

Policy Note



The G20 and the world

“As a Forum representing over 80% of the global economy, we have a responsibility to all citizens. We will remain engaged with the international community as a whole and make sure that the interests of countries at all stages of development are taken into account. Nor can we ignore the far-reaching impact of our actions. To this end, we will ... listen carefully to all institutions and countries that are not in the Group.”

G20 Leaders, G20 Fifth Anniversary Vision Statement, September 2013

The G20 matters to all

Raising global growth to improve living standards for people across the world is the G20's highest priority.

When G20 leaders meet in Brisbane in November, they will discuss an agenda that reflects extensive consultation with global stakeholders including the United Nations, the Association of South East Asian Nations (ASEAN), the African Union (AU), the New Partnership for Africa's Development (NEPAD), the Commonwealth, La Francophonie, the Caribbean Community (CARICOM), the Pacific Island Forum (PIF) and the World Economic Forum (WEF).

International dialogue helps the G20 strengthen economic cooperation, benefiting all countries, including those outside the G20. It also deepens understanding of the role of the G20 and its work to address the challenges facing the global economy.

As part of preparations for the Brisbane Summit, the G20 sought the views of other countries on the 2014 agenda, including on investment

in infrastructure, strengthening tax cooperation and facilitating financial inclusion and remittance flows. Members also consulted with developing countries on getting the economic policy settings right to enhance food security and nutrition and on the UN post-2015 development agenda.

INVITING OTHERS TO WORK ON SHARED CHALLENGES

In addition to consulting with developing countries, the G20 host invites guest countries to attend the Leaders' Summit and participate in member discussions about the agenda. This allows these countries to bring their views and the views of the regions they represent to the G20 table. Guests help the G20 understand and take into account regional economic challenges and the effects of G20 decisions on people and governments around the world.

Each year the G20's guests include Spain (a permanent invitee), the Chair of ASEAN, the chair of the AU, a representative of NEPAD and a country or countries invited by the presidency,

usually from its own region. Since the first leader-level meeting of the G20 in 2008, guests have included Benin, Brunei, Cambodia, Chile, Colombia, Equatorial Guinea, Ethiopia, Kazakhstan, Malawi, the Netherlands, Switzerland, Thailand, the United Arab Emirates and Vietnam.

In 2014 Australia welcomes Spain, Mauritania (as 2014 AU chair), Myanmar (as 2014 ASEAN chair), Senegal (representing NEPAD), New Zealand and Singapore.



Australia's G20 Sherpa, Dr Heather Smith, delivers an address on the 2014 G20 agenda in May to the Lee Kuan Yew School of Public Policy, National University of Singapore.

CONSULTING WITH DEVELOPING COUNTRIES TO HEAR THEIR VIEWS



In 2014, G20 members obtained the views of other countries through a broad range of activities:

Investment in infrastructure:

Building on G20 analysis in 2013 of project preparation in Africa, this year the G20 surveyed low-to-middle-income countries across Asia to identify ways to strengthen project preparation to boost investment in infrastructure. As a result, the G20 has agreed to actions to strengthen developing countries' capacity for identifying infrastructure priorities, increase transparency of the cost of quality project preparation, and make use of the private sector in infrastructure design, funding, delivery and long-term operation.



Tax and development:

In 2014, in partnership with international organisations, the G20

consulted with developing countries to explore the opportunities and challenges of the G20 tax agenda. The G20 raised awareness and gathered a broad range of perspectives on the G20 tax agenda, including through the G20-led International Tax Symposium in Tokyo in May.

The OECD worked with regional tax administration forums to consult with developing countries in February and March. At these meetings, developing countries asked the G20 to work on the efficient and effective use of tax incentives for investment and the availability of quality transfer pricing comparability data, and the group has agreed to do so.

In 2014, G20 Finance Ministers asked the OECD, International Monetary Fund, UN and World Bank Group to develop a new structured dialogue

process by the Brisbane Summit for developing countries to have direct input on the G20-OECD BEPS work.



Food security and nutrition:

In 2014 the G20 – together with the United Nations Food and Agriculture

Organisation (FAO) and the OECD – reviewed the links between job creation, economic growth, food security and nutrition, with a focus on low-income countries (LICs). G20 members consulted extensively with non-member LICs and small island developing states. Australia organised a consultation in Rome with LICs and other non-G20 representatives, farmers' organisations, NGOs, international organisations and G20 engagement groups. These consultations informed the framework to guide future G20 food security actions.



UN post-2015 development agenda:

The G20 hosted a forum in May in Hobart on how the G20 might

best contribute to the post-2015 development agenda led by the United Nations. The forum, attended by G20 officials and external partners, including representatives of the Civil Society 20 (C20), the Labour 20 (L20), the Think 20 (T20) and the Youth 20 (Y20), as well as the Pacific Islands Forum, discussed the importance of economic growth, jobs and global resilience to development. The United Nations Development Programme outlined the latest developments in the post-2015 process and outlined the G20's possible contribution to this work. The post-2015 development agenda was also discussed in August in Bangkok at the UN ESCAP High-level Consultation on the G20 Brisbane Summit: Perspectives from Asia-Pacific.

REACHING OUT

Australia considers outreach to be a central element of its responsibilities as G20 host to ensure that non-member views are considered by members. In 2014, Australia has listened to views on the G20 agenda, clearly explained the G20's work and demonstrated its link to growth and employment in the global economy.

At the beginning of its presidency, Australia appointed a G20 Special Representative, Daniel Sloper, to undertake international outreach. The Special Representative has worked closely with countries and regional organisations, including the Asia-Pacific Economic Cooperation forum (APEC), ASEAN, the UN Economic and Social Commission for Asia and the Pacific (UN ESCAP) and PIF. Mr Sloper travelled to meet with representatives from countries around the world, including in the Caribbean, the Persian Gulf, the Pacific and Africa, to promote the G20's agenda and seek their views on key issues.



G20 workshop participants discussing in Hobart in May how the G20 might best contribute to the post-2015 development agenda



Australia's Finance Deputy, Barry Sterland, delivers an address in Tokyo to the G20 Tax Symposium in May



The Special Representative delivering the keynote speech at a roundtable meeting with the Global Governance Group (3G) in New York on 25 July. Australia's Foreign Minister Julie Bishop briefed the 3G on Australia's G20 presidency and engagement with non-member countries in January.

In June, the Special Representative travelled to Ethiopia where he joined South African officials to discuss the G20 agenda with the AU Permanent Representatives Committee, and separately met with the United Nations Commission for Africa. He also participated in a panel on financing infrastructure in Sub-Saharan Africa at the IMF's Africa Rising Conference in Mozambique.

Australian ambassadors, ministers and other senior officials also participated in G20 advocacy events around the world. These events sought to further the discussion on the G20's priorities, promote international economic governance and improve understanding of the G20 and how its work benefits people worldwide. In Canberra, senior officials provided regular G20 briefings to the diplomatic community.

Australia's G20 website provides information about the G20 and the Brisbane Summit. Factsheets and policy notes are available to help explain the 2014 G20 agenda, some of which are available in up to 14 languages – Arabic, English, French, German, Hindi, Indonesian, Italian, Japanese, Korean, Mandarin, Portuguese, Russian, Spanish and Turkish. Australian embassies have promoted these materials to local audiences.

G20-APEC SYMPOSIUM



Australia's APEC Ambassador Sam Gerovich, Chinese G20 Sherpa and Vice-Minister for Foreign Affairs Li Baodong and Australian G20 Sherpa Dr Heather Smith at the Shanghai symposium.

In April, China and Australia sponsored a symposium in Shanghai to explore opportunities for synergies between APEC and the G20 in the pursuit of regional and global economic growth and resilience. The event, hosted by the Australian National University and the Shanghai Institute of International Studies (SIIS), was attended by APEC Ambassadors and G20 Sherpas from China and Australia.

The symposium was an opportunity for Australian and Chinese academics, businesspeople and policy advisers to exchange views with experts from G20 and APEC members on global and regional economic issues. These issues included future sources of growth, structural reform and connectivity of APEC and G20 economies, investment and infrastructure, and trade and resisting protectionism.

2014 DIALOGUE ON THE G20 AGENDA: COMMONWEALTH AND LA FRANCOPHONIE

Commonwealth and La Francophonie representatives met members of the G20 Development Working Group at the third annual G20 Development Dialogue in Washington D.C. in April to deepen dialogue and engagement on the G20 development agenda.

Participants included representatives of more than 20 developing countries in the Commonwealth and La Francophonie. Representatives, including from 13 G20 member economies, attended from Africa, Asia, Europe, the Pacific and the Caribbean.

Several international organisations also participated, including the World Bank, the International Monetary Fund, the Overseas Development Institute, the Development Finance International, the World Food Programme, the International Fund for Agricultural Development, the OECD and the G24.

The meeting focussed on:

- ▶ G20 development priorities during 2014
- ▶ particular needs and challenges of developing countries in achieving growth with resilience
- ▶ how International Financial Centres can meet the international requirements for international tax transparency
- ▶ improving access to international and regional value chains for poor, small and vulnerable countries
- ▶ the role of informal sectors in promoting growth and employment.

Commonwealth and La Francophonie members called for strengthened economic cooperation with G20 countries in access to finance, reducing trade costs, infrastructure needs and financing standards implementation, and fostering knowledge and technology transfers.



Delegates meet before the start of a G20 meeting

UN HIGH-LEVEL CONSULTATION ON THE BRISBANE SUMMIT

In Bangkok in August, Australia's G20 Special Representative spoke at the fifth annual high-level consultation on the G20. These discussions were initiated in 2010 by the Republic of Korea as G20 host.

The event provides a platform for non-G20 countries and least developed countries to share perspectives on the issues being addressed by the G20 and to identify areas of common interest for UN ESCAP and the G20.

This year's consultation covered investment in infrastructure, the post 2015 development agenda, trade, employment, financial inclusion and remittances, financial regulatory reforms, tax cooperation, anti-corruption, and energy.

UN G20 Sherpa, Ms Shamshad Akhtar spoke at the event, highlighting strong linkages between G20 and UN ESCAP priorities. The G20's 2014 themes align with the Asia-Pacific region's priorities and are closely related to the work of UN ESCAP in areas including:

- ▶ Achieving robust, sustainable and inclusive growth
- ▶ Boosting infrastructure financing, including through public-private partnerships (PPP) and new mechanisms to mobilize regional savings
- ▶ Strengthening domestic resource mobilization, including through tackling base erosion and profit shifting
- ▶ Continued support for the trade agenda, particularly enhancing trade facilitation and reducing trade barriers
- ▶ Improved financial access for small and medium enterprises in the region; and
- ▶ Reform of financial institutions and markets to reduce the probability of systemic failures.

Ms Akhtar said it was important that the G20 development agenda and the emerging UN Sustainable Development Agenda were coherent and consistent.

Further information

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