

Jens Martens

Corporate Influence on the G20

The case of the B20 and
transnational business networks

二十国集团工商峰会 B20 SUMMIT

中国·杭州 2016年9月3-4日 HANGZHOU, CHINA 3-4 SEPTEMBER 2016



HEINRICH
BÖLL
STIFTUNG

GPF
Global Policy Forum

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Published by

Global Policy Forum

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New York, NY 10017
USA

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Cover picture: Jacoline Schoonees/GCIS, South Africa (CC BY-ND 2.0)

Design and Printing: www.kalinski.media

ISBN 978-3-943126-32-7

First edition, Berlin/Bonn/New York, March 2017

Data and information cited in this study are as of 31 December 2016.

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The Deutsche Nationalbibliothek lists this publication in the Deutsche Nationalbibliografie; detailed bibliographic data are available in the Internet at <http://dnb.d-nb.de>

Acknowledgements

The author is grateful for advice and comments on earlier versions of this study received from many colleagues, in particular Nancy Alexander, Heike Löschmann and John Ruthrauff. This study, however, does not necessarily represent their opinions. Any errors or omissions are the sole responsibility of the author.

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Executive Summary

Over the past eight years, the **G20 has emerged as one of the most prominent political fora for international cooperation**, far beyond its original mandate to tackle the global economic and financial crisis of 2007/2008. Today its agenda covers financial and economic issues, investment (particularly in infrastructure), labour market and employment policy, the opportunities and challenges of digital technology, climate change, development, agriculture, global health, migration, counter-terrorism, and other issues of global significance.

For transnational corporations and their national and international associations and lobby groups, the G20 process provides important opportunities to engage with the world's most powerful governments on a regular basis, shape their discourse, and influence their decisions. For this purpose, **business actors have created a broad network of alliances and fora around the G20**, with the Business20 (B20) as the most visible symbol of corporate engagement.

It is difficult to measure the direct influence of business actors on the G20 and to assess their impact. Given the lack of transparency and disclosure of the G20, systematic information about its meetings is not publicly available.

The **B20 and the International Chamber of Commerce (ICC) claim success in influencing G20 decision-making** in various impact reports and G20 Business Scorecards, leading to the conclusion that the G20 is increasingly responsive to the priority recommendations put forward by them.

However, it is not clear whether the commonalities of business and G20 positions have been caused by direct B20 interventions, by the lobbying of national business groups in G20 countries, by longer-term methods of influencing discourses and political decision-making processes (including public relations campaigns and scientific research commissioned by corporate interest groups), or simply because governments share certain views and analyses of business actors. Whatever the case, the comparison of business recommendations and G20 communiqués shows a large proportion of overlapping positions and common language. This indicates the **high degree of direct or indirect influence that corporate actors exert on shaping the agenda and the discourse of the G20**.

Key messages of business actors to the G20 – and what’s wrong with them

In listening to the key catchwords of corporate actors in their recommendations to the G20, such as encouraging innovation, optimizing regulation, or developing effective and efficient governance, one may wonder “**what’s the problem?**” But a closer look behind the flowery language reveals that corporate engagement in and influence on the G20 discourse entail considerable risks and side-effects. The following aspects are of particular concern:

- » **Obsession with economic growth at the expense of the environment:** The B20 and the ICC have constantly been preaching economic growth as a panacea and a sine qua non condition for prosperity and development. But there is ample proof to suggest that growth cannot simply be equated with prosperity and sustainability. On the contrary, in recent decades, economic growth has been accompanied by growing inequality and environmental degradation in most countries around the world. The B20 follows a “more of the same” approach that is in sharp contrast to more sophisticated concepts of sustainability.
- » **Push for deregulation:** Transnational banks, investment firms and their lobby groups worked hard to weaken regulations intended to help lessen the risk of another financial crisis. At G20 level, business representatives recommended that the G20 leaders “pause”, criticized “inefficient regulation and overregulation of business”, and called on the G20 to “optimize” and “re-evaluate” post-crisis financial regulation. Their interventions prepare the ground for the next global financial crisis.
- » **Promotion of investor interests:** Calls for trade liberalization, open investment markets, and the elimination of all forms of protectionist measures have been always core demands of the B20 and the ICC to the G20. They call on governments to create or strengthen investment protection and promotion agreements and insist that these agreements must include strong investor-state dispute settlement (ISDS) provisions giving transnational corporations the right to sue host governments for alleged discriminatory practices. The ICC itself is one of the leading international institutions that provide dispute settlement services. But the ISDS provisions potentially restrict the policy space of governments to pass legislation addressing public health, environmental protection, and labour rights. They give priority to investors’ rights over human rights.
- » **Promotion of Public-Private Partnerships (PPPs) and private finance of public infrastructure:** Business actors promote PPPs as a particularly promising model to fill the global funding gap in

infrastructure and ask Multilateral Development Banks and G20 member nations to develop bankable PPPs with well-balanced risk allocation and adequate long-term investor protection. But what the B20 actually means by “well-balanced risk allocation” in fact seems to entail minimizing the risk for the private investor by maximizing it for the public partner. Many studies have shown that PPPs involve disproportionate risks and costs for the public sector. They can even exacerbate inequalities and decrease equitable access to infrastructure services.

- » **Preferential treatment for the business lobby in global governance:** While business actors have constantly enjoyed preferential treatment by the G20 and far better access to its deliberations and decision-making processes than civil society organizations and trade unions, they continue to insist on a more formalized relationship. The ICC stated for instance in December 2016 that among the longstanding recommendations by business to the G20 were calls for establishing formal business representation in the G20 energy-related working groups.

Time to counterbalance corporate influence in the G20

The **Enhanced Structural Reform Agenda** adopted at the 2016 G20 Summit in China **is a good example of the corporate influence** on the G20. It reflects a narrow and purely economic understanding of the need for structural change. This is in sharp contrast to the holistic approach of the 2030 Agenda for Sustainable Development, adopted by the United Nations (UN) in September 2015. While the 2030 Agenda posits the need for an integrated and indivisible approach to balance the economic, social and environmental dimensions of sustainability, the Enhanced Structural Reform Agenda of the G20 mentions social and environmental concerns only in passing and completely ignores human rights as guiding principle for any structural reform.

In order to at least gradually overcome the described imbalances in G20 policies and the double standards in its openness towards business and civil society, **substantial reforms are necessary**. They relate to procedural as well as to political aspects of the G20 process.

- » **Enhancing transparency and disclosure:** The discussions and decision-making processes in the G20 proceed largely behind closed doors. In order to overcome the lack of transparency and comprehend its decision-making processes, the G20 should disclose fully and timely all documents related to its meetings, including Sherpa, working group, and ministerial meetings.
- » **Providing equal access to all Engagement Groups instead of preferential treatment for business:** In order to demonstrate its

openness towards social groups, the G20 has set up various Engagement Groups. But business actors have constantly enjoyed better access to G20 decision-makers. While the space for civil society organizations has been shrinking in several G20 countries and inter-governmental fora, the space for corporate interest groups has been widening. The G20 should elaborate clear and consistent standards for engagement with non-state actors that allow for systematic participation of civil society organizations in its discussions while preventing undue influence of corporate interest groups. All forms of preferential treatment for business groups in the G20 process should be stopped.

- » **Taking policy coherence for sustainable development seriously:** At UN level, G20 Governments formally agreed on a comprehensive set of sustainability principles and human rights. But at G20 level, they failed to effectively bring their policies into line with them. Instead of subordinating their policies to the overarching goal of maximizing GDP growth, the leitmotif of their policies should be that of maximizing the well-being of the people without compromising the well-being of future generations by respecting the planetary boundaries. In order to translate this leitmotif into practical policy, G20 Governments should adopt binding commitments to policy coherence for sustainable development. Specifically, financial, economic and trade policies should be coherent with sustainable development policies. Responsiveness of G20 member nations to the principles and goals of the 2030 Agenda for Sustainable Development of the UN should be assessed systematically.
- » **Strengthening public policies instead of investors' rights:** In G20 discussions, corporate lobby groups have been advocating forcefully against "overregulation," and for exactly those trade, investment and financial rules that have tended to destabilize the global economy and exacerbate inequalities in both the global North and the global South. The G20 should fundamentally rethink its approach towards trade and investment liberalization and take into account the demands of civil society organizations, trade unions, indigenous peoples, human rights experts, and many others, to place human rights and the principles of sustainable development at the core of all trade and investment agreements.
- » **Rethinking PPPs in the G20 process:** Business actors and corporate think tanks have been steadily promoting PPPs as the primary model to fill the global funding gap in infrastructure investment. However, many studies have shown that PPPs often involve risks to the public sector and can even exacerbate inequalities and decrease equitable access to infrastructure services. The G20 should take these findings and concerns into account, rethink its approach towards private sector participation in infrastructure investment, and explore alternative

means of public infrastructure financing. Where long-term institutional investors are involved in financing infrastructure, the G20 High Level Principles guiding their activities should be revised to promote coherence with social and environmental goals.

- » **Recalibrating the role of the G20 in global governance – reclaiming democratic multilateralism:** The measures listed above are indispensable to counteracting the influence of corporate interests on discourse and policies in the G20. But these measures are not ends in themselves. There is a need to reconsider the current mainstream approach based on “club” governance and “partnerships” among diverse “stakeholders”. Creating consistent standards for transparency, the engagement with non-state actors, and policy coherence should not lead to the further strengthening of the G20. Rather than continuing to outsource tasks to clubs with limited membership and piecemeal partnerships with decision-making structures outside the UN, G20 Governments should enable the UN to be the leader in the establishment of democratic global governance and subordinate the G20 to it.

I. Introduction:

The G20 in the global governance architecture

The multiple crises

In recent years, economic, social, and ecological crises have intensified. Climate change has reached an alarming pace, the gap between rich and poor within countries and among countries is widening, and social disparities are growing – hand in hand with the potential for social strife. The combination of political deregulation and technological progress has enabled a rapid growth of the financial markets, and unfettered *casino capitalism* has added to the destabilization of the world economy and its vulnerability to crises.

The coincidence of ecological, social and economic crises has caused politicians, scientists, and civil society activists to think about political strategies beyond *business as usual*. Many are calling for transformative shifts and fundamental change in consumption and production patterns. But the necessary political breakthroughs at the global level are still missing. On the contrary, the latest political developments in the United States and other countries suggest that things are moving backwards.

Increased role of corporate actors in global governance

In the long run, everybody – people and business – will benefit from policies aimed at social equality, the fulfillment of human rights, and the respect for *planetary boundaries*. In the short term, however, there will be losers, especially in sectors that are benefiting from the *status quo*, be that businesses and industries, including financial industries, invested in the “brown economy”.

Particularly in these sectors, we are facing a trend towards more market concentration and power. The commodity markets are dominated by a handful of mining companies. The ten largest chemical corporations share a stunning 40 per cent of world markets, the ten biggest energy providers 25 per cent, and a small number of transnational corporations (TNCs) in the seed industry, led by Monsanto, nearly three quarters of the world market. These corporations and their agents and lobbyists use various methods to influence discourses and political decision-making processes, in order to promote business-led and market-based solutions to global challenges.

Corporations and their agents and lobbyists use various methods to influence discourses and political decision-making

The business sector certainly has an important role to play in the process of achieving sustainable development, which will require major changes

in business practices. Some pioneering companies are already on the path towards sustainable development solutions (for instance in the area of renewable energies). However, acknowledging the role of corporations should come hand-in-hand with requiring various forms of accountability, such as appropriate regulation, preventing undue influence on policy-making, and addressing their responsibility for creating and/or exacerbating many of the problems that governments are supposed to tackle. This is also true for the activities of the G20.

The G20 as “premier forum for international economic cooperation”

At their Pittsburgh Summit in September 2009, the Leaders of the G20 countries established themselves as “the premier forum for our international economic cooperation.” At the peak of the most recent global economic and financial crisis the G20 replaced the G7/8 as central forum for coordinating crisis management. At the same time, G20 governments refused to give the United Nations and its Economic and Social Council any meaningful role in global economic governance (see Box 1).

Box 1

A brief history of the G20

In response to the Asian financial crisis (1997–1998), the governments of the G7 countries took the initiative in 1999 to improve the coordination of finance and monetary policy between the G7 and other important industrialized countries and emerging economies. The result was the founding of the G20. Initially, the G20 met exclusively at the level of the Ministers of Finance and Central Bank Governors. The first G20 meeting was held in Berlin on 15–16 December 1999, hosted by German Finance Minister Hans Eichel.

In the years following, the G20 was brought into play by academics and politicians as a more representative alternative to the G7/8, first and foremost by then Canadian Premier Paul Martin. Already in 2003, Martin suggested that the G20 get organized at the level of heads of state and government as L20 (Leaders 20).

The then US President, George W. Bush, took up this notion and used the G20 as a format for the summit meeting held after the “outbreak” of the global financial crisis on 15 November 2008, in Washington, D.C.

With two further summits in London on 2 April 2009 and in Pittsburgh on 24–25 September 2009, the G20 became the central forum for global crisis management.

In Washington, the G20 adopted a plan of action that above all contained resolutions on improved regulation and reform of the international finance system. The measures it provided were primarily intended to restore the functionality of the global financial markets.

The London summit centered on bridging the worldwide liquidity bottlenecks. The heads of state and government announced financial injections totaling more than a

trillion US dollars to be channeled mainly via the International Monetary Fund (IMF). This decision enabled the IMF to enjoy a political comeback.

With the Pittsburgh Summit, the governments once and for all institutionalized the G20 at the highest level. "Today, we designated the G-20 as the premier forum for our international economic cooperation," the heads of state and government declared concluding the meeting.¹

At the Pittsburgh Summit, the G20 began to venture beyond short and medium term crisis management. For example, the governments specially devoted a section of the Pittsburgh Statements to the topic of labour and employment, addressing issues such as their support for the initiative of the International Labour Organization (ILO) to establish a Global Jobs Pact and their agreement to ensure the group's continuous focus on employment policy through meetings of the G20 labour ministers.

At the subsequent summits in Toronto (June 2010) and Seoul (November 2010), the G20 further extended its original area of responsibility, international finance and monetary policy.

In Seoul, the G20 widened its focus to nine areas of economic development: infrastructure, private investment and job creation, human resources development, trade, financial inclusion, food security, governance, and knowledge sharing. The G20 Leaders endorsed the Seoul Development Consensus for Shared Growth and its Multi-Year Action Plan on Development.

This trend was to continue in the following years at the summit meetings in Cannes (November 2011), Los Cabos (June 2012), St Petersburg (September 2013), Brisbane (November 2014), Antalya (November 2015), and Hangzhou (September 2016). The range of topics was continuously extended, and today, it also comprises environmental issues, climate protection, and the implementation of the 2030 Agenda for Sustainable Development.

To prepare its decisions, the G20 created a network of working groups over the years. They are organized in two tracks, one led by the finance ministers and one by so-called "Sherpas," representing the heads of state and government. The themes of the working groups are modified according to the priorities of the respective presidency. The following groups exist in 2017:²

- » Agriculture Working Group
- » Anti Corruption Working Group (ACWG)
- » Development Working Group
- » Employment Working Group
- » Framework for Growth Working Group
- » Global Partnership for Financial Inclusion
- » Green Finance Study Group

1 G20 (2009a), para. 50.

2 Cf. www.g20.org/Webs/G20/EN/G20/meeting_ministers/meetings_ministers_node.html.

- » Health Working Group
- » International Financial Architecture Working Group
- » Sustainability Working Group (Energy and Climate)
- » Trade and Investment Working Group
- » Task Force on the Digital Economy

The priorities of the G20 are defined by the respective presidency, which changes annually. "Growth" – strong, inclusive, balanced, and sustainable (economically, not environmentally) – remains the overarching leitmotiv of the G20.

Although many of the topics are dealt with on a continuous basis, the government chairing the G20 has sufficient scope to define its own focal areas. This also applies to the German Federal Government, which chairs the G20 from 1 December 2016 to 30 November 2017.

The German Government announced the following thematic priorities for its presidency:³

Priorities of the G20 Summit in 2017 – Shaping an Interconnected World

Building Resilience	Improving Sustainability	Assuming Responsibility
World Economy	Climate and Energy	Tackling the Causes of Displacement
Trade and Investment	2030 Agenda	Partnership with Africa
Employment	Digitalisation	Fighting Terrorism
Financial Markets / Int. fin. architecture	Global Health	Anti-Corruption
International Tax Cooperation	Empowering Women	Agriculture / Food Security

The German G20 Summit takes place in Hamburg on 7–8 July 2017.

³ Cf. German Government (2016).

Since then, the G20 has steadily broadened its scope beyond international economic cooperation into areas like food and nutrition, energy, infrastructure development, anti-corruption, and tax cooperation.

Many critics question the G20's legitimacy and effectiveness

However, many critics question not only the G20's legitimacy to take decisions that have an impact on countries that are not members of the club, but also its effectiveness in adequately addressing the issues on its agenda (see Box 2). The decisions of the G20 on the regulation of the financial markets and the taxation of transnational corporations remain particularly timid and insufficient. Instead, many decisions of the G20 have reflected a strong bias towards market-based solutions to global challenges, assuming that corporations are pivotal for sustainable development and their voluntary commitments and investments have a comparative advantage over "command and control" approaches.

But how influential are corporations and their interest groups in shaping the G20's decisions? The G20 reached out to different social actors by creating so-called "Engagement Groups" for business (B20), civil society (C20), trade unions (L20), think tanks (T20), women (W20), youth (Y20), and, most recently, science (S20). But do they all have equal access to G20 discussions and decision-making of the participating governments – or is one group, the B20, "more equal" than the others? And how to assess the influence of business associations like the International Chamber of Commerce (ICC), or even of corporate individuals (like Bill Gates), on G20 agenda-setting and decision-making?

Time to take a closer look at the role and influence of corporate actors in the G20

The following chapter briefly describes the various Engagement Groups established around the G20 and their composition, role and functioning, i.e. the Business20 (B20), Labour20 (L20), Civil20 (C20), Youth20 (Y20), Think20 (T20), Women20 (W20), and Science20 (S20).

The third part of the paper maps out the key business players and associations from the different business sectors and branches involved in the work of the G20, particularly the B20 and the ICC.

The fourth part analyzes key messages and policy recommendations of corporate actors in the G20. The analysis focuses on reports and statements submitted by corporate-led processes to feed into the G20. The paper highlights, *inter alia*, four key messages: the focus on growth and new technologies; the emphasis on private finance and public-private partnerships in infrastructure development; the reduced role of governments as creators of "enabling environments" and agents of domestic resource mobilization; and the need for "multi-stakeholder" governance. This chapter also explores the problems, risks and side-effects of the

corporate influence on the G20 agenda. They relate both to the key messages and to the promoted governance models.

The paper's final part draws some conclusions and provides recommendations for governments, civil society and academia, to counterbalance corporate influence in the G20.

II. Broadening legitimacy? The Engagement Groups of the G20

Already in its initial phase in 2008/2009, the G20 was confronted with strong criticism. Civil society groups, journalists, researchers, and several governments, who were not members of the club, criticized its lack of representativeness, transparency, civil society participation, and effective implementation of G20 decisions (see Box 2).

Box 2

Criticism of the G20

The G20 represents around two thirds of the world population and generates roughly 85 percent of the globally aggregated gross national product (GNP). The group is thus no doubt more representative than the exclusive club of the G7/8. Nevertheless, critics regard the G20's declaring itself the premier forum for international economic cooperation as problematic, particularly for the following reasons:

Lack of representativeness: The G20 remains a self-selected club of nations in which large regions of the world are underrepresented. Out of the 54 countries in Africa, only South Africa is represented, while just three of Latin America and the Caribbean's 35 countries, Argentina, Brazil, and Mexico, belong to the group. In response to this criticism, already in 2010, the G20 stated in its Seoul Summit Leaders' Declaration:

"We recognize, given the broad impact of our decisions, the necessity to consult with the wider international community. We will increase our efforts to conduct G20 consultation activities in a more systematic way, building on constructive partnerships with international organizations, in particular the UN, regional bodies, civil society, trade unions and academia."⁴

In reality, considerably more than 20 countries have taken part in the summit meetings so far. In addition to the 19 official member countries of the G20 and the respective presidency of the EU as No. 20, the chairpersons of the African Union, the New Partnership for Africa's Development (NEPAD), and ASEAN (Association of Southeast Asian Nations), the President of the European Commission, and the leading representatives of the UN, IMF, World Bank, ILO, World Trade Organization (WTO), Financial Stability Board (FSB), and the Organisation for Economic Co-operation and Development (OECD) attended some of the summits. Furthermore, the heads of state of Spain (which is the world's eighth largest economy) and, initially, the Netherlands took part as guests and each host government also invited a few additional heads of state. So in fact, the G20 is more of a G30. However, this does not change anything in terms of the weak representation of low and middle income countries, which is also reflected in the decisions adopted at the summits so far.

4 Cf. G20 (2010a), para. 73.

Lack of transparency: The negotiating and decision-making processes in the G20 proceed largely in closed session. Often, the media, civil society, parliaments, and the countries that are not members of the club are only informed about the topics discussed and the decisions taken afterwards, when the summit declaration is presented. Whereas progress has been made towards more transparency in international politics over the last few years, and this has even been the case in organizations such as the World Bank, the IMF, and the WTO, the lack of transparency in the G20 represents a substantial retrograde step.

Lack of civil society participation: Over the last two decades, civil society groups and organizations have become an important and largely recognized actor in international politics. Their participation promotes democratic pluralism and the formulation of interests and positions that remain under-represented in pure intergovernmental events. Most international organizations, first and foremost the UN, have opened up more and more to civil society. Even the G8 has established an, albeit controversial, process of dialogue with civil society groups. The G20 has only responded step by step to this process, and has set up the so-called Engagement Groups. While this provides rudimentary scope for civil society to participate, it cannot be compared to the systematic consultation and participatory procedures at the United Nations. In the G20 the definition of what and who constitutes civil society and the forms of involvement differ from presidency to presidency. There is no formalized set of rules defining the right of civil society organizations to be heard and to participate in decision-making processes.

No implementing capacities: As an informal club, the G20 neither has its own secretariat nor does it possess the capacity to effectively monitor and coordinate the implementation of its decisions. Even the G20 website is changed simultaneously as the presidency of the group changes annually. While the G20 has no formal power to assign tasks, the OECD has increasingly become the group's "implementing agency." The IMF and the FSB also play an important role in implementing G20 decisions. The interests of those developing countries which are not G20 members are hardly represented in this context.

The G20 members are aware of the lack of representativeness. In their 5th Anniversary Vision Statement they stated in September 2013:

“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 strengthen our engagement with and listen carefully to all institutions and countries that are not in the Group.”⁵

From its beginning in 2008, the G20 summits sought to broaden the Group's legitimacy and effectiveness by involving observers from

5 Cf. http://g20.org.tr/wp-content/uploads/2015/05/G20_5th_Anniversary_Vision_Statement.pdf.

international organizations, particularly the IMF, the World Bank and the United Nations, and non-member countries, such as Spain. In addition, the respective G20 presidency reached out to various social groups, starting in 2008 with the business community and the trade unions. Today the G20 recognizes the following so-called Engagement Groups, which maintain a kind of officially recognized relationship with the Group: the Business20 (B20), Labour20 (L20), Civil20 (C20), Youth20 (Y20), Think20 (T20), and Women20 (W20). In 2016, the German Government took the initiative to establish the Science20 (S20) as the seventh Engagement Group.

In addition, further groups and fora of private actors have been created around the G20, such as the G20 Young Entrepreneurs Alliance, the G20 Agricultural Entrepreneurs Forum, and the G(irls)20.

The meetings (or summits) of the Engagement Groups are listed on the official timetable of the G20 presidency, their communiqués are presented to the G20 and are classified as official G20 background documents. Representatives of the Engagement Groups are not invited to the G20 Summit itself but some of them participate in G20 working groups (e.g., the employment working group) and ministerial meetings, particularly representatives of the B20 and L20.⁶

The Engagement Groups differ significantly in size, number and representativeness of the involved groups, the level of institutionalization and internal cooperation structure, the intensity of cooperation and frequency of meetings, and the thematic scope and substance of their statements and recommendations.

In general, the meetings and summits of the Engagement Groups are organized and convened by one or several national associations selected or authorized by the respective presidency. The national conveners are usually supported at the international level by a coordination/steering structure, which is more (e.g. in the case of B20 and L20) or less (e.g. in the case of C20) formalized.

The summits of the Engagement Groups and related activities are often funded by the presidency and are conducted in close relationship and coordination with it. While this facilitates the effective organization of Engagement Group activities and enables high-level political participation in their summits, it puts these activities under governmental oversight and control. Engagement Groups cannot act completely independently but depend on the support and goodwill of the respective presidency.

Engagement Groups cannot act completely independently but depend on the support and goodwill of the respective presidency

6 See for instance www.ituc-csi.org/second-g20-employment-working.

The rigid and rather limited modalities of G20 engagement for private actors are in sharp contrast to the broader, deeper and more formalized rules of participation in other intergovernmental fora, particularly the United Nations.

The rigid modalities of G20 engagement for private actors are in sharp contrast to broader rules of participation in the United Nations

The following gives a brief overview of the different Engagement Groups. The Business 20 is analyzed in greater detail in Chapter III, a more detailed description of the Engagement Groups is contained in Annex II.

Business 20 (B20)⁷

The B20 was first initiated as the G20 Business Summit by the Canadian Council of Chief Executives (CCCE) on the eve of the Toronto summit in June 2010. The B20 represents the international business community in the G20 context and brings together business leaders from all G20 countries. In its own words, it provides “a significant platform for the international business community to participate in global economic governance and international economic and trade regulation.”⁸

The coordination of the B20 is supported by the Global Business Coalition (formerly known as B20 Coalition, globalbusinesscoalition.org). It brings together leading independent business associations from 14 G20 countries and BusinessEurope. In contrast to the Global Business Coalition, the presidency of the B20 itself is directly linked to the G20 presidency. In 2016 the German Government mandated three business associations, the Confederation of German Industries (BDI), the Confederation of German Employers' Associations (BDA), and the Chambers of Commerce and Industry (DIHK) to jointly assume the presidency of the B20 in 2017.

Labour 20 (L20)

Formally established in 2011, the L20 represents the interests of trade unions and workers at the G20 level. It unites trade unions from G20 countries and Global Unions. The L20 is convened by the International Trade Union Confederation (ITUC) and the Trade Union Advisory Committee (TUAC) to the OECD.⁹

The L20 conveys key messages of the global labour movement to the meetings of the G20 Labour/Employment Ministers, the G20 Employment Working Group, the Sherpa meetings, and the G20 Summits. In preparation for the Summits, there are sometimes joint meetings and

7 The B20 will be described in greater detail in Chapter III.

8 Cf. <http://en.b20-china.org/events/event/28>.

9 Cf. www.ituc-csi.org/l20.

statements of the L20 and B20, for instance the joint statement “Jobs, Growth and Decent Work” during the Turkish presidency in 2015.¹⁰

The L20 publishes annual policy tracking reports, in which it assesses the implementation and effectiveness of G20 policies from a trade union perspective.¹¹

Civil 20 (C20)

Civil society organizations were already active around the G20 Summits in 2008 and 2009. Organized G20-related civil society deliberations date back to the Toronto Summit in June 2010. Prior to the G20 Summit in Seoul, 150 representatives from civil society met for the first Civil G20 Dialogue in Incheon, Korea on 14–15 October 2010. It was officially recognized by the Government of the Republic of Korea. Afterwards, civil society also worked with the French and Mexican Summit processes in 2011 and 2012. The C20 was formally recognized, again, during the Russian G20 presidency in 2013.¹² Since then, C20 events have taken place annually with policy papers, recommendations or a joint communiqué to the G20 as outcomes.

Each successive
G20 host government
had a different
relationship to the C20

The formal recognition by the host government of the G20 has resulted in slightly improved access to G20 policy makers, but has also created difficulties depending on the host government’s definition of “civil society” and its desire to exercise control over the C20 process by selecting C20 leaders and participants. Therefore, each successive G20 host government had a different relationship to the C20.

The C20 usually consists of national and international civil society organizations who are actively involved in the G20 process. Each C20 convenes its own Summit with civil society representation not only from G20 but also non-G20 countries. Since 2013, the coordination structure of the C20 and the interplay of national and international civil society organizations have varied from year to year.

In 2017, the C20 is convened by the German NGO Forum on Environment and Development and the Association of German Development and Humanitarian Aid Non-Governmental Organisations (VENRO).¹³

10 Cf. <http://b20turkey.org/wp-content/uploads/2015/09/B20-L20-Statement.pdf>.

11 Cf. www.ituc-csi.org/l20-policy-tracking-2015-16.

12 Cf. Ruthrauff (2016), p.5f.

13 Cf. <http://civil-20.org/>.

Think 20 (T20)

The T20 is a network of research institutes and think tanks from the G20 countries. It was initiated during the Mexican G20 presidency in 2012. The first T20 Meeting was held in Mexico City in February 2012, with think tank representatives from 15 countries. The participating institutes aimed to formulate “(1) concrete, feasible policy recommendations, (2) assessments of G20 results, and (3) broad visions that guide the policy making process.”¹⁴

During the German G20 presidency, the Kiel Institute for the World Economy (IfW) and the German Development Institute (DIE) were invited by the German Government to organize the T20 process.¹⁵ They announced the organization of the T20 activities around two sets of topics: “policy-driven topics”, arising from the themes identified as priorities by the German presidency, and “think-tank-driven topics”, initiated by individual think tanks, independently of the G20 agenda.¹⁶

In addition to the T20 activities, the German Government decided to establish a separate **Science 20 (S20)** track, led by the German National Academy of Sciences Leopoldina. The S20 comprises the academies of sciences of the G20 countries.

Youth 20 (Y20)

The Y20 was founded in 2010 to provide a platform for dialogue among young diplomats and other professionals from G20 countries. It superseded the G8 & G20 Youth Network, which was already established in 2006.

Since 2010, the Y20 Summit has prepared communiqués and recommendations just ahead of the G20 Summits. Y20 claims to provide youth perspectives on G20 agenda items and to promote a youth-specific focus on international issues, including capacity building, the impact of technology and innovation on unemployment, peace, and education in the 21st century.

The International Diplomatic Engagement Association (IDEA) was formed in 2012 to organize the Y20 summits and to build bridges beyond the annual summits.

14 Cf. DIE/IfW (2016), p. 1.

15 Cf. <http://t20germany.org/>.

16 Cf. DIE/IfW (2016), p. 1.

Women 20 (W20)

The W20 was formed under the Turkish presidency and debuted on the global scene in the fall of 2015. The main themes of the W20 were the empowerment of women and gender-inclusive economic growth. The W20 supports, *inter alia*, the goal of the G20 to reduce the gap in labour force participation between men and women by bringing 100 million more women into the global labour force by 2025.¹⁷

During the German presidency, the W20 process is chaired by the National Council of German Women's Organizations and the Association of German Women Entrepreneurs (Verband deutscher Unternehmerinnen, VdU).¹⁸

17 Cf. Ruthrauff (2016), p. 7.

18 Cf. www.vdu.de/fileadmin/user_upload/News/Pressemitteilungen/PM_W20_2017.pdf.

III. The G20 on the business agenda – key actors and institutions

Given that the G20 has emerged as the most prominent political forum for international economic cooperation, it has become an important object of corporate interest and engagement. In the last few years, transnational corporations and their national and international associations and lobby groups have created a broad network of alliances and fora around the G20. According to the International Chamber of Commerce (ICC), the G20

Lobby groups have created a broad network of alliances and fora around the G20

“(.) presents an opportunity for global business to establish an enduring mechanism to engage with the Group of 20 governments and provide regular input into the G20 policy process.”¹⁹

The ICC has a long tradition in promoting business interests in the G7/8 and, later, in the G20 processes. In May 2011, it created the ICC G20 CEO Advisory Group as “a platform for global business to provide input to the work of the G20 on an ongoing basis.”²⁰

The B20, with its annual summit led by the business association(s) of the respective G20 host country, is more visible for the media and the broader public. ICC’s Advisory Group and the B20 represent separate tracks of corporate influence in the G20 process, though with similar political messages and overlapping membership.

However, corporate interests are not only promoted in the B20 but occasionally in other Engagement Groups as well. In 2013, the Russian Government appointed B20 members to C20 thematic Working Groups. Several Working Groups were co-chaired by business leaders, particularly the Working Groups on Global Financial Architecture and on Jobs and Employment.²¹ When the Women 20 was created as an official G20 Engagement Group during the Turkish presidency in 2015, two of the three members of the W20 Steering Committee came from the business sector: the Women Entrepreneurs Association of Turkey – KAGIDER, which was selected as chair and secretariat of the W20, and the Turkish Businesswomen Association – TIKAD. During the German G20 presidency, the W20 is co-chaired by the Association of German Women Entrepreneurs.

Corporate interests are not only promoted in the B20 but occasionally in other Engagement Groups as well

When the Economic Policy Research Foundation of Turkey (TEPAV) chaired the T20 in 2015, it built close links with the B20 and led content

19 Cf. www.iccwbo.org/global-influence/g20/advisory-group/.

20 Ibid.

21 Cf. www.g20civil.com/g20civil-society/wg-index.php.

development for B20 policy recommendations.²² The T20 Meeting in Antalya particularly emphasized the role of the private sector in the implementation of the SDGs. Various business leaders, including Marcus Wallenberg, Chairman of SEB and of the ICC G20 CEO Advisory Group, Sir Martin Sorrell, CEO of WPP, Rio Tinto CEO Sam Walsh, Sunil Bharti Mittal, Founder & Chairman of Bharti Enterprises, and Novozymes CEO Peder Nielsen, were on the list of speakers at the T20 Meeting.

In addition, further fora of corporate actors have been created in recent years to inform and influence G20 decision making. They include the G20 Young Entrepreneurs' Alliance and the G20 Agricultural Entrepreneurs Forum.

Finally, certain individual companies and occasionally even individual entrepreneurs have been directly or indirectly involved in G20 activities, either by providing thematic inputs and analyses for G20 discussions or by supporting/funding the implementation of G20 decisions. The global consulting firm McKinsey & Co. and US billionaire Bill Gates and his foundation play a particular role in this regard.

The Business 20

The B20 is the broadest and most representative grouping of business leaders in the G20 process

The B20 is the broadest and most representative grouping of business leaders in the G20 process. Starting with the G20 Business Summit on the eve of the Toronto Summit in June 2010, representatives of transnational corporations and business associations have come together to develop policy priorities and recommendations and to influence decision making in the G20. In their Seoul Communiqué of December 2010, the G20 Leaders officially recognized the B20 as an important stakeholder and a constructive partner in promoting global growth and job creation.²³

Since 2011, the annual B20 Summit has been the key event of the B20. Until 2016, it took place back to back with the G20 Summit. B20 Summits have been attended not only by hundreds of business leaders but also by the Presidency of the G20 and other Heads of State or Government or their Sherpas. In 2017, the B20 Summit will be held in Berlin two months prior to the G20 Summit, on 2 and 3 May 2017.

The presidency of the B20 rotates annually, like the G20 presidency. In 2016, the B20 Summit was chaired by the China Council for the Promotion of International Trade. For the B20 2017, the German Government mandated the three leading national business associations, the Confederation of German Industries (BDI), the Confederation of German

²² Cf. www.weforum.org/agenda/2015/10/four-things-turkey-did-for-business-in-the-g20/.

²³ Cf. G20 (2010a), para. 16.

Employers' Associations (BDA), and the Chambers of Commerce and Industry (DIHK), to jointly assume B20 presidency.

The policy recommendations of the B20 are developed by taskforces on topics that are aligned with the G20 agenda. While these taskforces are re-established each year by the respective B20 host, key topics have not changed substantially (see Table 1).

Table 1

B20 thematic priorities/ topics of the B20 taskforces

Year of B20 Summit	2012	2013	2014	2015	2016	2017
Priority/Taskforce						
Trade and Investment	✗	✗	✗	✗	✗	✗
Financing Growth/Financial System	✗	✗	✗	✗	✗	✗
Employment/Human Capital	✗	✗	✗	✗	✗	✗
Anti-Corruption	✗	✗	✗	✗	✗	✗
Infrastructure		✗	✗	✗	✗	✗
SME/ Entrepreneurship				✗	✗	✗
Food Security	✗					
Advocacy and Impact	✗					
G20-B20 Dialogue Efficiency		✗				
ICT and Innovation	✗					
Innovation and Development		✗				
Digitalization						✗
Green Growth	✗					
Energy, Climate, Resource Efficiency						✗

The German B20 presidency established the following working structure:

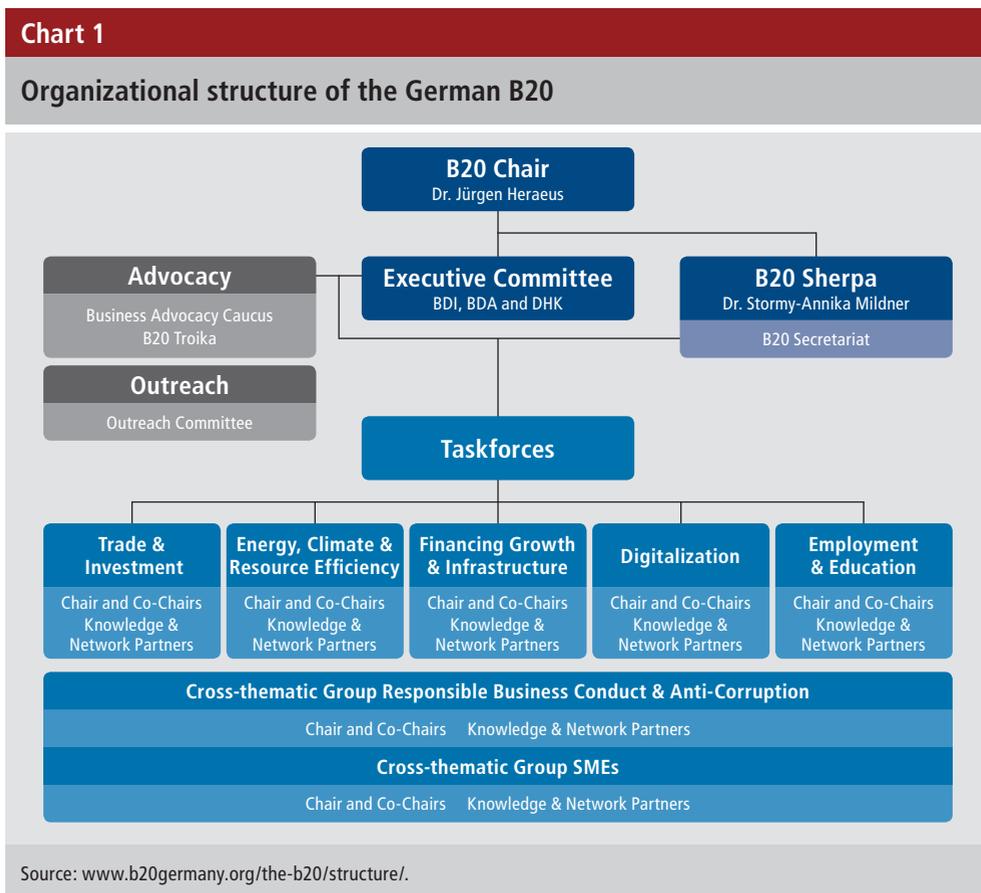
- » Taskforce on Trade and Investment
- » Taskforce on Energy, Climate and Resource Efficiency
- » Taskforce on Financing Growth and Infrastructure
- » Taskforce on Digitalization
- » Taskforce on Employment and Education
- » Cross-thematic Working Group on Responsible Business Conduct and Anti-Corruption
- » Cross-thematic Working Group on SMEs

Taskforces generally have about 100 members or more and meet regularly via teleconferences or in person.

On 21 March 2017, for instance, a Joint B20 Taskforces and Cross-thematic Groups meeting takes place in Paris. It is co-organized with the OECD and the Business and Industry Advisory Committee to the OECD (BIAC). According to the B20, the focus of the meeting is on the advocacy of B20 recommendations prior to the G20 Sherpa meeting on 23 March 2017.²⁴ It is interesting to note that the OECD as an inter-governmental organization directly supports business lobby activities towards the G20.

In addition, the German B20 structure includes a Business Advocacy Caucus and an Outreach Committee, composed of representatives of the other G20 Engagement Groups (C20, L20, S20, T20, W20 and Y20) “(...) to ensure the inclusivity and legitimacy of the B20 process.”²⁵

The following organizational chart illustrates the structure of the German B20:



24 Cf. www.b20germany.org/program/events/details/b20-joint-taskforce-meeting/.

25 Cf. www.b20germany.org/the-b20/structure/.

The respective B20 host decides on the composition/membership of the taskforces, and thus substantially influences the formulation of the policy recommendations to the G20.

During the Chinese B20 presidency, more than 700 business representatives participated in the taskforces and the B20 Anti-Corruption Forum, with a dominance of Chinese companies and business associations (see Table 2).

Table 2**Regional distribution of B20 Taskforce participants 2016**

Rank	Country	Number of Participants
1	China	236
2	United States	107
3	France	49
4	United Kingdom	48
5	Other EU countries	47
(6	Others	41)
7	Russia	28
8	Turkey	25
9	Australia	24
10	Germany	21
11	Canada	19
12	India	15
13	Italy	14
14	Japan	13
15	Republic of Korea	9
16	Saudi Arabia	7
17	South Africa	7
18	Argentina	5
19	Mexico	4
20	Switzerland	4
21	Brazil	3
22	Indonesia	3
23	Singapore	3
Total		732

Source: Own compilation based on B20 Taskforce reports
(<http://en.b20-china.org/documents/report>).

During the German B20 presidency, more than 500 business representatives are expected to participate in the taskforces and cross-thematic working groups. Companies and business associations from all G20 countries (and beyond) were invited to apply for membership. The German B20 took the final decision on confirmations and rejections, considering “(...) regional and sectorial representativeness as well as a fair balance between companies and business associations.”²⁶

Strong representation of the financial industry, the oil, gas, mining and energy sectors, the chemical industry, and the big transnational consulting firms

Participants in the B20 Taskforces have come from virtually all business sectors with a traditionally strong representation of the financial industry, the oil, gas, mining and energy sectors, the chemical industry, and the big transnational consulting firms.

The German B20 lists five “Knowledge Partners” that work with the B20 Secretariat and representatives of the taskforce chairs to prepare the B20 policy papers, supply inputs and support the B20 Secretariat in the coordination processes and the preparation of contributions. The five partners are Accenture, KPMG, Deloitte, The Boston Consulting Group, and EY (the former Ernst & Young).²⁷

Table 3 lists the companies that particularly shape the B20 recommendations to the G20 as Chairs/Co-Chairs of the taskforces, Network or Knowledge Partners.

Table 3

Leadership and Partners of German B20 Taskforces 2017

Taskforce	Chair	Co-Chairs	Network Partner	Knowledge Partner
Trade & Investment	Emma Marcegaglia President, Business Europe	Sunil Bharti Mittal Chairman, International Chamber of Commerce Alexey Mordashov Chairman of the Board of Directors, Severstal PAO Loic Armand President, L'Oréal France Jack Ma CEO, Alibaba Jamal Malaikah President & COO, National Petrochemical Industrial Company	Dr. Christoph Leitl Chairman, Global Chamber Platform Sunil Bharti Mittal Chairman, International Chamber of Commerce Prof. Klaus Schwab Executive Chairman, World Economic Forum	Hans-Paul Bürkner Chairman, The Boston Consulting Group

26 Cf. B20 Germany Update No. 1, November 2016, p. 4. (www.b20germany.org/fileadmin/user_upload/News/B20_Newsletter_November_2016.pdf).

27 Cf. www.b20germany.org/the-b20/knowledge-partner/.

Taskforce	Chair	Co-Chairs	Network Partner	Knowledge Partner
Energy, Climate & Resource Efficiency	Dr. Kurt Bock CEO, BASF SE	Dr. Elmar Degenhart CEO, Continental AG Xabier Etxberria Muguruza Business CEO, Gamesa Corporación Tecnológica S.A. Dr. Peder Holk Nielsen President & CEO, Novozymes A/S Francesco Starace CEO & General Manager, Enel S.p.A. Dany Qian Vice President, Jinko Solar Ltd Dr. Aldo Belloni CEO, Linde Joanne Farrell Group Executive, Rio Tinto	Sunil Bharti Mittal Chairman, International Chamber of Commerce Perrin Beatty President and CEO, Canadian Chamber of Commerce (CCC), Representative of B20 Coalition	Hans-Paul Bürkner Chairman, The Boston Consulting Group
Financing Growth & Infrastructure	Oliver Bäte CEO, Allianz SE	Timothy D. Adams President and CEO, Institute of International Finance John Cryan CEO, Deutsche Bank AG José Manuel González-Páramo Executive Board Director, BBVA S.A. Jean Lemierre Chairman, BNP Paribas Axel Weber Chairman, UBS Group AG John Denton Partner and CEO, Corrs Chambers Westgarth Ju Weimin Executive Vice President, CIC	Timothy D. Adams President and CEO, Institute of International Finance Alex Gill Moderator, G20 YEA Prof. Klaus Schwab Executive Chairman, World Economic Forum	Pierre Nanterme Chairman and CEO, Accenture
Digitalization	Klaus Helmrich Member of the Board, Siemens AG	Hans-Paul Bürkner Chairman, The Boston Consulting Group Timotheus Höttges CEO, Deutsche Telekom AG Pierre Nanterme Chairman and CEO, Accenture Klaus Rosenfeld CEO, Schaeffler AG Rajeev Suri President & CEO, Nokia Sabine Bendiek Managing Director Germany, Microsoft	Perrin Beatty President and CEO, Canadian Chamber of Commerce (CCC), Representative of B20 Coalition Sunil Bharti Mittal Chairman, International Chamber of Commerce Phil O'Reilly Director, BIAC Prof. Klaus Schwab Executive Chairman, World Economic Forum	Hans-Paul Bürkner Chairman, The Boston Consulting Group

Taskforce	Chair	Co-Chairs	Network Partner	Knowledge Partner
Employment & Education	Dr. Gerhard Braun Vice President, Confederation of German Employers' Associations (BDA)	Daniel Funes de Rioja President, International Organisation of Employers David Jakobachvili President, Orion Heritage Company Erol Kiresepi Vice President, Turkish Confederation of Employer Associations (TİSK) Zhang Lei Founder & CEO, Hillhouse Capital Group Mthunzi Mdwaba Vice President Africa, International Organisation of Employers (IOE) Peter Robinson President & CEO, USCIB Kathryn Porter Director of youth strategy for Europe, Middle East and Africa, Hilton	Daniel Funes de Rioja President, International Organisation of Employers	David Cruickshank Global Chairman, Deloitte Touche Tohmatsu Limited
Responsible Business Conduct & Anti-Corruption	Dr. Klaus Moosmayer Chief Compliance Officer, Siemens AG & Anti-Corruption Chair of BIAC	Dr. Andrey Bugrov Senior Vice-President, MMC Norilsk Nickel Andre Gustavo de Oliveira Member of South America Executive Team, BASF SE Corinne Lagache Senior Vice President, Group Compliance Officer, Safran S.A. Jorge Mandelbaum President, CIPPEC Anny Tubbs Chief Business Integrity Officer, Unilever PLC/NV	Sunil Bharti Mittal Chairman, International Chamber of Commerce Phil O'Reilly Director, BIAC	Christian Rast KPMG CSO, Chief Representative Noor Naqschbandi Director, Alliance for Integrity
SMEs	Dr. Rudolf Staudigl CEO, Wacker Chemie AG	Mary Andringa Chair of the Board, Vermeer Corporation Bertram Kawlath Managing Associate, Schubert & Salzer Monique Leroux President, International Cooperative Alliance Lynette Magasa CEO, Boniswa Corporate Solutions Ltd. Diane Wang Founder & CEO, DHgate	Alex Gill Moderator, G20 YEA Dr. Tunk Uyanic CEO, World SME Forum	Hubert Barth Country Managing Partner, Ernst & Young Germany

Source: www.b20germany.org

While the annual B20 host plays a leading role in organizing the Summit and coordinating the drafting process of the B20 policy recommendations, various attempts were made to ensure greater continuity over successive national presidencies.

For this purpose, leading independent business associations from 14 G20 countries and BusinessEurope created the Global Business Coalition to support B20 engagement with the G20 on an ongoing basis.²⁸ In June 2016, the Federation of German Industries (BDI) took over the presidency of the Global Business Coalition from the Canadian Chamber of Commerce (CCC), which had held the post since October 2013.

In addition, during the Turkish G20 presidency the B20 International Business Advisory Council (IBAC) was established to, again, strengthen B20 advocacy efforts and to improve continuity between the Summits. IBAC was launched at a kick-off meeting in Washington, D.C. on 17 April 2015. It has been chaired by Muthar Kent, then CEO and chairman of the Coca-Cola Company, and comprises CEOs and business association heads from each of the G20 countries. The ICC was invited to serve as IBAC's international secretariat, as this role "is a natural extension of ICC's historic responsibility to convey business priorities to national and intergovernmental officials and draws upon ICC's experience as a strategic partner to the B20 since the Seoul Summit in 2010."²⁹

The International Chamber of Commerce

In the run-up to the Washington Summit 2008, the ICC began to deliver business messages to the G20 Leaders. In its "unique role as the voice of global business", it regards itself as most legitimate to present views of key importance to business "with the intention of influencing the agenda and the discussion at the Summit."³⁰ Since 2009, the ICC has aimed to meet regularly with the Head of State currently chairing the G20. Each year, it submitted policy statements that focused, *inter alia*, on the need to ensure an open global economy that facilitates cross-border trade and investment, to avoid "overregulation" of the financial and commodity markets, and to promote green growth.

In 2011, the ICC and the World Economic Forum (WEF) joined forces to more robustly feed business inputs into the G20 process.³¹ They created a

The ICC regards itself as most legitimate to present views of key importance to business "with the intention of influencing the agenda and the discussion at the Summit"

28 Cf. www.globalbusinesscoalition.org. The members of the Global Business Coalition include Ai Group, Australia, BDI, Germany, BUSA, South Africa, BUSINESSEUROPE, Europe, CBI, United Kingdom, CCC, Canada, CEOE, Spain, CII, India, CNI, Brazil, Confindustria, Italy, FKI, South Korea, MEDEF, France, TÜS AD, Turkey, UIA, Argentina, US Chamber, USA.

29 Cf. [www.iccwbo.org/Global-influence/G20/ICC-and-G8-G20/B20-Turkey-launches-the-International-Business-Advisory-Council-\(IBAC\)/](http://www.iccwbo.org/Global-influence/G20/ICC-and-G8-G20/B20-Turkey-launches-the-International-Business-Advisory-Council-(IBAC)/).

30 Cf. www.iccwbo.org/global-influence/g20/history/.

31 Cf. World Economic Forum/International Chamber of Commerce (2011).

joint G20 Task Force and presented a comprehensive report with policy recommendations drafted by dozens of CEOs of transnational banks and corporations. Among the participants were business leaders like Paul Polman, CEO of Unilever, Josef Ackermann, then CEO of Deutsche Bank, and Dominic Barton, Global Managing Director of McKinsey & Company.

The G20 CEO Advisory Group claims to be the “primary body for establishing the direction of business input within the G20 process”

In the same year, the ICC established its **G20 CEO Advisory Group**. Since then, this group has claimed to be the “primary body for establishing the direction of business input within the G20 process. The group determines policy priorities and takes a final review of policy products (...).”³²

The Advisory Group is comprised of around 30 CEOs of transnational corporations and banks from different sectors (see Box 3). Among them are several leaders of transnational oil, gas, mining and energy companies, e.g. BHP Billiton, RioTinto, Repsol, Royal Dutch Shell, Engie, and Eskom.

The activities of the Advisory Group include its participation in the B20 process to develop business policy recommendations to the G20, and the production of the ICC *G20 Business Scorecard*,³³ which was launched in June 2012

“(...) to generate a balanced and reliable measurement of the G20’s performance in response to business recommendations that have been put forward to G20 Leaders, in particular on ICC priority issues including trade and investment.”³⁴

The 6th edition of the annual Scorecard was published in December 2016.³⁵ It mainly concentrates on G20 performance during the 2016 Chinese Presidency in seven issue areas: trade and investment, infrastructure, financing growth, employment, anti-corruption, small and medium-sized enterprises (SMEs) development, and energy and environment. The key message of the report is that the:

“Summit communiqué released at the conclusion of the Hangzhou Summit was generally reflective of business priorities, with a strong emphasis on infrastructure interconnectivity, promising guidance on multilateral investment policy coordination, an increased focus on

32 Cf. www.iccwbo.org/global-influence/g20/advisory-group/g20-ceo-advisory-group-members/.

33 Cf. www.iccwbo.org/Global-influence/G20/Reports-and-Products/ICC-G20-Scorecard/.

34 Cf. www.iccwbo.org/News/Articles/2012/New-ICC-G20-Business-Scorecard-reveals-%E2%80%9Cincomplete%E2%80%9D-G20-performance/.

35 Cf. ICC (2016a).

Box 3**Members of the ICC G20 CEO Advisory Group**
(as of December 2016)³⁶

- SEB** – Marcus Wallenberg, Chairman (Sweden), ICC G20 CEO Advisory Group Chairman
- BHP Billiton** – Andrew Mackenzie, CEO (Australia)
- Bridas Corporation** – Carlos Bulgheroni, Chairman (Argentina)
- Cinépolis** – Alejandro Ramírez Magaña, Director General and Chairman of B20 Mexico 2012 (Mexico)
- Corporacion America** – Eduardo Eurnekian, Chairman and CEO (Argentina)
- Corrs Chambers Westgarth** – John W. H. Denton, CEO and Partner (Australia)
- Daesung** – Young Tae Kim, Chairman (Korea)
- Danfoss Group** – Niels B. Christiansen, President & CEO (Denmark)
- Diageo** – Ivan Menezes, CEO (United Kingdom)
- Doha Insurance** – Sheikh Al-Thani Khalifa, Member of the Board of Directors, and Chairman of Qatar Chamber of Commerce and Industry (Qatar)
- Energy Transportation Group** – Kimball Chen, Chairman & CEO (United States)
- Engie** – Gérard Mestrallet, Chairman (France)
- Eskihisar Group** – Rifat Hisarcikloglu, Chairman, and President of the Union of Chambers and Commodity Exchanges of Turkey (Turkey)
- Eskom** – (TBC)
- Fung Group** – Victor K Fung, Chairman (Hong Kong)
- Great Eastern Energy** – Yogendra Kr. (YK) Modi, Chairman & CEO (India)
- Gulf One Investment Bank** – Nahed Taher, Founder & Co-CEO (Saudi Arabia)
- Hanwha** – Seung Youn Kim, CEO (Korea)
- S&P Global** – Harold McGraw III, Chairman (United States)
- National Petrochemical Industrial Company** – Jamal J. Malaikah, President (Saudi Arabia)
- Nestle** – Paul Bulcke, CEO (Switzerland)
- Novozymes** – Peder Holk Nielsen, CEO (Denmark)
- Repsol** – Antonio Brufau, Chairman (Spain)
- RioTinto** – Jean-Sebastien Jacques, CEO (United Kingdom)
- Rothschild Europe** – Gérard Worms, Vice Chairman (France)
- Royal Dutch Shell** – Ben van Beurden CEO (United Kingdom/Netherlands)
- Russian Union of Industrialists and Entrepreneurs** – Alexander Shokhin, President, and Chairman of B20 Russia 2013 (Russia)
- Schneider Electric** – Jean-Pascal Tricoire, President & CEO (France)
- Telefonica** – José María Álvarez-Pallete, CEO (Spain)
- The Dow Chemical Company** – Andrew Liveris, Chairman and CEO (United States)
- Wesfarmers Limited** – Richard Goyder, CEO and Managing Director, and Chairman of B20 Australia 2014 (Australia)

36 Cf. www.iccwbo.org/global-influence/g20/advisory-group/g20-ceo-advisory-group-members/.

innovation and the digital economy, and strengthened collaboration on energy access and climate change.”³⁷

In July 2014, the ICC launched the *Global Survey of Business Policy Priorities for G20 Leaders* as an additional tool to communicate expectations of the business sector to the G20.³⁸ The report reveals a special understanding of “accountability” by the surveyed business representatives. In their view “(..) the G20 should be evaluated and held accountable for implementing business recommendations.”³⁹ According to the report, most business representatives seem to be quite satisfied with overall G20 performance so far. Three quarters of them believe the G20 has been instrumental in improving the global business environment following the financial crisis in 2008.⁴⁰

The ICC G20 CEO Advisory Group is not only involved in lobby activities around the G20 summits at the global level. Since its creation in 2011, it has hosted a series of global policy consultations in more than 20 countries. They were co-hosted with ICC national committees designed to provide local businesses with an opportunity to help shape ICC’s policy recommendations to the G20. National G20 Sherpas participated in most of these consultations.⁴¹

Further channels of corporate influence

The G20 Young Entrepreneurs’ Alliance

The G20 Young Entrepreneurs’ Alliance, commonly referred to as G20 YEA, is a collective of 20 organizations across the G20 countries.⁴² The collaboration between young entrepreneurs initially began at the G8 Summit in Italy in 2009. One year later, the G20 Young Entrepreneurs’ Alliance was officially launched at the G20 Summit in Toronto. Its main objective has been to encourage the G20 Leaders to include

37 Ibid., p. 6.

38 Cf. ICC (2014b).

39 Ibid., p. 1.

40 Cf. www.iccwbo.org/News/Articles/2014/ICC-releases-Global-Survey-of-Business-Policy-Priorities-for-G20-Leaders/.

41 Cf. <http://www.iccwbo.org/global-influence/g20/policy-consultations/>.

42 Members: Carne Joven (Argentina), The Enterprise Network for Young Australians (ENYA, Australia), The National Confederation of Young Entrepreneurs (Conaje, Brazil), Futurpreneur Canada (Canada), NovoNation Youth Community (China), European Confederation of Young Entrepreneurs (Europe), Citizen Entrepreneurs (France), Wirtschaftsjunioren Deutschland (Germany), Young Indians (Yi, India), The Global Entrepreneurship Program Indonesia (GEPI, Indonesia), The Confindustria Entrepreneurs Movement (Italy), JCI Japan (Japan), Coparmex (Mexico), The Center for Entrepreneurship/OPORA (Russia), The Centennial Fund (TCF, Saudi Arabia), Young Entrepreneur South Africa (YESA, South Africa), Young Entrepreneurs’ Society of Korea (YES, South Korea), Young Businessmen Association of Turkey (TUGIAD, Turkey), Young Brits Network/ Young Business International (UK), The Entrepreneurs’ Organization (EO, US).

entrepreneurship in its agenda, to strengthen the support of entrepreneurs and to advocate the cause of emerging entrepreneurs. In its meeting in Incheon on 9 November 2010, G20 YEA adopted a charter stating: “Through our global movement, we believe we can make the 21st century the Century of the Entrepreneur.”⁴³

Since then, the Summit of the G20 Young Entrepreneurs’ Alliance has been held each year in the run-up to the G20 Summit. The G20 YEA is involved in strategic partnerships with Ernst& Young, Accenture and the G20 Research Group. The Alliance also collaborates, *inter alia*, with the Y20 and B20. The partnership of G20 YEA and B20 started in 2015, when young entrepreneurs began to participate in B20 taskforces.

From 8 to 10 September 2016, the G20 Young Entrepreneurs’ Summit took place in Beijing under the slogan ‘*Disruptive Innovation. Smart Entrepreneurship*’. More than 300 participants adopted a Communiqué with ten recommendations “[...] to foster a culture of supportive entrepreneurship, innovation and to support young entrepreneurs.”⁴⁴ All recommendations are based on the key assumption that the encouragement of young entrepreneurship will enable dynamism, growth and economic and social improvements.

In the run-up to the German G20 Summit the G20 YEA Summit will be held in Berlin on 15–17 June 2017, hosted by Carsten Lexa, current President of the G20 Young Entrepreneurs’ Alliance.

The G20 Agricultural Entrepreneurs Forum

On 2 June 2016, the first G20 Agricultural Entrepreneurs Forum (AE20) was held in Xi’an City, China.⁴⁵ According to the Chinese Government, the Forum aimed

“(...) to create a good political and business environment for G20 agricultural investment, build a platform for dialogues among enterprises, encourage enterprises to play an important role in improving the level of agricultural trade development and promoting common prosperity of agriculture.”⁴⁶

Approximately 300 Chinese and international delegates from the agribusiness sector, international organizations like the Food and Agriculture Organization of the UN (FAO), international financial institutions, investment funds, and consulting firms attended the Forum. Among the

43 Cf. www.g20yea.com/index.php/our-charter.

44 Cf. www.g20yea.com/images/communique/2016-G20-YEA-Beijing-communiqu-FINAL-signed.pdf.

45 Cf. <http://g20aef.com/en/>.

46 Cf. <http://g20aef.com/en/aboutus.html>.

private sector participants were high-ranking representatives of the largest agribusiness companies, such as Bayer, BASF, Cargill, DuPont, Monsanto, and Syngenta.⁴⁷

China initiated the Forum as a side event of the G20 Agriculture Ministers Meeting. The 2016 Communiqué of the Agriculture Ministers welcomed the opening of the G20 Agricultural Entrepreneurs Forum and expressed support for the

“[...] consistent efforts by the private sector and other stakeholders to engage in investment dialogue and exchanges, broaden channels for agricultural investment and financing, and promote agricultural investment facilitation.”⁴⁸

The theme of the first AE20 was innovation, cooperation and sustainable agricultural investment. Participants adopted the *Initiative of G20 Agricultural Entrepreneurs Forum* and an *Action Plan of G20 Agricultural Entrepreneurs on Promoting Agricultural Development and Eliminating Hunger and Poverty*.⁴⁹

In the Initiative, the participants propose to establish the Agricultural Entrepreneurs Forum as an integral part of both the G20 agricultural agenda and the G20 Agriculture Ministers Meeting and thus hold it annually, “(...) to ensure that the unique role of the private sector will be given into full play.”⁵⁰ In order to promote global food security and agricultural development, they recommend, *inter alia*: fostering business innovation particularly in developing countries to improve their production efficiency; integration of farmers in the global agricultural value chains; promoting the development of inclusive business models with technical support for the smallholders; strengthening public private partnerships (PPPs), and cooperation between public and private capital in general; advancing the research, development and extension of agricultural technologies; and, finally, improving the global environment for transparent, inclusive and sustainable agricultural investment.

In the Action Plan, the participants listed key actions to promote agricultural development and food security, *inter alia*:⁵¹ participation in bilateral and multilateral cooperation projects of agricultural investment and in agricultural infrastructure improvements; increasing enterprises' investment in agricultural research and development (R&D); a facilitating role in technology adoption and assistance of SMEs in employing new

47 Cf. <http://g20aef.com/EN/onepage20.html>.

48 Cf. www.g20.utoronto.ca/2016/160603-agriculture.pdf, p. 9.

49 Cf. <http://g20aef.com/EN/news/8/>.

50 Cf. <http://g20aef.com/article/13.html>.

51 Cf. <http://g20aef.com/article/16.html>.

agricultural technologies; reduction of negative impacts of agricultural development on the environment; reduction of food loss and waste; provision of innovative solutions and inclusive business models for generating fair benefits for all stakeholders in the value chain (for example with innovative partnerships involving farmers and the public and private sectors); and the building of a transparent and predictable environment for international trade and investment. Participants also expressed their commitment

“(...) to pursuing sustainable agricultural development and applying pesticides and chemical fertilizers appropriately through agronomic improvement and other means to (...) reduce the negative impact of agricultural development on environment.”⁵²

It is uncertain whether the Agricultural Entrepreneurs Forum will be actually established as an annual event as part of the G20 Agriculture Ministers agenda. During the German G20 presidency, the Agriculture Ministers Meeting took place on 22 January 2017, linked to the annual Global Forum for Food and Agriculture (GFFA), which has been organized by the German Government since 2009. A separate AE20 event has not been scheduled.

McKinsey & Company

Several individual companies have been directly or indirectly involved in G20 activities, either by providing thematic inputs and analyses for G20 discussions or by supporting the B20 and other Engagement Groups in preparing their statements. McKinsey & Co., one of the leading global management consulting firms, plays a particular role in this regard. McKinsey has shaped the business discourse and the way companies are doing business for decades. The firm was a strategic partner of the B20 in its first years, and maintains close ties to other business fora like the WEF and the ICC.

McKinsey has shaped the business discourse and the way companies are doing business for decades

In the context of the G20, McKinsey emphasized, among other issues, the importance of entrepreneurship and successfully endeavored to place this item on the G20 agenda. In 2011 and 2012, it presented two reports to the G20, in cooperation with the G20 Young Entrepreneurs' Summit, encouraging G20 countries to “(...) shape the environment in which entrepreneurs can thrive and flourish by creating appropriate framework conditions and providing incentives for addressing market gaps.”⁵³

⁵² Ibid.

⁵³ G20 YES/McKinsey & Company (2012), p. 1. See also G20 YES/McKinsey & Company (2011).

McKinsey's work on infrastructure was probably even more influential on G20 policy-making. At their Summit in Seoul, G20 Leaders decided to establish a High Level Panel for Infrastructure Investment, to prepare recommendations for the G20 on how to scale up and diversify financing for infrastructure needs, including from public, semi-public and private sector sources. The Panel was chaired by Tidjane Thiam, a former executive of McKinsey. It submitted its report to the G20 Summit in Cannes in November 2011, highlighting three findings in particular:⁵⁴

- 1) There is an urgent need to ensure a strong and sustainable supply of bankable projects;
- 2) The private sector will not 'invest in the dark', Governments and Multilateral Development Banks (MDBs) have to build an enabling environment for private investors;
- 3) Governments and MDBs have to make funding available under appropriate terms, mitigating the perceived risks for the private sector effectively. The report of the Panel was based, *inter alia*, on the analysis of the McKinsey Global Institute.⁵⁵

In 2012, a few months after the G20 Summit in Cannes, McKinsey launched its Global Infrastructure Initiative (GII) to stimulate massive investments in infrastructure "(...) by building a community of global leaders who can exchange ideas and find practical solutions to improve how we plan, finance, build and operate infrastructure and large capital projects."⁵⁶

In 2013, the McKinsey Global Institute (MGI) published an initial comprehensive report evaluating the world's future infrastructure needs.⁵⁷ In 2016, the institute issued a follow-up report on how to bridge the global infrastructure gaps.⁵⁸ These reports informed the G20 Investment and Infrastructure Working Group and shaped its decisions. In parallel, McKinsey was also actively involved in the work of the B20 Taskforce on Infrastructure. In 2015, for instance, McKinsey employed 10 of the 19 members of the working group which coordinated and drafted the B20 Infrastructure & Investment Taskforce Policy Paper.

McKinsey's activities in the G20 process have been highly controversial, not only because of its biased recommendations but also because of its

54 Cf. High Level Panel for Infrastructure Investment (2011).

55 Cf. McKinsey Global Institute (2010).

56 Cf. www.globalinfrastructureinitiative.com/about. One year before, in 2011, The World Economic Forum in collaboration with The Boston Consulting Group launched a similar project, the Strategic Infrastructure Initiative (2011-2014), cf. <http://reports.weforum.org/strategic-infrastructure-2014/overview-of-the-strategic-infrastructure-initiative/>. Both initiatives had similar objectives but were not directly linked.

57 Cf. McKinsey Global Institute (2013).

58 Cf. McKinsey Global Institute (2016).

ambiguous role as both an advisor and a service provider. Nancy Alexander and Lili Fuhr from the Heinrich Böll Foundation note:

“McKinsey & Company is a crucial member of many fora – including the B20, World Economic Forum, and the G2A2 [Green Growth Action Alliance] – because it is a ‘match maker’ that brings together the private firms and the political leaders needed to create or launch deals. To that end, it often shapes agendas and commissions the research and analysis to create the reality or illusion of credibility. However, by playing the roles of both broker and participant in deals, McKinsey & Company has conflicts of interest because it materially benefits from the supposedly neutral advice it provides.”⁵⁹

McKinsey & Company has conflicts of interest because it materially benefits from the supposedly neutral advice it provides

Whether McKinsey will continue to play an influential role in the future of the G20 process remains to be seen. It is noteworthy that in the B20 under German leadership, McKinsey is neither represented as Chair or Co-chair of any of the taskforces nor listed as any of the five “Knowledge Partners” of the B20, while its competitors are (Accenture, KPMG, Deloitte, The Boston Consulting Group, and EY, see Table 3).⁶⁰

The special role of Bill Gates and his foundation

In parallel to the various business fora, transnational companies and consulting firms, US billionaire Bill Gates and his foundation play a particular role in influencing the G20 by providing advice to G20 discussions and financial support for the implementation of G20 decisions.

In 2011, then G20 Chair Nicolas Sarkozy invited Gates to submit a report on options for innovative financing for development. Gates presented his report, in person, at the G20 Summit in Cannes in November 2011.⁶¹ In his report, Gates highlighted the “paramount importance” of funding innovative technologies like new seeds and vaccines;⁶² urged developing countries to raise more domestic revenue and spend it on priorities like agriculture and health; mentioned proposals for new taxes like a Financial Transaction Tax as an option to raise additional Official Development Assistance (ODA) resources; and described ways to encourage private investment in development. After the Summit, Gates expressed his satisfaction that many of his recommendations were reflected in the G20 communiqué.⁶³

59 Cf. Alexander/Fuhr (2012), p. XI.

60 Cf. www.b20germany.org/the-b20/knowledge-partner/.

61 Cf. Gates (2011).

62 Cf. www.gatesfoundation.org/What-We-Do/Global-Policy/G20-Report.

63 Cf. www.gatesfoundation.org/Media-Center/Press-Releases/2011/11/Bill-Gates-Statement-in-Response-to-G20-Leaders-Summit-Final-Communiqu%C3%A9.

A few months later, the then Mexican President Calderón invited Bill Gates to continue collaborating with the G20 during the Mexican presidency. Gates and Calderón met on the sidelines of the 2012 WEF to discuss the role and challenges of the G20. They specifically highlighted the role of agricultural innovations, particularly agrobiotechnology, and the promotion of financial inclusion.

The Bill & Melinda Gates Foundation has become a key partner of the G20

Especially in these two areas, the Bill & Melinda Gates Foundation has become a key partner of the G20 and provided high amounts of financial support for the implementation of its decisions. One example is the G20 Global Partnership for Financial Inclusion (GPFI), launched at the Seoul Summit in December 2010.⁶⁴ The Partnership has seven Implementing Partners, including the Consultative Group to Assist the Poor (CGAP),⁶⁵ the Alliance for Financial Inclusion (AFI),⁶⁶ and the Better Than Cash Alliance.⁶⁷ Their main objectives are to increase access to financial services for the poor and to promote the transition from cash to digital payments. The Gates Foundation is by far the largest donor of all three initiatives.

In August 2014, the Gates Foundation, together with the World Bank Development Research Group and the Better Than Cash Alliance, prepared the report “The Opportunities of Digitizing Payments” for the G20 Australian presidency.⁶⁸ The report describes how digitization of payments, transfers, and remittances contributes to the G20 goals of broad-based economic growth, financial inclusion, and women’s economic empowerment – in close partnership with the private sector.⁶⁹

The Gates Foundation has also been one of the driving forces behind the G20 strategy to tackle the global food crisis by new technologies and market instruments. In its Toronto Summit Declaration 2010 the G20 committed “to exploring innovative, results-based mechanisms to harness the private sector for agricultural innovation.”⁷⁰ One year later, the G20 Development Working Group stated in its report that “to encourage public and private sector investment in agricultural research in developing countries, we support the implementation of the ‘Agriculture Pull Mechanisms’ initiative, and welcome pilots that embrace an innovative, results-based approach (...).”⁷¹ Bill Gates supported this approach explicitly

64 Cf. www.gpfi.org.

65 Cf. www.cgap.org.

66 Cf. www.afi-global.org.

67 Cf. www.betterthancash.org.

68 Cf. World Bank Development Research Group/Better Than Cash Alliance/Bill & Melinda Gates Foundation (2014).

69 *Ibid.*, p. iv. See also www.g20australia.org/news/global_partnership_financial_inclusion_report_digitising_payments.html.

70 Cf. G20 (2010b), para. 34.

71 Cf. G20 (2011a), para. 27.

and stated in his report to the G20: “I believe this concept of pull mechanisms has real promise in the agricultural sector.”⁷²

At the G20 Summit in Los Cabos 2012, the Governments of Australia, Canada, the UK, and the US, in partnership with the Gates Foundation, pledged US\$118 million to establish the AgResults initiative⁷³ through a Financial Intermediary Fund operated by the World Bank.⁷⁴ AgResults describes itself as “multilateral initiative incentivizing and rewarding high-impact agricultural innovations that promote global food security, health, and nutrition and benefit smallholder farmers, through design and implementing of pull mechanism pilot projects.”⁷⁵ One example of the approach promoted by AgResults is the Zambia Biofortified Maize Pilot that supports the rollout of Provitamin A (PVA) maize in Zambia by stimulating the market for new hybrid varieties of biofortified maize through incentives aimed at industrial millers.⁷⁶

A further example of the links between the G20 and the Gates Foundation is the Agricultural Market Information System (AMIS), an inter-agency platform to enhance food market transparency.⁷⁷ It was launched in 2011 by the G20 Ministers of Agriculture and is hosted by the FAO. One of the AMIS initiatives, the project “strengthening agricultural market information systems globally and in selected countries (Nigeria, India and Bangladesh) using innovative methods and digital technology”, has been funded by the Gates Foundation since 2013 (total budget of US\$5.6 million).⁷⁸

While Bill Gates has not participated in person in G20 Summits since 2011, he has never tired of emphasizing the group’s importance, for instance in a public video message in September 2016, when he offered his congratulations to the Chinese Government on the successful convening of the G20 Hangzhou Summit.⁷⁹

72 Cf. Gates (2011), p. 13.

73 Cf. <http://agresults.org/index.php>.

74 Cf. <http://agresults.org/en/265/about>.

75 Cf. www.devex.com/organizations/agresults-52768.

76 Cf. <http://agresults.org/en/307/ZambiaBiofortifiedMaizePilot>.

77 Cf. www.amis-outlook.org/.

78 Cf. <http://www.amis-outlook.org/technical/en/>.

79 Cf. www.youtube.com/watch?v=4-ZDRYzYzWI.

IV. Key messages of business actors to the G20 – and what’s wrong with them

The G20 is of high importance for international business associations and corporate lobby groups, as its decisions can massively affect business interests all over the world. For this reason, the ICC, the Global Business Coalition and others have been deeply engaged in the work of the G20 and tried to shape its agenda and influence its outcomes – quite successfully according to various (self-) assessments.

Already in 2012, after the G20 Summit in Los Cabos, Mexico, the B20 published a success story of its engagement titled “The best of the B20.”⁸⁰ It concluded:

“One of the most significant measures of success has been that the g20 explicitly referred to the work of the b20 five times in its final communique (up from two times last year). (...) The b20 generated a total of 35 concrete recommendations for the g20. Quite significantly, 26 of the recommendations were included in the final declaration of the g20 (approx. 70%) (...).”⁸¹

One year later, the International Organisations Research Institute and the G20 Research Group undertook a joint assessment of how B20 recommendations translated into G20 decisions.⁸² While the institutes claimed to provide an “independent, unbiased and rigorous analysis of what has been achieved,”⁸³ their report was in fact far from unbiased. Its self-defined purpose was

“(...) to review the progress of G20-B20 engagement, identify what works, support continuity of B20 efforts on the key areas of policy coordination with G20, and help in developing B20 recommendations for future G20 actions.”⁸⁴

Of a total of 262 B20 recommendations, 93 (or 35.5%) have been reflected in G20 documents as commitments or mandates

The main findings of the report are that of a total of 262 B20 recommendations formulated between the Toronto Summit 2010 and the Los Cabos Summit 2012, 93 (or 35.5%) have been reflected in G20 documents as commitments or mandates. B20 recommendations on financial

80 Cf. B20 (2012b).

81 Ibid., p. 5f.

82 Cf. International Organisations Research Institute/G20 Research Group (2013). The International Organisations Research Institute is based at the National Research University Higher School of Economics in Moscow, the G20 Research Group is part of the University of Toronto. The authors of the report acknowledged the “unwavering support from McKinsey & Company, which has been vital for the success of this project” (ibid., p. 3).

83 Ibid.

84 Ibid.

regulation, international monetary system reform, as well as the macro-economic policies have registered the highest levels of correlation with G20 decisions. Recommendations on food security also got “a good track record in decisions of the G20 summits”⁸⁵, with 15 out of 24 B20 recommendations reflected in G20 decisions.

In the following years, the high degree of overlap between B20 recommendations and G20 decisions continued (see Annex 1 for a comparison between the B20 recommendations and the G20 Leaders' Communiqué 2016). The B20 was the only Engagement Group mentioned twice in the G20 Leaders' Communiqué 2016 as well as in the Action Plan on the 2030 Agenda for Sustainable Development.⁸⁶

High degree of overlap between B20 recommendations and G20 decisions

The G20 Trade Ministers Statement of 9-10 July 2016 even referred to B20 recommendations five times. It explicitly welcomed the input from G20 engagement partners, “in particular the B20 and T20,” and noted that it “will continue to collaborate with them to achieve strong, sustainable, inclusive and balanced growth.”⁸⁷

In its recent G20 Business Scorecard from December 2016, the ICC expressed its satisfaction with this development:

“We (...) find the G20's work to be increasingly responsive to the priority recommendations put forward by the business community. The G20 made good progress on the business agenda and the 20+ recommendations developed by B20 China. Consequently, this year's Scorecard yields the highest rating to date: 2.3/3.0.”⁸⁸

In listening to the key catchwords of corporate actors in their recommendations to the G20, such as encouraging innovation, optimizing regulation, or developing effective and efficient governance, one may wonder “what's the problem?” But a closer look behind the flowery language reveals that corporate engagement in and influence on the G20 discourse entail considerable risks and side-effects. They relate to the messages, problem analyses and proposed solutions, as well as to the promoted governance models. The following aspects are of particular concern:

Obsession with economic growth at the expense of the environment

The B20 and the ICC have constantly been preaching economic growth as a panacea and a *sine qua non* condition for prosperity and development. And as, in their view, entrepreneurs and private investors are the main

85 Ibid., p. 7.

86 Cf. G20 (2016d), p. 6-7 and G20 (2016a), p. 10.

87 Cf. G20 (2016e), p. 4.

88 Cf. ICC (2016a), p. 3.

drivers of growth, enabling a business-friendly environment by the G20 is regarded as synonymous with promoting growth and sustainable development. But there is ample proof to suggest that growth cannot simply be equated with prosperity and sustainability. On the contrary, in recent decades, economic growth has been accompanied by growing inequality and environmental degradation in most countries around the world.

Furthermore, the global financial crisis of 2008 was not caused by a lack of growth but, on the contrary, by exorbitant growth of the financial markets and the shadow banking system, combined with a mix of excessive borrowing and widespread failures in financial regulation. While the financial markets have recovered since then and the wealth of the world's billionaires has grown to unprecedented levels, millions of people in the lower and middle classes of the United States and elsewhere are still suffering from the consequences of the crisis, and, in addition, power and resources are concentrated in fewer and fewer financial institutions. It is a truism that the gains of economic growth do not trickle down automatically to the poorest segments of society.

And finally, as long as there is no absolute decoupling of growth and resource consumption, greenhouse gas emissions will continue to rise and the *planetary boundaries* will be further transgressed.

The B20 follows a "more of the same" approach that is in sharp contrast to more sophisticated concepts of sustainability

The B20 completely ignores the growing body of literature that describes the drawbacks of a one-dimensional development model based on growth, even if this growth is branded as "inclusive" or "sustainable." The B20 follows a "more of the same" approach that is in sharp contrast to more sophisticated concepts of sustainability, as developed, for instance, by the British economist Tim Jackson. In his groundbreaking report on the transition to a sustainable economy, he stated:

"The clearest message from the financial crisis of 2008 is that our current model of economic success is fundamentally flawed. For the advanced economies of the Western world, prosperity without growth is no longer a utopian dream. It is a financial and ecological necessity."⁸⁹

The energy sector is just one blatant example of the *business as usual* approach of corporate lobbyists in the G20 discussions. In the run-up to the G20 Summit 2014 in Australia, for instance, the coal industry repeatedly promoted coal as a solution for energy poverty, saying that the only way poor countries could pull themselves out of poverty was by using coal. In response to this, the then Australian Prime Minister Tony Abbott claimed

89 Cf. Jackson (2009), p. 12.

that “coal is good for humanity.”⁹⁰ A few days ahead of the G20 Summit, together with several partners, Peabody Energy, the world’s largest coal mining company, organized the event “Powering Future Economies – Energy” in Brisbane. Its strategic goal was to promote coal as an “advanced energy.”⁹¹ On the list of speakers were, among others, Peabody Energy CEO Glenn Kellow, and notorious climate contrarian Bjorn Lomborg.⁹²

Most recently, the ICC appeared to put forward a slightly more differentiated argument when it called on the G20 leadership in its G20 Business Scorecard of December 2016 “(...) to employ the abundance of all available energy resources, including conventional fuels such as coal, gas, gas liquids (LPG and LNG) and oil; nuclear power; and renewables (...).”⁹³ However, the ICC’s explicit demand that “in order to achieve the G20’s commitment to (...) energy security (...), all energy options must remain open” is a clear statement against the phasing out of fossil fuels.⁹⁴

The G20 follows this line of argument. While encouraging members to substantially increase the share of renewable energy in the global energy mix – on a voluntary basis, the group emphasizes that various forms of energy, including natural gas, nuclear power, and advanced and cleaner fossil fuel technologies are “meaningful options for countries with diverse energy realities.”⁹⁵

Pushing for deregulation and investor interests

When G20 Leaders met in London in April 2009 after the peak of the recent global financial crisis, they conceded that “[m]ajor failures in the financial sector and in financial regulation and supervision were fundamental causes of the crisis.”⁹⁶ They promised that they “(...) will take action to build a stronger, more globally consistent, supervisory and regulatory framework for the future financial sector (...).”⁹⁷ In the subsequent years they initiated a series of reforms at national and international level, including the Basel III international regulatory framework for banks with its capital and liquidity requirements, and the comprehensive Dodd–Frank Wall Street Reform and Consumer Protection Act in the United States.

90 Cf. www.theguardian.com/environment/planet-oz/2014/oct/14/how-big-coal-is-lobbying-g20-leaders-and-trying-to-capture-the-global-poverty-debate.

91 Cf. the PR website of Peabody Energy’s Advanced Energy for Life campaign <http://advancedenergy.peabodyenergy.com/>.

92 Cf. www.choosebrisbane.com/~media/choose/global-cafe/program/energy_pdf.ashx.

93 Cf. ICC (2016a), p. 69.

94 *Ibid.*, p. 71.

95 Cf. G20 (2016b).

96 Cf. G20 (2009b), para. 13.

97 *Ibid.*

However, critics regard these measures as not bold enough to prevent another crisis in the future. Myriam Vander Stichele, senior researcher at the Centre for Research on Multinational Corporations (SOMO), stated in January 2017:

“(..) the lack of real financial reforms and the slow or weak implementation of approved, due to the enormous lobbying power of the financial sector and insufficient political will, means that many financial stability risks remain that are threatening already shaky political systems, and vice versa. Among others, the European Systemic Risk Board and the IMF’s Global Financial Stability Report sent clear warnings that risk taking is high while the existing risks to financial stability are underestimated.”⁹⁸

Banks, investment firms and their lobby groups worked hard to weaken regulations intended to help lessen the risk of another financial crisis

In fact, banks, investment firms and their lobby groups worked hard to weaken regulations intended to help lessen the risk of another financial crisis, particularly in the United States. The New York Times called efforts by lobby groups like the Securities Industry and Financial Market Association (SIFMA) to undermine the Dodd-Frank Act “textbook lobbying” which has achieved remarkable success.⁹⁹

At G20 level, business representatives initially showed general support of reforms to re-stabilize the financial markets, but over time the interests of the financial industry gained ground again. When a delegation of CEOs met with Heads of State and Government at the outset of the G20 Summit in Antalya in November 2015, Francisco González, the CEO of the Spanish Banco Bilbao Vizcaya Argentaria (BBVA), summarized the B20’s position as follows:

“Regulations must focus on growth and not just financial stability. We recommend the G20 leaders to pause in order to assess the whole picture and the cumulative impact of the reforms as well as to recalibrate accordingly if necessary to better allow the financial industry to support growth.”¹⁰⁰

A year later the B20 criticized that “inefficient regulation and overregulation of business (...) has worsened global financial flows, trade, and investment,”¹⁰¹ and the ICC called on the G20 to “optimize” and “re-evaluate post-crisis financial regulation.”¹⁰²

98 Cf. www.somo.nl/continuing-risks-financial-system-start-2017/.

99 Cf. www.nytimes.com/2015/01/14/business/economy/in-new-congress-wall-st-pushes-to-undermine-dodd-frank-reform.html?_r=0.

100 Cf. www.tralac.org/news/article/8501-b20-openness-in-the-business-community.html.

101 Cf. B20 (2016a), p. 10.

102 Cf. ICC (2016a), p. 34.

Business calls against “overregulation” have not been limited to the financial sector, but have occurred in all areas of the G20 agenda, particularly in labour, trade, and investment policies.

Under the pretext of helping young people to participate in the employment market, the B20 asks G20 Governments to remove structural barriers by “(…) reducing red tape and restrictions on various forms of contractual arrangements – such as part-time, flexible-hour, and temporary contracts (…).”¹⁰³ Trade unions would probably call many of these “barriers” labour standards or social rights of young workers.

The calls for trade liberalization, open investment markets, and the elimination of all forms of protectionist measures have been always core demands of the B20 and the ICC to the G20. However, neither of them have ever called for simple deregulation but rather for comprehensive rules and policies that benefit transnational business activities. The B20, for instance, recommended in 2016 that the G20 should adopt “an international investment-facilitation action plan with concrete and transparent policy options, measures, and implementation tracking to boost cross-border investment.”¹⁰⁴ According to the ICC, a draft action plan was prepared by UNCTAD, the OECD, and the World Bank but has not been adopted by the G20 yet. In its *G20 Business Scorecard*, the ICC expressed its hope that such an action plan was still in the pipeline for the G20 Summit in Hamburg 2017.¹⁰⁵

The ICC routinely calls on governments to create or strengthen investment protection and promotion agreements, such as CETA, TPP, or TTIP. It insists in its recommendations to the G20 that these agreements must include strong investor-state dispute settlement (ISDS) provisions giving transnational corporations the right to sue host governments for alleged discriminatory practices.¹⁰⁶ ISDS provisions are highly controversial as they are executed by private arbitration tribunals behind closed doors and potentially restrict the policy space of governments to pass legislation addressing public health, environmental protection, and labour rights. Critics argue that these tribunals give priority to investors’ rights over human rights. Alfred-Maurice de Zayas, Independent Expert of the UN Human Rights Council on the promotion of a democratic and equitable international order referred in his report 2015

The ICC routinely calls on governments to create or strengthen investment protection and promotion agreements

“(…) to numerous cases where ISDS arbitrations have penalized States for adopting regulations, for example to protect food security, access to generic and essential medicines, and reduction of smoking,

103 Cf. B20 (2016a), p. 17.

104 Cf. *ibid.*, p. 16.

105 Cf. ICC (2016a), p. 31.

106 Cf. ICC (2016c), p. 4.

as required under the WHO Framework Convention on Tobacco Control, or raising the minimum wage. This is partly because of outrageously expansive interpretations by specialized corporate-sector arbitrators of terms like ‘investment’, ‘indirect expropriation’ and ‘fair and equitable treatment’.”¹⁰⁷

The ICC itself is one of the leading international institutions that provide dispute settlement services.¹⁰⁸

After Donald Trump took office, it can be expected that the business lobby push for deregulation and investor rights will gain an even stronger voice within the G20

After Donald Trump took office as President of the United States, it can be expected that the business lobby push for deregulation and investor rights will gain an even stronger voice within the G20.

Promoting Public-Private Partnerships and private finance of public infrastructure

Large-scale investment in infrastructure has been a top priority of the G20 since the group established the High Level Panel for Infrastructure Investment at their Summit in Seoul in November 2010. The key findings of the Panel were very much in line with the recommendations of business actors and corporate think tanks like the WEF and McKinsey Global Institute (see above).¹⁰⁹ They particularly emphasized the need for a strong and sustainable supply of bankable projects, an enabling environment for private investors, and new funding models that effectively mitigate the perceived risks for the private sector.

Public-Private Partnerships (PPP) are promoted by business actors as a particularly promising model to fill the global funding gap in infrastructure, estimated by the WEF to be at least US\$ 1.0 trillion per year.¹¹⁰ According to the WEF, PPPs

“can accelerate infrastructure development by tapping the private sector’s financial resources as well as its skills in delivering infrastructure effectively and efficiently on a whole life-cycle cost basis.”¹¹¹

For the WEF and its partners, PPPs are not limited to the physical infrastructure but can provide public goods and services in a broad range of areas, including:

107 Cf. www.ohchr.org/SP/NewsEvents/Pages/DisplayNews.aspx?NewsID=16745&LangID=S#sthash.NywCujBo.dpuf.

108 Cf. www.iccwbo.org/about-icc/organization/dispute-resolution-services/.

109 Cf. High Level Panel for Infrastructure Investment (2011).

110 Cf. World Economic Forum (2013), p. 8.

111 Cf. *ibid.*, p. 7.

“Economic infrastructure: assets that enable society and the economy to function, such as transport (airports, ports, roads and railroads), energy (gas and electricity), water and waste, and telecommunications facilities;

“Social infrastructure: assets to support the provision of public services, such as government buildings, police and military facilities, social housing, health facilities, and educational and community establishments. At issue here are not just traditional ‘bricks-and-mortar’ PPPs, but also public-service PPPs, such as running a passport service for citizens.”¹¹²

Since 2013, the B20 has established a task force on infrastructure each year that formulates detailed recommendations to the G20. In 2016, the B20 task force recommended *inter alia*:

“G20 members should develop bankable public-private partnerships (PPPs) and other private-participation models that follow international best-practice standards, with well-balanced risk allocation and adequate long-term investor protections, particularly against political and regulatory risk.”¹¹³

But what the B20 actually means by “well-balanced risk allocation” in fact seems to be to minimize the risk for the private investor by maximizing it for the public partner. Many studies, published for instance by Public Service International, have shown that PPPs involve disproportionate risks and costs for the public sector. They can even exacerbate inequalities and decrease equitable access to infrastructure services.

Many studies have shown that PPPs involve disproportionate risks and costs for the public sector

Even evaluations done by the World Bank, the IMF, and the European Investment Bank (EIB)– the organizations normally promoting PPPs – have found many cases where PPPs did not yield the expected outcomes.¹¹⁴

Some of the findings of various studies on the risks and costs of PPPs can be summarized as follows:

- » The Economist Intelligent Unit, in collaboration with several development banks, measures the readiness and capacity of countries around the world to implement infrastructure PPPs. In its evaluations

112 Ibid.

113 Cf. B20 (2016c), p. 4.

114 Cf. for further information for instance Jomo KS et al. (2016), Alexander (2016), Muchhala (2016), Callan/Davies (2012), Estache/Philippe (2012), and Hall (2015).

of countries in Africa and in the Asia-Pacific region, it found very few countries with sufficient capacity.¹¹⁵

- » The cost of financing is higher for PPPs than financing public sector works, as governments usually borrow at a lower rate than the private sector.¹¹⁶ However, government officials with tight budgets often choose PPPs rather than public works because officials believe that private firms will bring additional finance to infrastructure projects. But, an evaluation of World Bank-financed PPPs finds that “PPPs generally do not provide additional resources for the public sector.”¹¹⁷ Antonio Estache and Caroline Philippe, in their report on “The Impact of Private Participation in Infrastructure in Developing Countries: Taking Stock of about 20 Years of Experience” found that the potential short term fiscal profits from large scale PPPs are not always sufficient to offset the long-term additional costs emerging from contract renegotiations.¹¹⁸
- » Government liabilities for PPPs appear “off-budget”, so governments have the illusion that they have more fiscal space than they actually do. However, fiscal liabilities can rise sharply if risks materialize (e.g., relating to the level of demand for infrastructure services, shortfall in fee collection, delays in acquiring land or in construction schedules, cost escalation of foreign inputs).¹¹⁹
- » The evaluation of PPP operations over 10 years by the Independent Evaluation Group of the World Bank Group shows that results (other than profitability) from 128 PPPs are largely unknown. Moreover, the evaluators found that “[f]iscal implications would go unrecorded as well as affordability issues”¹²⁰ and that “[c]ontingent liabilities for governments that emerge from PPPs are rarely fully quantified at the project level.”¹²¹
- » Based on 20 years of PPP data, Estache and Philippe report with regard to the road sector that “there is no clear evidence that [the PPP] has helped improve the overall performance of the sector significantly in a lasting way.”¹²² With regard to water and sanitation, “[t]he really bad news from a poverty perspective is that providing access to the

115 Cf. The Economist Intelligence Unit (2015a) and (2015b).

116 Cf. Jomo KS et al. (2016).

117 Cf. Independent Evaluation Group (2014), p. 6.

118 Cf. Estache/Philippe (2012).

119 The role of PPPs in Portugal's 2011 financial collapse is instructive. By 2014, liabilities for state-owned enterprises and PPPs (mainly for roads and health care), which represented 15 percent of GDP, were absorbed into the government's budget. Cf. Eichenbaum et al. (20167).

120 Cf. Independent Evaluation Group (2014), p. 64.

121 Ibid., p. viii.

122 Cf. Estache/Philippe (2012), p. 6.

poor has proven to be not good enough. What is needed is affordable access. Affordability is indeed an essential dimension of the fight against poverty. And this is often not something commercial lenders are trained to think about.”¹²³

- » According to a report published at the Asia Research Centre of the London School of Economics, “PPP arrangements are not regarded as an appropriate instrument for IT projects, or where social concerns place a constraint on the user charges that might make a project interesting for the private sector. The latter may also apply with some other rural infrastructure, such as feeder roads.”¹²⁴

So far, the G20 has by and large ignored these concerns and continued to concentrate on the promotion of private sector participation in infrastructure investments. In 2014 it launched the Global Infrastructure Hub (GIH), which was a leading B20 recommendation, to support bankable infrastructure projects by facilitating knowledge sharing, highlighting reform opportunities and connecting the public and private sectors.¹²⁵ In 2016, G20 Leaders endorsed the Global Infrastructure Connectivity Alliance to strengthen and link the infrastructure master plans in the regions and continents of the world, particularly in four sectors: energy, transport, water, and information and communications technology (ICT).¹²⁶

The G20 has ignored concerns and continued to concentrate on the promotion of private sector participation in infrastructure investments

In its Leaders Communiqué 2016, the G20 explicitly welcomed the Annotated Public-Private Partnership (PPP) Risk Allocation Matrices completed by the GIH.¹²⁷ However, these Matrices look into risks related to PPPs mainly from an economic perspective. Environmental and social concerns are only regarded as cost factors (while human rights are not mentioned at all). Labour disputes, for instance, are seen as risks that have to be assumed by the private partner, “(..) however relief may be available for strikes and other widespread events of labour unrest.”¹²⁸ Under “Mitigation Measures,” the GIH manual notes that the private partner “(..) will mitigate risks by appropriately allocating such risks to appropriate subcontractors.”¹²⁹ And under “Government Support Arrangements,” the manual recommends:

“If standards change after the tender, the Contracting Authority may consider increasing the payments to account for increased costs of

123 Ibid., p. 11.

124 Cf. Ahmad et al. (2014), p. 32.

125 Cf. <http://globalinfrastructurehub.org/>.

126 Cf. <http://www.g20chn.org/English/Documents/Current/201608/P020160815370070969702.pdf>.

127 Cf. G20 (2016d), para. 39.

128 Cf. Global Infrastructure Hub (2016), p. 19.

129 Ibid.

compliance or Private Partner will be excused from compliance with the new standard.”¹³⁰

The imbalance between investors’ interests and environmental, social and human rights concerns are reflected in many other documents on infrastructure adopted or commissioned by the G20, including those provided by the OECD.

A study commissioned by the Heinrich Böll Foundation to researchers at the Institute for Human Rights and Business found out that most OECD documents addressed to the G20 lack any significant sustainable development content or advice. The authors concluded:

“OECD policy advice on infrastructure investment and development [to the G20] lacks coherence for sustainable development from multiple perspectives, such as coherence with global goals and countries’ aspirations, coherence with economic, social and environmental policies, coherence with the OECD’s own position on sustainable development, and coherence with initiatives and actions of external actors. The overall thrust of its infrastructure policy advice to the G20 is insufficient to provide the G20 countries with a reliable roadmap to achieve sustainable development goals through infrastructure.”¹³¹

In a recent paper on infrastructure investment and PPPs, Nancy Alexander of the Heinrich Böll Foundation summarizes:

“The scale of the infrastructure and PPP initiative championed by the G20’s national and multilateral banks could privatize gains and socialize losses on a massive scale. The G20 should take steps to ensure that this scenario does not unfold.”¹³²

The scale of the infrastructure and PPP initiative championed by the G20’s national and multilateral banks could privatize gains and socialize losses on a massive scale

Preferential treatment for the business lobby in global governance

The B20, the ICC and their business partners are promoting partnership approaches not only when it comes to the implementation of G20 decisions and the provision of goods and services. Since the first G20 Summit 2008, they have been portraying themselves more fundamentally as partners of the G20 in all aspects of policymaking and global governance.

The invention of the “B20” and the positioning of its summits back to back to the G20 summits (at least until 2016) have been symbols of the

¹³⁰ Ibid.

¹³¹ Cf. Aizawa/Schuele (2016), p. 18.

¹³² Cf. <https://us.boell.org/2016/12/15/infrastructure-investment-and-public-private-partnerships> and Alexander (2016).

close relationship between business and the G20 and reflect the desire of corporations and their interest groups to interact with G20 Leaders on an equal footing.

Their expectations are based on theoretical concepts of multi-stakeholder governance as reflected, for instance, in the WEF’s report “Global Redesign” on the future of global governance. It posits that a globalized world is best managed by a coalition of multinational corporations, nation-states and selected civil society organizations. The report argues that states are no longer “the overwhelmingly dominant actors on the world stage,”¹³³ and that “the time has come for a new stakeholder paradigm of international governance.”¹³⁴

The WEF applied this approach directly to the G20. In 2011, the WEF stated in a joint task force report with the ICC to the G20:

“Most of the topics the joint Forum-ICC G20 Task Force has been asked to address are too fundamental and multi-faceted for governments or businesses to successfully address alone. Deeper, sustained cooperation between the public and private sectors encompassing both policy formulation and implementation – advice and action – is required if the G20’s ambition of stronger, more sustainable and more balanced global economic growth is to be fully realized.”¹³⁵

In July 2014, the ICC published a Global Survey of Business Policy Priorities for G20 Leaders. The survey showed that the business community wants to be more involved in the G20 process. Such involvement “could include direct dialogue with G20 leaders, more frequent and regular interaction with G20 ministers and sherpas, and participation in G20 policy working groups.”¹³⁶

The business community wants to be more involved in the G20 process

The B20 described in greater detail what the interaction between business and the G20 should look like. In 2013, the B20 established a Task Force on G20-B20 Dialogue Efficiency. Among its around 20 members were high-ranking representatives from the ICC, the WEF, McKinsey, and national business associations including the BDI and the U.S. Chamber of Commerce. In the run-up to the Saint Petersburg Summit, the Task Force presented the following list of recommendations to the G20:¹³⁷

133 Cf. World Economic Forum (2010), p. 8.

134 Ibid., p. 9.

135 Cf. World Economic Forum/International Chamber of Commerce (2011), p. 4.

136 Cf. ICC (2014b), p. 10.

137 Cf. B20 (2013a), p. 54.

1. The G20 should continue to develop an effective dialogue with the B20 in a structured manner throughout the preparatory period, culminating in a joint session in the summit.
2. The G20-B20 engagement should not be limited to a separate outreach track. The G20 should invite the B20 for a structured dialogue within its formal mechanisms. The G20 should benefit from consulting with the B20 on the Presidency agenda priorities. B20 representatives acting as observers or invited members can add real value to the deliberations and decision making of the G20 working groups, ministerial and sherpas' meetings.
3. Joint G20-B20 working groups on G20 priorities can be set up.
4. The G20 members should engage with national representatives of the B20 to sensitize the B20 to the G20 member positions. Such engagement will allow the B20 to take into consideration each country's context at an early stage of B20 recommendations development, and to make recommendations actionable.
5. The G20 should encourage international organizations to foster cooperation with the B20. Better participation of businesses in the discussions and decision-making processes of international organizations would deepen their engagement with stakeholders and increase transparency.
6. The G20 needs partnership with business to attain its objective on long-term investment and financial regulation. The G20 could initiate joint G20-B20 working groups on investment and finance, bringing together the G20, the B20, and other outreach partners and international institutions.
7. The G20 could build on the experience of the joint pilot groups on investment and finance and initiate joint G20-B20 working groups on other G20 priority areas.
8. The G20 should improve its transparency and monitoring of outcomes. The G20 accountability reports published for the summits should be subject to discussion with the B20 and the wider public to enhance G20 legitimacy and effectiveness.

By implementing these recommendations, the G20 Leaders would have completely opened the floodgates to corporate influence. They did this only partly. Two of the eight recommendations were ignored by the G20,

three deliberated upon and three reflected in actions or mandates.¹³⁸ While the G20 was reluctant to set up joint G20-B20 working groups, it committed to maintain the dialogue between the G20 Anti-Corruption Working Group and the B20 and C20 (Transparency International).

Furthermore, the Study Group on Investment stated its preparedness to explore the scope for deeper dialogue with private sector participants. Three years later, when the G20 established its Trade and Investment Working Group (TIWG) in 2016, its Terms of Reference announced that this working group “(...) may also engage more directly with relevant stakeholders, including the Business 20 (...).”¹³⁹ Other engagement groups were not mentioned. In fact, the Chinese G20 presidency invited the B20’s chair and co-chairs to attend all three working-level meetings of the TIWG in 2016.

While business actors have constantly enjoyed preferential treatment by the G20 and enjoy far better access to its deliberations and decision-making processes than civil society organizations and trade unions, they continue to insist on a more formalized relationship. The ICC stated for instance in December 2016 that among business’ longstanding recommendations to the G20 were calls for establishing “formal business representation in the G20 energy-related working groups (...).”¹⁴⁰ The ICC added:

“The lack of formalized private-sector participation in the G20’s energy discussions remains a key concern. Business encourages Germany to invite members of the B20 community to its official energy working group meetings and to materially involve the private sector in the deliberations of Energy Ministers.”¹⁴¹

The strategy to formalize interaction between business groups and governments at international level is not limited to the G20. In an unprecedented move in fall 2016, the UN General Assembly (GA) granted formal observer status to the ICC.¹⁴² Previously, this status had been mainly limited to non-Member States of the UN such as the Holy See and the State of Palestine, and intergovernmental organizations like the African Union and the OECD. Trade unions and civil society organizations are not on the list of observers. Granting this privileged status to the ICC gives the world’s largest business association a direct voice in UN decision-making and risks widening the imbalance between corporate interests and civil society in global policy. Further strengthening the involvement of business groups in the G20 would amplify this trend.

Business actors have constantly enjoyed preferential treatment by the G20 and enjoy far better access to its deliberations and decision-making processes than civil society organizations and trade unions

138 Cf. B20 (2013b), p. 24.

139 Ibid., Annex 1, p. 2.

140 Cf. ICC (2016a), p. 75.

141 Cf. *ibid.*, p. 76.

142 Cf. www.globalpolicywatch.org/blog/2016/12/19/direct-voice-decision-making/.

V. Conclusions: Time to counterbalance corporate influence in the G20

Over the past eight years, the G20 has emerged as one of the most prominent political fora for international cooperation, far beyond its original mandate to tackle the global economic and financial crisis of 2007/2008. Today its agenda covers financial and economic issues, labour market and employment policy, the spread of digital technology, climate change, development cooperation, agriculture, global health, migration, counter-terrorism, and other issues of global significance.

For transnational corporations and their national and international associations and lobby groups, the G20 process provides important opportunities to engage with the world's most powerful governments on a regular basis, shape their discourse, and influence their decisions. For this purpose, business actors have created a broad network of alliances and fora around the G20, with the B20 as the most visible symbol of corporate engagement.

Their overall objective is obviously to promote corporate interests in G20 decision-making, or, as Marcus Wallenberg, Chair of the ICC G20 Advisory Group, puts it, “to ensure that the input and priorities of companies driving the world economy are better reflected in government resolutions.”¹⁴³

Their main messages are rather straightforward: The need to foster economic growth as a panacea and a *sine qua non* condition for prosperity and development; the creation of an enabling and business-friendly environment for entrepreneurs and private investors as the main drivers of growth; the elimination of what business groups regard as inefficient regulation or overregulation, while strengthening trade and investment agreements that give priority to investor rights; the promotion of PPPs as a preferred model to fill the global funding gap in infrastructure and mitigate actual and perceived risks for the private sector; and finally, formalized private-sector participation in all discussions of the G20 and other global governance fora.

It is difficult to measure the direct influence of business actors on the G20 and to assess their impact. Given the lack of transparency and disclosure of the G20, systematic information about its meetings is not publicly available. Comprehensive proceedings of G20-related meetings are not published, and there is only anecdotal evidence about the participation of

143 Cf. www.iccwbo.org/global-influence/g20/.

business representatives. There is not even an official integrated website with access to all G20 documents and background materials.¹⁴⁴

The B20 and the ICC themselves claim success in influencing G20 decision-making in various impact reports and G20 Business Scorecards, leading to the conclusion that the G20 is “increasingly responsive to the priority recommendations put forward by the business community.”¹⁴⁵

However, it is not clear whether the commonalities of business and G20 positions have been caused by direct B20 interventions, by the lobbying of national business groups in G20 countries, by longer-term methods of influencing discourses and political decision-making processes (including public relations campaigns and scientific research commissioned by corporate interest groups), or simply because governments share certain views and analyses of business actors.

Whatever the case, the comparison of business recommendations and G20 communiqués shows a large proportion of overlapping positions and common language (see Annex 1). This indicates the high degree of direct or indirect influence that corporate actors exert on shaping the agenda and the discourse of the G20.

The Enhanced Structural Reform Agenda adopted at the 2016 G20 Summit in Hangzhou is a good example of this phenomenon.¹⁴⁶ In line with many recommendations put forward by business groups, it identifies the following nine areas as structural reform priorities for the G20:

- » Promoting trade and investment openness
- » Advancing labour market reform, educational attainment and skills
- » Encouraging innovation
- » Improving infrastructure
- » Promoting fiscal reform
- » Promoting competition and an enabling environment
- » Improving and strengthening the financial system
- » Enhancing environmental sustainability
- » Promoting inclusive growth

144 The largest archive of G20 related documents is still hosted by the University of Toronto (www.g20.utoronto.ca). The German Federal Ministry of Justice and Consumer Protection recently published a comprehensive list of resources related to the G20-Anti Corruption Working Group (ACWG), cf. www.bmjv.de/DE/Themen/G20/G20_node.html.

145 Cf. ICC (2016a), p. 3.

146 Cf. G20 (2016c).

The G20 Agenda reflects a narrow and purely economic understanding of the need for structural change

Thus, for the G20, structural reforms are mainly favored in areas where they have “the largest impact in terms of boosting growth.”¹⁴⁷ The G20 Agenda reflects a narrow and purely economic understanding of the need for structural change. This is in sharp contrast to the holistic approach of the 2030 Agenda for Sustainable Development, adopted by the 193 Member States of the United Nations (including the G20 countries) in September 2015. While the 2030 Agenda posits the need for an integrated and indivisible approach to balance the economic, social and environmental dimensions of sustainability, the Enhanced Structural Reform Agenda of the G20 mentions social and environmental concerns only in passing and completely ignores human rights as guiding principle for any structural reform.

In parallel to the Enhanced Structural Reform Agenda, the G20 also adopted a G20 Action Plan on the 2030 Agenda for Sustainable Development.¹⁴⁸ It is certainly to be welcomed that this plan demonstrates the G20’s commitment to aligning its work with the 2030 Agenda. But the Action Plan remained vague and selective, and reduced the Sustainable Development Goals (SDGs) and targets of the 2030 Agenda to a limited list of Sustainable Development Sectors (SDSs). The G20 has pointed out that the Action Plan is not intended to cover all SDGs in a comprehensive manner and focuses on sectors, “where it has comparative advantage and can add value as a global forum for economic cooperation.”¹⁴⁹ However, overemphasizing economic interests and ignoring other important aspects of sustainable development abets policy incoherence and undermines the multidimensional character of the 2030 Agenda.

Nevertheless, it comes as no surprise that both the Enhanced Structural Reform Agenda and the Action Plan on the 2030 Agenda for Sustainable Development received good marks from the business lobby.¹⁵⁰

In order to at least gradually overcome the imbalances in G20 policies and the double standards in its openness towards business and civil society, substantial reforms are necessary

In order to at least gradually overcome the described imbalances in G20 policies and the double standards in its openness towards business and civil society, substantial reforms are necessary. They relate to procedural as well as to political aspects of the G20 process.

Enhancing transparency and disclosure: The discussions and decision-making processes in the G20 proceed largely behind closed doors. The media, civil society, parliaments, and the countries that are not members of the club are often only informed about the topics discussed and the decisions taken afterwards. Systematic information about its meetings, including the Sherpa and working group agendas, is not publicly available.

147 Cf. *ibid.*, p. 2.

148 Cf. G20 (2016a).

149 Cf. *ibid.*, p. 1.

150 Cf. ICC (2016a).

In order to overcome the lack of transparency and comprehend its decision-making processes, the G20 should disclose fully and timely all documents related to its meetings, including Sherpa, working group, and ministerial meetings. In addition to all official statements and decisions, this should include meeting schedules, agendas, proceedings, and background papers.

Equal access instead of preferential treatment for business: In order to demonstrate its openness towards social groups, the G20 has set up various Engagement Groups. At first glance, all Engagement Groups are equal, but one is more equal than the others. Business actors have constantly enjoyed preferential treatment and far better access to G20 decision-makers than civil society organizations and trade unions. What is even worse, while the space for civil society organizations has been shrinking in several G20 countries, the space for corporate interest groups has been widening. As yet, there is no set of rules defining the right of civil society to be heard and to participate in deliberations and decision-making processes of the G20. So far, the forms of involvement have depended on the goodwill of the respective G20 presidency, and they differ from year to year. Thus the G20 should elaborate clear and consistent standards for engagement with non-state actors that allow for systematic participation of civil society organizations in its discussions while preventing undue influence of corporate interest groups. All forms of preferential treatment for business groups in the G20 process should be stopped.

Taking policy coherence for sustainable development seriously: At UN level, G20 Governments formally agreed on a comprehensive set of sustainability principles and human rights. But at G20 level, they failed to effectively bring their policies into line with them. Instead, G20 policies and action plans are still all too often sectorally fragmented and misguided, with an overreliance on economic growth and market-driven solutions. New concepts like ‘green growth’ are at best attempts to treat the symptoms of the problems without tackling their root causes. G20 Governments should draw lessons from the failures of the past and reformulate the overall objectives of their policies and related concepts and metrics that guide them. Instead of subordinating their policies to the overarching goal of maximizing GDP growth, the leitmotif of their policies should be that of maximizing the well-being of the people without compromising the well-being of future generations by respecting the planetary boundaries. In order to translate this leitmotif into practical policy, G20 Governments should adopt binding commitments to policy coherence for sustainable development. Instead of measuring the responsiveness of G20 Leaders to business priorities, their responsiveness to the principles and goals of the 2030 Agenda should be assessed systematically.

Strengthening public policies instead of investors' rights: In G20 discussions, corporate lobby groups such as the ICC have been advocating forcefully against “overregulation,” and for exactly those trade, investment and financial rules that have rather destabilized the global economy and exacerbated inequalities in both the global North and the global South. Furthermore, a new generation of free trade and investment agreements risks a further reduction in the policy space of governments to implement sound social, environmental and developmental policies. These agreements will add to the power of investors and big corporations and, by the same token, weaken the role of the state and its ability to promote human rights and sustainability. The G20 should fundamentally rethink its approach towards trade and investment liberalization and take into account the demands of civil society organizations, trade unions, indigenous peoples, human rights experts, and many others, to place human rights and the principles of sustainable development at the core of all trade and investment agreements.

Rethinking PPPs in the G20 process: Business actors and corporate think tanks like the WEF and the McKinsey Global Institute have been steadily promoting PPPs as the primary model to fill the global funding gap in infrastructure investment. The G20 has followed their advice by launching, *inter alia*, the Global Infrastructure Hub and the Global Infrastructure Connectivity Alliance. However, many studies have shown that – especially in certain sectors and with low-income areas – PPPs involve disproportionate risks and costs to the public sector and can even exacerbate inequalities and decrease equitable access to infrastructure services. The G20 should take these findings and concerns into account, rethink its approach towards private sector participation in infrastructure investment, and explore alternative means of public infrastructure financing. Where long-term institutional investors are involved in financing infrastructure, the G20 High Level Principles guiding their activities should be revised to promote coherence with social and environmental goals.

Recalibrating the role of the G20 in global governance – reclaiming democratic multilateralism: The measures listed above are indispensable to counteracting the influence of corporate interests on discourse and policies in the G20. But these measures are not ends in themselves. There is a need to reconsider the current mainstream approach based on “club” governance and partnerships among diverse stakeholders. It is important to re-establish a clear distinction between those who should regulate and the party to be regulated and to reject any discourse that obfuscates the fact that corporations have a fundamentally different primary interest from that of Governments, CSOs, and social movements: their prime interest – enshrined in their fiduciary duty – is to satisfy the interests of their owners and shareholders. The multi-stakeholder discourse blurs this important distinction between the different actors.

Certainly, meaningful engagement with all sectors of society is a pre-requisite for democratic decision-making. But acknowledging corporations' role must not mean giving them undue influence on policymaking and ignoring their responsibility in creating and exacerbating many of the problems that G20 Governments are supposed to tackle.

However, creating consistent standards for transparency, the engagement with non-state actors, and policy coherence should not lead to the further strengthening of the G20 in global governance. It should be re-emphasized that the G20 remains a self-selected club of countries in which large regions of the world are underrepresented. It is not embedded in relationships of accountability to more representative (albeit still imperfect) global institutions, such as the UN with its universal membership and its formalized participation arrangements for NGOs.

Rather than continuing to innovate through outsourcing tasks to clubs with limited membership and piecemeal partnerships with decision-making structures outside the UN, G20 Governments should enable the UN to be the leader in the establishment of democratic global governance and subordinate the G20 to it.

G20 Governments should enable the UN to be the leader in the establishment of democratic global governance and subordinate the G20 to it

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Acronyms

AE20	G20 Agricultural Entrepreneurs Forum
AFI	Alliance for Financial Inclusion
AMIS	Agricultural Market Information System
ASEAN	Association of Southeast Asian Nations
B20	Business20
BDA	Bundesvereinigung der Deutschen Arbeitgeberverbände (Confederation of German Employers' Associations)
BDI	Bundesverband der Deutschen Industrie (Confederation of German Industries)
BIAC	Business and Industry Advisory Committee to the OECD
C20	Civil20
CASS	Chinese Academy of Social Sciences
CCC	Canadian Chamber of Commerce
CCCE	Canadian Council of Chief Executives
CGAP	Consultative Group to Assist the Poor
CNIE	China NGO Network for International Exchanges
DIE	Deutsches Institut für Entwicklungspolitik (German Development Institute)
DIHK	Deutsche Industrie- und Handelskammer (Association of German Chambers of Commerce and Industry)
EIB	European Investment Bank
FAO	Food and Agriculture Organization of the United Nations
FSB	Financial Stability Board
GFFA	Global Forum for Food and Agriculture
GII	Global Infrastructure Initiative
GNP	Gross National Product
GPFI	Global Partnership for Financial Inclusion
IBAC	International Business Advisory Council
ICC	International Chamber of Commerce
IDEA	International Diplomatic Engagement Association
IfW	Institut für Weltwirtschaft (Kiel Institute for the World Economy)
IMF	International Monetary Fund
ILO	International Labour Organization
ITUC	International Trade Union Confederation
KAGIDER	Women Entrepreneurs Association of Turkey
L20	Labour20
MDB	Multilateral Development Bank
MGI	McKinsey Global Institute
NEPAD	New Partnership for Africa's Development
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
PPP	Public Private Partnership
PVA	Provitamin A
RANEP	Russian Presidential Academy of National Economy and Public Administration
R&D	Research and development

S20	Science20
SDG	Sustainable Development Goal
SDS	Sustainable Development Sector
SIFMA	Securities Industry and Financial Market Association
SMEs	Small and medium-sized enterprises
SUN	Scaling Up Nutrition
T20	Think Tank20
TEPAV	Economic Policy Research Foundation of Turkey
TIKAD	Turkish Businesswomen Association
TIWG	Trade and Investment Working Group (of the G20)
TNC	Transnational Corporation
TUAC	Trade Union Advisory Committee
UN	United Nations
UNA-China	United Nations Association of China
UNDP	United Nations Development Programme
VdU	Verband deutscher Unternehmerinnen (German Women Entrepreneurs)
VENRO	Verband Entwicklungspolitik und Humanitäre Hilfe (German Association of Development and Humanitarian Aid Non-Governmental Organizations)
W20	Women20
WEF	World Economic Forum
WTO	World Trade Organization
Y20	Youth20
YEA	Young Entrepreneurs' Alliance

Annex I

Overlapping interests: B20 Recommendations and G20 Leaders' Communiqué 2016

B20 Recommendations	Extract from the G20 Communiqué 2016
<p>Break a new path for global economic growth</p> <p>1 Implementing programs such as the SMART innovation initiative to encourage entrepreneurship and innovation.</p> <p>1.1 Implementing a G20 SMART innovation that promotes technological innovation</p> <p>1.2 Executing structural reforms to reduce costs, bureaucracy, and business disruption in order to stimulate entrepreneurship</p> <p>1.3 Supporting and developing finance systems that ease a business's transition from entrepreneurship to SME status</p> <p>1.4 Effecting programs that spur innovation, such as national or global sponsorship of innovation challenges, R&D investment in priority sectors, ecosystem enablement, and business-connected education curricula</p>	<p>Breaking a New Path for Growth</p> <p>9 "We thus endorse the G20 Blueprint on Innovative Growth as a new agenda encompassing policies and measures in and across the areas of innovation, the new industrial revolution and the digital economy. In this context, we recognize the importance of structural reforms"</p> <p>"We commit to pursue pro-innovation strategies and policies, support investment in science, technology and innovation"</p>
<p>2 Accelerating the pipeline of high-quality bankable projects and promoting the creation of financial instruments to facilitate infrastructure investment.</p> <p>2.1 Developing a coherent, long-term infrastructure vision and plan on the basis of an objective, rigorous assessment and prioritization of projects</p> <p>2.2 Streamlining, standardizing, and speeding project preparation and procurement processes to de-risk and bring projects to market more quickly</p> <p>2.3 Evaluating the potential and feasibility of all possible revenue sources – for instance, user charges, land value capture, and ancillary businesses-during project preparation</p> <p>2.4 Developing bankable public-private partnerships (PPPs) and other private-participation models that follow international best-practice standards, with well-balanced risk allocation and adequate protections for long-term investors, particularly against political and regulatory risks</p> <p>2.5 Enhancing public capabilities, establishing central knowledge hubs, and working out standardized project-development framework as a guideline to</p>	<p>39 "We welcome the Joint Declaration of Aspirations on Actions to Support Infrastructure Investment by 11 multilateral development banks (MDBs), including their announcement of quantitative ambitions for high quality infrastructure projects [...] as well their efforts to maximize the quality of infrastructure projects, strengthen project pipelines, [...] strengthen the enabling environment for infrastructure investment for infrastructure investment in developing countries, as well as catalyze private resources"</p>

B20 Recommendations	Extract from the G20 Communiqué 2016
<p>increase and accelerate project pipelines. These can be achieved by drawing on expertise from MDBs, the GIH, the Organisation for Economic Co-operation and Development (OECD), and the G20 members</p> <p>2.6 Improving investment climates and removing unnecessary barriers to infrastructure investment in capital markets and to prudential regulations</p> <p>2.7 Encouraging development of systematic asset-monetization plans for bankable brownfield assets and subsequent reinvestment of proceeds into Greenfield assets, in order to expand investment opportunities for long-term investors and improve the market liquidity of the asset class</p> <p>2.8 Enabling development of financial instruments that further both debt and equity participation in Greenfield infrastructure projects- for example, by creating a global insurance pool for infrastructure investments</p>	
<p>3 Enhancing the catalytic role of multilateral development banks (MDBs) and institutions in enabling private-sector infrastructure.</p> <p>3.1 Directing MDBs to coordinate and cooperate more widely and deeply, particularly in areas like co-financing and technical assistance, and providing more support for governments to develop bankable projects</p> <p>3.2 Encouraging MDBs to focus more on crowding in private-sector financing by developing and supporting innovative financial instruments – for example, raising the volume and coverage of guarantees, creating new contingent-financing instruments, and coinvesting with private investors</p>	
<p>4 Facilitating the development of green financing and investment markets.</p> <p>4.1 Designing incentives for, and lowering the financing costs of, green investments</p> <p>4.2 Establishing green standards and encouraging disclosure and reporting on the impact of investments</p> <p>4.3 Building institutional capacity and knowledge through a G20 international platform</p> <p>4.4 Encouraging or rewarding financial institutions that take actions to measure climate, environmental, and social risks</p>	<p>21 “We recognize that, in order to support environmentally sustainable growth globally, it is necessary to scale up green financing. The development of green finance faces a number of challenges [...] but many of these challenges can be addressed by options developed in collaboration with the private sector. [...] We believe efforts could be made to provide a clear strategic policy signals and frameworks, promote voluntary principles for green finance, expand learning networks for capacity building, support the development of local green bond markets, promote international collaboration to facilitate cross-border investment in green bonds, encourage and facilitate knowledge sharing on environmental and financial risks and improve the measurement of green finance activities and their impacts”</p>

B20 Recommendations	Extract from the G20 Communiqué 2016
<p>Develop more effective and efficient global economic and financial governance</p> <p>5 Stimulating financial inclusion by embracing digital technology innovation.</p> <p>5.1 Utilizing digital technology to advocate for financial literacy and protect individual consumers</p> <p>5.2 Making financial services easier for less-privileged people to access through mobile money</p> <p>5.3 Leveraging mutual insurance and microinsurance to protect less-privileged people</p> <p>5.4 Coordinating credit databases and introducing advanced technology to support financial inclusion</p> <p>5.5 Improving regulatory governance of alternative finance</p>	<p>More Effective and Efficient Global Economic and Financial Governance</p> <p>17 “We are committed to protecting the voice and representation of the poorest members. [...] We support the [...] ongoing work of the Paris Club, as the principal international forum for restructuring official bilateral debt, toward the broader inclusion of creditors”</p> <p>18 “We encourage countries to consider these principles in devising their broader financial inclusion plans, particularly in the area of digital financial inclusion, and to take concrete actions to accelerate progress on all people’s access to finance”</p>
<p>6 Optimizing global financial regulations to support growth.</p> <p>6.1 Reassessing the impact of recent and planned financial rules on the global economy, and conducting independent cost-benefit analysis on new global and liquidity standards, especially on trade finance, SME lending, market liquidity, and insurance regulations</p> <p>6.2 Adopting a more comprehensive and principles-based process for cross-border financial regulatory consultation, in order to improve regulatory coherence</p> <p>6.3 Promoting global financial market integration and open access</p>	<p>18 “Building an open and resilient financial system is crucial to supporting sustainable growth and development. To this end, we remain committed to finalizing remaining critical elements of the regulatory framework”</p>
<p>7 Facilitating the access of small- and medium-sized enterprises (SME) to bank financing and alternative funding.</p> <p>7.1 Asking relevant international organizations to evaluate the impact that existing and proposed financial regulations have on lending to SMEs and on the efficiency of credit reporting, scoring, and rating systems, then to report the finding at the Basel Committee on Banking Supervision and the G20 2017 Summit in Germany</p> <p>7.2 Facilitating development of equity-based financing mechanisms for SMEs – such as support for business angels, seed capital, and venture capital – and encouraging small-cap exchange</p> <p>7.3 Facilitating development of nonbank finance for SMEs, including FinTech, targeted trade, and supply chain financing. The G20 should ask the WBG, MDBs, development finance institutions, and others</p>	<p>18 “We endorse (...) the Implementation Framework of the G20 Action Plan on SME Financing.”</p>

B20 Recommendations	Extract from the G20 Communiqué 2016
<p>to help establish a framework for nonbank finance specifically for SMEs, in consultation with the B20</p>	
<p>8 Adopting consistent and aligned tax policies to drive inclusive growth.</p> <p>8.1 Adopting tax policies that support cross-border debt financing and equity investment</p> <p>8.2 Ensure that the tax policies in the implementation of the BEPS project are consistent and aligned between the developed countries and the developing countries</p> <p>8.3 Enacting tax policies that benefit both tax authorities and taxpayers because they engender heightened cooperation, coordination, and exchange of information among tax authorities</p>	<p>7 “We are using fiscal policy flexibly and making tax policy and public expenditure more growth-friendly”</p> <p>19 “We will continue to support for international tax cooperation to achieve a globally fair and modern tax system and to foster growth, including advancing on-going cooperation on base erosion and profit shifting (BEPS), exchange on tax information, tax capacity building of developing countries and tax policies to promote growth and tax certainty”</p>
<p>9 Strengthening intergovernmental cooperation against corruption, and supporting the building of capacity to stronger anti-corruption compliance.</p> <p>9.1 Advocating greater collaboration among nations in enforcement of anti-corruption laws, including those that have been adopted in accordance with international conventions and related G20 High-Level Principles</p> <p>9.2 Continuing to encourage dialogue between government and business in an effort to promote better understanding of best anti-corruption practices in both the public and private sector</p> <p>9.3 Bolstering incentives for companies to build best-practice compliance programs and report their own compliance breaches</p> <p>9.4 Supplying companies – SMEs in particular – with training programs and toolkits to identify and manage third-party risk and compliance</p>	<p>22 “We will reinforce the G20’s efforts to enhance international cooperation against corruption. We endorse the G20 High Level Principles on Cooperation on Persons Sought for Corruption and Asset Recovery”</p> <p>“Consistent with our legal systems, we will work on cross-border cooperation and information sharing between law enforcement and anti-corruption agencies and judicial authorities”</p> <p>[...] We endorse the 2017-2018 G20 Anti-Corruption Plan to improve public and private sector transparency and integrity, implementing our stance of zero tolerance against corruption, zero loopholes in our institutions and zero barriers in our action”</p>
<p>10 Promoting a more transparent environment for business in order to bolster competition.</p> <p>10.1 Working with them to urge beneficial ownership transparency and ensure better adherence in the private sector to new policies and regulations</p> <p>10.2 Advancing integrity in public procurement by adopting transparent e-procurement systems and encouraging best practices in effective compliance programs</p> <p>10.3 Supporting transparent electronic pilot programs for customs clearance so as to reduce the risk of corruption and promote trade</p> <p>10.4 Ensuring that laws to protect whistleblowers for reporting corruption and other wrongdoing</p>	

B20 Recommendations	Extract from the G20 Communiqué 2016
<p>Encourage robust international trade and investment</p> <p>11 Strengthening the multilateral trading system and eliminating new protectionist measures while rolling back existing measures to enable trade growth.</p> <p>11.1 Formalizing the role of trade ministerial meetings in the G20 process, ensuring that ministerial determinations are clearly communicated, and including regular B20 engagement in those meetings</p> <p>11.2 Proposing a work program to the World Trade Organization (WTO) that includes forming a roadmap for the remaining Doha issues, as well as possible discussions on new trade-related issues like e-commerce, investment, SMEs, and GVCs</p> <p>11.3 Requesting independent reviews from a group of staff experts from the WTO and relevant international organizations. The reviews would compare major regional trade agreements for commonality and provisions that might invite larger plurilateral acceptance, increase the transparency of free trade agreements, and impact nonmember countries' trade and investment</p> <p>11.4 Encouraging the IMF and the WTO to jointly develop a plan that would sharply increase the availability of export finance to developing countries. The plan should set a numerical target and engage MDBs as well as private banks</p> <p>11.5 Renewing commitments to stop the imposition of new WTO-inconsistent protectionist measures and roll back existing ones.</p>	<p>Robust international trade and investment</p> <p>6 "We will work harder to build an open world economy, reject protectionism, promote global trade and investment, including through further strengthening the multilateral trading system, and ensure broad-based opportunities through and public support for expanded growth in a globalized economy"</p> <p>26 "We reaffirm our determination to ensure a rules-based, transparent, non-discriminatory, open and inclusive multilateral trading system" "We also note that a range of issues may be of common interest and importance to today's economy, and thus may be legitimate issues for discussions in the WTO, including those addressed in regional trade arrangements (RTAs) and by the B20."</p> <p>28 "We reiterate our opposition to protectionism on trade and investment in all its forms. We extend our commitments to standstill and rollback of protectionist measures till the end of 2018"</p> <p>29 "We endorse the G20 Strategy for Global Trade Growth, under which the G20 will lead by example to lower trade costs, harness trade and investment policy coherence, boost trade in services, enhance trade finance, promote e-commerce development, and address trade and development</p>
<p>12 Ratifying the Trade Facilitation Agreement (TFA) by the end of 2016 and committing to rapid implementation.</p> <p>12.1 Ratify the TFA by the end of 2016 and urge all other WTO members to do the same</p> <p>12.2 Adopt clear implementation roadmaps prioritizing the introduction of "single window", "authorized operators", and "digitalization of customs processes". As part of these roadmaps, the G20 members should work with the private sector to promote further cooperation on global data standards and their wider use within cross-border trade processes. In addition, the G20 should encourage the WTO Committee on Trade Facilitation to track and oversee individual countries' TFA implementation levels</p>	<p>27 "We commit to ratify the Trade Facilitation Agreement by the end of 2016 and call on other WTO members to do the same"</p>

B20 Recommendations	Extract from the G20 Communiqué 2016
<p>12.3 Encourage its members to continue – and even augment – their efforts to give technical assistance to WTO members who are having difficulty putting the TFA into effect, and encourage international organizations (for example, MDBs and the International Trade Center (ITC)) to strengthen their support to developing countries that are implementing the TFA</p> <p>12.4 Promote broad business representation in national trade facilitation committees</p>	
<p>13 Endorsing the concept of the Electronic World Trade Platform (eWTP) to incubate cross-border electronic trade (e-trade) rules and aid e-trade development.</p> <p>13.1 Promote public-private dialogue to improve the business environment and nurture future rules for cross-border e-trade in some important areas, including simplification of regulations and standards, and harmonization of taxation</p> <p>13.2 Corporate with international organizations, such as the WTO, to prioritize e-trade development needs and enhance e-trade articles in the TFA</p> <p>13.3 Aim to expedite the use of e-trade and the digital economy through the construction of e-trade infrastructure and the adoption of best practices – such as building cross-border e-trade experiment zones – to solve outstanding issues facing SMEs, especially in developing countries</p>	<p>30 “We welcome the B20’s interest to strengthen digital trade and other work and take note of its initiative on an Electronic World Trade Platform (eWTP)”</p>
<p>14 Developing coordinated capacity-building and certification programs to ease the inclusion of SMEs into global value chains (GVCs).</p> <p>14.1 Setting ambitious targets for their admittance to regional and global value chains and regularly reporting on performance</p> <p>14.2 Cooperating with the WBG, OECD, ITC, UNIDO and other relevant stakeholders such as the WSF to better coordinate capacity-building initiatives and priorities and step up funding for such programs</p>	<p>30 “We also support policies that encourage firms of all sizes, in particular women and youth entrepreneurs, women-led firms and SMEs, to take full advantage of global value chains (GVCs), and that encourage greater participation, value addition and upward mobility in GVCs”</p>

B20 Recommendations	Extract from the G20 Communiqué 2016
<p>Promoting inclusive and interconnected development</p> <p>15 Enhancing the global investment policy environment in order to boost investment.</p> <p>15.1 Developing clear and transparent guiding principles on investment policymaking and promoting their application nationally, regionally, and multilaterally. The G20 can draw on existing proposals while maintaining the standards of protection reflected in current IIAs. In addition, the G20 should encourage the WTO Working Group on the Relationship Between Trade and Investment to resume exploration of options for strengthening global trade and investment rule coherence</p> <p>15.2 Adopting an international investment-facilitation action plan with concrete and transparent policy options, measures, and implementation tracking to boost cross-border investment. The G20 should also promote this plan to non-G20 members, advocating for it to be executed with technical assistance from the UNCTAD and the WBG</p> <p>15.3 Inviting the UNCTAD, the OECD, and the WTO-in consultation with the International Center for Settlement of Investment Disputes, the UN Commission on International Trade Law, the ICC, and the WEF – to evaluate ways to establish a more effective standard that can be universally applied to settle investment disputes</p>	<p>Inclusive and Interconnected Development</p> <p>29 “We endorse the G20 Guiding Principles for Global Investment Policymaking, which will help foster an open, transparent and conducive global policy environment for investment”</p> <p>25 “We [...] welcome the establishment of the G20 Trade and Investment Working Group (TIWG). We commit to further strengthen G20 trade and investment cooperation”</p> <p>“We [...] commit to enhance an open world economy by working towards trade and investment facilitation and liberalization”</p>
<p>16 Removing structural barriers to increase youth employment, and implementing initiatives to raise the participation rate of women in the labor force.</p> <p>16.1 Reducing red tape and restrictions on various forms of contractual arrangements – such as part-time, flexible-hour, and temporary contracts – to give businesses incentives to hire youths and facilitate transition from informal to formal employment</p> <p>16.2 Aligning vocational and trade school curricula with the business environment; and establishing apprenticeships, internships, and work-integrated learning programs in cooperation with business and the education system</p> <p>16.3 Establishing investment zones in low-income areas, with prerequisites for skill building and local employment</p> <p>16.4 Promoting ways to increase access to employment, remove bias, and ensure equal pay for women in the labor force</p>	<p>40 “We will work to ensure the benefits from economic growth, globalization and technological innovation are widely shared, creating more and better jobs, reducing inequalities and promoting inclusive labor force participation. We endorse the strategies, action plans and initiatives [...] to address changes in skill needs, support entrepreneurship and employability, foster decent work, ensure safer workplaces [...]”</p> <p>“We will further develop the G20 employment plans in 2017 to address these commitments and monitor progress in a systemic and transparent manner in achieving the G20 goals especially on youth employment and female labor participation”</p>

B20 Recommendations	Extract from the G20 Communiqué 2016
<p>16.5 Encouraging more entrepreneurship among women by providing incentives and measurements for funding women-run start-ups</p> <p>16.6 Encouraging the mentoring of women, as well as their advancement into senior leadership roles in the private sector</p> <p>16.7 Providing or fostering support mechanisms for family care, flexible roles in the workplace, and career transitions in order to retain women in the workforce</p> <p>16.8 Establishing ways to report clearly on participation by young people and women in the labor force</p>	
<p>17 Enacting policies to assess and reduce skill mismatches and capacity gaps in the workforce.</p> <p>17.1 Evaluating the full impact of workforce changes that are due to technological innovation-including effect on participation rate, underemployment among workers, skill disparities, sector obsolescence, and sector growth</p> <p>17.2 Providing targeted social support and retraining for displaced workers, through certified programs</p> <p>17.3 Ensuring that education systems and vocational training programs develop skills required in the modern business environment</p> <p>17.4 Increasing workers' mobility and the flow of talent in order to accommodate business needs</p>	<p>13 "We commit to strengthen communication, cooperation and relevant research on the NIR, facilitate small and medium-sized enterprises (SMEs) to leverage benefits from the NIR, address employment and workforce skill challenges. We are committed to supporting our workforces throughout this transition and to ensuring that the benefits of the NIR extend to all, including women, youth and disadvantaged groups"</p>
<p>18 Lowering compliance costs and improving access to public procurement markets in order to support SME growth</p> <p>18.1 Setting measurable targets to simplify the regulatory process and alleviate SMEs' compliance burden. This includes substantially decreasing the cost and complexity of compliance, developing e-government priorities to make national and international regulatory processes digital, and providing regular reporting on performance</p> <p>18.2 Advancing SME's participation in public procurement by actively promoting their share in it and by simplifying the tender process</p>	
<p>19 Enabling and promoting innovative technologies and best-practice asset management that support whole-project life-cycle productivity of infrastructure projects</p> <p>19.1 Encouraging the launch of national asset-transformation initiatives to capture latent value from</p>	<p>39 "We stress the importance of quality infrastructure investment, which aims to ensure economic efficiency of life-cycle cost, safety, resilience against natural disaster, job creation, capacity building, and transfer of expertise and know-how on mutually agreed terms and conditions"</p>

B20 Recommendations	Extract from the G20 Communiqué 2016
<p>existing assets through better use of digital and other new technologies and best- practices for asset management</p> <p>19.2 Requiring construction-oversight and procur- ing entities to provide incentives for using productiv- ity-enhancing technologies and other innovations in infrastructure building and development</p> <p>19.3 Encouraging enablement, development, and de- ployment of innovative technology, particularly in the energy and transportation sectors</p>	
<p>20 Strengthening or establishing national, regional, and global initiatives to enhance infrastructure inter- connectivity</p> <p>20.1 Formalizing the Alliance, and encouraging ex- isting and emerging MDBs and multilateral develop- ment institutions involved in it to use their strengths to deepen coordination of and cooperation for in- terconnectivity, as well as to expand other transna- tional infrastructure programs and implementation mechanisms</p> <p>20.2 Encouraging regular G20 government, business, and expert dialogue to shape the interconnectivity agenda and foster the exchange of best practices across regions and sectors</p>	<p>39 “We note that infrastructure connectivity is key to achieving sustainable development and shared prosperity. We endorse the Global Infrastructure Connectivity Alliance launched this year to enhance the synergy and cooperation among various infra- structure connectivity programs in a holistic way. We ask the WBG to serve as the Secretariat of the Alliance, working closely with [...] other MDBs, and interest G20 members to support its activities”</p>
<p>Sources: B20 (2016a) and G20 (2016d).</p>	

Annex II

The Engagement Groups of the G20

Business 20 (B20)

The B20 was first initiated as the G20 Business Summit by the Canadian Council of Chief Executives (CCCE) on the eve of the Toronto summit in June 2010. The B20 represents the international business community in the G20 context and brings together business leaders from all G20 countries. In its own words, it provides “a significant platform for the international business community to participate in global economic governance and international economic and trade regulation.”¹⁵¹

The B20 operates through taskforces on topics that are aligned with the G20 agenda, workshops and the annual B20 Summit. Until 2016, the B20 Summits were held in conjunction with the G20 Summits.

The coordination of the B20 is supported by the Global Business Coalition (formerly known as B20 Coalition, www.globalbusinesscoalition.org). It brings together leading independent business associations from 14 G20 countries and BusinessEurope. The Coalition is instrumental in supporting the B20 engagement with the G20 and ensuring continuity over successive country presidencies. In June 2016, the Federation of German Industries (BDI) took over the presidency of the Global Business Coalition from the Canadian Chamber of Commerce (CCC), which had held the post since October 2013.

In contrast to the B20 Coalition, the presidency of the B20 itself is directly linked to the G20 presidency. In 2016 the German Government mandated three business associations, the Confederation of German Industries (BDI), the Confederation of German Employers' Associations (BDA), and the Chambers of Commerce and Industry (DIHK) to jointly assume the presidency of the B20 in 2017. It was announced that the B20 Summit will take place in Berlin on 2–3 May 2017.

Labour 20 (L20)

Formally established in 2011, the L20 represents the interests of trade unions and workers at the G20 level. It unites trade unions from G20 countries and Global Unions. The L20 is convened by the International Trade Union Confederation (ITUC) and the Trade Union Advisory Committee (TUAC) to the OECD.¹⁵²

151 Cf. <http://en.b20-china.org/events/event/28>.

152 Cf. www.ituc-csi.org/l20.

The L20 conveys key messages of the global labour movement to the meetings of the G20 Labour/Employment Ministers, the G20 Employment Working Group, the Sherpa meetings, and the G20 Summits. In preparation for the Summits, there are sometimes joint meetings and statements of the L20 and B20, for instance the joint statement “Jobs, Growth and Decent Work” during the Turkish presidency in 2015.¹⁵³

Members of the L20 formulate key messages in a broad consultative process and confirm policy goals at the L20 Summit for each G20 presidency. After its annual Summit on 12 July 2016, the L20 called on G20 Labor and Employment Ministers to:¹⁵⁴

- » take coordinated action for growth through increased wages and public investment;
- » develop a new structural policy agenda to tackle raising inequalities;
- » take action on youth employment, migrant integration and gender gaps;
- » take decisive action to meet climate ambition and achieve acceptable technological change;
- » build a responsible international trade and investment system.

The L20 publishes annual policy tracking reports, in which it assesses the implementation and effectiveness of G20 policies from a trade union perspective.¹⁵⁵

The German L20 Summit takes place in Berlin on 17 May 2017.

Civil 20 (C20)

Civil society organizations were already active around the G20 Summits in 2008 and 2009. Organized G20-related civil society deliberations date back to the Toronto Summit in June 2010. Prior to the G20 Summit in Seoul, 150 representatives from civil society met for the first Civil G20 Dialogue in Incheon, Korea on 14–15 October 2010. It was officially recognized by the Government of the Republic of Korea. Afterwards, civil society also worked with the French and Mexican Summit processes in 2011 and 2012. The C20 was formally recognized, again, during the Russian G20 presidency in 2013.¹⁵⁶ Since then, C20 events have taken place annually with policy papers, recommendations or a joint communiqué to the G20 as outcomes.

153 Cf. <http://b20turkey.org/wp-content/uploads/2015/09/B20-L20-Statement.pdf>.

154 Cf. www.tuac.org/en/public/e-docs/00/00/12/6F/document_news.phtml.

155 Cf. www.ituc-csi.org/l20-policy-tracking-2015-16.

156 Cf. Ruthrauff (2016), p.5f.

The formal recognition by the host government of the G20 has resulted in slightly improved access to G20 policy makers, but has also created difficulties depending on the host government's definition of "civil society" and its desire to exercise control over the C20 process by selecting C20 leaders and participants. Therefore, each successive G20 host government had a different relationship to the C20.

The C20 usually consists of national and international civil society organizations who are actively involved in the G20 process. Each C20 convenes its own Summit with civil society representation not only from G20 but also non-G20 countries. Since 2013, the coordination structure of the C20 and the interplay of national and international civil society organizations have varied from year to year.

- » 2013 Russian C20:¹⁵⁷ The C20 Secretariat was staffed by the NGO AIDS Infoshare which reported to the Russian G20 Sherpa. C20 was convened under T20 leadership and the Russian Government appointed B20 members to C20 thematic Working Groups. This resulted in serious policy disagreements about the final formulation of the C20 statement to the G20 heads of state.¹⁵⁸
- » 2014 Australian C20:¹⁵⁹ The government appointed two leaders of the C20 process who constituted the Australian C20 Steering Committee, chaired by World Vision, and a C20 secretariat. The secretariat established a website for input by global civil society on the selected policy issues. One of the challenges was the coordination of international NGOs and the Australian C20 Steering Committee.
- » 2015 Turkish C20:¹⁶⁰ In 2014, a dozen Turkish NGOs established a C20 Steering Committee to coordinate the C20 activities in Turkey. Funding for a C20 Secretariat was provided by Oxfam International. Global consultations were undertaken to define four C20 priorities (inclusive growth, sustainability, gender equality, and governance) and to draft policy papers on each priority issue for the summit. However, the Turkish government delayed official recognition and the appointment of an official C20 Chair until April 2015. This in turn caused the delay of the C20 Summit and the final C20 policy recommendations until September 2015, only two months prior to the G20 Summit.

157 Cf. www.g20civil.com.

158 Cf. Ruthrauff (2016), p.5f.

159 Cf. www.c20.org.au.

160 Cf. www.c20turkey.org.

- » 2016 Chinese C20:¹⁶¹ The C20 Summit was hosted without consultation with international civil society groups and at very short notice by the China NGO Network for International Exchanges (CNIE) and the United Nations Association of China (UNA-China). The C20 Summit was held in Qingdao on 5/6 July 2016. Many domestic and international civil society organizations were not allowed to attend.¹⁶² The Summit and its Declaration covered the following topics: (i) poverty eradication and shared development, (ii) unity of knowing and doing in green development, (iii) championing the future through innovation, (iv) government and civil society joining hands for common progress.¹⁶³
- » 2017 German C20: The C20 Summit in Germany will be convened by the German NGO Forum on Environment and Development and the Association of German Development and Humanitarian Aid Non-Governmental Organisations (VENRO). The German networks set up an International Steering Group. Its members come from international networks and groups actively involved in the G20 process, including the European Network on Debt and Development (Eurodad), the Red Latinoamericana sobre Deuda, Desarrollo y Derechos (LATINDADD), the African Forum and Network on Debt and Development (AFRODAD), the Coopération Internationale pour le Développement et la Solidarité (CIDSE), Climate Action Network, Oxfam, InterAction, Heinrich-Böll-Stiftung and Germanwatch. Based on consultations with the respective constituencies, the Steering Group established thematic Working Groups and coordinates the drafting and publication of policy briefs and policy papers. The C20 Summit takes place in Hamburg on 18/19 June 2017.¹⁶⁴

Think 20 (T20)

The T20 is a network of research institutes and think tanks from the G20 countries. It was initiated during the Mexican G20 presidency in 2012. The first T20 Meeting was held in Mexico City in February 2012, with think tank representatives from 15 countries. The participating institutes aimed to formulate “(1) concrete, feasible policy recommendations, (2) assessments of G20 results, and (3) broad visions that guide the policy making process.”¹⁶⁵

161 Cf. www.c20cn.org.

162 Among the participants were only a few representatives of international NGOs, including WWF and Oxfam Hongkong.

163 Cf. www.t20china.org/displaynews.php?id=413444.

164 Cf. <http://civil-20.org/>.

165 DIE/IfW (2016), p. 1.

In December 2012, during the Russian presidency, the T20 Meeting was organized by the Russian Presidential Academy of National Economy and Public Administration (RANEPA) in cooperation with the Mexican Council on Foreign Relations and the Lowy Institute for International Policy (Australia).¹⁶⁶

The Lowy Institute organized the third T20 Meeting in December 2013 with representatives from 30 think tanks. Individual participants drafted policy recommendations that were published as “Think 20 Papers 2014: Policy Recommendations for the Brisbane G20 Summit”.¹⁶⁷

The Economic Policy Research Foundation of Turkey (TEPAV) led the T20 during Turkey’s G20 Presidency in 2015.¹⁶⁸ The T20 Meeting was held in Antalya in November 2015. It was co-organized by TEPAV and the United Nations Development Programme (UNDP) and brought together not only research institutes and think tanks but also high-level government officials, multilateral institutions and the private sector. Under the title “Antalya Global Policy Dialogue Platform Conference”, the meeting focused on aligning the G20’s work with the 2030 Agenda and its G20’s role in implementing the SDGs. It particularly emphasized the role of private sector contributions in the implementation of the SDGs.

The T20 Summit in China was organized by three major Chinese think tanks—the Institute of World Economics and Politics at the Chinese Academy of Social Sciences (CASS), the Shanghai Institutes for International Studies, and the Chongyang Institute for Financial Studies at Renmin University of China. The Summit took place in Beijing on 29/30 July 2016 and brought together about 500 think tank experts, politicians and representatives of international organizations.¹⁶⁹ They formulated policy recommendations to the G20 on enhancing global economic growth, improving global financial governance, facilitating international trade and investment cooperation, and promoting inclusive and sustainable development.¹⁷⁰

During the German G20 presidency, the Kiel Institute for the World Economy (IfW) and the German Development Institute (DIE) were invited by the German Government to organize the T20 process.¹⁷¹ They announced the organization of the T20 activities around two sets of topics: “policy-driven topics”, arising from the themes identified as priorities by the German presidency, and “think-tank-driven topics”, initiated by

166 Cf. http://en.g20russia.ru/docs/think_20/summary_report.html.

167 Cf. www.g20.utoronto.ca/biblio/think20_papers_2014.pdf.

168 Cf. www.t20turkey.org/.

169 Cf. www.t20china.org.

170 Cf. www.t20china.org/displaynews.php?id=413615.

171 Cf. <http://t20germany.org/>.

individual think tanks, independently of the G20 agenda.¹⁷² The policy-driven topics are discussed in Task Forces which are asked to produce policy briefs comprising either specific recommendations or conceptual visions. DIE and IfW announced the setting up of Task Forces on the topics below (more may follow):¹⁷³

- » 2030 Agenda for Sustainable Development
- » Climate Policy and Finance
- » Digital Economy
- » Forced Migration
- » Toward Ending Hunger and Sustainable Agriculture
- » Global Inequality and Social Cohesion
- » Trade and Investment
- » Financial Resilience
- » Global Tax Cooperation
- » The T20 Summit is to be held in Berlin on 29/30 May 2017.

In addition to the T20 activities, the German Government decided to establish a separate **Science 20 (S20)** track, led by the German National Academy of Sciences Leopoldina. The S20 comprises the academies of sciences of the G20 countries. The Science 20 Dialogue takes place in Halle/Saale on 22 March 2017.

Youth 20 (Y20)

The Y20 was founded in 2010 to provide a platform for dialogue among young diplomats and other professionals from G20 countries. It superseded the G8 & G20 Youth Network, which was already established in 2006.

Since 2010, the Y20 Summit has prepared communiqués and recommendations just ahead of the G20 Summits. Y20 claims to provide youth perspectives on G20 agenda items and to promote a youth-specific focus on international issues, including capacity building, the impact of technology and innovation on unemployment, peace, and education in the 21st century.

The International Diplomatic Engagement Association (IDEA) was formed in 2012 to organize the Y20 summits and to build bridges beyond the annual summits. In its own words, IDEA is “a collective of twenty leading youth organisations committed to putting young people

172 Cf. DIE/IfW (2016), p. 1.

173 Cf. *ibid.*, p. 4f. and <http://t20germany.org/#task-forces>.

at the heart of global decision-making through innovative, open and inspiring debate.”¹⁷⁴

In 2016 the Y20 Summit was held in Shanghai on 29 July. The communiqué covered the following issues:¹⁷⁵

- » Poverty Elimination and Joint Development
- » Entrepreneurship and Creative Thinking
- » Social Justice and Equal Opportunities
- » Green Life and Sustainability
- » Partnership and Global Governance

The German Y20 Summit is to be held in Berlin on 7 June 2017.

Women 20 (W20)

The W20 was formed under the Turkish presidency and debuted on the global scene in the fall of 2015. The main themes of the W20 were the empowerment of women and gender-inclusive economic growth. The W20 supports, *inter alia*, the goal of the G20 to reduce the gap in labour force participation between men and women by bringing 100 million more women into the global labour force by 2025.¹⁷⁶

The 2016 W20 Meeting was held in Xi'an, China, on 25/26 May. Its communiqué focused on the following topics:

- » A Gender Role in the Digital Economy
- » Interconnected and Innovative Women's Network

During the German presidency, the W20 process will be chaired by the National Council of German Women's Organizations and the Association of German Women Entrepreneurs (Verband deutscher Unternehmerinnen, VdU).¹⁷⁷ The W20 Summit takes place in Berlin on 25–26 April 2017.

174 Cf. www.facebook.com/TheInternationalDiplomaticEngagementAssociation/about/.

175 Cf. www.g20-youthsummit.org/archives/2946.html.

176 Cf. Ruthrauff (2016), p. 7.

177 Cf. www.vdu.de/fileadmin/user_upload/News/Pressemitteilungen/PM_W20_2017.pdf.

Notes on the author



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Corporate Influence on the G20

The case of the B20 and transnational business networks

Over the past eight years, the G20 has emerged as one of the most prominent political fora for international cooperation. For transnational corporations and their national and international associations and lobby groups, the G20 process provides important opportunities to engage with the world's most powerful governments, shape their discourse, and influence their decisions. For this purpose, business actors have created a broad network of alliances and fora around the G20, with the Business20 (B20) as the most visible symbol of corporate engagement.

This working paper maps out the key business players and associations from the different sectors and branches involved in the work of the G20, and analyzes their core messages and policy recommendations.

Business groups are constantly preaching economic growth as a panacea and a sine qua non condition for prosperity, ignoring more sophisticated concepts of sustainability; they urge the G20 to "optimize" and "re-evaluate" regulations intended to lessen the risk of another global financial crisis; they call on governments to strengthen investment protection and promotion agreements that de facto give priority to investors' rights over human rights and the environment; they promote PPPs that minimize the risk for the private investor at the expense of the public partner; and they push for preferential treatment for the business lobby in global governance.

In order to at least gradually overcome the bias towards corporate interests in G20 policies and the double standards in its openness towards business and civil society, substantial reforms are necessary. The working paper spells out a few measures that are indispensable to counteracting corporate influence on discourse and policies in the G20.