



# **The accountability of the G20's development agenda**

*Perspectives and Suggestions from Developing Countries of the Commonwealth and Francophonie*

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<sup>1</sup> *The views expressed do not necessarily represent the position of the Commonwealth Secretariat or the Organisation Internationale de la Francophonie or any member Governments of such intergovernmental organisations or the G20.*

## Executive Summary

The Commonwealth and Organisation Internationale de la Francophonie, representing more than 90 countries and 2.5 billion people, have built up a growing relationship with the G20). The Commonwealth contributes to the G20 development agenda through analytical papers and through the sharing of experiences and interests. At the same time, the G20 DWG has the opportunity to share their agenda and discuss commitments with the Commonwealth and Francophonie (CF) countries. This mutual accountability helps to make the G20's development agenda more relevant for those developing countries it aims to support, and developing countries will be more empowered to implement G20 initiatives.

The G20's development agenda is based on the Seoul consensus of 2010, which includes the Multi-Year Action Plan (growth related actions in 9 pillars) and a set of principles. One principle states: "Implementation of G20 action on development should be monitored through an adequate accountability framework." However, until late last year, very little progress has been made on this. The DWG aspires to prepare a G20 Development Working Group Accountability Report to be endorsed by the Leaders at the G20 Summit in September 2013. The scope of G20 presidency-led accountability report is likely to centre on (i) the Seoul Development consensus consisting of the Multi-Year Action Plan (MYAP) and G20 Development Principles; (ii) a review of the G20 development commitments (the MYAP and inclusive green growth as an additional issue) and outreach activities; and (iii) conclusions and ways forward. The accountability report is unlikely to address *all* G20 commitments which might possibly affect development, although this might be something for the future.

It is possible to examine *compliance* of G20 development commitments, although it can be difficult to do this with hindsight. It is even more difficult to examine *impact* of G20 commitments in the countries the G20 aims to support. There is no formal feedback or accountability mechanism. A lot of progress has been made in several pillars such as trade, infrastructure, and food security and other areas. The G20 has initiated pilot studies directly benefiting countries such as Bangladesh, Benin, Cambodia, Dominican Republic, Ghana, Haiti, Indonesia Kenya, Laos, Malawi, Mongolia, Mozambique, Nigeria, Uganda and Zambia. Several CF recommendations from past G20-Commonwealth dialogue have been followed through by the G20 (e.g. on agricultural productivity, infrastructure, or aid for trade). This is encouraging as the G20 appears to have implemented commitments that are relevant for developing countries. However, some other commitments that would be useful for the CF countries have not been considered (e.g. financial inclusion for small and vulnerable states, extension of trade preferences to SVEs, resilience profiling, consideration of small state MIC debt). This seems an important gap that the Commonwealth and Francophonie need to highlight.

CF countries will be interested in holding the G20's development agenda to account in the future. *Firstly*, the CF countries will be interested in the general development principles of the G20. This centres on (i) developing the content of the principles; and (ii) ensuring that principles get translated into relevant development commitments and plans. It is particularly important to affect the following principles: working in partnership with the G20, ensuring that *resilient* growth remains key, putting new issues such as small state MIC debt on the table, and ensuring that global economic challenges (climate change, financial regulation) are prioritised and addressed. *Secondly*, a number of MYAP pillars will remain important in the future. A survey of countries' views indicated that infrastructure development, private investment and job creation, and trade conditions between developing and developed countries are important. The survey also suggested that human resources development was a key component of the current MYAP.

And *thirdly*, there may be a number of areas where the G20 could make an important contribution to growth and development in CF countries but which may not be highlighted currently in the G20's *development* agenda (e.g. financial regulation, financial and economic stability; global imbalances, natural resource management and climate change). The G20 is very important for the Commonwealth and Francophonie, but the Commonwealth and Francophonie can also be important partners for the G20. More specifically, the two associations can help the G20 in a number of respects: (i) analysis and research; (ii) consensus building; (iii) knowledge sharing and (iv) global advocacy. In terms of next steps, the Commonwealth and Francophonie countries need to: (a) Consider how the G20 (and the Seoul consensus in particular – both MYAP and principles) has affected their country and what they have learned from this. This will feed into the current efforts of the G20 to write the accountability report due in September 2013. (b) Consider how the G20 needs to be held accountable in the future, and consider how Commonwealth and Francophonie countries can best take advantage of G20 actions.

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## Abbreviations and acronyms

A4T	Aid for Trade
ADB	Asian Development Bank
AfDB	African Development Bank
AGOA	African Growth Opportunity Act
AMIS	Agricultural Market Information System
AU	African Union
AUC	African Union Commission
CF	Commonwealth and Francophonie
DFI	Development Finance Institution
DFQF	Duty Free and Quota Free
DWG	Development Working Group
ECOWAS	Economic Community of West African States
FAO	Food and Agriculture Organization
FARA	Forum for Agricultural Research in Africa
G20	Group of Twenty
GPFI	Global Partnership for Financial Inclusion
HLP	High-Level Panel for Infrastructure Investment
IAWG	Interagency Working Group
ICA	Infrastructure Consortium for Africa
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
IFI	International Finance Institutions
IGG	Inclusive Green Growth
IICA	Inter-American Institute for Cooperation on Agriculture
ILO	International Labour Organization
IMF	International Monetary Fund
IO	international organization
IPR	intellectual property rights
KSP	Knowledge Sharing Platform
LDC	least developed country
LIC	low-income country
MDB	Multilateral Development Bank
MDG	Millennium Development Goals
MIC	Middle Income Country
MYAP	Multi Year Action Plan on Development
NEPAD	New Economic Partnership for Africa's Development
NSPD	National Skills Development Policy
ODI	Overseas Development Institute
OECD	Organisation for Economic Co-operation and Development
PSMV	poorest, smallest and most vulnerable (countries)
RoO	Rules of Origin
SME	small and medium-sized enterprises
SSB	Standard Setting Bodies
SVE	small, vulnerable economies
UNCTAD	United Nations Conference on Trade and Development
UNECA	United National Economic Commission for Africa
UNFCCC	United Nations Framework Convention on Climate change
WB	World Bank
WTO	World Trade Organization

## 1. Introduction

The Commonwealth and Organisation Internationale de la Francophonie, representing more than 90 countries and 2.5 billion people, have built up a growing relationship with the G20 (Commonwealth Secretariat, 2013). The Commonwealth contributes to the G20 development agenda through analytical papers and through the sharing of experiences. At the same time, the G20 DWG has the opportunity to share their agenda and discuss commitments with the Commonwealth and Francophonie countries. This mutual accountability helps to create a virtuous circle whereby the G20's development agenda is more relevant for those developing countries it aims to support, and developing countries will be more aware of and are more committed to implementing G20 initiatives.

The G20 has recognised accountability of its development agenda as a key issue for 2013, but it has to come from a low base as it has not put in place an accountability mechanism at the start of the Seoul consensus (even though accountability is one of the core principles, see G20, 2013). Whilst there are still fundamental questions about *who* has to be held accountable to *whom* (te Velde, 2012b and appendix E), this paper regards accountability as (i) a compliance mechanism; (ii) a learning process, and (iii) as mutual responsibility). It will therefore assess progress made by the G20 DWG in terms of commitments in action plans and general workings of the group, assess the lessons, and suggest how the G20 could be held accountable in the future, deriving implications for responsibilities for the G20 and the Commonwealth and Francophonie.

This paper will provide a Commonwealth and Francophonie contribution to the DWG and the Russian G20 Presidency in its view on the G20 Development Working Group Accountability Report. It will do this by (i) reviewing progress on accountability at the G20 (section 2); (ii) reviewing the multi-year action plan in the 2010 Seoul consensus and its relevance for Commonwealth and Francophonie countries (section 3); (iii) discussing the principles in the Seoul consensus and soft workings of the G20 of interest to Commonwealth and Francophonie countries (section 4); and (iv) discuss areas in the G20's development agenda which are of interest to Commonwealth and Francophonie countries and in which the G20 should be held accountable in the future (section 5). Section 6 concludes.

## 2. The G20's approach to accountability of the G20's development agenda

The G20 affects development in many ways. Most G20's actions have spill-overs to non-G20 countries, e.g. when the G20 decided on a co-ordinate fiscal and financial stimulus, this also helped developing economies. In addition, the G20 has initiated a development agenda (the Seoul Consensus for Shared Growth at the Seoul G20 summit in November 2010) coordinated by the DWG using a multi-year action plan of commitments (MYAP). To enhance the credibility, legitimacy and effectiveness of the G20's actions in relation to development, it needs to be accountable for its actions to countries outside the G20. The G20 DWG will need support from LICs to improve the effectiveness of its actions, for example in spreading best practices and standards.

There are currently two major ways in which the G20 is accountable to non-G20 countries for its development commitments. A selection of non-G20 countries are invited to the G20 summits. This is normally related to regions or regional bodies (e.g. the Association of South-East Asian Nations (ASEAN), the New Economic Partnership for Africa's Development (NEPAD), the African Union (AU)) but invitations are on an *ad hoc* basis – although there are now some rules on African participation. Further, the G20 (through the DWG) has been involved in outreach meetings with developing countries, e.g. with Commonwealth and Francophonie countries in Cape Town in 2011 and Washington in 2012.

Amongst the range of principles in the 2010 Seoul consensus, one concerns accountability: "Implementation of G20 action on development should be monitored through an adequate accountability framework". However, until late last year, very little progress has been made on this. This is now changing. The G20 development working group (DWG) which met in Bali, Indonesia in early October 2012 discussed the mandate from the Mexican G20 Leader's Summit to "explore putting in place a process for ensuring assessment and accountability for G20 development actions by the next Summit". The meeting agreed to report to the sherpas on the need for an accountability process which is Presidency-led and member driven; simple and efficient, capturing the feedback of low income countries, and drawing from and not duplicating existing accountability systems within international organisations and other G20 tracks. It suggested an initial report on the multi-year action plan and a later report that would cover all G20 commitments.

The communique of the G20 sherpa meeting on 31 October 2012 (Roo, 2012) mentions that "The sherpas also discussed the commitment of the G20 leaders to provide the G20 with accountability mechanisms in order to better evaluate and communicate the group's various activities." It also mentions that "They emphasized the importance of consulting and including the views of LDCs in the group's work".

The accountability work-stream is undergoing further elaboration during the Russian presidency. Item VI - Development for All - of the Outline of The Russian Presidency of the G20 confirms that the Russian Presidency has positioned development as one of its priorities. The Development Working Group (DWG) is planning to structure its work around the following topics:

- Food security with a focus on agricultural production increase and undernutrition;
- Human resource development with a focus on a global skills database;
- Financial inclusion with a focus on financial literacy and access to financial services by women, migrants and the youth;
- Infrastructure with a focus on long-term financing;
- Active participation in creating a post-2015 development agenda;
- Development of an accountability mechanism to assess progress on the previous G20 commitments.

The DWG is planning to meet four times this year: in February (which has happened), mid-May, July and October. By the G20 Summit in September 2013, the DWG aspires to prepare a draft Saint Petersburg Development Action Plan or a set of principles and a G20 Development Working Group Accountability Report to be endorsed by the Leaders. The scope of G20 presidency-led accountability report is evolving but it is likely to centre around (i) the Seoul Development consensus, Multi-year action plan on development and G20 Development Principles; (ii) a review of the G20 development commitments (the MYAP and inclusive green growth as an additional issue) and possibly outreach activities; and (iii) conclusions and ways forward by summarising the results, discussing lessons learned and identifying bottlenecks, e.g. by highlighting the ways of working that works well in the G20 (e.g. policy statements, toolkits, knowledge platforms, pilots and action plans). The accountability report is unlikely to account for all G20 commitment which might possibly affect development, although this is something that could be considered in the future.

### 3. The G20's Multi-Year Action Plan and the Commonwealth and Francophonie

For each of the 9 pillars of the DWG agenda on growth we first ask: What did the Seoul consensus / G20 development agenda promise it would do (i.e. what were the actions)? And what has happened so far?

Appendix B lists the pillars, the actions relevant to the MYAP pillars and reports on progress in a broad sense. To monitor progress, we draw primarily on the Multi-Year Action Plan on Development agreed at the 2010 Seoul Summit in November 2010, the 2012 (Mexico) Progress Report of the Development Working Group, as well as the G20 Development Working Group – State of Play (updated in October 2012). This means that we do not have the same up-to-date information which the G20 DWG is using now for its compliance / accountability report.

In broad terms we find the following:

1. *Infrastructure* – The G20 has achieved reasonable success in Action 1 in developing comprehensive infrastructure plans, but they have achieved considerably more progress with the newly created high-level panel for infrastructure investment (HLP) with plans to mobilise support for scaling up infrastructure financing.
2. *Human resource development* – Work has started in Action 1 but results will not be available until the end of 2014. For Action 2, the key achievement was the launch of the Knowledge Sharing Platform (KSP) on skills for employment in December 2012.
3. *Trade* – The G20 has demonstrated serious commitments towards enhancing trade capacity and access to markets for developing countries by announcing additional DFQF preferential market access for the LDCs (although there is still a need for further progress) and by requesting MDBs to set up a new trade finance facility at the African Development Bank.
4. *Private investment and job creation* – The G20 welcomes a summary report on Private Investment and Job Creation by the Interagency Working Group.
5. *Food security* – There has been much progress on various initiatives, e.g. the G20 has launched AgResults (see also Box 1), The Tropical Agricultural Platform was launched, and there was a MDBs Action Plan for agriculture, food security and nutrition. But other initiatives are on-going.
6. *Growth with resilience* – Progress on reporting on social protection floor; interesting commitment on reducing remittance costs, but this is a new commitment and progress reports need to come in.
7. *Financial inclusion* – The G20 welcomes the work by the GPMI conference (October 2012), but significant progress depends on the implementation of the Financial Inclusion Plan. So far the SME finance challenge has been announced. G20 Leaders have also endorsed the G20 basic set of Financial Inclusion Indicators.
8. *Domestic resource mobilisation* – There is a commitment of support by the G20, but progress is still in early stages. The technical assistance coordination platform launched in Feb 2012 by the Global Forum on Transparency and Exchange of Information for Tax Purposes was a response to a G20 request.
9. *Knowledge sharing* – Efforts have been put into initiating the implementation process, but considerable further progress will be needed before tangible results emerge.

### **Box 1 The G20 in action: AgResults**

AgResults is a new multilateral initiative addressing the need for increased investment in global food security and agriculture, in particular from the private sector. It enhances smallholder welfare and improves food security for the poor and vulnerable through the use of "pull mechanisms" in agriculture. Pull mechanisms are results-based financial incentives rewarding successful innovations and their adoption. They are designed to overcome market failures, and encourage private and public sector innovators to develop products and services that they would not otherwise bring to the market (World Bank, 2013).

The mandate for AgResults originated at the June 2010 G20 Summit in Toronto. Over two years the governments of Canada, the United Kingdom, Australia, and the United States of America, together with the Bill and Melinda Gates Foundation and the World Bank collaborated to develop AgResults, culminating in its official launch at the G20 Summit in Los Cabos in June 2012 with pre-commitments of US\$ 100 million. The initiative was formerly known as "Agriculture Pull Mechanism Initiative" (World Bank. Available at: <http://bit.ly/ZI9enK>)

There are currently three AgResults initiative pilot projects (World Bank , 2012); they are expected to run for four years and aim to:

- Stimulate improved food security through the widespread adoption of improved on-farm postharvest grain storage systems in Kenya.
- Support the rollout of ProVitamin A (PVA) maize in Zambia by stimulating the grain market for new hybrid varieties of maize through incentives aimed at industrial millers.
- Address persistent barriers to the widespread adoption of biocontrol technology by Nigerian smallholders by providing incentives for smallholder farmers to adopt a particularly promising aflatoxin control technology called Aflasafe™.

The actions in these pillars are likely to affect different types of countries differently. For example, it is important to account for the special characteristics of some of these countries. Small states are countries with a population of 1.5 million or less and account for one third of the total number of developing countries, and less than 0.4 per cent (20 million people) of the total population of developing countries. These countries are spread across the world (the majority in the Caribbean, Pacific, and Africa) and are heterogeneous. Thirty two of the world's 48 small states are Commonwealth member countries; and among these, 25 are small islands developing states.

Small and vulnerable states share a number of common inherent characteristics including peripherality, openness to global financial and trade markets, limited diversification, proneness to natural disasters, environmental fragility, limited access to external markets, limited capacity, poverty, and income volatility. These characteristics make them particularly vulnerable (i.e. exposed to economic, social, and environmental exogenous shocks) and pose special development challenges that may require a different way of thinking about the strategies to effectively address the sustainable development problems. But they also suggest that actions by the G20 can have a major impact on small states. Table F1 suggests that small states are more open (trade, FDI, ODA) than LICs or SSA on average and they pay more service their debt, which tends to be higher in part because it has not benefited from debt relief.

So the next question we address is how have these commitments may have affected small, poor and vulnerable economies? In general terms we could say the following:

1. Infrastructure – Potentially much to benefit from increased infrastructure finance.
2. Human resource development – Positive effects in pilot countries, but limited elsewhere.
3. Trade – Positive results from Aid for Trade, much to benefit from increased market access
4. Private investment and job creation - Positive effects in pilot countries. Much to benefit from increased investment.
5. Food security – Benefits from several other global initiatives; likely benefits for the three pilot countries of AgResults.
6. Growth with resilience – Remittances are of great interest for small and vulnerable economies.

7. Financial inclusion – Some pilot projects. SME challenge does not include many small and vulnerable economies.
8. Domestic resource mobilisation – Negligible because of little tangible progress.
9. Knowledge sharing – Negligible because of little tangible progress.

There is no systematic analysis of the impact of G20 projects or G20 rules at country level. Fortunately, the responses in the Commonwealth survey, which has been conducted in the run up to the 2013 annual G20 Commonwealth dialogue, provide some insights (see Appendix A for a detailed analysis). The responses for progress made on each of the nine pillars were mixed, which could reflect limited relevance, but it could also simply reflect a lack of knowledge on actions in these pillars. The action ‘facilitate the flow of international remittances’ under the pillar of growth and resilience was the area with which countries were overall most satisfied with. ‘Support developing countries to strengthen and enhance social protection programs’ under the pillar of growth and resilience, and ‘enhance trade capacity and access to markets’ under the pillar of trade, received the lowest marks for progress. Some countries responded mainly positively, others mainly negatively.

#### *Tracing the Commonwealth and Francophonie recommendations to the G20*

The Commonwealth engages with the G20 at various levels (see Commonwealth Secretariat, 2013). It is clear that the G20 Development Working Group appreciates this relationship as its latest report welcomes “the meeting with members of the Commonwealth and the Organisation Internationale de la Francophonie ... on the G20 development agenda.” There have been several G20-Commonwealth outreach meetings which have been supported by various papers (see list in references, and below) and outcome statements (Appendix D).

We examine to what extent the G20 actions are in line with the recommendations by the two associations to the G20. For this, we examine briefly the pillars in which the Commonwealth and the Francophonie have made specific policy contributions including in Trade (Commonwealth, 2011), Financial Inclusion (Massa et al., 2011), Growth with Resilience (Briguglio, 2011) and Food Security (Commonwealth and Stevenson, 2012), and consider the extent to which the G20 has, in addressing its own commitments, incorporated aspects of the Commonwealth and Francophonie recommendations. We first list the specific suggestions in each of the pillars, consider whether they have been included in one of the G20-Commonwealth outcome statements, and then whether the G20 has progressed on this or mentioned it in one of the communiqués. The assessment is done in a crude way on the basis of progress so far (as listed in Appendix table B1).

In broad terms, we find the following.

- *Trade* – There has been progress in some areas requested (e.g. Aid for Trade data until 2010), but substantially inadequate to progress on DFQF to small and vulnerable economies (outside LDCs) or progress on Doha, or rules of origin. Some areas did not make it to the first MYAP.
- *Financial Inclusion* – There has been progress on learning on mobile financial services or on making the agenda sensitive to small states (e.g. Pacific) under AFI, but no progress in considering cross-country inclusion as an issue in this pillar. It is possible to consider financial inclusion at country level.
- *Food security* – Good progress on AFSI (Aquila pledges, according to its own reporting) and removal of export restrictions, but few signs of extensive research agendas examining food security in small states.

- *Growth with Resilience* – Progress such as a knowledge sharing portal, or UN Global pulse, but little recognition of the wider Commonwealth agenda on resilience.
- *Knowledge Sharing* – Little notable progress on this with respect to small states, although the outreach meetings have contributed to increased knowledge sharing (e.g. the Washington meeting in 2012 discussed country experiences on inclusive green growth).
- *Infrastructure* - Progress on infrastructure through the recommendations of the HLP, but little information on how the recommendations are being implemented and inadequate focus on the challenges of small states and those CF developing countries which, unlike other larger and better-resourced developing countries are locked out of access to many sources of long-term infrastructure finance.

### *Lessons learned*

A lot of progress has been made in several pillars such as trade, infrastructure, food security etc., but there has been a lack of progress in some other areas. It appears that some of the visibility of G20 development actions is linked to where individual G20 projects take place, rather than the effects of general policies and rules; G20-inspired most projects are often not inside small and vulnerable economies (with exceptions such as financial inclusion in the Pacific or skills). Box 2 includes list of G20 pilot projects.

It is possible to examine compliance of G20 development commitments, although it can be difficult to do this with hindsight. However, it is even more difficult to examine impact of G20 commitments in the countries the G20 aims to support. There is no formal feedback or accountability mechanism, but the Commonwealth survey did point to a number of success stories on G20 support:

- *Bangladesh* - pilot study of UNCTAD project on “Indicators for measuring and maximizing economic value added and job creation from private investment in specific value chains”
- *Sierra Leone* – Infrastructure Panel and Global Partnership for Financial Inclusion regarded as a success
- *Saint Lucia* – good progress on developing skills indicators through workshops

#### **Box 2 G20 – Pilot Projects in MYAP pillars**

The G20 has initiated pilot studies benefiting a rich diversity of countries including Bangladesh, Benin, Cambodia, Dominican Republic, Ghana, Haiti, Indonesia Kenya, Laos, Malawi, Mongolia, Mozambique, Nigeria, Uganda and Zambia.

**Food security:** Pilot Project for Emergency Humanitarian Food Reserves as part of Economic Community of West African States (ECOWAS); Pilot Projects field-testing the Principles for Responsible Agricultural Investment in some African and South-East Asian countries; and AgResults pilot projects in Zambia, Kenya, and Nigeria

**Human resources development:** Pilot testing with content in three areas (Skills for disadvantaged youth, Skills anticipation for green growth, and Inclusion of persons with disabilities). Action Plans adopted in four pilot countries: Bangladesh, Benin, Malawi and Haiti.

**Private investment and job creation:** Country pilot studies have been carried out by UNCTAD in collaboration with other agencies of the inter-agency working group (IAWG) as phase two of the programme of work on “Indicators for measuring and maximizing economic value added and job creation from private investment in specific value chains. Piloting of the indicator framework through country case studies (in the Dominican Republic, Mongolia, Bangladesh, Laos, Cambodia and Mozambique).

**Growth with resilience:** Pilot projects on global poverty monitoring initiatives, such as the UN Global Pulse Initiative, are taking place in Indonesia and Uganda.

**Domestic resource mobilisation:** As part of the technical assistance coordination platform launched in February 2012 by the Global Forum on Transparency and Exchange of Information for Tax Purposes responding to a G-20 request, two pilot projects have been launched with Ghana and Kenya aimed at helping them to implement the international standards and prepare them for peer review.

Several Commonwealth and Francophonie (CF) recommendations have been followed through by the G20 (e.g. on agricultural productivity, infrastructure, or aid for trade). This is encouraging as the G20 appears to have implemented relevant commitments. This is underlined by the Commonwealth survey, which found that (i) nine out of ten country responses argued that infrastructure was the most important pillar, followed by six for private investment and job creation, and five for human resource development and (ii) four out of 10 countries find the pillars still important.

However, other commitments that would be useful for the CF countries have not been considered (e.g. financial inclusion for small and vulnerable states, extension of trade preferences to SVEs, resilience profiling). This seems an important gap that the Commonwealth needs to highlight. The Commonwealth survey also suggests that other pillars such as energy or natural resource management could be important for their country.

Finally, there is no systematic work that captures how individual non-G20 countries benefit from G20 actions. In the Commonwealth survey, most countries suggested that the G20 could become more accessible and spread its message wider. Greater visibility in low income countries and non-G20 members was encouraged, and the use of a newsletter, international institutions, such as the World Bank, the Commonwealth and ADB, and social media were given as examples to increase G20 communications on G20 commitments and action plans.

#### 4. The general workings of the G20's development work and the Commonwealth and Francophonie

If we focus on assessing compliance to the commitments made in the MYAP only, we fail to consider at least two other crucial aspects of the G20's accountability: (i) the range of core G20 actions which might affect development through spill-overs (e.g. the provision of global public goods; solving the Eurozone crisis) and we will come back to this in section 5; and (ii) the softer side of the work of the G20 DWG. After all, the G20 is a network of networks focusing on *strong, sustainable and balanced growth* rather than an implementing agency focusing on poverty.

*How can the Commonwealth and Francophonie leverage the general workings of the G20?*

te Velde (2012a) argues that the G20 brings a number of new elements to the table:

- *Identifying gaps* in global economic governance, setting new quantifiable targets and providing policy direction to relevant institutions – for example addressing constraints in financing regional infrastructure projects;
- *Putting the spotlight* on existing development issues and new innovative solutions – for example inclusive green growth (see box 2) or generally highlighting the importance of growth in development;
- *Knowledge sharing*– sharing experiences on a common basis as developed and emerging countries are involved at G20 level in an open and collaborative manner;
- Trust and *consensus building* among G20 countries on development-related issues – for example on the need to pursue a fiscal or monetary stimulus, or endorsing other processes and outcomes (such as WTO trade talks, the Rio+20 discussions, or the post-2015 discussions in the future);
- *Building global norms* and standards – for example promoting discussion on standards on financial inclusion;
- *Improving policy coherence for development* (PCD) by encouraging development-friendly core policies of the G20 – for example by promoting development-friendly financial or trade regimes.

### Box 3 Inclusive Green Growth: G20 actions and Commonwealth priorities

Under the Mexican presidency of 2012, inclusive green growth was high up on the G20 agenda. Recognising that environmental constraints and social exclusion are among some of the most serious threats to hard-won development gains, in 2012 the DWG strengthened its commitment to help developing countries, in particular LICs, sustain and strengthen their growth by adopting a focus on inclusive green growth (IGG). This focus acknowledges that IGG in developed and developing countries alike will be critical to achieving sustainable development, but that such growth must also be inclusive if it is to support decent job creation and poverty alleviation.

Several actions have taken place in the pillar. For example, the stocktaking review conducted by International Finance Corporation (IFC) on existing mechanisms to mobilize private capital for inclusive green investments in developing countries. Further, a non-prescriptive policy toolkit on inclusive green growth became available in June. Steps have also been taken towards establishing a public private Dialogue Platform on Inclusive Green Investments to scale up commercially viable financial investments, involving in particular the IOs, interested development financial institutions (DFIs), countries, private sector, and relevant initiatives. This Platform could be used to address barriers and identify opportunities to foster private investments to support the voluntary implementation of IGG on a demand-driven basis. The DWG has also encouraged LICs to explore ways to account for their natural capital, including through initiatives such as the global partnership on Wealth Accounting and the Valuation of Ecosystem Services (WAVES). The DWG made further links to the Rio+20 process in 2012.

This is clearly a rapidly evolving area. The Commonwealth and Francophonie have also expressed their priorities in the Washington G20-Commonwealth dialogue in 2012 on inclusive green growth. Suggestions include:

- Recognise special challenges faced by the poorest, smallest and most vulnerable countries (PSMVs);
- Recognise need to invest in natural resource base for green growth (and enhance *development friendly* transparency);
- Knowledge-sharing on green growth paths for PSMVs, building communities of practice and developing toolkits;
- Develop viable financing options and frameworks for transformative change in PSMVs;
- Support national implementation frameworks and integrated solution;
- High ambitions for Rio+20

Source: 2012 Progress Report of the Development Working Group; G20-Commonwealth Outcome Statement, Washington 2012; te Velde (2012a)

These softer areas may already have been useful for developing countries. Moreover, such functions can be used to maximise the impact for its beneficiaries including Commonwealth and Francophonie countries. For example, the G20 could be asked to

- put the *spotlight* on the *debt problems* facing many small MICs, a development finance gap (who is providing finance to small and vulnerable MICs?), or on issues such as *human resource development* (and issues flagged up by the Commonwealth survey);
- address *gaps* in *global environmental governance* which is so important for the poorest countries;
- *build consensus* and endorse documents e.g. by UNECA, AU and AfDB that *structural transformation* is a key challenge for the post-2015 development agenda;
- do more on *policy coherence for development*, e.g. by relaxing IPR rules to promote access to medicines

*How can the Commonwealth and Francophonie hold the general workings of the G20 to account?*

The Seoul consensus already contained a set of six principles by which the G20 DWG should operate (see appendix D).

1. Focus on inclusive, sustainable and resilient growth;
2. Strong, responsible, accountable and transparent development partnerships between the G20 and LICs;
3. Prioritize global or regional systemic issues that call for collective action;

4. Promote private sector involvement and innovation;
5. Complementarity with other international processes; and
6. Tangible outcomes.

These functions and principles associated with the workings of the G20 (DWG) may contribute to the prospects of small, poor and vulnerable economies. The Commonwealth survey suggested that seven out of ten countries consider the six principles as relevant and useful. But not all principles all have been translated into MYAP style commitments. For example,

- *Resilient growth* was translated into one pillar called growth and resilience but this focuses on a narrow interpretation of the resilience.
- There are several G20 projects with country pilots (e.g. AgResults) but how many actions truly “*Prioritise global issues where the G20 can add*”, e.g. how much does the G20 DWG focus on the development dimension global issues such as the climate change, financial regulation, global finance, etc.
- Several commitments are being implemented in *partnership*, but how many ideas and commitments are developed in partnership with developing countries. So far there have been few transparent outreach meetings with other countries (of course there are the B20, C20, T20, and the developing country representatives at G20 meetings.)
- Accountability assessments (as part of a focus on tangible outcomes) have only just started.

The small and vulnerable Commonwealth and Francophonie countries can hold the G20 to account on these development principles by asking the G20 DWG to provide a narrative description on these. They could also help to strengthen these G20 principles, for example

- They can play a more formal role in the “implementation and accountability” part;
- They can offer suggestion of how to include a broader concept of “resilience” in resilient growth;
- They can contribute to collective action and foster “consensus building” around global financial issues

## 5. Future areas of accountability of interest to the Commonwealth and Francophonie

Having reflected on accountability as compliance to actions plan and principles (sections 3 and 4) we can now discuss accountability as a learning process and mutual responsibility. What have we learned on the principles on which the G20 needs to be held accountable and how can the Commonwealth and Francophonie help?

### *General development principles of the G20*

As argued throughout this paper, the CF countries will be very interested in the general development principles of the G20. This centres on (i) developing the content of the principles; and (ii) ensuring that principles get translated into relevant development commitments and plans. The Commonwealth can help with this. The following will be of particular interest: the Commonwealth can promote working in partnership with the G20; ensuring that resilient growth is important; putting new issues such as small state MIC debt on the table; and ensuring that global economic challenges (climate change, financial regulation) are prioritised and addressed. Many of the countries in the Commonwealth survey responded that they would like to see the G20 engage in greater direct communication and collaboration with developing countries. This included financial support, student training and dedicated discussions on issues facing the most vulnerable countries.

### *Continue MYAP focal areas*

A number of current pillars will remain important. The Commonwealth survey indicated that typical answers to the question of areas of future accountability included infrastructure development, private investment and job creation, and trade conditions between developing and developed countries. The survey also suggested that human resources development was a key component of the current MYAP. A focus on these areas would be consistent with a strong emphasis on structural transformation in recent policy documents from African regional organisations and would be closely related to the G20-LIC 20 point charter for resilient and transformative growth (te Velde, 2010).

### *Extending the accountability mechanism to the development dimension of all G20 actions*

There are a number of areas where the G20 could make an important contribution to growth and development in Commonwealth and Francophonie countries but which may not be highlighted currently in the G20's development agenda. For six of the ten countries in the Commonwealth survey, the wider G20 discussions are as important as the G20's specific development commitments in its Seoul Multi Year Action Plan on Development.

Examples of G20-related core areas that are important for the poor, small and vulnerable economies: financial regulation, financial and economic stability; global imbalances and exchange rates, natural resource management (te Velde, 2012b). The survey confirmed a number of these areas: climate change, energy and natural resources, human resources development and financing as crucial areas. This would mean a different job description for the G20 DWG and an extension of its brief to analyse and argue for the development dimension of the G20 core agenda. Developing countries could help to implement such agenda.

### *How can the Commonwealth and Francophonie help?*

The G20 is very important for the Commonwealth and Francophonie, but the Commonwealth and Francophonie can also be important partners for the G20. More specifically, the two associations can help the G20 in a number of respects: (1) analysis and research; (2) consensus building; (3) knowledge sharing and (4) global advocacy. The Commonwealth survey suggested that responding countries wanted to see the Commonwealth Secretariat play a greater role in monitoring and evaluating the G20's commitments and projects in developing countries. For some, the Commonwealth Secretariat could act as a type of liaison between developing countries and the G20, lobbying for projects, heightening the visibility of the G20 agenda in developing countries, and continuing the dialogue between the two. Commonwealth countries also suggested they can help individually. Suggested methods of helping to implement or monitor G20 development actions included providing administrative support, partaking in peer reviews, and participating in Working Groups. Some countries suggested a more individual approach where they would take greater interest in the projects of the G20, and support its development agenda where possible.

## **6. Conclusions**

The G20 is now taking a keen interest in developing an accountability mechanism for its development commitments in the Seoul consensus. This paper has examined compliance of the MYAP and the extent to which MYAP implementation has followed the Commonwealth and Francophonie recommendations to the G20. We found that there was progress in many areas in terms of compliance, and that there was evidence of convergence with Commonwealth and Francophonie recommendations in some but not all areas. But it is much more difficult to gain insights into how individual countries have been affected directly or indirectly (e.g. we found the

G20 has initiated pilot studies directly benefiting countries such as Bangladesh, Benin, Cambodia, Dominican Republic, Ghana, Haiti, Indonesia Kenya, Laos, Malawi, Mongolia, Mozambique, Nigeria, Uganda and Zambia; but there are many indirect effects), and there were instances of lack of progress or lack of consideration of specific interests. We have described the interest of the Commonwealth and Francophonie countries in the MYAP and the general principles of the Seoul consensus, and suggested how these can continue to benefit Commonwealth and Francophonie countries. We also suggested a number of new areas where CF countries can hold the G20 to account.

In terms of next steps, the Commonwealth and Francophonie countries need to:

- Consider how the G20 (and the Seoul consensus in particular – both MYAP and principles) has affected their country and what they have learned from this. This will feed into the current efforts of the G20 to write the accountability report to be approved by leaders in September 2013.
- Consider how the G20 needs to be held accountable in the future and consider how Commonwealth and Francophonie countries can best take advantage of G20 actions.

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## Appendix A - Responses to the Survey on Accountability

### Section 1: Relationship with the G20, including the G20 Development Working Group (DWG)

1. To what extent has your country been engaged with the G20's development agenda since 2010? *(Please tick appropriate box)*

Seven of the countries—Botswana, Cameroon, The Gambia, Lesotho, the Republic of Mauritius, Samoa and Seychelles—responded that they did not have any specific involvement with the G20 or the G20 Development Working Group (DWG) meetings and programmes. Bangladesh participated in the High Level Consultation on the G20 Seoul, Cannes and Mexico Summits to coordinate the Asia-Pacific voice ahead of each summit. Botswana participated in the Global Forum on Transparency and Exchange of Information for Tax Purposes, which works to ensure cooperation on international in tax matters, and is strongly supported by the G20. Saint Lucia responded that it directly participated in the G20 DWG Meeting in Cape Town in June 2011.

### Section 2: Effectiveness of the Seoul [Multi Year Action Plan \(MYAP\)](#)

2. To what extent are the six principles<sup>2</sup> embodied by the MYAP still relevant and useful? Are they the right ones?

Seven of the countries—Bangladesh, Botswana, Cameroon, The Gambia, Sierra Leone, Samoa and Saint Lucia—suggested that the six principles were still relevant and useful. While none of the countries responded that the six principles were not relevant and useful, Lesotho highlighted that they applied particularly to low income countries, and Saint Lucia suggested that global economic integration be added as a seventh principle. The Republic of Mauritius suggested that the principles were relevant and useful as long developmental goals were met.

3. The G20 DWG's nine priority development pillars are: Infrastructure, human resource development, trade, private investment and job creation, food security, growth with resilience, financial inclusion, domestic resource mobilisation and knowledge sharing.
  - a. Of the nine areas of focus, which are the three most important for your country?

The most important pillar was infrastructure, with nine responses, and private investment and job creation, with six responses. Human resource development received five responses. Domestic resource mobilisation only received one response, and none of the countries responded with financial inclusion or knowledge sharing as their most important focus. Lesotho, Samoa and Saint Lucia all suggested infrastructure, private investment and growth and resilience. Additionally, Seychelles and the Republic of Mauritius were aligned in their choices of infrastructure, human resource development and growth and resilience.

- b. Do the nine G20 pillars fully cover the development challenges of your country? If not, what is missing?

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<sup>2</sup> The six principles are: Focus on economic growth for poverty reduction; a global development partnership; prioritize global or regional systemic issues that call for collective action; private sector participation; complementarity with other international processes; and tangible outcomes.

Four countries suggested the pillars are still important (Lesotho, the Republic of Mauritius, Samoa and Saint Lucia). Although each country generally had unique responses, climate change was mentioned by more than one country. Along the environment theme, renewable energy and energy security, natural resource management and disaster risk reduction were offered as suggestions.

4. The table below is a short summary of the specific commitments made by the G20 DWG to take action in each of the nine priority development pillars. For each of these please tick the appropriate box.

Generally the responses for the progress made on each of the nine priority development pillars were mixed, however 'facilitate the flow of international remittances' under the pillar of growth and resilience was the area with which countries were overall most satisfied with. 'Support developing countries to strengthen and enhance social protection programs' under the pillar of growth and resilience, and 'enhance trade capacity and access to markets' under the pillar of trade, received the lowest marks for progress. Saint Lucia was the most positive country, with six 'good' and nine 'satisfactory' responses out of sixteen, while one country indicated eight 'poor' responses. A number of other countries were significantly unaware of the commitments of the G20 DWG to take action in each of the nine priority development pillars, and opted not to rate any of the categories.

5. Please indicate any specific examples of how the G20 is meeting its commitments under the MYAP, where progress is indicated as 'good' in question 4 above:

For this question, the answers were again quite diverse. While only five of the ten responded there was no overlap in the examples of how the G20 is meeting its commitments under MYAP. The use of panels and workshops was mentioned, as well as the support of the World Bank, UN and the IMF.

6. What is your experience of how the G20's commitments and results on its Development Agenda are communicated beyond the G20? How can this be improved?

Most countries responded with ways that the G20 could become more accessible and spread its message wider. Greater visibility in low income countries and non-G20 members was encouraged, and the use of a newsletter, international institutions, such as the World Bank, the Commonwealth and ADB, and social media were given as examples to increase G20 communications.

### **Section 3: Wider G20 accountability issues**

7. Do you think the wider G20 discussions (e.g. financial regulatory reform, crisis management, macro-economic coordination on currencies) are less important, as important, or more important for your country than the G20's specific development commitments in its Seoul Multi Year Action Plan on Development?

For six of the countries, Bangladesh, Botswana, The Gambia, Lesotho, Sierra Leone and Saint Lucia, the wider G20 discussions were as important as the G20's specific development commitments in its Seoul Multi Year Action Plan on Development. One country responded that the wider goals of the G20 were less important than the specific commitments in the Seoul MYAP, while three others responded that they were more important.

8. Do you think that the wider G20 discussions, outside the Seoul Multi Year Action Plan on development, should be subject to a more thorough accountability framework? If so, what should be the elements of such a framework?

The majority of the countries responded with suggestions with new elements that should be incorporated in the Seoul MYAP accountability framework. Several suggestions voiced a desire for the G20 to be clearer in its goals and objectives at the beginning of a new project or pledge, and greater monitoring during implementation of its commitments. One country voiced concerns about the G20 becoming too rigid as a result of a more thorough accountability framework, although they did reiterate that an accountability framework was necessary.

9. What would you like to see the G20 do differently to improve its impact for developing countries, especially the poorest, smallest and most vulnerable countries?

Many of the countries responded on the theme that they would like to see the G20 engage in greater direct communication and collaboration with developing countries. This included financial support and commitments, student training and dedicated discussions on issues facing the most vulnerable countries.

10. How could the G20 be held accountable to the international community for its work in development?

Most countries responded voicing a desire for better communication from the G20 to the international community. There were several suggestions for more publications on the G20's projects and progress, and greater involvement of international organizations, such as the World Bank and the African Union.

#### **Section 4: Priorities for Commonwealth developing countries**

11. What do you consider to be the most important 3-4 issues the G20 should focus its development efforts on in the next 2-3 years?

Common answers to this question included infrastructure development, private investment and job creation, trade conditions between developing and developed nations, and climate change.

12. What role can the Commonwealth Secretariat play in ensuring better accountability of the G20 to developing countries on its development agenda?

The general desire of the responding countries was to see the Commonwealth Secretariat play a greater role in monitoring and evaluating the G20's commitments and projects in developing countries. For some, the Commonwealth Secretariat could act as a type of liaison between developing countries and the G20, lobbying for projects, heightening the visibility of the G20 agenda in developing countries, and continuing the dialogue between the two.

13. What role can your country play in helping to implement or monitor G20 development actions?

Suggested methods of helping to implement or monitor G20 development actions included providing administrative support, partaking in peer reviews, and participating in Working Groups. Saint Lucia, Samoa and Seychelles suggested a more individual approach wherein they would take greater interest in the projects of the G20, and support its development agenda where possible.

## Appendix B - Tracking G20 MYAP and Commonwealth recommendations

The information below is not an exhaustive list of G20 achievements.

### 1. Infrastructure

#### *Action 1: Develop Comprehensive Infrastructure Plans*

- Review size and range of Project Preparation Facilities, taking into account the upcoming results of the assessment commissioned by the Infrastructure Consortium for Africa (ICA)
- The Report on 'Misperception of Risk and Return in Low Income Countries' by Roland Berger was available in June 2012
- Scaling up of the Construction Sector Transparency Initiative; the implementation of the 'Sokoni Africa Infrastructure Marketplace' platform and the launch of a global infrastructure benchmarking initiative

In addition, DWG 2012 welcomes:

- The report on 'Best Practices for Urban Mass Transport Infrastructure Projects in Medium and Large Cities in Developing Countries'
- The strengthening of public-private practitioners networks in every region by channelling resources and knowledge towards the adoption of best practices by policy makers
- The review of the WB-IMF Debt Sustainability Framework reaffirmed its critical role in improving debt management in LICs while striving to better capture the expected economic and social return from transformative investments

#### *Action 2: Creating a High-Level Panel for Infrastructure Investment (HLP) to mobilize support for scaling up infrastructure financing*

- HLP created and reported
- Harmonization of procurement principles between MDBs to public sector recipients and private sector (completed)
- Continue with the implementation of the recommendations of the MDB Action Plan and of HLP report supported by the leaders in Cannes
- Present an updated report on the follow-up of the recommendations and plan elaborated by the HLP and MDBs
- Report on best practices for urban mass transport infrastructure projects became available in June 2012

### 2. Human resource development

#### *Action 1: Create internationally comparable skills indicators*

- DWG 2012 looks forward to the creation by end 2014 of a comparable database across countries to serve as a monitoring tool for assessing employable skills development in LICs
- Prototype prepared, tested and revised June 2012. Reported on to the DWG, May 2012 in Los Cabos
- Pilot testing with content in three areas (Skills for disadvantaged youth, Skills anticipation for green growth, and Inclusion of persons with disabilities) completed and reported on by October 2012

- Action Plans in the Pilot countries: Bangladesh, Benin, Malawi and Haiti adopted (for Haiti more time might be required). Draft Action Plans produced through inter-ministerial and inter-agency workshops by April 2012 and reported on to the DWG. Action Plans in Bangladesh, Benin and Malawi to be finalized through country processes by October 2012 and to be drafted in Haiti by October 2012
- The relevant international organizations have agreed to work together to prepare an inventory of data availability and country coverage for constructing the proposed indicators.
- Final report on the conceptual framework with the full database of indicators will be prepared by end of 2014

#### Action 2: Enhance national employable skills strategies

- The knowledge sharing platform (KSP) on skills for employment, a project led by the ILO in coordination with OECD, UNESCO and the WB, will collect relevant information from a variety of sources, from the private sector and academic institutions to bilateral agencies and IOs. It will share the answers that governments, employers, workers, and IOs are finding to the question of how we can bridge the world of education and training to decent and productive jobs
- The prototype of the KSP is being improved on the basis of pilot testing focusing on the following key G20 issues: skills for youth employment, disability inclusion and employment in anticipation of IGG. We look forward to the launching of KSP on skills for employment in December 2012

### 3. Trade

#### *Action: Enhance Trade Capacity and Access to Markets*

- Some G20 members have announced additional DFQF preferential market access for the LDCs since the Cannes Summit. WTO to provide periodic updates. WB to provide costs and benefits analysis of DFQF for individual LDCs
- DWG 2012 report reaffirms commitment to meeting Hong Kong DFQF commitments, and asks the WTO to produce further updates on extent of DFQF being provided, and the WB to continue to update and refine its cost-benefit analysis of DFQF for LDCs
- DWG 2012 report reaffirms G20 commitment to meeting Seoul commitments on A4T financing. Also requests OECD and WTO to report periodically on A4T flows, but data for 2011 may provide difficulties on level of commitments
- Aid for Trade for Africa including through enhanced financing of regional infrastructure by MDBs; Building on the [Aid for Trade] Review, a more detailed assessment of G20 members' case stories on Aid for Trade, prepared by OECD and WTO; (State of Play Report)
- DWG 2012 report notes the on-going new work from several IOs on new transparency databases, as well as the work of the OECD and WTO on the implications of global value chains in world trade and measuring the actual value-added of trade
- "DWG 2012 report voices support for AU leaders' commitment at their summit in Jan 2012 towards regional integration ; AfDB President plans to send a letter ahead of July AUC summit to African Heads of State with specific recommendations for removing obstacles to regional integration
- New facility is in the process of being put in place for a trade finance facility at the African Development Bank. The business plan has been developed, and new staff have been hired
- WTO's 4th Global Review of Aid for Trade to take place in Geneva July 2-10, 2013; the themes is Connecting to Global Value Chains with a subtheme of Regional Integration

#### 4. Private investment and job creation

*Action: Support Responsible Value-Adding Private Investment and Job Creation*

- Summary Report on Private Investment and Job Creation by the Interagency Working Group is welcomed
- Invite low and middle income country governments to make use of the Indicator Framework developed and field tested in six low and middle income countries by the Interagency Working Group (IAWG). Ask the IAWG for a final report which includes the results of the field testing of the indicators

In addition, DWG 2012 welcomes

- Strong response to the G20 Challenge on Inclusive Business Innovation and congratulate the winners
- The Policy Note on the Business Environment for Inclusive Business Models by the IFC assessing regulatory hurdles

#### 5. Food security

*Action 1: Enhance Policy Coherence and Coordination*

- Action Plan on Food Price Volatility and Agriculture was implemented in 2011
  - The Agricultural Market Information System (AMIS) is a G20 initiative to enhance food market transparency and encourage coordination of policy action in response to market uncertainty. The initial focus of AMIS is on four grains that are particularly important in international food markets, namely wheat, maize, rice and soybeans<sup>3</sup>
    - Rapid Response Forum (within the framework of AMIS) will promote early exchange of key information on and discussion of prevention and responses to crises among policy-makers and assist in mobilizing wide and rapid political support for appropriate policy response and actions on issues affecting agricultural production and markets in times of crisis.
- AgResults: through October 2011, the World Bank has solicited 38 pull mechanism ideas from 24 experts in four Thematic Groups focused on in the areas of (1) Inputs/Increasing Yields, (2) Outputs/Post-harvest Management, (3) Livestock, and (4) Nutrition<sup>4</sup>
  - “Pull mechanisms” use public financing to reward agricultural innovation and, in the process, build sustainable markets for agricultural goods and services that benefit the poor, particularly those engaged in, or consuming the products of, smallholder agriculture

*Action 2: Mitigate Risk in Price Volatility and Enhance Protection for the Most Vulnerable*

- DWG 2012 supports the country-level implementation of The Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security promote secure tenure rights and equitable access to land, fisheries and

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<sup>3</sup> <http://www.amis-outlook.org/amis-about/>

<sup>4</sup>

<http://web.worldbank.org/WBSITE/EXTERNAL/EXTABOUTUS/ORGANIZATION/CFPEXT/0,,contentMDK:23005969~pagePK:64060249~piPK:64060294~theSitePK:299948,00.html>

forests as a means of eradicating hunger and poverty, supporting sustainable development and enhancing the environment.

- Tropical Agriculture Platform: major step towards coordinating knowledge-sharing and technical assistance of agricultural innovation systems in developing countries (2012)
  - FAO sent invitation to international organizations such as IFAD, WB, IICA, PARD, FARA, among others to be part of the partnership; 25 IO's have accepted the invitation.
- DWG 2012 recognizes the work of IOs to produce a report on 'Sustainable Agricultural Productivity and Bridging the Gap for Small Family Farms'. We agree to consider the recommendations contained in the report, as well as the fertilizer initiative presented by NEPAD in this context
- DWG 2012 supports the implementation of the Platform on Agricultural Risk Management (PARM) and its joint work with the AU/NEPAD (African Union and its development arm) on the integration of risk management into Comprehensive African Agriculture Development Programme (CAADP) (which focuses on improving and promoting agriculture across Africa)
- DWG 2012 is committed to working with IOs concerned on some key initiatives in the framework of the Committee on World Food Security
- DWG 2012 supports the on-going work of the Committee on World Food Security as the foremost inclusive international and intergovernmental platform for food security.
- DWG 2012 encourages all countries to support the Principles for Responsible Agricultural Investment (PRAI)-- The seven Principles cover all types of investment in agriculture, including between principal investors and contract farmers<sup>5</sup>
  - Summary report, regarding the field-testing of the PRAI will be issued in September 2012 by IOs (FAO, IFAD, IFPRI, UNCTAD, OECD and the World Bank)

## 6. Growth with resilience

### *Action 1: Support developing countries to strengthen and enhance social protection programs*

- DWG 2012 recognizes the work of individual G20 countries to support global poverty monitoring initiatives, such as the Implementation of the UN Global Pulse
- Multilateral Coordination Mechanism delivered; the first social protection inter-agency board meeting (bringing together IOs and bilateral donors) took place on July 2 -3. The next meeting is scheduled for 29 October 2012
- DWG 2012 welcomes the International Labour Organization, World Bank, and UN Development Programme's implementation of the 2011 social protection commitments-- the social protection gateway to facilitate knowledge-sharing on effective social protection approaches -- encourage all countries to participate in the gateway
- DWG 2012 welcomes the establishment of an inter-agency board chaired by the ILO and WB to enhance social protection coordination and collaboration among international organizations and bilateral donors at the national and international level

### *Action 2: Facilitate the flow of international remittances*

- Reference was made in the Los Cabos documents (including the Final Declaration and DWG Report) to reaffirmation of the Cannes commitment to work to reduce to 5% by 2014 the global average cost of transferring remittances
- Progress monitoring by the World Bank every six months

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<sup>5</sup> <http://unctad.org/en/Pages/DIAE/G-20/PRAI.aspx>

- Among receiving countries, only India and Indonesia have taken action in line with the World Bank Principles for International Remittance Services
- Several sending countries have already reduced the transfer costs below 10% for USD200 and USD500 dollar transfer amounts; Russia and Saudi Arabia have already reached the targets of 5% costs for both transfer amounts

## **7. Financial inclusion**

### *Action: Establish Global Partnership for Financial Inclusion*

- A multi-stakeholder GPFi conference on SSBs and financial inclusion took place on 29th Oct 2012, hosted by the Financial Stability Institute at the Bank of International Settlement
- The Data and Measurement sub-group has focused on reaching GPFi agreement on a G20 Basic Set of Financial Inclusion Indicators (the G20 Basic Set) for adoption by the Los Cabos Summit

In addition, the DWG 2012 welcomes:

- Significant progress by several Standard Setting Bodies (SSBs)
- The SME Finance sub-group continues the work successfully delivered in 2011 to improve the policy environment and identify and scale up successful models of SME financing
- We recognise the progress made by the GPFi and encourage it to continue with the implementation of the Financial Inclusion Action Plan

## **8. Domestic resource mobilisation**

### *Action 1: Support the Development of More Effective Tax Systems*

- "Ask OECD Task Force on Tax and Development, UN, IMF, WB, & other regional organisations to identify key capacity constraints faced by developing countries in their tax systems & make recommendations; medium term develop management platform and promote South-South cooperation; survey and disseminate all G20 and international organizations; set up objective measures; identify ways to help developing countries tax multinational enterprises through effective transfer pricing
- Result reported at Summit in France (November 2011)

### *Action 2: Support Work to Prevent Erosion of Domestic Tax Revenues*

- Report submitted at the summit in France in November 2011.

In addition, DWG 2012 welcomes:

- Technical assistance coordination platform launched February 2012 by the Global Forum on Transparency and Exchange of Information for Tax Purposes responding to a G20 request
- The on-going work on strengthening revenue systems and call for greater coordination to ensure alignment relevant actors to strengthen and enforce procedures and policies
- Countries to sign the Multilateral Convention on Mutual Administrative Assistance in Tax Matters"

## 9. Knowledge sharing

*Action: Enhance the Effectiveness and Reach of Knowledge Sharing*

- Request the Task Team on South-South Cooperation (TT-SSC) and UNDP to recommend how knowledge sharing activity, including North-South, South-South, and triangular cooperation, can be scaled up
- Launching a platform to enhance coordination of technical assistance by the Global Forum on Transparency and Exchange of Information

In addition, DWG 2012:

- Looks forward to full implementation of KS platforms on agriculture and food security, human resource development and growth with resilience

**Table B2 Tracing commonwealth priorities in G20 communiqués and actions**

Area	Key priorities for Commonwealth and Francophonie	G20-ComSec communique	Link to Seoul Consensus and its follow-up <i>Has progress been made?</i>
Trade  Commonwealth (2011)	Expand G20 DFQF to 100%, all G100	Cape Town	No progress, for non-LDCs (not in MYAP)
	Development friendly RoO	Cape Town	No progress and not in MYAP
	LDC services modalities for all G100	Cape Town	Only for LDCs so far
	Conclude Doha	Cape Town	No progress
	Ambitious A4T agenda (incl. trade adjustment)	Cape Town	This is being discussed, especially in Africa
	Address preference erosion through aid for adjustment, SVEs are excluded from major trade deals	Cape Town	Through AfT, although many country excluded from regional trade deals
Financial inclusion  Massa et al (2011)	Climate change and export competitiveness	Cape Town	Not discussed
	Ensure existing G20 agenda sensitive challenges faced by to small and poor states (e.g. data collection, or regulation),	Cape Town	Some progress, but lack of sufficient attention to small states issues in SME guidelines, SME finance challenge and financial inclusion indicators.
	G20/institutional -new lending policies: e.g. to address across-country inclusion	Cape Town	No
Growth with resilience  Briguglio (2011)	New G20 proposals –e.g. south/south learning on mobile financial services	Cape Town	Yes, some learning under GPF
	An initiative to expand the country-focused vulnerability and resilience profiling exercise launched by the Commonwealth Secretariat;	Cape Town	Resilience as a principle, but weak implementation in the action plan
	initiative to finance programmes in these countries fostering resilient growth, through the creation of a Growth with Resilience Trust Fund (GRTF); and	Cape Town	No new fund established, but G20 fiscal and financial stimuli for G20 and Trade Finance.
	The development of a framework to promote growth in PSMV countries.	Cape Town	MYAP is a general growth model, without specific small state features
Food security  Commonwealth and Stevenson (2012)	Strengthening outreach	No	Weak outreach
	Reduce remittances costs and increase remittances (2011 general paper)	No	Progress on remittances and costs
	Commitments / investment AFSI and monitoring progress of AFSI	Washington	AFSI pledges met in terms of commitments (2012 report)
	Building national capacity to develop food security plans in PSMV	Washington	Agresults pilot projects in Zambia, Kenya, Nigeria, not yet others (as of March 2013)
	Discourage use of export restrictions	No	Good progress on removing export restrictions
	Developing a toolbox for increasing productivity of small landholders; promote use of risk management techniques, establish networks of support;	Washington	AgResults
Infrastructure (in 2011 paper, te Velde, 2011)	Research on food security PSMV	Washington	No emphasis on PSMV
	Sustainable use of natural resources (e.g. governance, transparency)	Washington	Market information (AMIS)
Infrastructure (in 2011 paper, te Velde, 2011)	Infrastructure for sustainable development	No	HLP and studies, but implementation of MDB action plan and HLP?
Knowledge sharing (in 2011 paper, te Velde, 2011)	Promote diversity and link with small states network	No	Little information available, and very little on small states.

## Appendix C - G20-Commonwealth meeting outcome statements

### Outcome Statement: Commonwealth-Francophonie-G20 Meeting

Washington DC

1. Meeting in Washington DC on the sidelines of the IMF and World Bank 2012 Spring Meetings, the Commonwealth and La Francophonie held an outreach meeting with Mexico, 2012 President of the G20, together with several members of the G20 Development Working Group (DWG). Commonwealth and Francophonie participants included a large number of developing countries from Africa, Asia-Pacific and Caribbean regions. The meeting provided an important opportunity for several of the world's poorest, smallest and most vulnerable countries to share with the G20 Chair and some of the G20 DWG members, their experiences in addressing their most pressing development challenges, as well as their perspectives on the key priority actions needed by the international community, including the G20, to address these challenges. Participants noted a wide range of challenges, including inter alia the challenge of achieving sustainable development, addressing regional challenges and finding regional solutions to these, as well as identifying job-creating pathways to higher growth, strengthening green accounting frameworks, and addressing the challenges that many of our member countries face in building sustainable wetlands and marine resources.
2. We welcomed Mexico's initiative to hold the outreach meeting and the opportunity this has provided to receive an update on recent developments within the G20, and in particular the work of the G20 DWG. Our meeting builds on the successful Commonwealth-Francophonie and G20 DWG outreach meeting held in Cape Town in 2011, which focused on the acute challenges in building growth with resilience, strengthening international trade and promoting financial inclusion in the poorest, smallest and most vulnerable members of the Commonwealth and Francophonie. Our discussions today have extended and deepened our on-going dialogue on development issues.
3. We welcomed the continued pursuit by the G20 DWG of its multi-year action plan on development, noting in particular that the plan focuses on several policy challenges which are of critical importance to developing Commonwealth and Francophonie countries. As stated by the Mexican Presidency, G20 priorities for 2012 include improving food security, fostering financial inclusion, the pursuit of inclusive green growth and sustainable development and infrastructure development. Our discussions recognized that food insecurity and the challenges of building green growth and green economies in the context of sustainable development rank among the most urgent priorities in many of the poorest, smallest and most vulnerable countries of the Commonwealth and the Francophonie and accordingly we have focused our discussion today on these two priorities.
4. We welcome Mexico's initiative to begin G20 work on inclusive green growth and sustainable development. This initiative recognizes the particular importance of green growth and sustainable development to low-income countries and small island developing states who are most dependent of their natural resources. We have sought to build on these efforts through a detailed discussion of the priorities, experiences and perspectives of the poorest, smallest and most vulnerable members of the Commonwealth and the Francophonie. These countries are particularly challenged by profound interconnected challenges related to climate change, water, food and energy security. For these countries, the concepts of green economies and green growth in the context of sustainable development offer an important opportunity to address their challenges in a holistic way, opening for them a transformation pathway, away from crisis, towards growth and sustainable development. Our discussion has shown that for these countries, building green economies, green growth and sustainable development can provide resilience to external shocks, reduce environmental risks and protect and enhance the natural resource base of the economy. In their pursuit of green growth and sustainable development, these countries also share many of the objectives of the G20, including the need to generate new sources of growth and employment, particularly amongst the youth, increasing energy efficiency, promoting sustainable consumption and production and renewable energy supplies.
5. Evidence from the poorest and smallest members of the Commonwealth and Francophonie has highlighted four key priorities for the international community, including the G20, in support of their efforts to promote green economies, green growth and sustainable development. These include a scaling up of investment in the natural resource base of developing countries as a key basis for green production and growth; new initiatives to promote knowledge sharing on the experiences, practices and lessons learned to date in forging effective pathways to green growth and sustainable development, including building communities of practice in these countries, in visioning and implementing specific Green Economy policies and strategies; identifying and securing viable financing options and frameworks to support transformative actions in developing countries; and achieving stronger and more concerted international support for costed and time-bound national implementation frameworks for the Green Economy which embrace an integrated and cross-sectoral approach tied to sustainable development objectives. Our discussions have also shown that to build momentum for the achievement of these priorities, increased international recognition and commitment will be needed, of the special challenges faced by these countries, in building more resilient economies, through key global processes in 2012, including the forthcoming G20 Los Cabos Summit, the Rio+20 Conference and the UNFCCC climate change process. We have urged that these processes be pursued with both a high level of ambition to support the development of climate resilient, lower-carbon economies in particularly vulnerable countries and strengthened efforts to bring the international community closer to an agreed and more joined-up approach to sustainable development in these countries.
6. We welcomed the important progress which has been made by the G20 in promoting food security and the commitment of the G20 Presidency to take this forward. Food insecurity poses an acute challenge to many of the poorest, smallest and most vulnerable members of the Commonwealth and the Francophonie. Our discussions have examined these challenges, including the causes of food insecurity in these countries in terms of both the availability of food and access to it. Compelling evidence has shown that food insecurity can quickly erode resilience and exacerbate vulnerabilities in these countries. We have examined several examples of the impacts this is having, on countries' abilities to maintain effective social safety nets, reduce poverty and achieve sustainable growth; and have considered an extensive range of measures being implemented by these countries to promote food security, including strengthened national strategic plans, experience sharing, training, the management of food reserves, weather risk and social protection mechanisms.

7. We have also recognized that national efforts need to be complemented by more concerted international action to strengthen food security in the poorest, smallest and most vulnerable countries. Evidence from these countries highlights the need for a cohesive set of measures to achieve this. These include securing longer-term commitments for future investment, financial and technical assistance; enhancing support for building national capacity; enabling a growth-oriented global trade environment; adapting new research to better assist the poorest, smallest and most vulnerable developing countries; developing tools to help increase productivity for small landholders in countries that face the greatest development challenges; promoting long-term sustainable use of natural resource proceeds, adapted where possible to the needs of the poorest, smallest and most vulnerable countries; and encouraging the international community including the G20, to broaden, for these countries, the set of development issues associated with food insecurity, including a more detailed focus on environmental factors.

8. The Commonwealth and the Francophonie have also identified food security as a major global challenge. Commonwealth Heads of Government discussed food security at their summit in Perth in October 2011 and set out the Perth Declaration on Food Security Principles; and leaders of the Francophonie at their Summit meetings in 2008 and 2010 have similarly strongly emphasized the urgency in addressing food insecurity in the poorest developing countries. We recognized that the two associations have strong comparative advantages in advocacy and consensus building, developing networks of support, sharing knowledge and learning, both among countries and regions. We noted that research by the two associations, into some relatively lesser known causes of food security, the inter-linkages among food security, trade and green growth and sustainable development, and on how the causes and impacts of food insecurity have differing impacts across countries, can contribute to a better understanding of the some of the international policy measures to be adopted in addressing food insecurity.

9. We welcomed Mexico's commitment to intensive G20 outreach and the work of the Commonwealth and Francophonie Secretariats on food security and green growth and sustainable development. We have agreed to continue to collaborate closely to facilitate dialogue and the sharing of knowledge and information across G20 and non-G20 member states, and with wider audiences. We agreed that a strong outreach process by the G20 DWG is essential to the success of its multi-year action plan on development and that the Commonwealth and the Francophonie, two associations which include the majority of the worlds' poorest, smallest and most vulnerable countries, can play an important role in bringing to the attention of the DWG the key developmental challenges and priorities of these countries. We have agreed to explore further opportunities to deepen the dialogue between the G20 DWG and the two associations.

10. We thanked the Mexican G20 Presidency for facilitating this meeting and the World Bank for providing the venue for our meeting. We are also grateful to the Government of Australia for its financial support for the Commonwealth-G20 development dialogue.

## Cape Town Statement on the G20 Multi-Year Action Plan on Development

Commonwealth Secretariat and Organisation Internationale de La Francophonie

June 28, 2011

1. Members of the Commonwealth and the Francophonie, including a number of developing countries from Africa, Asia-Pacific and Caribbean Regions, together with several G20 members of the two associations, participated in a Commonwealth-La Francophonie conference on the G20 Multi-Year Action Plan on Development, held in Cape Town on 28<sup>th</sup> June 2011. We welcomed a presentation by South Africa, co-Chair with France and Korea of the G20 Development Working Group (DWG) on progress by the DWG. We also welcomed the attendance and participation of a number of other G20 member countries and international organisations.
2. We reflected on the multiple challenges confronting developing countries of the two associations, particularly the poorest, smallest and most vulnerable economies, including a disproportionate risk of failing to overcome poverty and other consequences, and the need to strengthen growth and manage risks associated with weak resource capacity and economic vulnerability.
3. We welcomed the establishment and pursuit of the G20 DWG multi-year action plan on development. The nine areas of this action plan – infrastructure, human resource development, trade, private investment and job creation, food security, growth with resilience, financial inclusion, domestic resource mobilization, and knowledge sharing - are critical development challenges. Our discussion focused on three of these pillars - trade, growth with resilience and financial inclusion. These areas rank among the most essential areas of challenge for developing countries in securing sustainable growth, effectively participating in global trade and widening and deepening domestic financial markets to ensure the participation of the unbanked and small and medium enterprises.
4. The poorest, smallest and most vulnerable countries have seen their share of global trade progressively decline. We noted that two interlinked factors - inadequate market access and limited trade capacity – have contributed to this; and agreed that domestic policy action and consistent multilateral support can serve to enable these countries to become more competitive and expand their exports. The Doha Development Round has now stalled. We urged the DWG to promote an urgent initiative to return development issues to the centre stage of the WTO negotiating agenda, with particular attention paid to the issues of agriculture, preferential market access, rules of origin, trade in services and preference erosion.
5. We offered a number of practical suggestions to the DWG, including proposals to establish a task force to examine the feasibility of a more comprehensive duty-free and quota-free market access framework; examining options to simplify and streamline rules of origin; and early and concerted implementation of the WTO services modalities for LDCs and the expansion of these modalities, as well as the overall G20 preference regime to benefit all of the poorest and most vulnerable countries. We noted a number of additional issues affecting trade in these countries, including non-tariff barriers such as standards and labelling; regional integration, the effects of climate change on trade and initiatives to expand aid for trade and productive capacity development. South-South trade to these countries is particularly important and we called for improved market access provision by emerging market economies. Several further practical suggestions include monitoring progress on aid for trade and coordinating the implementation of development-related commitments.
6. We considered the challenges experienced by the poorest, smallest and most vulnerable countries in achieving growth with resilience so as to withstand economic shocks, including low growth rates, high debt rates and the impact of climate change and natural disasters. The smallest countries are especially vulnerable because of their economic openness, dependence on a narrow range of exports, dependence on strategic imports and peripherality. We welcomed the economic resilience framework and country-focused vulnerability and resilience profiling developed and successfully piloted by the Commonwealth Secretariat, which focuses on competitiveness, savings, macroeconomic stability, market efficiency, good political governance, social development and environmental management. We recommended that the DWG promote its use, expand the country-focused vulnerability and resilience profiling exercise, create a Growth with Resilience Trust Fund to finance programmes in developing countries which foster growth with resilience; and develop a framework to promote growth in the world's poorest, smallest and most vulnerable countries.
7. We welcomed the progress made by the G20 in promoting financial inclusion. We noted the wide range of initiatives implemented by developing countries to promote financial inclusion, including technological and market innovation, private investment initiatives and financial literacy training initiatives, and the successes which have emanated from these initiatives. Several factors influence access to finance by households including employment, education and qualifying requirements. We reviewed supply side and demand side factors affecting the financing of small and medium enterprises in developing countries, including small amount transactions, lack of transparency, limited tailored financial services, limited competition, and physical inaccessibility. Where necessary, developing countries should implement policies to address these factors. A number of further practical measures were recommended to meet the goals of financial inclusion. These included the adoption of an SME financing framework that is appropriate for developing countries; development of a set of indicators on financial inclusion; the formulation of principles for effective financial inclusion, development of region specific programmes; new initiatives to build capacity, including in insurance and m-financial services as well as south-south learning programmes; reviewing IFI lending policies towards countries, and re-considering the financial action task force principles in small states.
8. We welcomed this conference and the work of the Commonwealth Secretariat and La Francophonie on trade, growth with resilience and financial inclusion. We have asked the two organisations to collaborate closely with the G20 DWG through facilitating dialogue to address the needs of the poorest, smallest and most vulnerable countries. We recognised that a strong outreach process by the G20 DWG is essential to the success of its multi-year action plan on development, and we urge the G20 DWG to draw on the resources of the Commonwealth and La Francophonie in the context of extensive analytical research, consensus-building and advocacy.
9. We expressed appreciation to the Government and people of South Africa for hosting this conference. We agreed to reconvene shortly to discuss challenges and options in regard to innovative finance for development.

## Appendix D - G20 development principles

1. **Focus on economic growth.** Be economic-growth oriented and consistent with the G20 Framework for Strong, Sustainable and Balanced Growth, which requires narrowing of the development gap. More robust and sustainable economic growth in LICs will also go hand-in-hand with their capacity to achieve the MDGs. Actions and policies should have the capacity to significantly improve the prospects for inclusive, sustainable and resilient growth above business as usual.
2. **Global development partnership.** Engage developing countries, particularly LICs, as equal partners, respecting their national ownership and recognizing that the most important determinant of successful development is a country's own development policy. Ensure that actions foster strong, responsible, accountable and transparent development partnerships between the G20 and LICs.
3. **Global or regional systemic issues.** Prioritize actions that tackle global or regional systemic issues such as regional integration where the G20 can help to catalyse action by drawing attention to key challenges and calling on international institutions, such as MDBs, to respond. Focus on systemic issues where there is a need for collective and coordinated action, including through South-South and triangular cooperation, to create synergies for maximum development impact.
4. **Private sector participation.** Promote private sector involvement and innovation, recognizing the unique role of the private sector as a rich source of development knowledge, technology and job creation. Encourage specific ways to stimulate and leverage the flows of private capital for development, including by reducing risks and improving the investment climate and market size.
5. **Complementarity.** Differentiate, yet complement existing development efforts, avoiding duplication, and strategically focus on areas where the G20 has a comparative advantage and can add value focusing on its core mandate as the premier forum for international economic cooperation.
6. **Outcome orientation.** Focus on feasible, practical and accountable measures to address clearly articulated problems that are serious blockages to significantly improving growth prospects for developing countries. Such measures should have the potential to provide tangible outcomes and be significant in impact. Implementation of G20 action on development should be monitored through an adequate accountability framework.

## Appendix E - The G20 – positive and negative aspects in relation to accountability of the G20

Positive aspects	Negative aspects	Suggestions
<ul style="list-style-type: none"> <li>• Included <b>emerging powers</b> quickly and effectively, revealing their interests</li> <li>• Effective <b>crisis manager</b></li> <li>• Focus on activities such as agenda setting, policy, <b>policy coordination, consensus building</b> and task distribution across existing institutions</li> <li>• Promoting <b>mutual understanding</b> and more personal relationships</li> <li>• <b>Leadership and effectiveness</b></li> <li>• Systematic coordination</li> <li>• Linking dialogues</li> <li>• Flexibility</li> <li>• Platform for <b>exchange of ideas</b></li> <li>• Instances of an accountability framework in relation to financial reporting</li> <li>• Topics of success: Bretton Woods institution reform, banking regulation agreement, coordinated stimulus</li> </ul>	<ul style="list-style-type: none"> <li>• Unclear <b>membership criteria</b>, 173 countries excluded, few African, small or low-income countries, ‘plurilateralism of the big’</li> <li>• Ignored G24 and UN, weak representational legitimacy</li> <li>• No mechanisms for <b>accountability</b> to the broader international community</li> <li>• <b>Lack of communication</b> of results/self-reporting</li> <li>• <i>Ad hoc</i> nature, non-binding, lack of formal set of rules</li> <li>• Troika does not work</li> <li>• Small initiatives not game changers</li> <li>• Weak narrative on <b>implementation capacity</b>; lack of clarity of how agreements of G20 meetings are implemented</li> <li>• DWG agenda too broad, disconnected pillars</li> <li>• <b>Undermines</b> existing system of multilateral cooperation in IFIs/UN</li> <li>• Legitimacy cannot be restored by a strategy of ‘concessions at the margins’</li> <li>• Lack of continuity</li> <li>• Lack of evidence on mutual assessment system works</li> </ul>	<ul style="list-style-type: none"> <li>• Transform G20 into <b>global economic council</b> with formally weighted power</li> <li>• Take steps to recognise that effective leadership involves making <b>commitments that stick</b></li> <li>• Establish an <b>independent audit mechanism/permanent accountability framework</b> for commitments including surveillance and peer review</li> <li>• Establish objectives and <b>measurable criteria for membership</b></li> <li>• <b>Develop outreach</b> to broader range of countries and develop permanent secretariat to institutionalise outreach</li> <li>• Provide good <b>demarcation</b> between the role of the G20 and that of other bodies, such as the G8 and the UN</li> <li>• <b>Communicate</b> commitments and implementation paths</li> </ul>

Source: Te Velde (2012)

## Appendix F - Comparing key statistics for small states and country groupings

Table F1 Comparing small states with other country groupings (data are for 2011, unless otherwise stated)

	Small states			LICs	MICs	HICs	SSA	
	All	Caribbean	Pacific					Other
FDI inflows (% of GDP)	4.62	4.12	6.22	4.80	4.12	2.79	2.09	3.19
Remittances (% of GDP)	4.17	5.85	6.04		7.66	1.47	0.27	2.61
ODA (% of GNI) 2010	2.97	1.06	16.73	3.27	9.58	0.26	0.00	4.11
Trade (% of GDP)	100.9	90.3	103.9	105.4	70.3	60.3	58.8	70.7
Domestic credit to private sector (% of GDP)	38.2		60.0	32.2	30.3	75.2	158.0	58.3
Ease of doing business index (1=most business-friendly regulations)	103.9	86.7	90.6	123.0	148.5	100.9	40.2	139.3
Cost of business start-up procedures (% of GNI per capita)	38.2	24.9	37.2	48.3	109.9	28.3	7.0	85.0
Cost to export (US\$ per container)	1201	1058	1019	1395	2190	1386	961	1966
Debt service (% of GNI)	3.76	9.29	3.75	1.93	1.42	2.81		1.37
Total reserves (% of total external debt)	59.7	20.1	92.2	102.3	52.7	129.6		63.7
School enrolment, secondary (% net)	52.5	78.3		44.0	35.1	63.6	91.1	
GNI per capita, PPP (current international \$)	8981.6	12815.4	3974.9	7486.1	1370.2	7214.3	38523.6	2238.5
Logistics performance index: Overall (1=low to 5=high)- 2010	2.4	2.5	2.3	2.4	2.4	2.7	3.5	2.4
Gross capital formation (% of GDP)	26.3			27.4	24.9	30.0	18.0	21.4

Source: WDI accessed April 2013