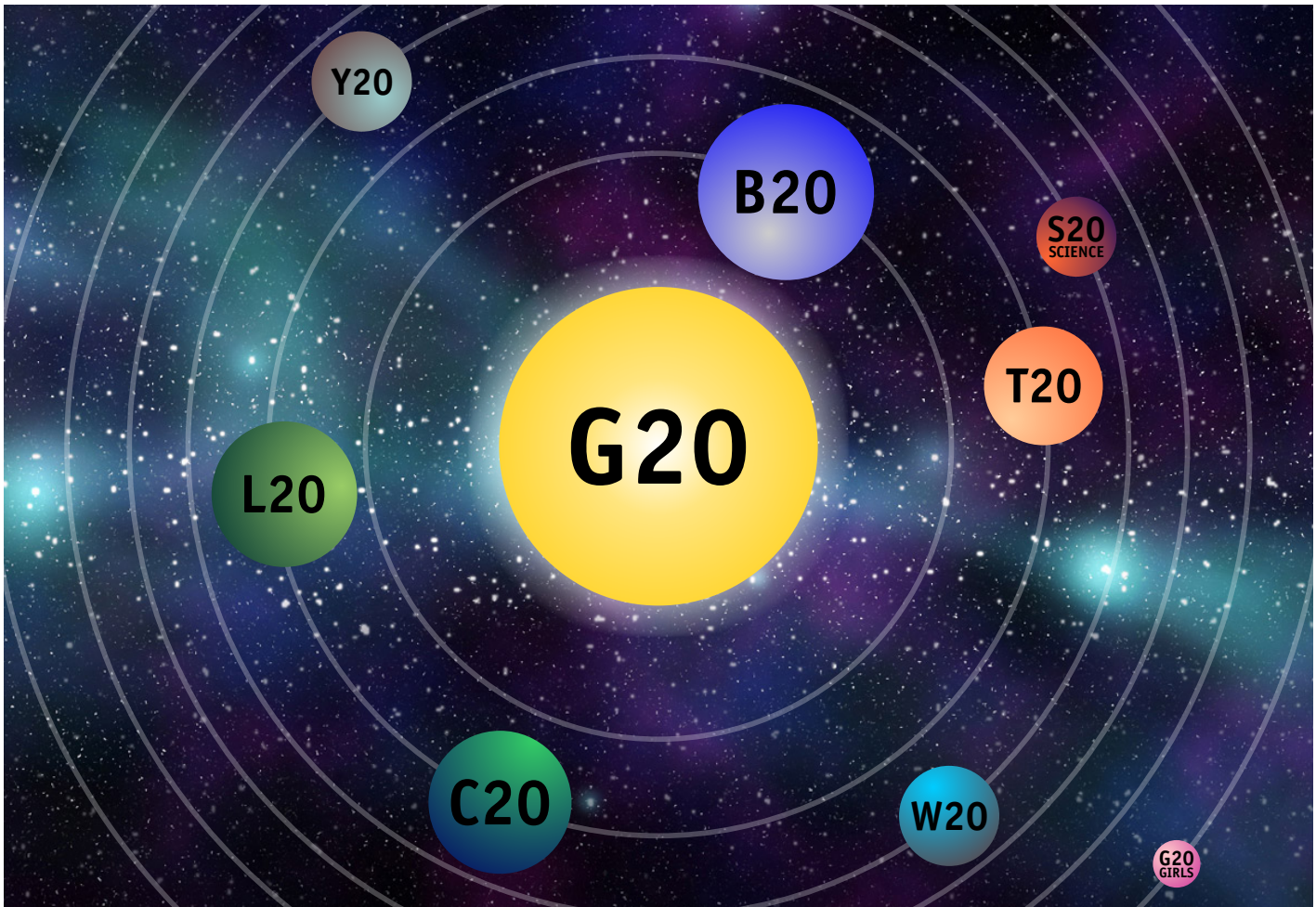




G20 Fundamentals #4

The Solar System of G20: Engagement Groups

Seven "Engagement Groups" circle around the G20 and attempt to influence its decisions. However, their relative power to influence outcomes differs greatly.



In 2008, the **Business 20 (B20)** was established and has since become one of the most influential engagement groups, along with the Labor 20

(L20). The B20 is an alliance of leading G20 trade associations which represent more than 6.8 Million businesses. It aims at effectively shaping the G20 process and strengthening exchanges between national economies and G20 member states. On its website, the B20 describes itself as "a significant platform for the international business community to participate in

global economic governance and international economic and trade regulation."¹

The B20 operates through taskforces on topics that are aligned with the G20 agenda, workshops and the annual B20 Summit.²

Business representatives of G20 member states collectively develop recommendations covering the thematic scope of the G20 agenda. Moreover, B20 events as well as exchanges with governments and others involved in the G20 process take place frequently. Many of the B20 recommendations are adopted and included in the Communiqués of G20 Leaders.

In the context of the German G20 Presidency, business and association leaders of G20 member states work in seven task forces with 100 participants each to develop recommendations to the G20. The topics are Trade and Investment, Energy, Climate and Resource Efficiency, Financing of Growth and Infrastructure, Digitalization, and Employment and Education. Furthermore, there will be two cross-thematic groups related to Responsible Business Conduct and Anti-Corruption, and the role of SMEs.

The International Chamber of Commerce (ICC) has a G20 Advisory Group that also plays a role in influencing the G20. For instance, annually it produces a [Scorecard](#) that measures G20 compliance with its demands.

During the last two G20 Presidencies (led by China and Turkey) the B20 Summit was held in conjunction with the G20 Summit. But during the German Presidency, the B20 will meet in Berlin on May 3, 2017 (about two months before the summit). This is a positive development, since it emphasizes the consultative nature of the B20, presumably limiting the influence of its lobby.

The German B20 process will be led by the leading German trade associations, namely the [Confederation of German Industries \(BDI\)](#), the [Confederation of German Employers' Associations \(BDA\)](#) and the [Chambers of Commerce and Industry](#). It will be chaired by Dr. Jürgen Heraeus, Chairman of Heraeus Holding. He will be supported by Dr. Stormy-Annika Mildner, Head of the Department of External Economic Policy at the BDI, who is the B20 Sherpa during the German Presidency.



Established in 2008, the **Labor 20 (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 [Trade Union Advisory Committee \(TUAC\)](#) to the OECD. ³

The L20 engages the G20 process to ensure inclusive and constructive dialogue on Jobs and Growth'. The L20 conveys key messages of the global labor movement to the meetings of the G20 Labor/Employment Ministers, the G20 Employment Task Force, Sherpas, and G20 Summits. In preparation for summits, there are sometimes joint meetings between Finance and Labor Ministers and between the L20 and B20, as there were during the 2015 Turkish G20 Presidency.⁴

The L20 annually publishes policy tracking reports, in which they critically assess the effectiveness of G20 policies.⁵

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 their 2016 summit on 12 July 2016, the L20 called on G20 Labor and Employment Ministers to promote:⁶

- Coordinated action for growth through increased wages and public investment;
- A new structural policy agenda to tackle raising inequalities;
- Action on youth employment, migrant integration and gender gaps;
- Decisive action to meet climate ambition and achieve acceptable technological change;
- Building a responsible international trade and investment system.

The [German Trade Union Confederation](#) will organize the German L20 process in cooperation with partner organizations from G20 countries. Andreas Botsch is the L20 Sherpa. The L20 is working closely with the B20 in order to assert their interests with the G20.

Civil 20 (C20): The C20 consists of interested national and international civil society organizations, which communicate their key messages to G20 bodies as early as possible in each Summit cycle in order to influence decision-making. Civil society urges that the G20 recognize it as



an official (rather than “informal”) Engagement Group during all G20 Presidencies, but has not always been successful. Although civil society was already engaged with the G20 in 2008 and 2009, the work of the C20 was officially recognized only by South Korea (2010) and Russia (2013), although in the interim, the C20 worked with the French (2011) and Mexican (2012) Summit processes.⁷

Host governments may seek to control the C20 process by, for instance, subsuming the C20 under the T20 and B20 and influencing the availability and scope of funding. Therefore, each successive G20 host government has a different relationship to the C20 and determines its scope of participation.

Each C20 convenes its own summit with civil society representation not only from G20 but also non-G20 countries.

Russia 2013: The C20 Secretariat was staffed by a civil society group which reported to the Russian G20 Sherpa. The C20 was subsumed under the T20. When the Russians appointed a B20 member to C20 thematic Working Groups, it resulted in some serious policy disagreements about the final formulation of the C20 statement to the G20 heads of state.⁸

Australia 2014: The government appointed two leaders of the C20 process who constituted the Steering Committee. With a \$250,000 government grant, the C20 secretariat established an improved website for input by global civil society on the selected policy issues. One of the complicating factors was the appointment of both international NGOs and national civil society organizations to the Steering Committee.

Turkey 2015: In 2014/15 Oxfam International provided funding for a C20 Secretariat in Istanbul, which organized a C20 Steering Committee with a dozen Turkish NGOs. Extensive global consultation was undertaken to select and draft policy briefs for the summit. However, the Turkish government delayed official recognition and the appointment of an official C20 Chair until April of 2015. This delay caused the C20 Summit and the final C20 policy recommendations to be pushed out until September, only two months prior

to the G20 Summit. Without greater lead times to engage in the summit process, the C20’s influence is blunted.

China 2016: The C20 Summit was hosted without consultation with international civil society groups and on very short notice by the China NGO Network for International Exchanges (CNIE) and the United Nations Association of China (UNA-China) and held on 5/6 July 2016 in Qingdao. The government did not allow many civil society organizations in and outside of China to attend. The summit and its declaration covered the following topics: (i) poverty eradication and shared development; (ii) “knowing and doing” in green development, (iii) championing the future through innovation; (iv) government and civil society joining hands for common progress.⁹

Germany

The chancellery gave the mandate to two civil society organizations to co-chair the C20: the [German NGO Forum for Environment and Development](#) and the [umbrella organization of development and humanitarian aid NGOs \(VENRO\)](#). [Engagement Global](#) is financing the work of a small coordination bureau in Berlin-Kreuzberg, which can be reached via c20@venro.org. An international Steering Committee determines topics and respective task forces in consultation with civil society organizations of G20 countries. One task force may focus on the democratic participation of civil society, especially considering the conditions of shrinking scopes of action for activists and NGOs. The C20 working process can be observed at www.civil-20.org.



The Think 20 (T20) was initiated by the 2012 Mexican G20 Presidency and serves as an «idea bank» for the G20. It consists of a network of research institutions and think tanks, which

organizes experts to provide ideas and analysis which are intended to guide and inform G20 decisions. T20 conclusions are usually presented to G20 working

groups, ministerial committees and the Leaders' Summit as policy options. The T20 does not aim to achieve agreement among its members, but rather a process of exchange that generates concrete, feasible policy recommendations, assessments of G20 results, and broad visions to guide the policy making process.

The German T20 process is being led by the [Kiel Institute for World Economy \(IfW\)](#) and the [German Development Institute](#). The academic partner will be [Leopoldina Academy](#). For the first time, an association of research academies has been formed in the context of the **"Science 20"**, addressing issues through coordinated shared research and community projects. Research on pandemic diseases will be at the center of their efforts.

Seven T20 task forces will work on the following topics: Climate Policy and Finance, 2030 Agenda for Sustainable Development, Trade and Investment, Digital Economy, Global Inequality and Social Cohesion, Forced Migration, Ending Hunger and Sustainable Agriculture, Global Tax Cooperation, and Financial Resilience.

The preceding Chinese T20 process was coordinated by the three leading Chinese think tanks: Institute of World Economics and Politics, Chinese Academy of Social Sciences (IWEPP, CASS), Shanghai Institutes for International Studies (SIIS) and Chongyang Institute for Financial Studies, Renmin University of China (RDCY).

The 2016 T20 held ten meetings in various countries and prepared policy options on the following issues:¹⁰ Enhancing Global Economic Growth Potential, Improving Global Financial Governance, Facilitating International Trade and Investment Cooperation, and Promoting Inclusive and Sustainable Development.



The Women 20 (W20) is one of the youngest G20 engagement groups. After the 2014 Australian G20 adopted the goal of reducing the gender-specific

employment gap by 25% by 2025, the path was clear for welcoming a new Engagement Group in the official circle. Under the Turkish Presidency in 2015, the first W20 meeting took place in Istanbul. The main themes of the W20 were the empowerment of women and gender-inclusive economic growth. Those demands were taken on by the Chinese Presidency in 2016, after the W20 Communiqué was handed over to the G20.

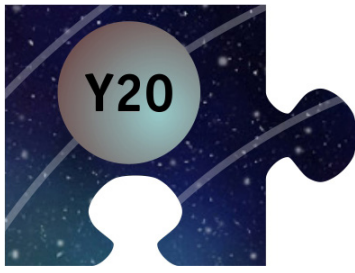
In its third year of operation, the expectations of the W20 have increased: During the German Presidency, the W20 process will be chaired by the [National Council of German Women's Organizations](#) and the [Federation of Female Entrepreneurs](#).¹¹ In the spring of 2017, several round tables for the development of policy demands for the W20 Communiqué are being held. Simultaneously, a network with representatives of women's associations and female entrepreneurs will be established with members from all over the world, including G20 member states. Their demands to the heads of states and governments will be handed to Angela Merkel at the W20 Summit in Berlin on 25/26 April 2017. The summit in Berlin concludes the W20 dialogue process of 2017, passing responsibility to its successors from Argentina, who will hold the Presidency in 2018. The W20's goal is to permanently anchor the issue of economic participation and empowerment of women as a cross-thematic task in G20 goals. This also serves as a reminder of existing political declarations such as the UN 2030 Agenda, demanding realization of the commitment to gender equality.

W20 topics include participation by women in the labor force, wage equality, women in leadership positions, compatibility of family and profession, assessment of gainful and employment and care occupations, female entrepreneurship, access to the capital market, and closing the gender-specific digital gap.

Another group, the **G(irls)20** Initiative, has been organizing annual meetings of 20 young women under the age of 30 for several years, including visions and demands from the perspective of future female



leaders into the G20 process. The group is not officially recognized. Information about the G(irls)20 Summit in Beijing can be found [here](#).



The **Youth 20 (Y20)** was founded in 2010 to provide a platform for dialogue among young leaders from G20 countries. It provides youth perspectives on

G20 agenda items and promotes 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 German Y20 dialogue will be hosted by the Ministry of Family Affairs, Senior Citizens, Women and Youth.

In 2016 the Youth 20 Summit was held in Shanghai on 29 July. The Communiqué can be found [here](#).

The Engagement Groups circle around the G20 “sun” like small or large planets (depending on their level of power). Their number has increased in recent years. There is no set of rules defining either their right to be heard or their right to participate in decision-making processes. The German Presidency is trying to engage in a broad dialogue with the different Engagement Groups. The democratic legitimacy of their composition varies greatly depending on the host country. When the G20 caravan moves to set up its tents under the Argentinean Presidency, all questions are going to remain open once again, especially for the C20, such as: Will the government recognize and support the participation of local and international civil society?

Readings for further information:

Heinrich Böell Foundation dossiers on engagement groups: <https://us.boell.org/g20>

¹ <http://www.b20coalition.org/about-b20.php>

² The work plan of B20 China can be accessed here: <http://en.b20-china.org/events>

³ See the International Trade Union Confederation (ITUC) website: <http://www.ituc-csi.org/I20>

⁴ Ibid

⁵ See latest report: <http://www.ituc-csi.org/I20-policy-tracking-2015-16>

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

⁷ John Ruthrauff, G20 Summit Handbook, October 2016, published by Interaction, p.5 et seq.

⁸ Ibid

⁹ <http://www.t20china.org/displaynews.php?id=413444>

¹⁰ See their recommendations from August 1, 2016 to the G20: <http://www.t20china.org/displaynews.php?id=413617>

¹¹ https://www.vdu.de/fileadmin/user_upload/News/Pressemitteilungen/PM_W20_2017.pdf

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