 Saudi Arabia worked on a range of priorities and provided pertinent recommendations to the G20. A set of 25 policy recommendations broken down into 69 policy actions were submitted by the B20. Some of them were translated into commitments, most others acknowledged in the G20 Leaders' Declaration and various Ministerial documents. The B20 also prides in its agility in responding to the crisis; it provided timely and actionable recommendations to the G20 in responding to the health pandemic and its economic fallout, in collaboration with other international institutions.

I had the honour of Chairing the B20 Saudi Arabia supported by an exemplary team of Chairs and Co-Chairs of Taskforces and Action Council; guided by a distinguished set of Saudi and global business leaders via the Executive Committee and the Business Advocacy Caucus; the experience of over 650 Members from the G20 countries and beyond; the technical expertise of the Knowledge and Network Partners; and round-the-clock working of a proficient Secretariat led by a distinguished Sherpa and Executive Advisor.

Setting order to chaotic global affairs and aligning diverse interests of an aspirational global community is no easy task for political, business, and community leaders. It takes many years of persistence and perseverance. The B20 Saudi Arabia developed policy recommendations for the G20 Leaders to take forward. I handover the privilege of hosting the 2021 B20 to our colleagues in Italy, with the hope that they will build on our work and have an even more effective run at making the world a better place for everyone.

**Yousef Al-Benyan**  
Chair, B20 Saudi Arabia

# Executive Summary

Global crisis requires globally coordinated response. The G20 was created in 1999 response to the Asian financial crisis and elevated to the Leaders' Summit during the 2008 Global Financial Crisis. Hence, the high expectations from the G20 to rise to the challenge of the current crisis, the worst faced by humanity in a century.

The Presidency of the G20 for the Kingdom of Saudi Arabia was not going to be an easy one with the major economies engaged in trade war and a general retreat from multilateral cooperation. This was compounded by the health pandemic, the resulting economic crisis, and the worsened geo-politics. Not only did it change the priorities for the G20 Leaders with domestic health and economic situation superseding everything else, the diplomatic efforts were severely constrained by the suspension of international travel for best part of the year.

Such challenging circumstances make the process of negotiations between the Leaders difficult and the outcomes less than ambitious. Nevertheless, global policymaking is an ongoing process, the issues often rolling over Presidencies. But, the responsibility to make progress on the global issues is not just limited to the governments; non-state actors including business have a stake in it and hence share the responsibility of building cooperation and forging covenants at global, regional and national levels.

The B20 Saudi Arabia endeavoured to work on that principle. Its motto – “Transforming for Inclusive Growth” – was aligned to the motto of 2020 G20 “Realising Opportunities of the 21st Century for All”. The B20 was structured along six Taskforces (Digitalization; Energy, Sustainability and Climate; Finance and Infrastructure; Future of Work and Education; Integrity and Compliance; Trade and Investment), and the Women in Business Action Council.

The B20 aligned its policy recommendations to the three pillars of the G20 Presidency: Empowering People; Safeguarding the Planet; Shaping New Frontiers. Effectively, these represented the three pillars – people, planet, and prosperity - of sustainable development. Within this framework, the Presidency covered a wide range of issues, most of them in continuation of the previous G20 Presidencies, albeit with varying emphasis. Emergency response to the health and economic crises overshadowed most of it, but effectively emphasised the urgency with which many of the legacy issues needed to be resolved. Therefore, reforms of multilateral institutions notably the WHO and the WTO; the urgency of ambitious climate action and to assume bold targets on biological diversity;

and the need to improve social inclusion while progressing pending issues around digital economy, now seem more urgent than ever.

The B20 responded to the Covid-19 pandemic by creating an initiative which led to three key deliverables. One was a timely Special Report “Jump-Starting the Global Economy in a Post-Covid-19 Phase”. This report submitted to the G20 in July 2020, provided recommendations to respond to the immediate health, economic, and social crisis. The other two deliverables were special virtual plenaries with the global business community and policy influencers. These virtual plenaries were important to send powerful messages not only to the G20 but individual Heads of States and Governments that the global community expected them to cooperate and collaborate to together tide over the crisis.

Setting a precedence and to overcome the constraints of the pandemic, the B20 organised a Pre-Summit in September 2020, to broadcast the policy recommendations to the business community. In order to penetrate its advocacy message at the national levels, the B20 with the support of its national partners, organised Global Dialogues in 15 of the 19 G20 countries; engaging the national governments.

The B20 retained its focus on the priority issues defined for each Taskforce and the Action Council, although adjusted to the requirements of a rapidly changing global order. All put together, the B20 submitted 25 recommendations broken down into 69 policy actions.

The G20 has responded with a slew of acknowledgements, endorsements and commitments, spread across the various documents released at the end of the Leaders' Summit and the Ministerial meetings. About 92 percent of the policy recommendations and 75 percent of the specific policy actions find resonance with the G20 responses.

While the Leaders' Declaration draws most attention, the detail lies in the Ministerial output documents and the accompanying annexures. The real measure of the progress made by any Presidency should be based on the comprehensive assessment of all the output documents. That said, the Leaders' Declaration this year is more inclined on endorsements of current issues and past Presidencies, than making commitments which would have advanced the progress on the vital matters. The B20 is hopeful that the G20 Leaders will remain true to their commitment to urgently resolve the pending matters by honouring the principles of multilateralism.

# Methodology

The main objective of this report is to map the responsiveness of the G20 to the B20 recommendations in G20 Leaders' Communique and various Ministerial statements. The mapping is based on the comparison between the acknowledgements and commitments made by the G20, and the policy options in various B20 policy papers and the B20 Summary of Recommendations.

The comparison is done as per the six Taskforces and the Action Council of the B20. These are: Digitalization; Energy, Sustainability and Climate; Finance and Infrastructure; Future of Work and Education; Integrity and Compliance; Trade and Investment; and Women in Business.

The B20 proposed 25 policy recommendations broken down further into 69 policy actions. These were further detailed into specific sub-actions making the recommendations actionable.

The comparison between the B20 recommendations and the G20 commitments is based on the extent to which the B20 policy options are reflected in the G20 documents. This assessment is done on a three-tiered structure:

- 1. Keywords covered** – the topics within the scope of the B20 are also covered by the G20, but the G20 response to it is entirely different from the B20 policy options.
- 2. Partial coverage** – the policy options on a topic are covered by the G20 in part. For instance, if a B20 policy option had three parts to it and the G20 committed to or acknowledged one or two parts but not all three. A B20 policy option could be fully covered in a Ministerial output document, but could be briefly endorsed in the Leaders' Declaration. The comparison records this distinction but does not imply that the Leaders did not make a full endorsement.
- 3. Full coverage** – the policy options on a topic are covered in entirety by the G20, though, and for obvious reasons, the exact articulation varies. A B20 policy option could be fully covered in a Ministerial output document, but could be briefly endorsed in the Leaders' Declaration. The comparison records this distinction but does not imply that the Leaders did not make a full endorsement.

During the analysis, the detailing of the policy options varied between the B20 and the G20 documents. On some matters, the B20 has got into many details as compared to the G20, and on a few matters, the G20 has got into specifics. This, however, does not affect the three-tiered coverage structure.

The report is organised along the B20 Taskforces and Action Council. Section for each Taskforce and Action Council is structured to provide a quick context on the importance of the issues, relevant legacy G20 commitments, comparison between recommendations and the commitments, and a B20 commentary on the G20 outputs. The comparison is tabulated into three parts:

- Relevant text of the B20 policy option which could be a recommendation, action or sub-action from the Taskforce specific policy paper;
- The extent of coverage by the G20 and the specific G20 output document; and
- Relevant text of the G20 acknowledgement or commitment.

The G20 documents referred to are provided in the annexure.

The report is intended to compare the statements as they are rather than assess or evaluate either the B20 or the G20 documents. This approach seeks to inform the readers how the G20 responded to specific B20 recommendations. This report is, therefore, not a measure of success of the G20.



# Digitalization

## INTRODUCTION

Digitalization affects every aspect of our lives. It pushes the boundaries of human ability. It can improve production, services, and trade; and help address a wide range of challenges spanning several areas such as healthcare, agriculture, transport, education, climate change, and public governance. The crisis brought about by the COVID-19 pandemic has highlighted the paramount importance of ensuring that all the benefits of digitalization can be enjoyed by all members of the society. Now more than ever, it is imperative to promote utilization of and access to the Internet, enable digital transformation by preparing everyone for a digital future, and secure innovation and investment while protecting data privacy and security. The full potential of digitalization can only be unlocked by the joint efforts of government and business in mitigating some of its inherent challenges. Digitalization also accelerates progress towards the attainment of the UN Sustainable Development Goals (SDGs). 103 of the 169 SDG targets can be directly influenced by digital technologies such as digital access, faster Internet, cloud services, the Internet of Things (IoT), cognitive technologies, digital reality, and Blockchain.

Historically, the G20 Presidencies have recognized the importance of innovation, use of Artificial Intelligence (AI) and security in the digital economy as important factors for economic growth, which can lead to advancement towards the SDGs and enhance global society. During the 2019 G20, the Ministers of Digital Economy acknowledged that “the benefits brought by increased productivity through the use of emerging technologies such as artificial intelligence (AI), fifth-generation mobile telecommunication technologies (5G), the Internet of Things (IoT), Distributed Ledger Technologies (e.g. block chain) will empower all individuals and firms by creating new opportunities, and generate new services and employment, all of which can lead to greater well-being and further inclusiveness for individuals and firms”. In addition, previous G20s have recognized the importance of improving and enhancing the digital infrastructure to overcome challenges of digital divide among individuals of different age, income, gender, and geography. In 2018, the G20 decided to build upon initiatives, such as, “#eskills4girls” to reaffirm their commitment to bridging the digital gender divide.



## G20 Responsiveness Comparison



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p><b>The G20 should enable and support a resilient digital infrastructure (IoT, 5G) by fostering the cybersecurity readiness of individuals, MSMEs, large businesses , and public institutions, and by promoting investment in human capital in the field of cybersecurity.</b></p>	<p><i>Partially Covered</i> <b>G20 Leaders' Declaration</b></p> <p><i>Fully Covered</i> <b>Digital Economy Taskforce Declaration</b></p>	<p>Building on our past discussions, in 2020 the G20 commits to working with all stakeholders to advance security in the digital economy in the service of their shared economic interests. By working together, the G20 can help mitigate security risks in the digital economy and reduce systemic risk, contributing to the advancement of strong, sustainable, and inclusive global economic growth.</p>
<p>The G20 should enable and support a resilient digital infrastructure by laying the regulatory foundations, boosting investment to reduce connectivity gaps, ensuring robust global value chains for technology, and incentivizing affordable digital access via services, networks, and devices.</p>	<p><i>Fully Covered</i> <b>G20 Leaders' Declaration</b></p> <p><b>Digital Economy Taskforce Declaration</b></p>	<p>The G20 recognizes the importance of initiatives related to advancing digital connectivity infrastructure, digital skills and awareness, the affordability of Internet services and devices, closing the digital gender gap, and the relevance of digital content.</p> <p>The G20 recognizes the need to close the gaps in these areas and the importance of working with stakeholders to connect humanity by accelerating global Internet penetration, especially in remote and rural areas.</p> <p>The G20 recognizes that universal, secure, and affordable connectivity is a fundamental enabler of the development of the digital economy and a catalyst for inclusive growth, innovation, and sustainable development.</p>
<p>The G20 Members should develop robust, resilient, and joint cyber strategies against cyberattacks for individuals, MSMEs, businesses, and governments by adopting principles that foster an ecosystem of trust, promoting recommended minimum common international cybersecurity standards in collaboration with industry best practices, and providing incentives for businesses demonstrating cybersecurity readiness.</p>	<p><i>Fully Covered</i> <b>Digital Economy Taskforce Declaration</b></p>	<p>The G20 encourages all organizations to integrate the relevant aspects of resilience in the digital economy into their overall security risk management strategies, while preserving and respecting human rights. The G20 promotes continued multi-stakeholder discussions to advance security in the digital economy.</p>

<sup>1</sup> A B20 policy option could be fully covered in a Ministerial output document, but could be briefly endorsed in the Leaders' Declaration. The comparison records this distinction but does not imply that the Leaders did not make a full endorsement.



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The G20 Members should promote investment in cybersecurity human capital and in the protection of communities from cyber threats by recognizing the importance of national, regional, and global educational platforms, supporting information and communication campaigns, and supporting a best-of-breed training curriculum for cybersecurity professionals.</p>	<p><i>Partially Covered</i> <b>Digital Economy Taskforce Declaration</b></p>	<p>The G20 recognizes efforts by the Kingdom of Saudi Arabia to create multi-stakeholder dialogue and advance progress in addressing the complex challenges of the digital domain, including through the 2020 Global Cybersecurity Forum.</p>
<p><b>The G20 should support the healthy development and adoption of AI wherever possible by creating a favourable and trust-inducing regulatory environment, educating businesses, government, and society on the technology, and advancing AI benefits for all</b></p>	<p><i>Fully Covered</i> <b>G20 Leaders' Declaration</b> <b>Digital Economy Taskforce Declaration</b></p>	<p>The G20 reaffirms their commitment to promoting a human-centered approach to AI and support the G20 AI Principles, which are drawn from the OECD AI Principles – including section 1, Principles for Responsible Stewardship of Trustworthy AI, and section 2, the Recommendations on National Policies and International Co-Operation for Trustworthy AI. Each G20 country commits to advance the G20 AI Principles, in accordance with national priorities.</p>
<p>The G20 should create a favourable and trust-inducing regulatory environment for the usage of AI and data by harmonizing national action plans, facilitating cross-border data flow while respecting and promoting frameworks for the protection of data privacy and data security, and supporting regulatory sandboxes for AI applications.</p>	<p><i>Partially Covered</i> <b>G20 Leaders' Declaration</b>  <i>Fully Covered</i> <b>Digital Economy Taskforce Declaration</b></p>	<p>The cross-border flow of data, information, ideas and knowledge generates higher productivity, greater innovation, and improved sustainable development. At the same time, the G20 recognizes that the free flow of data raises certain challenges, such as the protection of privacy and personal data. The G20 Members recognize the need to address these challenges, in accordance with relevant applicable legal frameworks, which can further facilitate data free flow and strengthen consumer and business trust, without prejudice to legitimate public policy objectives by sharing experiences and good practices for data policy, in particular interoperability and transfer mechanisms, and identifying commonalities between existing approaches and instruments used to enable data to flow across borders with trust; exploring and better understanding technologies such as privacy enhancing technologies (PETs).</p>

B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The G20 Members should advance AI benefits for all by supporting public information campaigns, promoting AI use cases in the public sector, encouraging educational courses and programmes on AI, and fostering international initiatives for inclusive artificial intelligence.</p>	<p><i>Fully Covered</i> <b>Digital Economy Taskforce Declaration</b></p>	<p>The G20 believes that there is a need for inclusive multi-stakeholder discussions and sharing of experiences on AI and related policy practices. The G20 welcomes the Dialogue hosted by the Saudi Presidency on trustworthy AI in pandemic response and note the Summary of Discussions from the G20 AI Dialogue in 2020. The G20 promotes continued multi-stakeholder discussions on AI, consistent with the G20 AI Principles.</p> <p>The G20 supports working with relevant stakeholders such as the private sector, business entities, educational institutions, civil society, and International Organizations, to consider identifying, developing, and using new and existing sources of data, including gender- or sex-disaggregated data, in accordance with national practices, where it does not yet exist, while protecting privacy and personal data.</p>
<p><b>The G20 should lay the foundations for smart cities to thrive by supporting the building blocks and fostering greater social acceptance of smart cities globally.</b></p>	<p><i>Fully Covered</i> <b>G20 Leaders' Declaration</b> <b>Digital Economy Taskforce Declaration</b></p>	<p>The G20 recognizes that smart mobility is one of the elements of a holistic approach to smart cities and communities, serving as a vital engine of innovation and investment, and that smart mobility data and technology solutions can address some of the challenges of smart cities and communities, potentially reducing inequality of access to cities' services in an environmentally friendly way.</p>
<p>To support the key building blocks of smart cities, the G20 Members should support the definition and communication of what smart cities represent, work towards standard technical requirements, and facilitate cross-border data flow while respecting and promoting applicable legal frameworks on data privacy and security.</p>	<p><i>Fully Covered</i> <b>Digital Economy Taskforce Declaration</b></p>	<p>The G20 encourages further work with stakeholders for the development and deployment of digital technologies and solutions for human-centric, environmentally sound, sustainable, rights-respecting, and inclusive smart cities and communities that boost competitiveness and enhance well-being and community resilience.</p>



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The G20 should work towards increasing the social acceptance of smart cities by supporting public communication campaigns, structured participatory processes, and bottom-up initiatives, promoting the use of data to meet the population's need for smart solutions, and fostering the application of smart city technology in all relevant fields</p>	<p><i>Fully Covered</i> <b>Digital Economy Taskforce Declaration</b></p>	<p>The G20 recognizes the importance of aligning work on smart cities with the G20 Infrastructure Working Group and advancing smart cities and communities' approaches, in cooperation with local partners and other relevant social partners. The G20 encourages the exploration of other elements of smart cities and communities beyond smart mobility.</p>
<p>The G20 Members should support municipalities in rolling out smart city elements by encouraging cooperation on a smaller scale, supporting a national and global information and engagement platform for municipalities, and engaging in private and public partnerships to facilitate the development of smart cities</p>	<p><i>Fully Covered</i> <b>Digital Economy Taskforce Declaration</b></p>	<p>The G20 encourages further work with stakeholders for the development and deployment of digital technologies and solutions for human-centric, environmentally sound, sustainable, rights-respecting, and inclusive smart cities and communities that boost competitiveness and enhance well-being and community resilience.</p>
<p><b>The G20 should drive digital inclusion and grow digital skills by overcoming the digital skills divide, supporting and advancing innovative methods for digital education, and providing more digital job opportunities to women.</b></p>	<p><i>Fully Covered</i> <b>Digital Economy Taskforce Declaration</b></p>	<p>The G20 supports fostering an open, fair, and non-discriminatory environment, protecting and empowering consumers, ensuring the safety and stability of supply chains in relevant areas, and advancing inclusiveness and human-centricity more broadly, noting the importance of the environmental impact of digitalization and introducing a gender lens.</p>



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The G20 should overcome the digital skills divide by supporting high quality educational programmes for all, fostering access to the most affordable technology for all, promoting partnerships to create safe digital environments, and accelerating the digitization of government services including licensing, permitting, tax collection, and procurement.</p>	<p><i>Fully Covered</i> <b>Digital Economy Taskforce Declaration</b></p>	<p>The G20 recognizes the importance of initiatives related to advancing digital connectivity infrastructure, digital skills and awareness, the affordability of Internet services and devices, closing the digital gender gap, and the relevance of digital content.</p> <p>The G20 recognizes the need to close the gaps in these areas and the importance of working with stakeholders to connect humanity by accelerating global Internet penetration, especially in remote and rural areas.</p>
<p>The G20 Members should introduce and advance innovative methods for digital education by reforming education systems to offer future work skills, encourage credentials and dual accreditations tailored to jobs, and develop national digital education strategies to bridge the gap between job market requirements and educational offers.</p>	<p><i>Fully Covered</i> <b>Digital Economy Taskforce Declaration</b></p>	<p>Establishing education programs for children to build digital literacy, and develop AI-specific skills and capabilities such as statistical thinking, mathematics and comprehension of AI outcomes. Programs may include efforts to provide relevant infrastructure and resources to students.</p> <p>Supporting skills development for people of all ages, including through provision of financial support and high-speed infrastructure development to ensure inclusive and creative learning in school, and certification of education programs related to mathematical science, data science and AI, and provide access to training programs from the public or private sector.</p>
<p>The G20 should promote more digital job opportunities for women by increasing awareness of how to reduce barriers, setting up dedicated initiatives with the private sectors, and establishing empowerment programmes to foster women’s leadership, knowledge, and skills in the digital sector.</p>	<p><i>Partially Covered</i> <b>Digital Economy Taskforce Declaration</b></p>	<p>The G20 recognizes the importance of representative indicators related to jobs, skills, including digital literacy, and growth, and their effective use across communities, taking into consideration the distribution of outcomes across gender, education, and other socio-economic factors wherever practicable.</p>

The B20 Digitalization policy paper recommends the G20 to boost digital infrastructure while reducing cyber risks, expand AI benefits to all, contribute to the rise of smart cities, and support the growth of digital skills and equality. The G20 Digital Economy Ministerial Declaration adequately addresses all these issues and goes beyond to include actions on the measurement of the digital economy and data free flow with trust and cross-border data flows, both of which are crucial from a digital governance perspective. The G20 Ministerial Declaration recognizes the importance of having trustworthy AI, secure cross-border data flow, smart cities and secure digital economy to realize opportunities of the 21st century for all. Furthermore, it reaffirms the importance of increasing the job opportunities and market access for Micro, Small and Medium Enterprises (MSMEs). This is a success for the B20.

Building on the discussions in 2019 in Osaka, where G20 Leaders acknowledged the importance of data free flow with trust and cross-border data flows, the G20 Digital Economy Ministerial Declaration reaffirmed the role of data for development, while recognizing that the free flow of data raises certain challenges, such as the protection of privacy and personal data, which should be addressed in accordance with relevant applicable legal frameworks. While the B20 Digitalization policy paper does not include data flows as a separate topic, it embeds recommendations on cross-border data flows in the context of advancing AI and smart cities.

The G20 Digital Economy Ministers advance the work carried out under previous G20 Presidencies on the measurement of the digital economy. The B20 acknowledges the importance of monitoring the social and economic impact of the digital economy and appreciates the efforts of the Saudi Presidency in creating a Roadmap toward a Common Framework for Measuring the Digital Economy. The B20 contributed to this Roadmap through dialogues and written inputs to the G20 Digital Economy Taskforce as well as by conducting a survey to capture the feedback of MSMEs on the indicators to measure the digital economy.

While digital technologies significantly aided in containing the COVID-19 pandemic and minimizing the social and economic impacts, it also exacerbated existing inequalities with regards to digital connectivity, access and usage. The B20 appreciates the commitment of the G20 Digital Economy Ministers to “fostering an open, fair, and non-discriminatory environment” to drive digital inclusion and grow digital skill among all individuals of different regions, genders, socioeconomic status, and ages.

# Energy, Sustainability & Climate

## INTRODUCTION

Climate change is one of the most pressing global issues with drastic effects today on the world including the G20 countries. Climate risks are already impacting human lives, natural resources, biodiversity and physical assets in a harmful way. Freshwater crises such as droughts or floods, and rising sea levels, infrastructure damage and often consequent loss of human lives are already realities of a changing climate. Water scarcity could cost some regions up to six percent of their GDP by 2050. Without a course correction, global GDP is projected to drop by 30 percent<sup>2/3</sup> and deaths related to outdoor air pollution<sup>4</sup> and other climate catastrophes could exceed four million annually<sup>5</sup> worldwide. Bold, decisive and accelerated actions are necessary from government and business in areas of substantially reducing carbon emissions, improving circularity of materials, cleaning up the pollution in the air, and preserving the freshwater systems and the ocean.

The G20 has historically recognized the importance of global energy transitions as well as addressing key global issues, such as climate change, biodiversity, resource efficiency, and air, freshwater and marine pollution. Previous G20s have also highlighted the importance of technology and innovation in achieving clean energy and climate mitigation goals. In 2019, the G20 Leaders agreed to a climate initiative, “Research and Development 20 for Clean Energy Technologies (RD20)”, to promote international collaboration among leading research and development institutes in G20 countries. The “G20 Implementation Framework for Actions on Marine Plastic Litter” was launched in 2019, to facilitate the implementation of the “G20 Action Plan on Marine Litter” launched at the 2017 G20, through voluntary national actions. In the 2017 G20 Climate and Energy Action Plan for Growth, Members agreed to “promote adaptation efforts and cooperation on climate resilience within the G20 and beyond”.

<sup>2</sup> UN, IPCC Report, 2018.

<sup>3</sup> Burke et al., Large potential reduction in economic damages under UN mitigation targets, 2018; BCG analysis

<sup>4</sup> Includes multiples pollutants such as CO<sub>2</sub>, O<sub>3</sub>, NO<sub>2</sub>, and SO<sub>2</sub>

<sup>5</sup> WHO, Air pollution facts, 2019.

**G20 Responsiveness Comparison**



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The G20 Members should commit to achieve carbon neutrality in the second half of the century and preferably by 2050, and accelerate policy implementation towards this aim in line with the Paris Agreement goal of “holding the increase in the global average temperature to well below two degrees Celsius above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5 degrees Celsius above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change”.</p>	<p><i>Partially Covered</i> <b>G20 Leaders’ Declaration</b></p> <p><i>Partially Covered</i> <b>G20 Energy Ministerial Communique</b></p> <p><i>Partially Covered</i> <b>G20 Environment Ministers’ Communique</b></p>	<p>Signatories to the Paris Agreement who confirmed at Osaka their determination to implement it, once again, reaffirm their commitment to its full implementation, reflecting common but differentiated responsibilities and respective capabilities, in the light of different national circumstances. These signatories recall the request by COP21 to communicate or update their nationally determined contributions reflecting their highest possible ambition, in accordance with their obligations under the Paris Agreement, taking into account means of implementation;</p> <p>In addition, these signatories reiterate the invitation to communicate by 2020 long-term low greenhouse gas emission development strategies.</p> <p>The G20 notes the reaffirmation of commitments made in Buenos Aires to the full implementation of the Paris Agreement by those countries that chose in Buenos Aires to implement it<sup>6</sup>.</p>

<sup>6</sup> “Signatories to the Paris Agreement, who have also joined the Hamburg Action Plan, reaffirm that the Paris Agreement is irreversible and commit to its full implementation, reflecting common but different responsibilities and respective capabilities, in light of different national circumstances.” G20 Buenos Aires Leaders’ Declaration, 2018.





### B20 Recommendations and Policy Actions

### Extent of Coverage and Document Name

### G20 Commitment

The circular carbon economy (CCE), which revolves around a closed-loop system will be vital to achieve the Paris Agreement goals. CCE encourages all efforts to reduce carbon accumulation in the atmosphere through the “4Rs”: Reduce the amount of carbon entering the economy; Reuse carbon without chemical conversion; Recycle carbon with chemical conversion; and Remove excess carbon from the atmosphere.

*Fully Covered*  
**G20 Leaders’ Declaration**

*Fully Covered*  
**G20 Energy Ministerial Communique**

The G20 endorses the Circular Carbon Economy (CCE) Platform, with its 4Rs framework (Reduce, Reuse, Recycle and Remove), recognizing the key importance and ambition of reducing emissions, taking into account system efficiency and national circumstances. The CCE is a voluntary, holistic, integrated, inclusive, pragmatic, and complementary approach to promote economic growth while enhancing environmental stewardship through managing emissions in all sectors including, but not limited to, energy, industry, mobility, and food. We acknowledge, in this context, the various voluntary opportunities and their acceleration highlighted by the CCE Guide.

Building upon previous comments made by the G20 Energy Ministers in past Presidencies, the G20 endorses the Circular Carbon Economy (CCE) Platform and its “4Rs” framework (Reduce, Reuse, Recycle and Remove) while acknowledging and recognizing the key importance of reducing greenhouse gas emissions, taking into account system efficiency and national circumstances, including its specific resources endowment and its political, economic, environmental, social, and risk-informed development contexts.

The CCE Platform is a useful framework or vessel that G20 members and non-member countries can utilize on a voluntary basis, as a tool toward affordable, reliable, and secure energy, and economic growth taking into account individual national and regional circumstances.

It is not envisaged to create a new institution, organization or secretariat for the CCE Platform. It is a framework or vessel that can benefit all participants by: i) framing the 4Rs components (reduce, reuse, recycle and remove; addressed below), ii) promoting action-oriented opportunities, and iii) helping advance the development, deployment, and dissemination of relevant technologies and innovations related to such opportunities.



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>Carbon-mitigating technology and energy-efficient processes are critical to <b>“achieve the balance between anthropogenic emissions by sources and removals by sinks of greenhouse gases”</b>. Therefore, G20 Members are urged to advance, scale and deploy technologies, energy efficient processes and promote innovation (including carbon recycling) to transform to low emission economies soon, as previously aligned in the 2019 G20.</p>	<p><i>Fully Covered</i> <b>G20 Energy Ministerial Communique</b></p>	<p>The G20 recognizes the vital role that energy efficiency plays in reducing overall energy demand, avoiding energy waste and increasing energy productivity. The G20 acknowledges the achievements of the G20 cooperation on Energy Efficiency and will encourage future international collaboration to fully utilize the potential of energy efficiency.</p> <p>The G20 encourages neutralizing carbon emissions through natural processes and decomposition, including through the use of renewable sources of energy such as biofuels, bioenergy and energy carriers such as methanol, ammonia, and urea representing the natural cycle and the recycling.</p>
<p>To reach a less polluting energy mix by 2050, the G20 needs to significantly increase the share of renewables in the energy mix.</p>	<p><i>Fully Covered</i> <b>G20 Energy Ministerial Communique</b></p>	<p>The G20 recognizes that renewables, such as wind, solar, hydro, geothermal, marine/ocean, bioenergy and biofuels, are important for providing clean energy systems.</p>
<p>The G20 Members should scale nature-based solutions and align them in mainstreaming industrial policy.</p>	<p><i>Fully Covered</i> <b>Digital Economy Taskforce Declaration</b></p>	<p>The G20 acknowledges the importance of fostering synergies between adaptation and mitigation, including through nature-based solutions and ecosystem based approaches.</p> <p>The G20 acknowledges that nature-based solutions or ecosystem-based approaches, including the valuing of ecosystem services, can provide co-benefits across these challenges and are integral to tackling these issues while providing benefits for biodiversity, climate systems, people, and poverty reduction.</p> <p>The G20 is determined to increase effective investment in nature-based solutions or ecosystem based approaches to enhance conservation and restoration of ecosystems as a scalable way to increase the resilience of ecosystems and people.</p>



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The G20 Members should accelerate the advancement and scaling of early-stage low-emissions, emissions-neutral and carbon removal technology and solutions by providing effective financial incentives for R&amp;D and enabling international collaboration to streamline innovation initiatives. Promising technologies such as hydrogen, synthetic fuels carbon-capture-and-utilization or storage (CCUS) and negative emission solutions such as direct air capture (DAC), as recognized by the 2019 G20 “Energy and Environment Communiqué”<sup>7</sup>, should be advanced to achieve the transition to carbon neutrality.</p>	<p><i>Fully Covered</i> <b>G20 Energy Ministerial Communiqué</b></p>	<p>The G20 encourages the conversion of emissions into useful industrial feedstock by deploying Carbon Capture and Utilization (CCU), including Emissions to Value (E2V) and Carbon Recycling (CR). Noting the potential of CCU as an advanced and cleaner technology that can help mitigate the impacts of emissions by capturing and reusing them; Remove emissions from the atmosphere as well as from heavy industries and facilities through Carbon Capture and Storage (natural and geological) and Direct Air Capture.</p> <p>The CCE Platform aims to accomplish the following:</p> <ul style="list-style-type: none"> <li>▶ Support and foster flexible platforms for G20 members, non-member countries, and other stakeholders, including the private sector and research institutions, to coordinate and/or collaborate on opportunities related to relevant technologies, innovations, and practices;</li> <li>▶ Accelerate research, development, deployment, and dissemination (RDD&amp;D) of technologies; • Facilitate sharing of knowledge, best practices, industry knowhow, and peer learning and exchange to nurture innovation, and help move technologies at mature readiness levels into the market, further reduce costs, and achieve economies of scale;</li> <li>▶ Drive and advance enablers, such as business models, policy and regulatory options, and financing mechanisms.</li> </ul>
<p>The G20 Members should continue to explore the promise of hydrogen and scale application.</p>	<p><i>Fully Covered</i> <b>G20 Energy Ministerial Communiqué</b></p>	<p>The G20 acknowledges the potential of hydrogen as a clean energy carrier as a cross-cutting among the 4Rs and we will strengthen international collaboration to advance its development, usage and dissemination.</p>

<sup>7</sup> G20 Japan, Energy and Environment Communiqué, 2019.



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The G20 Members should take action to phase out inefficient fossil fuel subsidies – in effect, a negative carbon tax – using revenues to finance a just transition benefitting all and investing in climate-friendly technology development. The <b>“rationalization and phase out of inefficient fossil fuel subsidies that encourage wasteful consumption over the medium term”</b> has been agreed to by G20 Leaders since the 2009 summit in Pittsburgh, and was re-affirmed in St. Petersburg in 2013.</p>	<p><i>Fully Covered</i> <b>G20 Leaders’ Declaration</b></p>	<p>The G20 reaffirms its joint commitment on medium term rationalization and phasing-out of inefficient fossil fuel subsidies that encourage wasteful consumption, while providing targeted support for the poorest.</p>
<p>The G20 should fast-track the transition of their economies to one that is sustainable as well as resilient to future climate-related risks. Public funds should be used to invest in <b>sustainable sectors and projects (including renewable energy assets, grid modernization, potable water infrastructure, climate smart agriculture, sustainable waste management and climate resilient infrastructure) that improve the living conditions of the people.</b></p>	<p><i>Partially Covered</i> <b>G20 Energy Ministerial Communique</b></p>	<p>The G20 will continue its collaboration to create the conditions for sustained capital investments, including bolstering investments in innovation, and a skilled work force, to support our common long-term energy security and sustainability goals and build back the energy sector as part of its broader approach to achieving an inclusive recovery; The G20 agrees to collaborate and encourage dialogue to help mobilize public and private investment in various energy sectors, including innovative technologies and quality infrastructure in line with national circumstances, to enhance energy security.</p>
<p>The G20 should align fiscal stimulus packages to productive sectors with global and national environmental goals, such as the Paris Agreement and the UN Sustainable Development Goals (SDGs), and subject to conditions such as including improvements in energy and water efficiency, increase in recycled material content, reduction in greenhouse gas emissions, and creation of green jobs.</p>	<p><i>Partially Covered</i> <b>G20 Energy Ministerial Communique</b></p>	<p>The G20 reaffirms its commitment, made at the G20 Extraordinary Energy Ministers Meeting on April 10, 2020, to “ensure that the energy sector continues to make a full, effective contribution to overcoming COVID-19 and powering the subsequent global recovery.” In this regard, the G20 emphasizes the importance of stimulus packages to stimulate inclusive economic activities.</p>



### B20 Recommendations and Policy Actions

### Extent of Coverage and Document Name

### G20 Commitment

**The G20 should encourage public-private partnership (PPP) initiatives in dealing with ocean plastic waste, building on the Japan G20 Implementation Framework for Actions to tackle the issue of marine plastic waste on a global scale and the Germany G20 Action Plan on Marine Litter.**

In addition, the G20 should develop and build on existing initiatives and partnerships, such as UN systems (example, the UN-Water and the World Bank's Global Water Security & Sanitation Partnership) that focus on water management and access and the preservation of the ocean and its resources.

*Fully Covered*  
**G20 Leaders' Declaration**

*Fully Covered*  
**G20 Environment Ministers' Communique**

The G20 reaffirms its commitment to reduce additional pollution by marine plastic litter, as articulated by the Osaka Blue Ocean Vision, and to end illegal, unreported, and unregulated fishing.

The G20 is determined to continue its work towards preventing, reducing, mitigating, and ending pollution of terrestrial and marine environments, including marine litter, especially marine plastic litter and micro-plastics.

The G20 reiterates its previous commitments (including those under SDG 14) on conserving and sustainably using the ocean, the sea and marine resources for sustainable development, and specifically on preventing and significantly reducing marine pollution and marine litter, including marine plastic litter, microplastics, as well as nutrient pollution from land- and sea based sources, and confirm our commitment to work in cooperation with international and regional organizations and other relevant stakeholders. We also acknowledge the ocean-related work under the auspices of the United Nations Environment Assembly (UNEA) resolutions, including resolution 4/6 on marine plastic litter and microplastics and resolution 4/13 on sustainable coral reefs management and resolution 3/7 on marine litter and microplastics and call for more effective and reinforced national, regional, and international actions on the issue.

The G20 reaffirms its commitment to reduce additional pollution by marine plastic litter to zero by 2050 through a comprehensive lifecycle approach that includes reducing the discharge of mismanaged plastic litter by improved waste management and innovative solutions while recognizing the important role of plastics for society as articulated by the Osaka Blue Ocean Vision and to calling on non-G20 members to share the vision. We aim to accelerate all actions pertaining to deliver on the G20 Implementation Framework for Actions on Marine Plastic Litter in line with the G20 Action Plan on Marine Litter launched in 2017 by sharing best practices and innovative solutions, working towards the compatibility and interoperability of monitoring and analytical methodologies, and compiling information and data. We encourage scientific communities and experts to continue exploring ways to identify and estimate the sources, pathways and fate of plastic waste leakage.



### B20 Recommendations and Policy Actions

### Extent of Coverage and Document Name

### G20 Commitment

The G20 Members should introduce policies at the national and international level to safeguard the ocean for sustainable economic growth.

The G20 should manage and sustainably use national ocean territory and its resources. The G20 Members must have regulation and a governance system in place that combats pollution of coastal areas and ocean waters. As ~80 percent of global plastic pollution occurs on land rather than in the oceans, also countries without significant ocean territory need to take action. These include proper waste facilities at ports and waste management on land to prevent land-based sources of pollution from entering ocean water.

The G20 Members should collaborate to ensure sustainable use of the ocean globally. The G20 should also develop and promote guidelines on the sustainable exploitation of marine resources and for large industries, such as fishing. Such guidelines, which must be developed with the business community and civil society, would facilitate a common understanding of sustainable ocean utilization.

*Partially Covered*  
**G20 Leaders' Declaration**

*Fully Covered*  
**G20 Environment Ministers' Communique**

The G20 is determined to drive coordinated actions to avoid, reduce, restore, and reverse land and marine environment degradation and habitat and biodiversity loss.

The G20 highlights the importance of promoting a healthy and resilient marine environment because the ocean, seas, and coastal ecosystems are fundamental to our planet and future. The ocean is an important source of biodiversity, and we acknowledge the interlinkages between land and sea given their vital role in the climate system and the wide range of ecosystem services they offer. Clean, safe, healthy, productive and resilient ocean and seas are essential for sustainable development and sustainable ocean based economy.

The G20 is determined to prevent, deter, and eliminate illegal, unreported and unregulated (IUU) fishing.

The G20 recognizes the environmental importance, as well as socioeconomic benefits of coral reefs, which shelter and support at least 25% of all marine species. However, coral reefs and related ecosystems are particularly threatened by acidification and ocean warming, unsustainable human activities, including excessive exploitation of reef resources, destruction caused by unsustainable dredging, land reclamation, and inappropriate sea-bed mining, overfishing and the use of destructive fishing methods and land-based sources of pollution mainly from marine litter, increased nutrients, toxic substances, and wastewater. We also acknowledge the threat to marine ecosystems from sea-based sources of pollution and eutrophication, increased ocean temperatures and increased acidification, and extreme weather events.



**B20 Recommendations and Policy Actions**

**Extent of Coverage and Document Name**

**G20 Commitment**

**The G20 should promote water quality and responsible usage by leveraging better conservation and water management policies, and promoting innovation for a water-smart economy.**

**The G20 Members should ensure sustainable and clean water access for all by leveraging financing vehicles and targeted investments.**

*Fully Covered*  
**G20 Leaders' Declaration**

*Partially Covered*  
**G20 Environment Ministers' Communique**

The G20 acknowledges that affordable, reliable, and safe water, sanitation, and hygiene services are essential for human life and that access to clean water is critical to overcome the pandemic. We welcome the G20 Dialogue on Water as a basis to share best practices and promote innovation, and new technologies, on a voluntary basis, that will foster sustainable, resilient, and integrated water management.

The G20 acknowledges that it is important to promote public programs and policies for the development of payment for ecosystem services taking into account the economic valuation of ecosystems and their services to inform decision-making as well as develop public private partnerships and provide incentives for private sector and stakeholder engagement and for the creation of a functional market for such services.

The G20 Energy Ministerial Declaration and the G20 Leaders' Declaration did a good job of acknowledging the role of a broad range of pathways and options within the framework of the Circular Carbon Economy to manage emissions according to national circumstances. This is a success for the B20 since all the technology options advocated in the Energy, Sustainability and Climate policy paper, including existing and early-stage technologies, have been endorsed by the G20. The B20 also recognizes CCE as vital to achieving the Paris Agreement goals.

However, the G20 makes little progress on climate action beyond reaffirming its commitment to the Paris Agreement, something that was already agreed upon in the 2019 G20. Given that Covid-19 led to significant decline in greenhouse-gas emissions, rebuilding the economy and global energy systems was a perfect opportunity for the G20 to commit to carbon neutrality, which is critical to achieving the Paris Agreement goal and was recommended by the B20. The pandemic and the historically low energy prices also offered a unique opportunity for the G20 to facilitate energy transitions. As highlighted by the B20, these actions would have incentivized the much-needed private investments in clean energy technologies and also provided a smart way to compensate governments for the costs of the massive fiscal stimulus packages launched globally.

The G20 Environment Ministers' Communique complements the Energy Ministerial Communique by reaffirming Members' commitment to some of the non-energy topics that are vital for environment and climate stewardship, something that the B20 also strongly advocated for. As

highlighted in the B20 Energy, Sustainability & Climate policy paper, these topics include protecting freshwater resources and the ocean and strengthening the climate resilience of infrastructure. The G20 promises to continue and build on its previous efforts to make the ocean more resilient and to reduce additional pollution by marine plastic litter to zero by 2050. The B20 particularly appreciates the efforts of the G20 to acknowledge the importance of access to clean water and foster sustainable, resilient and integrated water management, as highlighted in the G20 Leaders' Declaration.

Given the increasing frequency and intensity of extreme weather events across the globe and their toll on human lives and livelihoods, and infrastructure, it is slightly disappointing that the G20 failed to highlight the importance of integrating climate impacts into infrastructure planning and design. The G20 Leaders' Declaration does, however, stress upon the importance of both mitigation and adaptation efforts in addressing climate change.

Finally, the B20 applauds the efforts of the G20 to provide and mobilize a wide variety of financial resources to assist developing countries in their adaptation and mitigation efforts. In particular, the G20 recalls the commitment made by developed countries to a goal of mobilizing jointly \$100 billion per year by 2020 to address the needs of developing countries. This is especially important, given that finance is often a key bottleneck for developing countries in addressing climate change.



# Finance & Infrastructure

## INTRODUCTION

Sustainable infrastructure and sustainable finance are becoming a more and more critical driver of global growth, but face structural challenges that limit their impact. Sustainable infrastructure is recognized as a critical component of inclusive growth in achieving the United Nations' Sustainable Development Goals (SDG) targets. Sustainable infrastructure, across traditional and non-traditional sectors<sup>8</sup>, supports economic development by creating jobs and new ways of carrying out economic activities. In addition, it can enhance citizens' quality of life by reducing carbon emissions and mitigating pollution. Economic infrastructure, which includes roads, rail, ports, airports, power, water, and telecom, has an estimated annual financing gap of \$1.5 trillion.<sup>9</sup> The world spends an estimated \$2.2 trillion per year on economic infrastructure but requires \$3.7 trillion per year through 2039.<sup>10</sup> Incorporating sustainability into infrastructure would require an additional \$1 trillion per year in development capital,<sup>11</sup> increasing the infrastructure financing gap to \$2.5 trillion annually. Private sector can narrow the gap, however, investment is hampered by a lack of robust pipelines with investment-ready projects, higher investment cost requirements, and fragmented sustainability-risk-assessment frameworks.

Sustainable infrastructure has been an important topic within the G20 for many years. For example, the 2014 G20 endorsed the G20 Global Infrastructure Initiative to support public and private investments in quality infrastructure, which was reaffirmed by the 2016 G20. It resulted in the creation of the Global Infrastructure Hub (GIH) in 2014, which has helped improve the functioning of infrastructure markets. To contribute to closing the infrastructure financing gap,

the 2018 and 2019 G20 Presidencies endorsed the Roadmap to Infrastructure as an Asset Class and the G20 Principles for the Infrastructure Project Preparation Phase.

Sustainable finance has become mainstream, driven by the increasingly clear benefits of investments that comply with environmental, social, and governance (ESG) requirements. Some of the world's largest financial institutional investors are setting the pace by adopting sustainable finance strategies. However, taxonomies around sustainable finance are not yet harmonized, with inconsistencies across disclosure frameworks – largely voluntary with uneven adoption – and limited assurance on the quality of disclosed results.

The G20 launched the Green Finance Study Group (GSFG) in 2016 to promote private-sector interest in green investments, and further expanded the group's scope in 2018, renaming it the Sustainable Finance Study Group (SFSG).

The G20 has also been active in promoting sustainable financial disclosures. The Financial Stability Board (FSB) created the Taskforce on Climate-Related Financial Disclosures (TCFD) to recommend “disclosures that will help financial market participants understand their climate-related risks”.<sup>12</sup> In addition, the G20 welcomed the Operational Guidelines for Sustainable Financing diagnostic tool developed by the International Monetary Fund (IMF) and the World Bank,<sup>13</sup> with the purpose of improving access to sound financing while keeping sovereign debt on a sustainable path through information sharing and cooperation.

<sup>8</sup> Traditional sectors include areas such as power and water, while non-traditional sectors include areas such as waste management and sewage

<sup>9</sup> McKinsey Global Institute (2017), Bridging Global Infrastructure Gaps: Has the World Made Progress? ISSA 2020

<sup>10</sup> Ibid.

<sup>11</sup> Due to factors including higher upfront fixed costs, higher operational cost in early stages, inability to access public sector grants given to traditional fossil fuel industries, among others.

<sup>12</sup> FSB (2015), Proposal for Disclosure Task Force on Climate-Related Risks

<sup>13</sup> G20 Argentina (2018), Leaders' Declaration

## G20 Responsiveness Comparison



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The G20 should encourage an increase in private financing of sustainable infrastructure by creating more investment-ready projects, mitigating the risk of sustainable projects' higher costs, and fostering a collaborative environment for sustainable risk assessments.</p>	<p><i>Partially Covered</i></p> <p><b>G20 Leaders' Declaration</b></p> <p><b>G20 Finance Ministers &amp; Central Bank Governors' Communique</b></p>	<p>The G20 reiterates its commitment to re-double our efforts to promote quality infrastructure investment and accelerate efforts to mobilize private sources of infrastructure financing, aimed at raising productivity, lifting growth, and promoting job creation.</p> <p>The G20 reiterates its commitment to build on G20 infrastructure efforts to increase the resilience of infrastructure against risks, including from pandemics.</p>
<p>The G20 should facilitate sustainable financing by developing a roadmap for international coordination on sustainable finance taxonomies and alignment on a sustainable disclosure framework, across all ESG considerations.</p>	<p><i>Partially Covered</i></p> <p><b>G20 Leaders' Declaration</b></p> <p><b>G20 Finance Ministers &amp; Central Bank Governors' Communique</b></p>	<p>Mobilizing sustainable finance and strengthening financial inclusion are important for global growth and stability.</p>
<p>The G20 should promote the acceleration of the role of technology, including the role of data, in enhancing the environment for financial services innovation, while implementing regulations that increase trust and transparency in the financial sector.</p>	<p><i>Partially Covered</i></p> <p><b>G20 Leaders' Declaration</b></p> <p><b>G20 Finance Ministers &amp; Central Bank Governors' Communique</b></p>	<p>In the spirit of encouraging responsible innovation, the G20 welcomes the FSB's work on the growing entry of BigTech in finance in emerging markets and developing countries and the use of supervisory and regulatory technology by authorities and regulated institutions, including the work on the G20 TechSprint, a joint initiative with the Bank for International Settlements (BIS) Innovation Hub, which sought out solutions to common supervisory and regulatory challenges from the global FinTech community.</p>
<p>The G20 should strengthen the cooperative efforts between the G20 countries to reduce market fragmentation and promote a level playing field, while ensuring a synchronized implementation of prudential reforms, and minimizing unintended consequences, to build a more resilient and effective financial system that supports the economy.</p>	<p><i>Partially Covered</i></p> <p><b>G20 Leaders' Declaration</b></p> <p><b>G20 Finance Ministers &amp; Central Bank Governors' Communique</b></p>	<p>The G20 welcomes the reports on work to avoid harmful market fragmentation from the FSB and the International Organization of Securities Commissions (IOSCO), and look forward to their further work on this issue.</p>

All the B20 Finance and Infrastructure Taskforce recommendations are reflected in the G20 Finance Ministers & Central Bank Governors' (FMCBG) Communique, and in the G20 Leaders' Declaration. Unfortunately, most of the recommendations were partially responded to by the G20. This is understandable in a period of economic crisis. However, going beyond the urgent priorities the FMCBG had the opportunity to set the ball rolling on longer term issues.

The B20 welcomes the continued commitment of the G20 on infrastructure. In line with the B20 recommendation, the G20 reiterated its commitment to re-double its efforts to promote quality infrastructure investment and accelerate efforts to mobilize private sources of infrastructure financing, aimed at raising productivity, lifting growth, and promoting job creation. However, no specific steps were identified.

The B20 appreciates the G20's commitment to invest in an effective response to the COVID-19 pandemic to bring the spread of the virus under control and prevent further transmission, thereby minimizing economic and social disruption. The G20 pledge to continue to do whatever it takes to support the global economy and financial stability will be crucial going

forward. We welcome the six months' extension of Debt Service Suspension Initiative (DSSI). However, implementation will be key in easing the liquidity pressure from the distressed countries. Reluctance of the private creditors to participate in the DSSI remains a major concern.

The B20 recommended that the G20 should facilitate sustainable financing by developing a roadmap for international coordination on sustainable finance taxonomies and alignment on a sustainable disclosure framework, across all ESG considerations. The G20 merely stated that mobilizing sustainable finance and strengthening financial inclusion are important for global growth and stability. The G20 refrained from making any commitment on the sustainable disclosure framework.

We appreciate that the G20 FMCBG Communique encourages responsible innovation in Fintech, as recommended by the B20.

Strengthening cooperation around global prudential standards and reforms has been major focus area for the G20. Yet, there are signs of market fragmentation created by jurisdiction-specific approaches trapping capital and liquidity along jurisdictional lines. We welcome the G20 endorsement of

# Future of Work & Education

## INTRODUCTION

The world today is far from achieving our shared ambitions as laid out in the UN Sustainable Development Goals (SDGs). Poverty and inequality persist; decent work and quality education remain out of reach for millions around the world. The current state of labour markets and education systems are not able to address these. Despite progress in confronting issues like global poverty and healthcare over recent decades, progress is at risk.

The B20 has consistently advocated for reforms to labour markets and to education and training systems in order to adapt to the fast-evolving future of work. Global unemployment stood at 188 million in December 2019<sup>14</sup>, and the inequalities and inefficiencies in both labour markets and learning opportunities have continuously aggravated poverty and disadvantage in society.

The subsequent lockdown of entire countries, restrictions on the movement of people and goods, the shutdown of businesses and the erosion of confidence overall, rapidly transformed the health crisis into an employment crisis. This has necessitated a rethink of the scope and urgency of our Taskforce priorities.

In May 2020, the International Labour Organization (ILO) estimated that working hours will decline by 10.7 percent in the second quarter of 2020, equ

ivalent to 305 million fulltime workers<sup>15</sup>. The final impact on employment will depend on the continued containment of the pandemic, but as a point of comparison, 22 million were made unemployed by the financial crisis of 2008-09.

The 4th Industrial Revolution is transforming the demand for skills and requiring rapid changes in working practices, contractual relationships and training and education systems. Advances in science and technology and new pressures, such as climate change, are creating new fields and industries that require workers, whilst other industries see inevitable decline. The institutions preparing our future generations of workers seem ill prepared for these changes.

The COVID-19 pandemic adds further upheaval. It is accelerating automation and generating the greatest global employment crisis in living memory. A new sense of urgency to tackle these issues is reflected in the priorities of the B20.

The G20 has endorsed priorities and actions in its 2016 Labour and Employment Ministerial Meeting Declaration, which includes the G20 Entrepreneurship Action Plan.

<sup>14</sup> [https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS\\_738742/lang--en/index.htm](https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_738742/lang--en/index.htm)

<sup>15</sup> [https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/briefingnote/wcms\\_745963.pdf](https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/briefingnote/wcms_745963.pdf)

## G20 Responsiveness Comparison



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p><b>The G20 should implement reforms to ensure a safe employment recovery within a more resilient labor market.</b></p>	<p><i>Fully Covered</i>  <b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>The G20 will ensure a coordinated response to the COVID-19 pandemic and, building on the G20 Labour and Employment Minister's COVID-19 Statement on 23 April 2020, the G20 will spare no effort to ensure that labor market and economic recovery efforts prioritize sustainable and inclusive growth in quality employment.</p>
<p>The G20 should coordinate global action to ensure a safe economic and employment recovery.</p>	<p><i>Fully Covered</i>  <b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>The G20 committed to continue to work together, and in coordination with other Ministers, to help ensure that, in the spirit of solidarity, the post-pandemic economic recovery has a job-centric focus, to develop and implement effective measures to mitigate the impact of COVID-19 on labor markets and societies.</p>
<p>(The G20 should) Continue to work with social partners and international organizations to monitor the implementation of announcements, the rate of revival and need for further stimulus.</p>	<p><i>Fully Covered</i>  <b>G20 Leaders' Declaration</b>  <b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>The G20 recognizes the need to promote policy coherence by working jointly with other Ministers, social partners and relevant International Organizations, to tackle the impact that COVID-19 is having on national and global labor markets, in particular, between policies that promote inclusive growth, employment and social protection.</p> <p>The G20 asks the International Labour Organization (ILO) and the Organisation for Economic Cooperation and Development (OECD) to undertake further analysis of the COVID-19 pandemic's impact on global labor markets and to help G20 Members develop recovery solutions that tackle the medium and long-term impact of the pandemic on national and global labor markets.</p>
<p>The G20 should coordinate national and regional frameworks and operational mechanisms to facilitate the efficient mobility of workers and flow of skills to where they are most needed to stimulate a swift recovery, including trans-border flows.</p>	<p><i>Fully Covered</i>  <b>G20 Leaders' Declaration</b>  <b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>The G20 will continue to support workers through training and reskilling policies to work to ensure they are able to remain in and/or return to the labor market.</p> <p>Providing adequate and appropriate support for all workers, especially those groups that have been, or may be, disproportionately affected by COVID-19, such as women, young people, self-employed, platform workers, seasonal and informal workers.</p>



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>(The G20 should) Ask the ILO to promote technical cooperation in the implementation of international standards on occupational health and safety, with the objective of preventing future waves of the COVID-19 pandemic.</p>	<p><i>Partially Covered</i> <b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>Ensuring that strong occupational safety and health standards remain a priority, strengthening the protection of the safety and health of workers as workplaces reopen.</p>
<p>The G20 should strengthen inclusiveness, dynamism and diversity of formal labor markets.</p>	<p><i>Fully Covered</i> <b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>The G20 remains committed to promoting decent work for all, including through gender responsive approaches.</p>
<p>To promote work transition, the G20 Members should ensure that appropriate social protections should be available regardless of the contractual form of work.</p>	<p><i>Partially Covered</i> <b>G20 Leaders' Declaration</b></p> <p><i>Fully Covered</i> <b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>The G20 will continue to adapt and improve their social protection systems to provide access to adequate social protection for all and will continue to promote access to employment for all, without discrimination on any ground.</p> <p>The G20 recognizes that social protection systems are facing significant and unprecedented challenges in many of their countries, including identifying and providing adequate protection for all, in particular the self-employed, platform workers, own account workers and workers in informal employment.</p> <p>Social protection systems also need to adapt to provide comprehensive and adequate protection to women and youth, who are often concentrated in the lowest paid, most vulnerable sectors and disproportionately represented in informal employment.</p> <p>The G20 will continue to work individually and collaboratively towards achieving this goal through enhanced coordination and international efforts. Their actions will also be guided by recognition that social protection systems, policies and programs should support sustainable and inclusive growth and quality job creation.</p>

B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The G20 should ensure social benefits are transferrable and portable across sectors and jobs, regardless of specific contractual employment relations.</p>	<p><i>Fully Covered</i></p> <p><b>G20 Leaders' Declaration</b></p> <p><b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>The G20 will ensure that workers' rights are respected and that they develop their social protection systems to be sufficiently robust and adaptable to provide access to adequate support for all.</p>
<p>The G20 Members should develop clear and simple worker classification regulation and ensure compliance.</p>	<p><i>Fully Covered</i></p> <p><b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>With changing patterns of work linked to digital transformation, the classification of workers' employment status has significant implications for workers' rights and access to adequate social protection for all.</p> <p>The G20 recognizes that correct classification will help support the creation of regulations and policies to reduce social protection gaps, help minimize worker exploitation and ensure fair support from employers. Effective monitoring, including data collection, and reporting on how social protection is adapting to reflect the changing patterns of work is essential.</p>
<p>The G20 should strengthen female employment participation.</p>	<p><i>Fully Covered</i></p> <p><b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>The G20 affirms their commitment to meet the goal their leaders agreed in Brisbane in 2014, "to reducing the gender gap in the participation rates between women and men in our countries by 25% by 2025", and in line with the Agenda 2030 framework.</p> <p>The G20 recognizes that while progress has been made since 2014 more efforts are necessary, including in increasing the quality of women's employment, and in advancing equal pay for equal work or work of equal value.</p>
<p>The G20 should incentivize the informal sector to formalize.</p>	<p><i>Fully Covered</i></p> <p><b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>The G20 recognizes that fostering the transition of workers from the informal to the formal economy will contribute to expanding the coverage of social protection systems and help ensure decent work for all.</p>

B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>Review, reduce and simplify tax, bureaucratic and other structures to encourage formal sector participation, including the digitization of relevant public services.</p>	<p><i>Partially Covered</i> <b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>The G20 will promote the correct classification of workers' employment status by ensuring that public services, such as registration of workers with social insurance schemes, are as easy and as effective as possible, and at low cost, including through the use of adequate online tools.</p>
<p><b>The G20 should proactively enable SMEs and entrepreneurs.</b></p>	<p><i>Fully Covered</i> <b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>The G20 will continue to provide good framework conditions and support for employers, including micro, small and medium enterprises (MSME), to sustain their businesses, create more flexible and resilient business models and to retain employees, subject to national circumstances.</p>
<p>The G20 should promote education for entrepreneurship.</p> <ul style="list-style-type: none"> <li>▶ Encourage the teaching of entrepreneurship skills for all through schools, universities, incubators and accelerators, especially for under-represented groups such as women and minorities.</li> <li>▶ Support training opportunities for SMEs and entrepreneurs, including engagement with capacity-building initiatives by businesses, civil society and international organizations.</li> </ul> <p>The G20 should develop and implement ambitious support strategies for entrepreneurs.</p>	<p><i>Partially Covered</i> <b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>The G20 Youth Roadmap 2025 (Annex 3):</p> <p>Boost entrepreneurship to promote youth employment and encourage the Entrepreneurship Research Center on G20 Economies to continue with best practice collection and analysis in the new context.</p> <p>Promote entrepreneurship programs for young people and remove barriers preventing young people from accessing appropriate financial services.</p>
<p>The G20 should enhance access to digital infrastructure, connectivity and digital skills training for SMEs and entrepreneurs, through implementation of the G20 SMART Innovation Initiative.</p>	<p><i>Partially Covered</i> <b>G20 Trade and Investment Ministerial Communiqué</b></p>	<p>Annex II: G20 Policy Guidelines on boosting MSMEs' international Competitiveness</p> <p>Develop universal, secure and affordable connectivity, in particular digital connectivity infrastructure, to help MSMEs lower the cost to internationalize, including through support to meet the Sustainable Development Goal 9 of the 2030 United Nations Agenda.</p>



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The G20 should facilitate access to international markets and finance for SMEs and entrepreneurs.</p> <p>The G20 should ease access to finance for entrepreneurs seeking global expansion, especially for women.</p>	<p><i>Partially Covered</i> <b>G20 Trade and Investment Ministerial Communiqué</b></p>	<p>Amid the COVID-19 pandemic, the G20 will continue our cooperation and coordination to: encourage greater international competitiveness of Micro-, Small and Medium-Sized Enterprises (MSMEs).</p> <p>Access to finance: Facilitate MSMEs' access to finance, including trade finance and finance that facilitates adoption of new technologies. (Annex II)</p>
<p>The G20 should strengthen SME access to and integration into global supply chains.</p>	<p><i>Fully Covered</i> <b>G20 Trade and Investment Ministerial Communiqué</b></p>	<p>Various non-binding policy guidelines outlined in Annex II: G20 Policy Guidelines on boosting MSMEs' international Competitiveness.</p>
<p><b>The G20 should boost employability at scale through transformed education and lifelong learning.</b></p>	<p><i>Fully Covered</i> <b>G20 Education Ministerial Communiqué</b></p>	<p>In line with the United Nations 2030 Agenda, the G20 reaffirms their commitment to ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all.</p>
<p>The G20 should upgrade education systems to align with future labour market needs.</p>	<p><i>Fully Covered</i> <b>G20 Education Ministerial Communiqué</b></p>	<p>The G20 emphasizes the vital role of education and skills training in addressing social, cultural, and economic challenges, and, therefore, further their commitment to encouraging international collaboration and the sharing of best practices to advance education systems across the globe.</p>



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>(The G20 Members should) Invest in early childhood education, especially in low-income countries where pre-school attendance is very low.</p>	<p><i>Fully Covered</i></p> <p><b>G20 Leaders' Declaration</b></p> <p><b>G20 Education Ministerial Communiqué</b></p>	<p>The G20 highlights the importance of improving access to quality Early Childhood Education (ECE) as a foundation for the development of current and future generations and as a fundamental part of promoting equity and inclusion in education and encouraging lifelong learning.</p> <p>The G20 acknowledges the fundamental role that equitable access to quality ECE plays in stimulating children's holistic development, which is the basis of their acquisition of literacy, numeracy, and social and emotional skills, to lay the foundation for future learning and well-being.</p> <p>The G20 emphasizes the importance of improving the accessibility and affordability of quality ECE for all children, especially those in vulnerable groups.</p> <p>The G20 recognizes that leveraging digital technologies can increase children's access to quality ECE and enable families, teachers and educators to create developmentally-appropriate learning experiences for all children. The G20 acknowledges the need to reduce the digital divide by providing the education community, including vulnerable groups, with the support and education necessary to enable effective interaction with technological devices.</p> <p>The G20 also emphasizes the importance of studying the effects of such exposure on young children's development, learning, and well-being to identify opportunities and mitigate potential risks.</p>



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The G20 should embrace new learning models and technologies to improve teaching techniques and environments.</p>	<p><i>Fully Covered</i> <b>G20 Education Ministerial Communiqué</b></p>	<p>The G20 recognizes the value of distance and blended teaching and learning and underscore the importance of enhancing access to high-quality education, professional development for educators, digital infrastructure and content, cybersecurity awareness, appropriate teaching methodologies and active learning, while recognizing that these approaches complement face-to-face learning.</p> <p>The G20 stresses the importance of research and data to assess the learning outcomes and quality of distance learning.</p> <p>The G20 acknowledges the need for learning environments that enable students, teachers, and educators to collaborate and engage in our interconnected world.</p> <p>The G20 encourages the integration of international and intercultural dimensions into all levels of general (K-12), higher and vocational education and training, where appropriate, to ensure effective learning outcomes.</p>
<p>The G20 should revamp teachers' professional development, improving how they are recruited, paid, rewarded, assessed, trained and incentivized to innovate.</p>	<p><i>Partially Covered</i> <b>G20 Education Ministerial Communiqué</b></p>	<p>The G20 underscores the significance of building and retaining an appropriately qualified ECE workforce based on teachers, educators, staff and leaders of ECE institutions who have the knowledge, skills and competencies to work with young children, and on professional training to upskill and reskill them throughout their career.</p>

The Future of Work & Education recommendations were covered in the G20 Labor and Employment Ministerial Declaration, the G20 Education Ministerial Communiqué, and the G20 Trade and Investment Ministerial Communiqué.

Aligned to the B20 recommendations, the G20 recognizes the importance of an inclusive and equitable quality education and promoting lifelong learning opportunities for all, improving access to quality Early Childhood Education, and for learning environments that enable students, teachers, and educators to collaborate and engage in our interconnected world.

The B20 strongly urges the implementation of the priorities and actions already endorsed by the 2016 G20 Labor and Employment Ministerial Meeting Declaration, which includes the G20 Entrepreneurship Action Plan.

The importance of lifelong learning is addressed by the tG20. However, the B20 specifically suggests building lifelong learning systems that are

adapted to adult needs as learning and training opportunities for adults remain hard to access, especially around demanding life commitments.

The B20 generally promotes recommendations that focus on young. However, the G20 specifically developed the G20 Youth Roadmap 2025 that will help to achieve the 2015 Antalya Youth Goal by focusing on their efforts on young people with low levels of skills and qualifications; those who are not in employment, education or training (NEET); or the low-skilled who are NEET or informally employed young people.

Furthermore, the B20 welcomes the establishment of the G20 Behavioral Insights Knowledge Exchange Network, facilitated by the Riyadh Behavioral Insight Center for Labor Market Policies, to encourage collaboration among the G20 Members by leveraging existing knowledge and expertise in behavioral insights and further developing it to improve effectiveness of policy-making.



# Integrity & Compliance

## INTRODUCTION

Corruption impacts the community in a multitude of ways on a global and a local level. Politically, it undermines the rule of law and democracy and erodes trust in institutions. Economically, it is a major barrier to inclusive growth - leading to inefficiencies, hindering fair markets, and causing business disruption. Socially, corrupt practices reinforce entrenched inequalities and divisions, with gender being an issue of particularly critical importance. The COVID-19 pandemic has served to heighten focus on integrity and compliance in the healthcare sector and beyond. Corruption already threatens the proper functioning of health systems in the form of misappropriation of medical supplies, corruption in new product research, counterfeit medical products and informal payments to doctors and hospital administrators.

COVID-19 has placed increased pressure on resources, weaken institutions and require emergency procurement processes. This will further elevate corruption risk in the healthcare sector, given urgent need to source medical equipment and develop diagnostics, therapeutics and a vaccine in record time and under extraordinary circumstances. The current environment is bound to exacerbate ethics and compliance risks beyond the healthcare sector. As established suppliers close or shut temporarily, trusted partners have been challenged

to meet extraordinary, if not impossible, demands and pressures to deliver in a time of increasingly shrinking margins. It is now more important than ever for the G20 Members to continue to strengthen and enforce anti-corruption measures.

Anti-corruption remains a thematic priority for the G20 and the B20 alike. All G20 Members have ratified UNCAC5 , and have in recent years adopted a number of important anti-corruption commitments, including endorsing the High-Level Principles on Organizing Against Corruption, the High-Level Principles of Promoting Integrity in Public Procurement, the High-Level Principles for the Effective Protection of Whistleblowers, the High-Level Principles on Preventing Corruption, the High-Level Principles for Preventing Corruption and Ensuring Integrity in State-Owned Enterprises, and the High-Level Principles on Preventing and Managing Conflicts of Interest in the Public Sector. The G20 Anti-Corruption Working Group (ACWG) was established during the 2010 G20. The ACWG leads G20 anti-corruption efforts, and works closely with several international organizations, including the Organization for Economic Cooperation and Development (OECD), to promote cross-border cooperation in the fight against corruption.

## G20 Responsiveness Comparison



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p><b>The G20 should pursue a culture of high integrity in the public and private sectors.</b></p> <p><b>The G20 should ensure that anti-corruption plans and whistleblower protections empower women to become part of the solution to corruption.</b></p>	<p><i>Partially Covered</i>  <b>G20 Anti-Corruption Ministerial Communiqué</b></p>	<p>The G20 commits to taking and promoting a multi-stakeholder approach to preventing and combating corruption by strengthening partnerships with international organizations, individuals and groups outside the public sector, including civil society, non-governmental organizations, community-based organizations, academia, media and the private sector.</p>
<p>The G20 should engage with the private sector to implement or improve national anti-corruption plans and to adopt new Collective Action initiatives.</p>	<p><i>Partially Covered</i>  <b>G20 Leaders' Declaration</b></p> <p><i>Fully Covered</i>  <b>G20 Anti-Corruption Ministerial Communiqué</b></p>	<p>The G20 commits to promoting integrity in cooperation with the private sector and non-governmental organizations (NGOs).</p> <p>In line with the G20 Anti-Corruption Action Plan 2019-2021, the G20 endorsed the High-Level Principles developed under the 2020 Presidency for the Development and Implementation of National Anti-Corruption Strategies.</p>
<p>The G20 should strengthen laws protecting whistleblowers and engage with the private sector regarding best practices in whistleblower programme management.</p>	<p><i>Fully Covered</i>  <b>G20 Leaders' Declaration</b></p> <p><b>G20 Anti-Corruption Ministerial Communiqué</b></p>	<p>The G20 Call to Action on Corruption and COVID-19 to ensure safe whistleblowing channels and adequate whistleblower protections, in line with relevant G20 High-Level Principles.</p>
<p><b>The G20 should leverage emerging technologies to manage risks relating to corruption and fraud.</b></p>	<p><i>Partially Covered</i>  <b>G20 Leaders' Declaration</b></p> <p><b>G20 Anti-Corruption Ministerial Communiqué</b></p>	<p>In line with the G20 Anti-Corruption Action Plan 2019-2021, the G20 endorses the High-Level Principles developed under the 2020 Presidency for Promoting Public Sector Integrity through the Use of Information and Communications Technologies (ICT).</p> <p>The G20 commits to effectively implementing, and as necessary, take additional measures to prevent the misuse of legal persons and arrangements for money laundering or terrorist financing, including where corruption is the predicate offence.</p>

B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The G20 should adopt consistent digital identity standards and systems to enhance transparency in beneficial ownership and improve third-party risk management in the private sector.</p>	<p><i>Fully Covered</i> <b>G20 Anti-Corruption Ministerial Communiqué</b></p>	<p>In line with the G20 Anti-Corruption Action Plan 2019-2021, the G20 endorse the High-Level Principles developed under the 2020 Presidency for Promoting Integrity in Privatization and Public-Private Partnerships (PPPs).</p> <p>The G20 Call to Action on Corruption and COVID-19 to promote the implementation of open data requirements, in accordance with the relevant G20 Principles and applicable data protection laws, with a particular emphasis on the publication of data, where data is available and publication appropriate, related to public procurement, extraordinary fiscal support to citizens and businesses, and the beneficial ownership of entities awarded contracts or receiving public support.</p>
<p>The G20 should develop digital public national registers to increase transparency around beneficial ownership information and to improve third-party risk management.</p>	<p><i>Fully Covered</i> <b>G20 Anti-Corruption Ministerial Communiqué</b></p>	<p>The G20 commits to effectively implementing, and as necessary, take additional measures to prevent the misuse of legal persons and arrangements for money laundering or terrorist financing, including where corruption is the predicate offence.</p>
<p>The G20 should launch a public-private partnership project to support the development of new technologies to further improve data quality in and data sharing among national registers.</p>	<p><i>Fully Covered</i> <b>G20 Anti-Corruption Ministerial Communiqué</b></p>	<p>The G20 commits to taking and promoting a multi-stakeholder approach to preventing and combating corruption by strengthening partnerships with international organizations, individuals and groups outside the public sector, including civil society, non-governmental organizations, community-based organizations, academia, media and the private sector.</p> <p>In line with the G20 Anti-Corruption Action Plan 2019-2021, the G20 endorsed the High-Level Principles developed under the 2020 Presidency for Promoting Public Sector Integrity through the Use of Information and Communications Technologies (ICT).</p>
<p><b>The G20 should enhance integrity and transparency in public procurement.</b></p>	<p><i>Fully Covered</i> <b>G20 Anti-Corruption Ministerial Communiqué</b></p>	<p>The G20 commits to enhancing public sector integrity and efficiency by guaranteeing the transparency of, and access to, public procurement information, acting in line with previously endorsed High-Level Principles.</p> <p>G20 Call to Action on Corruption and COVID-19 to review and, where appropriate, strengthen guidelines and procedures for emergency public procurement measures in times of crisis, based on lessons learned from COVID-19, and encourage continued efforts regarding digitization, transparency and the proactive publication of data and information on procurement processes.</p>



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The G20 should ensure transparency and promote integrity and accountability across the entire public procurement lifecycle.</p>	<p><i>Fully Covered</i>  <b>G20 Anti-Corruption Ministerial Communiqué</b></p>	<p>The G20 commits to enhancing public sector integrity and efficiency by guaranteeing the transparency of, and access to, public procurement information, acting in line with previously endorsed High-Level Principles.</p> <p>G20 Call to Action on Corruption and COVID-19 to embed timely anti-corruption checks in public procurement processes to identify red flags of corruption in procurement, and continue law enforcement efforts when required.</p>
<p>The G20 should establish clear and consistent incentives to reward high standards of ethical business conduct in the context of public procurement.</p>	<p><i>Partially Covered</i>  <b>G20 Leaders' Declaration</b>  <b>G20 Anti-Corruption Ministerial Communiqué</b></p>	<p>The G20 commits to enhancing public sector integrity and efficiency by guaranteeing the transparency of, and access to, public procurement information, acting in line with previously endorsed High-Level Principles.</p> <p>G20 Call to Action on Corruption and COVID-19 to adopt clear, objective and transparent criteria for the qualification of beneficiaries of measures supporting businesses and citizens and optimize outreach and communication efforts to build public support.</p>
<p>The G20 should ensure greater integrity amongst public procurement officials by implementing conflict of interest policies and asset declarations in line with UNCAC Article 8 for procurement officials, while bolstering anti-corruption training for these officials and providing transparent and independent channels for them to report instances of corruption.</p>	<p><i>Fully Covered</i>  <b>G20 Leaders' Declaration</b>  <b>G20 Anti-Corruption Ministerial Communiqué</b></p>	<p>The G20 stressed the importance of the existing international anti-corruption architecture, particularly the obligations and commitments outlined in the United Nations Convention against Corruption (UNCAC), the United Nations Convention against Transnational Organized Crime (UNTOC), the Organisation for Economic Co-operation and Development (OECD), Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and related instruments, and the Financial Action Task Force (FATF) Standards.</p>



The G20 Anti-Corruption Ministerial Communique is well aligned with the B20 Integrity and Compliance Taskforce recommendations of pursuing a Culture of High Integrity in the Public and Private Sectors, Leveraging Emerging Technologies to Manage Risks Relating to Corruption and Fraud, as well as Enhancing Integrity and Transparency in Public Procurement. The global consensus around these priorities serves as a unified voice to further support the fight against corruption and fraud.

The level of responsiveness from the G20 Ministers to the B20 recommendations covered most of the suggested policy actions. However, it was a missed opportunity not to fully cover the B20 suggested policy action to ensure that anti-corruption plans and whistleblower protections empower women to become part of the solution to corruption. Even though the ministerial communique touches upon the topic, the specific mention of women empowerment was not clearly stated.

Similarly, the B20 policy action covering the establishment of clear and consistent incentives to reward high standards of ethical business conduct in the context of public procurement was not stated in clear wording on the communique. This was also a missed opportunity to state a clear commitment of establishing incentives. The reason of considering both cases as missed opportunities is the high relevance of women empowerment and establishing incentives to one of the three main G20 priorities - "Empowering People".

All in all, the extent of adoption of B20 recommendation serves as a testimony to the collaboration between the private and public sectors to fight the elevated risk of corruption associated with the global pandemic.



# Trade & Investment

## INTRODUCTION

Trade and investment form the backbone of our economies. For decades, international exchanges have been deepening and broadening, contributing to economic growth, innovation and human development. Since 1990, more than one billion people have lifted themselves out of poverty because of economic growth driven by significant increase in international trade<sup>16</sup>. In 2020, the world was shaken by a sudden global health crisis of unprecedented scale. Covid-19 pandemic has taken lives on a massive scale, while also causing severe disruption to the global economy. Trade and investment have plummeted, and millions of jobs have been lost. Global merchandise trade volume declined by 14 percent between first and second quarters of 2020, and it is projected that the volume may decline by 13 percent in 2020 compared to 2019<sup>17</sup>.

The pandemic arrived at a time when trade and the integration of global value chains were already under strain because of rising protectionism. Pandemic has accelerated and put a spotlight on the shortcomings of the multilateral trading system to address the challenges. World Trade Organisation (WTO) has struggled to effectively address the growing protectionism and other emerging challenges emanating from

digitalisation and rising importance of trade in services. There is an urgent need to strengthen international cooperation and affirm support for rules-based, open, inclusive, transparent, and non-discriminatory multilateral trading and system. Reform of the World Trade Organisation (WTO) is essential to enhance its authority and efficacy, and increase its relevance in terms of global economic governance.

Strengthening global trade and investment system has been a top priority area for the G20. 2019 and 2018 G20 Leaders' Declarations affirmed its support for the necessary reform of the World Trade Organization (WTO) to improve its functions. In 2019, G20 agreed that action is necessary regarding the functioning of the dispute settlement system consistent with the rules as negotiated by WTO members. Osaka declaration also recognised the importance of interface between trade and digital economy and acknowledged the discussion under the Joint Statement Initiative (JSI) on electronic commerce. The 2017 G20 Leaders' Declarations called for the full implementation of WTO Trade Facilitation Agreement including technical assistance to developing countries.

<sup>16</sup> Koopman & Freund (2019), Why poverty reduction rests on trade, World Economic Forum

<sup>17</sup> WTO (2020), Goods barometer confirms steep drop in trade but hints at nascent recovery, WTO Trade Barometers Aug 2020

## G20 Responsiveness Comparison



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p><b>The G20 should call for strengthening the multilateral trade and investment system, while pledging a standstill and rollback of protectionism, supporting open markets, enforcing and advancing the rulebook to ensure a global level playing field. The G20 should call for strengthening the multilateral trade and investment system, while pledging a standstill and rollback of protectionism, supporting open markets, enforcing and advancing the rulebook to ensure a global level playing field.</b></p>	<p><i>Partially Covered</i></p> <p><b>G20 Leaders' Declaration</b></p> <p><b>G20 Trade and Investment Ministerial Communiqué</b></p>	<p>The G20 emphasizes the essential role of the multilateral trading system in promoting stability and predictability of international trade flows, as well as of trade and investment policies.</p> <p>The G20 recognizes that the effectiveness of the multilateral trading system depends on the implementation of WTO rules by all Members, as well as their respective enforcement, in order to maintain the balance of Members' rights and obligations.</p> <p>The G20 will continue to work to ensure a level playing field to foster an enabling business environment.</p> <p>The G20 Members agreed to list the following as part of the principles of the WTO:</p> <ul style="list-style-type: none"> <li>▶ Rule of law</li> <li>▶ Transparency</li> <li>▶ Non-discrimination</li> <li>▶ Inclusiveness</li> <li>▶ Fair competition</li> <li>▶ Market openness</li> <li>▶ Resistance to protectionism</li> </ul>
<p>To improve the effectiveness and legitimacy of the WTO, the G20 should establish a high-level Working Group involving the business community to provide guidance on the WTO reform, in line with the Riyadh Initiative, on decision-making, monitoring and negotiation effectiveness, and a reform proposal for the WTO's Appellate Body.</p>	<p><i>Partially Covered</i></p> <p><b>G20 Leaders' Declaration</b></p> <p><b>G20 Trade and Investment Ministerial Communiqué</b></p>	<p>The G20 recognizes the contribution that the Riyadh Initiative on the Future of the WTO has made by providing an additional opportunity to discuss and reaffirm the objectives and foundational principles of the multilateral trading system and to demonstrate ongoing political support for WTO reform discussions.</p> <p>The G20 remains committed to working actively and constructively with other WTO Members to undertake the necessary reform of the WTO. The G20 recognizes that this reform should improve the functions of the WTO and they encourage a constructive discussion of all proposals in this regard.</p> <p>The G20 also stresses that urgent action is necessary regarding the functioning of the dispute settlement system in order to contribute to predictability and security in the multilateral trading system.</p>

B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The G20 Members should be encouraged to fulfil their commitments under the WTO rule to notify draft regulatory measures. Repeated failure to comply with notification obligations should be closely monitored and addressed. Technical assistance and capacity building should be provided to developing countries, in particular to Less Developed Countries, if they are unable to fulfil notification obligations on time.</p>	<p><i>Fully Covered</i> <b>G20 Trade and Investment Ministerial Communique</b></p>	<p>The G20 recognizes transparency as an important condition for enhancing trade predictability and fostering trust between WTO Members with regards to the compliance with their WTO obligations. In this regard, the G20 reaffirms commitment to fulfil their WTO transparency obligations and to lead by example and they call on all other WTO Members to do so. The G20 recognizes the need for assistance to WTO Members that face capacity constraints in meeting their notification obligations. The G20 acknowledges ongoing discussions to enhance transparency and bolster compliance with notification obligations at the WTO.</p>
<p>The G20 should express their support for, and lead the effort to advance, a system of rules dedicated to open and fair competition, while recognizing the need to consider each country's capabilities and level of development.</p>	<p><i>Partially Covered</i> <b>G20 Trade and Investment Ministerial Communique</b></p>	<p>The G20 will continue to work to realize the goal of a free, fair, inclusive, non-discriminatory, transparent, predictable and stable trade and investment environment and to keep their markets open.</p>
<p>The G20 should work towards trade facilitation by strengthening the implementation of their international trade commitments and in particular the Trade Facilitation Agreement</p>	<p><i>Partially Covered</i> <b>G20 Trade and Investment Ministerial Communique</b></p>	<p>The G20 asks Members to enhance trade facilitation, including by full implementation of the WTO Trade Facilitation Agreement, by adopting digital solutions, where possible, to support the movement of goods across borders, and ensure that any trade facilitation measures are non-discriminatory to MSMEs and are mindful of MSMEs challenges, to the extent practicable.</p>
<p>The G20 should commit to a clear timeline by which countries commit to roll back protectionist and trade-restricting measures and support the WTO in updating its rules to ensure a level playing field for all businesses regardless of their ownership. They should support a review of the Agreement on Subsidies and Countervailing Measures.</p>	<p><i>Partially Covered</i> <b>G20 Trade and Investment Ministerial Communique</b></p>	<p>Many G20 Members affirm the need to strengthen international rules on industrial subsidies.</p>

B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The G20 should call upon the WTO to review the implementation of special and differential treatment provisions to make them more precise, effective and operational, taking into consideration national conditions.</p>	<p><i>Partially Covered</i> <b>G20 Trade and Investment Ministerial Communiqué</b></p>	<p>Some G20 Members stressed that ‘special and differential treatment’ is a principle that is integral to and underpins the WTO and that should be preserved. Many members, highlighting that WTO rules contribute to economic growth and development, expressed the view that S&amp;DT is a tool to facilitate the achievement of WTO objectives and should be applied on the basis of demonstrable needs.</p>
<p>The G20 should ensure that emergency trade measures to tackle Covid-19 are targeted, proportionate, transparent, temporary, protect the most vulnerable, do not create unnecessary disruptions to global supply chains, and are consistent with WTO rules.</p>	<p><i>Partially Covered</i> <b>G20 Trade and Investment Ministerial Communiqué</b></p>	<p>The G20 reiterates the importance that any emergency trade measures designed to tackle COVID-19, if deemed necessary, are targeted, proportionate, transparent, temporary, reflect our interest in protecting the most vulnerable, do not create unnecessary barriers to trade or disruption to global supply chains, and are consistent with WTO rules.</p>
<p>There is a need for heightened vigilance regarding possible global excess capacity as well as illegitimate trade restrictions.</p>	<p><i>Fully Covered</i> <b>G20 Trade and Investment Ministerial Communiqué</b></p>	<p>The G20 reaffirms that structural problems in some sectors, such as excess capacities, can cause a negative impact.</p>
<p>The G20 should upgrade education systems to align with future labour market needs.</p>	<p><i>Fully Covered</i> <b>G20 Education Ministerial Communiqué</b></p>	<p>The G20 emphasizes the vital role of education and skills training in addressing social, cultural, and economic challenges, and, therefore, further their commitment to encouraging international collaboration and the sharing of best practices to advance education systems across the globe.</p>
<p>The B20 welcomes the Joint Statement released on 14 May 2020 by 76 members of the WTO Informal Working Group on MSMEs. Members emphasized the importance of a coordinated global response to stabilize economies and help MSMEs affected during this challenging period, and vowed to work together to facilitate trade, accelerate efforts towards trade digitalization, including access to digital tools, as well as improve MSMEs’ access to trade finance and to trade-related information through online platforms.</p>	<p><i>Fully Covered</i> <b>G20 Education Ministerial Communiqué</b></p>	<p>With the objective of promoting inclusive economic growth through increased participation of MSMEs in international trade and investment, G20 endorses the “G20 Policy Guidelines on Boosting MSMEs’ International Competitiveness”. These non-binding and voluntary Policy Guidelines will provide reference to national and international policymaking, notably for participants in the WTO Joint Statement Initiative on MSMEs, that contributes to improving the capacity of MSMEs to connect, compete, change and adapt in the face of emerging technologies and external shocks.</p>

B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The G20 should actively promote the WTO Joint Ministerial Statement on Investment Facilitation for Development and aim to conclude the negotiation process at the next Ministerial Conference.</p>	<p><i>Fully Covered</i> <b>G20 Trade and Investment Ministerial Communique</b></p>	<p>The G20 notes the ongoing discussions under the Joint Statement Initiatives (JSI) at the WTO, including the JSI on E-Commerce, Investment Facilitation for Development, MSMEs, and Services Domestic Regulation. The G20 participants in these initiatives call for significant progress in the lead up to the 12th WTO Ministerial Conference.</p> <p>The G20 is committed to facilitate and strengthen international investment.</p>
<p>The Multilateral Framework on Investment Facilitation (MFIF) should also enhance international cooperation and promote increased participation of developing and less developed countries in global investment flows by providing technical assistance and capacity building for them.</p>	<p><i>Fully Covered</i> <b>G20 Trade and Investment Ministerial Communique</b></p>	<p>G20 notes the “Report on FDI Flows and Investment Attraction Frameworks in Developing and Least Developed Countries”, which refers to gaps in investment promotion capabilities and opportunities for improved cooperation in the provision of technical assistance on investment attraction to developing and least developed countries.</p> <p>Through a “G20 Statement on Technical Assistance for Investment Attraction”, G20 encourages further collaboration among the competent authorities of G20 countries, including in the G20 Development Working Group and with international organizations, within their mandates, to consider additional actions to address gaps in investment-related technical assistance.</p>
<p><b>The G20 should foster the growth of e-commerce by striving to conclude a comprehensive, balanced, and high-standard WTO agreement that is attentive to the needs of MSMEs, start-ups, and developing economies.</b></p>	<p><i>Partially Covered</i> <b>G20 Leaders’ Declaration</b> <b>G20 Trade and Investment Ministerial Communique</b></p>	<p>The G20 notes the ongoing discussions under the Joint Statement Initiatives (JSI) at the WTO, including the JSI on E-Commerce, Investment Facilitation for Development, MSMEs, and Services Domestic Regulation. The G20 participants in these initiatives call for significant progress in the lead up to the 12th WTO Ministerial Conference.</p>

B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The G20 Members should aim to create a policy environment that facilitates business engagement in e-commerce and advance towards a comprehensive, balanced, and high-standard agreement by the next MC.</p>	<p><i>Partially Covered</i></p> <p><b>G20 Leaders' Declaration</b></p> <p><b>G20 Trade and Investment Ministerial Communique</b></p>	<p>Many G20 participants underscore the importance of negotiations on domestic regulation disciplines in the WTO, noting their contribution to regulatory transparency and their benefits for businesses, especially MSMEs. Many participants stress the importance of rule-making on e-commerce in the WTO for the promotion of trade in services in the digital economy and the benefits of a greater participation of smaller businesses in digital trade. Some participants underscored the importance of strengthening the exploratory and non-negotiating engagement under the Work Program on E-Commerce at the WTO before embarking on rulemaking on E-Commerce.</p>
<p>The G20 Members should commit to the renewal of the moratorium on customs duties on electronic transmissions at the next Ministerial Conference.</p>	<p><i>Partially Covered</i></p> <p><b>G20 Trade and Investment Ministerial Communique</b></p>	<p>The G20 notes the ongoing discussions under the Joint Statement Initiative on Electronic Commerce and the Moratorium on Customs Duties on Electronic Transmissions, and reaffirm the need to reinvigorate the Work Program on Electronic Commerce at the WTO.</p>
<p>The G20 Members should establish a Working Group to facilitate cross-border data flows while respecting applicable legal frameworks on privacy protection and security standards.</p>	<p><i>Partially Covered</i></p> <p><b>G20 Trade and Investment Ministerial Communique</b></p>	<p>Many G20 Members highlighted that the supply of digitally-enabled services and the free flow of data, respectful of privacy and data security, can facilitate the use of services as inputs into goods production and trade. (page 20)</p> <p>Some participants stress the importance of international discussions on data governance.</p>
<p>The G20 should request that the WTO facilitate cooperation and sharing of best practices with UNCTAD on cross-cutting issues for enabling e-commerce in order to foster the inclusion of MSMEs, start-ups, and businesses in emerging economies in e-commerce networks.</p>	<p><i>Fully Covered</i></p> <p><b>G20 Trade and Investment Ministerial Communique</b></p>	<p>The G20 supports national and international efforts, including in the WTO, to improve access to relevant information for MSMEs' internationalization, including through:</p> <ul style="list-style-type: none"> <li>a. Enhancing access to market intelligence for MSMEs, especially information regarding market access, trade and investment policies, public procurement opportunities and cross-border procedures;</li> <li>b. Enhancing communication channels and networks for MSMEs, including through deepened collaboration with the private sector;</li> <li>c. Enhancing the transparency of terms and conditions of cross-border sales on digital platforms;</li> </ul>



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The G20 should commit to a multilateral approach to tax challenges arising from the digitalisation of the economy and actively support the work of the OECD/G20 Inclusive Framework on BEPS.</p>	<p><i>Fully Covered</i></p> <p><b>G20 Leaders' Declaration</b></p> <p><b>G20 Finance Ministers &amp; Central Bank Governors' Communique</b></p>	<p>The G20 welcomes the Reports on the Blueprints for Pillar 1 and Pillar 2 approved for public release by the G20/OECD Inclusive Framework on Base Erosion and Profit Shifting (BEPS). Building on this solid basis, G20 remains committed to further progress on both pillars and urge the G20/OECD Inclusive Framework on BEPS to address the remaining issues with a view to reaching a global and consensus-based solution by mid-2021. G20 welcomes the report approved by the G20/OECD Inclusive Framework on BEPS on the tax policy implications of virtual currencies.</p>
<p><b>The G20 should promote trade in services and facilitate trade finance and insurance solutions by supporting ongoing services negotiations within the WTO, facilitating access to trade finance and insurance, and supporting service exports in travel-related sectors.</b></p>	<p><i>Partially Covered</i></p> <p><b>G20 Trade and Investment Ministerial Communique</b></p>	<p>Various G20 Members considered it important to enhance transparency of services trade policies so as to facilitate trade in services.</p> <p>Many Members indicated that international rules on transparency of domestic regulations and binding commitments in trade agreements also make important contributions. A stable and transparent domestic regulatory framework, as well as international rules on trade in services generate stability, transparency and predictability for services trade suppliers.</p> <p>The G20 asks Members to Facilitate MSMEs' access to finance, including trade finance and finance that facilitates adoption of new technologies.</p>
<p>The G20 should support the ongoing WTO negotiations on services domestic regulation, call for their conclusion by the next MC, and work together across institutions to promote the cross-border provision of healthcare services.</p>	<p><i>Partially Covered</i></p> <p><b>G20 Trade and Investment Ministerial Communique</b></p>	<p>The G20 notes the ongoing discussions under the Joint Statement Initiatives (JSI) at the WTO, including the JSI on E-Commerce, Investment Facilitation for Development, MSMEs, and Services Domestic Regulation.</p> <p>The G20 Members in these initiatives call for significant progress in the lead up to the 12th WTO Ministerial Conference.</p>





B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The G20 should strengthen trade and investment in the tourism and travel-related sectors with a special focus on enabling MSMEs in a new post-crisis era by fostering innovation and digital technologies that enable sustainable practices and seamless travel.</p>	<p><i>Partially Covered</i></p> <p><b>G20 Leaders' Declaration</b></p> <p><b>G20 Tourism Ministerial Communique</b></p>	<p>The G20 stresses the importance of facilitating safe, seamless, and sustainable travel.</p>
<p>The G20 Members should evaluate and reduce administrative hurdles and domestic market protection policies, such as visa requirements, overflight and landing permits, and to reduce interference in joint ventures, to facilitate procedures such as digitalizing visa applications, and to cooperate to minimize undue restrictions for essential travel.</p>	<p><i>Partially Covered</i></p> <p><b>G20 Leaders' Declaration</b></p> <p><b>G20 Tourism Ministerial communique</b></p>	<p>The G20 will continue promoting efforts by both the public and private sectors to facilitate travel and support initiatives such as those which streamline travel and visa processes, and improve safety and security, recognizing the sovereign right of States to control the entry of foreign nationals.</p>
<p><b>The G20 should encourage and promote coherence between the multilateral trade and investment system and other relevant international organizations, especially with regard to achieving the SDGs, responding to climate change, and ensuring a smooth transition to sustainable and diversified economic development.</b></p>	<p><i>Partially Covered</i></p> <p><b>G20 Trade and Investment Ministerial Communique</b></p>	<p>The G20 recalls the importance of maintaining focus on the implementation of the Sustainable Development Goals and the role of trade and investment in this regard.</p> <p>Most G20 countries aim to promote high environmental standards within the zones, and various measures were highlighted to this end. SEZs and the incentives offered therein can attract investment relevant to the Sustainable Development Goals (SDG).</p>
<p>The G20 should encourage the WTO, the UN Division for Sustainable Development Goals, UN Women, and the World Bank to align more closely to promote the contribution of trade and investment towards achieving the SDGs without creating new barriers to trade.</p>	<p><i>Partially Covered</i></p> <p><b>G20 Trade and Investment Ministerial Communique</b></p>	<p>The G20 recalls the importance of maintaining focus on the implementation of the Sustainable Development Goals and the role of trade and investment in this regard.</p>



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The World Bank, UNCTAD, and UN Women should establish a Working Group by 2021 to analyse and mitigate the under-representation of women in international trade.</p>	<p><i>Partially Covered</i> <b>G20 Trade and Investment Ministerial Communique</b></p>	<p>The G20 will continue to support the growth of women-owned businesses and their increased participation in global markets and international trade.</p>
<p>The WTO Members should resume negotiations on fisheries subsidies that have been suspended amidst disruptions caused by Covid-19, to deliver on the SDG target 14.6.</p>	<p><i>Partially Covered</i> <b>G20 Trade and Investment Ministerial Communique</b></p>	<p>The G20 underscores the significance of ongoing WTO negotiations and reiterate our support to achieve an agreement by 2020 on comprehensive and effective disciplines on fisheries subsidies, as WTO Ministers decided at the 11th Ministerial Conference.</p>
<p>The G20 should encourage the WTO, in close cooperation with the World Bank, to support economic diversification in developing and less developed countries when negotiating new trade and investment agreements, and to engage especially local MSMEs in sharing best practices on trade, investment, and economic diversification.</p>	<p><i>Partially Covered</i> <b>G20 Trade and Investment Ministerial Communique</b></p>	<p>Economic diversification reduces vulnerability to economic shocks and remains an important goal for all countries, particularly developing and least developed countries.</p> <p>The G20 acknowledges that trade in services and special economic zones could foster economic diversification.</p>

All the B20 recommendations are reflected in the G20 Trade and Investment Ministerial Communique, and the G20 Leaders' Declaration. Policy actions and other important points mentioned in the paper also received full attention of the G20.

The B20 welcomes the G20 commitment to undertake the necessary reform of the WTO. The G20 stressed the urgent need of the functioning of the dispute settlement system. However, it has adopted a very cautious approach in addressing most of the issues related to multilateral trading system. B20 recommended review of the Agreement on Subsidies and Countervailing Measures, and the implementation of special and differential treatment provisions. The G20 discussed these two issues, however, it seems that Members failed to reach an agreement. Communique merely states the divergent views of Members, without taking a position on these issues.

The G20 acknowledged the Joint Statement Initiatives (JSI) at the WTO, including the JSI on E-Commerce, Investment Facilitation for Development, MSMEs, and Services Domestic Regulation. However, it failed to reach an agreement. The G20 participants in these initiatives called for significant progress in the lead up to the 12th WTO Ministerial Conference. The G20 Members who are not part of the JSIs expressed concerns on the rule

making by some G20 Members. Similarly, on industrial subsidies, the G20 merely acknowledges that many Members affirmed the need to strengthen the international rule on industrial subsidies.

The G20 acknowledges the need for additional actions to address gaps in investment-related technical assistance to developing and least developed countries as recommended by the B20. We welcome the "G20 Statement on Technical Assistance for Investment Attraction" which raises concern over the dramatic fall in FDI flows in developing countries because of COVID-19. The statement encourages governments to grant special attention to intensification of the provision of investment-related technical assistance, sharing of best practices on improving the efficiency technical assistance, and addressing the gaps and inefficiencies in that technical assistance.

The G20 addressed the B20 recommendation on Base Erosion and Profit Shifting (BEPS). Although, consensus on the BEPS remains elusive, deadline has been revised again from end of 2020 to mid-2021. FMCBG Communiqué urged the G20/OECD Inclusive Framework on BEPS to address the remaining issues with a view to reaching a global and consensus-based solution by mid-2021. Because of delay, several governments under pressure to collect fair share of taxes from multinational corporations have announced unilateral measures to collect taxes.



# Women in Business

## INTRODUCTION

The importance of gender equality has appeared high on the G20 agenda for several years. However, the progress has been disappointing. Despite multiple years of discussion, women still face a significant underrepresentation in leadership roles in business. Data indicates that high gender disparity persists in three key areas: employment, professional growth, and advancement.

Female labour force participation globally in 2019 was 48 percent, some 27 percentage points behind male labour force participation which was recorded at 75<sup>18</sup> percent. The situation has further deteriorated during the Covid-19 pandemic. Analysis by the Institute for Women's Policy Research finds that women accounted for 58.8 percent of job losses in the US during February-March 2020 period; and women's job losses exceeded men's in almost all sectors.

Similarly, when it comes to professional growth, women face significant challenges and are often burdened by extra commitments that hold them back from progressing in their careers. The gender pay gap is one of the most pressing and discouraging disparities: worldwide, women continue to earn less than men do. For every \$100 a man earns, a woman takes home an average of just \$73.<sup>19</sup>

When it comes to women's advancement in economic society, data shows a significant gender gap. Female representation in top roles continues to make slow progress: the proportion of women in senior management globally has increased by only around 8 percent, from approximately 21 percent in 2012 to 29 percent in 2019, and still falls short of the 30 percent tipping point expected to begin achieving gender parity.<sup>3</sup> In 2020, there are just 37 female CEOs in the Fortune 500 list.<sup>20</sup> Women are also less likely to become start-up entrepreneurs – just 28 percent of start-ups were founded by a woman according to a report from Silicon Valley bank.<sup>21</sup>

The G20 has been promoting gender equality initiatives, but there is scope to do more. In 2014, the G20 Leaders committed to a goal to reduce the gender gap in labour force participation by 25 percent by 2025. In follow up to the 2017 G20 Digital Roadmap for Digitalisation: Policies for a Digital Future, the G20 Members participated in a voluntary stocktaking of national practices that bridge the digital gender divide. It provided an overview of ongoing digitally enabled policy initiatives to reduce the gender gap, showcasing best practices and providing policy directions for consideration by the G20 Members.

<sup>18</sup> The World Bank (2019). Labour force participation rate, female (% of female population ages 15+) (modelled ILO estimate). Washington D.C.: The World Bank. <https://data.worldbank.org/indicator/SL.TLF.CACT.FE.ZS>

<sup>19</sup> Accenture (2017). Getting to Equal 2017, Closing the Gender Pay Gap. Dublin: Accenture. [https://www.accenture.com/\\_acnmedia/PDF-45/Accenture-IWD-2017-Research-Getting-To-Equal.pdf#zoom=50](https://www.accenture.com/_acnmedia/PDF-45/Accenture-IWD-2017-Research-Getting-To-Equal.pdf#zoom=50)

<sup>20</sup> Emma Hinchliffe (2020). Women run 37 Fortune 500 companies, a record high. New York: Fortune. <https://fortune.com/2020/05/18/women-run-37-fortune-500-companies-a-record-high/>

<sup>21</sup> Silicon Valley Bank (2019). Women in Technology Leadership 2019. Santa Clara: Silicon Valley Bank. [https://www.svb.com/globalassets/library/uploadedfiles/content/trends\\_and\\_insights/reports/women\\_in\\_technol](https://www.svb.com/globalassets/library/uploadedfiles/content/trends_and_insights/reports/women_in_technol)



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p><b>The G20 Members should unlock the advancement and full leadership potential of women, by driving reforms, fostering an inclusive environment, ensuring fair and equal pay, and encouraging new ways of flexible working.</b></p>	<p><i>Keywords: tackling the gender inequalities</i>  <b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>The G20 is committed to tackling inequalities, including gender inequalities.</p>
	<p><i>Fully Covered</i>  <b>G20 Leaders' Declaration</b>  <b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>The G20 affirms their commitment to meet the goal they agreed in Brisbane in 2014, "to reducing the gender gap in the participation rates between women and men in our countries by 25% by 2025", and in line with the Agenda 2030 framework.</p> <p>The G20 recognizes that while progress has been made since 2014 more efforts are necessary, including in increasing the quality of women's employment, and in advancing equal pay for equal work or work of equal value.</p> <p>The G20 will tackle the various barriers faced by women with regard to entering and advancing within the labor market, in order to achieve their commitment to reducing the gap between women and men in labor force participation as well as improving the quality of women's employment, as agreed in Brisbane in 2014 and reinforced in Bad Neuenahr in 2017.</p> <p>The G20 will continue to monitor the Brisbane goal, as stated in the 2019 G20 Leaders' Statement, to further develop their G20 Employment Plans, to provide greater focus on the achievement of these goals.</p>
	<p><i>Fully Covered</i>  <b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>The G20 also recognizes the disproportionately negative impact of the COVID-19 crisis on women's paid and unpaid work. This is due to both the nature of their jobs and increased disruptions related to care giving responsibilities, which increase the risk of their withdrawal from the labor market.</p> <p>At the same time, the G20 acknowledges that women have the potential to be drivers of the economic recovery from the COVID-19 crisis.</p> <p>The G20, therefore, commits to ensuring that these Brisbane objectives will remain high priority in their policy agendas, throughout the recovery period and beyond, to avoid any reversal of progress made so far.</p> <p>The G20 will ensure that the recent decreases in women's labor force participation do not become structural, and that quality jobs growth benefits all people.</p>



**B20 Recommendations and Policy Actions**

**Extent of Coverage and Document Name**

**G20 Commitment**

The G20 Members should evaluate and amend national policies on equality to ensure they protect the rights and equal opportunities of women.

The G20 should implement - where not already in place - legislation that eradicates all forms of discrimination and mitigate unconscious bias in recruitment, pay, training and advancement, flexible working, maternity and paternity leave, adoption/foster leave for adoptive/foster parents - subject to local regulations and requirements, accompanied by mechanisms to boost transparency on implementation levels and address shortcomings.

The governments need to remove structural barriers to female labour market and industrial participation: legislation that prohibits female participation in certain sectors and roles should be withdrawn if the G20 Members are to address structural inequality and further the professional advancement of their female labour force.

The G20 should ensure that increasing women's participation in the labour market is accompanied by support for work-life transitions and reduction of enduring barriers to employment.

Organizations must be clear that harassment will not be tolerated and they must deal with any form of alleged sexual harassment seriously.

*Partially Covered*

**G20 Leaders' Declaration**

**G20 Labor and Employment Ministerial Declaration**

The G20 recognizes that women, particularly young women and women from disadvantaged groups, often face additional barriers to gaining access to the labor market and decent jobs, as well as to equal career opportunities and leadership positions. These barriers often include gender stereotypes, especially about the role of women in the economy, discrimination in employment, unequal distribution of care responsibilities, unequal access to training, violence and harassment at work and persistent gender pay gaps.



B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>While limiting social and cultural norms will take time to change, there has to be legal, societal, infrastructural and skilling support for women to return to work after childbirth or caring responsibilities in the short-term.</p> <p>The G20 Members should implement policies for employers that encourage full transparency, eliminating all legal restrictions, and continuously evaluating progress to help make pay parity a reality.</p> <p>Workforces would benefit from men becoming greater advocates of advancing gender equality, inclusiveness and the mechanisms required to enable women to rise and grasp opportunities (flexible working models, greater domestic support by men in the home and with caring responsibilities etc.).</p>	<p><i>Fully Covered</i>  <b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>The G20 encourages access to quality and affordable care services, a more balanced sharing of household and care responsibilities between women and men, including men’s take-up of family related leave and reducing gender inequalities in job quality, access to education and training as well as pay and pension gaps.</p>
<p><b>The G20 should promote female business ownership and create an enabling environment for female-founded start-ups and businesses.</b></p>	<p><i>Partially Covered</i>  <b>G20 Leaders’ Declaration</b></p> <p><i>Keywords: Women-owned MSMEs and access to finance</i></p> <p><b>G20 Trade and Investment Ministerial Communiqué</b></p>	<p>MSMEs face disproportional challenges in their efforts to become more competitive and more integrated into the global economy. They are particularly vulnerable to shocks, such as the COVID-19 pandemic, are disproportionately affected by the lack of resources, information and skills, including to adapt to technological changes, encounter challenges in adapting to different regulatory frameworks and new regulations, and face difficulties in joining regional and global value chains. This is particularly the case for women-owned MSMEs which often have limited access to finance and business opportunities.</p>
<p>The G20 should eliminate barriers to access to expertise and finance for women-owned/led micro, small and medium enterprises (MSMEs) as well as informal entrepreneurs and women-founded start-ups through affordable legal support, increased financial literacy and a range of financial instruments.</p>		

B20 Recommendations and Policy Actions	Extent of Coverage and Document Name	G20 Commitment
<p>The G20 should apply a user-centric approach to policymaking and create synergies between stakeholders.</p>	<p><i>Keywords: human-centred approach in policymaking</i></p> <p><b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>The G20 acknowledges the value of bringing together technology and a human-centered approach including by using Behavioral Insights in employment policymaking.</p>
	<p><i>Keywords: evidence-based policy approaches and technology in policymaking</i></p> <p><b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>Scientific inquiry and technology remain pivotal to evidence-based decision-making. Seeking to better understand the drivers of human behavior can help produce better tailored, more effective and adaptive policies to meet the diverse needs of our labor markets. Many G20 Members already promote evidence-based policy approaches.</p>
<p>Concerted action across all countries and stakeholders is essential for achieving equal participation and success of women in business. Beyond the baseline responsibility of equality, stakeholders need to pool in resources and expertise to design and implement policies that support the advancement of women to move faster to solutions.</p>	<p><i>Fully Covered</i></p> <p><b>G20 Labor and Employment Ministerial Declaration</b></p>	<p>The G20 welcomes the annual monitoring report by the ILO and the OECD.</p>



The Women in Business recommendations were covered in the G20 Labor and Employment Ministerial Declaration and the G20 Trade and Investment Ministerial Communiqué.

For the 2020 B20, success is reflected in the G20's commitment to tackle the gender inequalities, foster an inclusive environment, and unblock the advancement and leadership potential of women by addressing various barriers faced by women with regard to entering and advancing within the labour market.

However, there is a missed opportunity - to tackle the gap that needs immediate action, which is the representation of women in emerging fields. Female participation in STEM careers lags behind that of men. Therefore, the B20 recommends that the G20 Members should prepare and implement a comprehensive Women in STEM roadmap with the strategic objective of increasing the pipeline of women in high-skilled jobs.

The success for the B20 is the mention of equal pay and creating support mechanisms to get more women into the formal workforce. The missed opportunity is the commitment to implement policies for employers that set goals and transparent disclosure requirements to increase women in leadership positions and related matters of gender pay gap.

Introducing and raising awareness on equal opportunities and equal pay legislation to ensure women receive equal pay for equal work across both public and private sectors, including equal benefits and employer contributions, underpinned by an enforcement mechanism and backed by transparent reporting and monitoring, could see a quicker route to achieving gender diversity at senior levels.

The progress for the B20 is also in the G20's acknowledgement that COVID-19 has significantly impacted women-owned MSMEs which often have limited access to finance and business opportunities. The commitment to eliminate barriers to access expertise and finance for women-owned/led MSMEs, informal entrepreneurs and women-founded start-ups through affordable legal support, increased financial literacy and a range of financial instruments is the missed opportunity here. As well as focusing on capacity building for all women entrepreneurs and female-owned businesses to grow and expand their ventures in international trade, with customization for both 'growth-oriented' women entrepreneurs.

Bringing informal entrepreneurs into the formal economy will require a range of measures by the G20 Members, similar to those required to create an enabling environment. Formalizing informal ventures and supporting the female entrepreneurs with support such as financing, access to markets and skilling could help these women to grow their businesses and increase their sustainability.

The B20 strongly recommends the establishment of an index alongside a scoring mechanism that would facilitate both the evaluation of the current state of each G20 Member as well as the relative progress and impact achieved by each country in implementing the Action Council's policy actions over forthcoming B20s. Such a reporting and tracking mechanism could be supported by annual disclosures and would serve as both a showcasing mechanism for more advanced and impactful initiatives as well as providing best practices to inspire other countries.

# Abbreviations

<b>AI</b>	Artificial Intelligence
<b>BIS</b>	Bank for International Settlements
<b>CCE</b>	Circular Carbon Economy
<b>CCUS</b>	Carbon-capture-and-utilization or storage
<b>CR</b>	Carbon Recycling
<b>DAC</b>	Direct Air Capture
<b>DETF</b>	Digital Economy Task Force
<b>DSSI</b>	Debt Service Suspension Initiative
<b>E2V</b>	Emissions to Value
<b>ECE</b>	Early Childhood Education
<b>ESG</b>	environmental, social, and governance
<b>FATF</b>	Financial Action Task Force
<b>FDI</b>	Foreign Direct Investment
<b>FMCBG</b>	Finance Ministers & Central Bank Governors'
<b>FSB</b>	Financial Stability Board
<b>GIH</b>	Global Infrastructure Hub
<b>GDP</b>	Gross domestic product
<b>GSFG</b>	Green Finance Study Group
<b>JSI</b>	Joint Statement Initiatives

<b>ICT</b>	Information and Communications Technology
<b>ILO</b>	International Labour Organisation
<b>IMF</b>	the International Monetary Fund
<b>IoT</b>	Internet of Things
<b>IOSCO</b>	International Organization of Securities Commissions
<b>MDBs</b>	Multilateral Development Banks
<b>MSME</b>	Micro, small and medium enterprises
<b>NEET</b>	Not in employment, education or training.
<b>NGOs</b>	Non-Governmental Organizations
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>PPPs</b>	Privatization and Public-Private Partnerships
<b>SEZ</b>	Special Economic Zone
<b>SDG</b>	Sustainable Development Goals
<b>SFSG</b>	Sustainable Finance Study Group
<b>TCFD</b>	Tasforce on Climate-Related Financial Disclosures
<b>UNCAC</b>	United Nations Convention against Corruption
<b>UNCTAD</b>	United Nations Conference on Trade and Development
<b>UNTOC</b>	United Nations Convention against Transnational Organized Crime
<b>WTO</b>	World Trade Organisation

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