**G20 Development Agenda and 2030 Agenda: The Contribution of China Hangzhou Summit**

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# Abstract

Although the development agenda has usually been one of the G20 major agendas, it has not become the core agenda in the past ten summits. Since the beginning of the G20 summit, its core task mainly focused on two major aspects: the stability of global financial market; crisis response. Despite a common knowledge of the inherent connection between development and growth, it has not been an easy job to persuade the G20 members to shift their focus from responding to imminent short-term crisis to long-term sustainable development issue.

The 2016 G20 Summit becomes an important turning point, with the development agenda being treated with unprecedented attention. There is a direct connection with China’s goals as a host country. On one hand, as a major developing country, China keeps close watch on development issue and also wants to showcase achievements made through China’s economic development. On the other hand, making development issue becoming one of the G20 core issues in Hangzhou Summit reflected universal demand of the developing countries, which also shows China’s coordination capability and leadership in global economic governance. As the hosting country of 2016 G20 Summit, China has been working on the drafting of the collective action plan in implementing the UN 2030 Sustainable Development Agenda. Even before the Hangzhou Summit China had made a high-profile statement on the goal of making two “first-time” cases in the G20 history in relation to development issue: putting development issue for the first time at an outstanding position in the global macro policy framework; and for the first time making an action plan for the implementation of 2030 Sustainable Development Agenda.[[1]](#footnote-1) In this vein, this report mainly explores the contribution of the G20 Hangzhou Summit from the perspective of implementation of UN 2030 Sustainable Development Agenda.

It’s been a win-win solution for the G20 Hangzhou Summit to select the implementation of 2030 Sustainable Development Agenda as one of its core issues. For the G20, focusing on 2030 Sustainable Development Agenda will increase momentum to its transformation from the primier forum in coordinating global economic affairs to a more comprehensive global governance forum for long-term sustainable development. For the United Nations, the year of 2016 has been the first year in the implementation of the 2030 Sustainable Development Agenda, which means it’s an important window of opportunity. It’s been a great timing for the G20 to present its collective action plan in support of the UN work, which also constitutes a symbolic first step toward the global process of implementation.

The G20 mainly takes a “complementary” role in the implementation of the 2030 Sustainable Agenda, with the UN taking the central role in implementation. Yet this ‘complementary’ role of the G20 is not just a role out of convenience, but a ‘guiding’ role having the power of examples. The G20 has some unique advantages in the implementation of 2030 Agenda: flexibility, comprehensiveness, and connectivity.

The report presents three aspects of contribution by the G20 Hangzhou Summit in advancing the implementation of 2030 Sustainable Development Agenda: first, enhancing the mainstreaming of development issue, with it being included into the core agenda of macroeconomic policy coordination framework and becoming the third pillar of the G20 parallel with financial stability and crisis management; second, drafting a collective action plan for the implementation of 2030 Agenda, which needs periodic updates to have the sustained focus by the following members assume G20 presidency, as well as the combined effects of compliance assessment mechanism and national implementation plans. In this way, the G20 has begun to take a guiding role in the implementation of the 2030 Agenda. Third, infrastructure building has become one priority area for promoting global development, with the setup of the Infrastructure and Connectivity Alliance to promote global cooperation in infrastructure building. The 11 MDBs around the world have also been prompted to provide more financing commitments.

#  I. G20’s Development Agenda

The development agenda is not a new issue on the G20 agenda. It has been on the major agendas since the beginning of G20 Finance Ministers and Central Bank Governors Meeting in 1999. The Canadian scholar John Kirton has made a systematic summary of progress made on development issue in the G20 Ministers Meetings and Leaders’ Meetings during the period of 1999-2011. He pointed out that “there has been a trend of constant increase in terms of contribution to and innovation of the global development governance by the G20. The G20 has worked both on the traditional development issue – development assistance, and new issue areas of development topic – trade, food security, and infrastructure, etc. The G20’s focus on development issue has been shown in all the six dimensions of its governance: discussion, guidance, decision-making, implementation, and developing global governance.” [[2]](#footnote-2)

 1. G20 Development Agenda during the period of Ministerial Meetings

Since the G20 first began with Ministerial Meetings, the development issue had become one of its major issues. In its beginning three ministerial meetings held respectively in 1999, 2000, and 2001, the major topic had been the stability and development of financial sector in Asian emerging market economies. In 2001, due to the impact of “September 11th”terrorist attack, the major issue became focused on counter-terrorism. In 2002 India New Delhi G20 Ministerial Meeting, the MDGs was first put on the agenda, which means it began to focus on wider range of development issues. In the following 2003 Mexico Meeting, 2004 Germany Meeting, and 2005 Beijing Meeting, there was consistent focus and emphasis on MDGs. The 2005 G20 China Ministerial Meeting also released the “Joint Statement on Global Development”. It stressed that “as the major forum for policy dialogues between developed countries and emerging economies, the G20 should play an active role in addressing important development issues.” [[3]](#footnote-3) In the three G20 Ministerial Meetings held respectively in Australia, South Africa, and Brazil from 2006 to 2008, more and more development issues were included. The 2007 South Africa meeting made a connection between climate change and economic development, and the 2008 Brazil meeting declared that MDBs and IFIs should be reformed to promote infrastructure building.

By taking a look back at the progress made in the G20 Ministerial Meetings on development issue, we can see that almost all the development issues had been covered and the G20 had already taken heed of the implementation of UN development initiatives since 2002. In the G20 Ministerial Meetings, the dialogues on development issue had been made among the finance ministers and central bank governors of its members, with the development issue having the potential long-term impact on financial issues.

2. Development Agenda of G20 Leaders’ Summit

Since the G20 was upgraded to Leaders’ Summit level (since 2008), there has been two aspects of positive trend for the development issue: first, more stress on the connection between economic growth and development, with the appeal for putting development agenda into mainstream macro policy coordination gradually being attached with more importance. Second, the G20’s capability in resource mobilization and collective action has been strengthened.

The connection between development and growth has become more important in the background of global financial crisis. Without the development of developing countries, it will be impossible to achieve the goal of strong, sustainable, and balanced global economic growth, on which the G20 members has already reached consensus. The development issue has not been regarded as a relatively isolated and exclusive topic for emerging and developing economies. In 2009, the G20 Pittsburgh Summit presented the G20 Strong, Sustainable, and Balanced Growth Framework, which explicitly mentioned the promotion of economic rebalance and sustainable development so as to minimize development imbalance and reduce poverty. [[4]](#footnote-4) In 2010, Article 47 of the G20 Toronto Summit Declaration re-emphasized that “narrowing the development gap and reducing poverty are integral to our broader objective of achieving strong, sustainable and balanced growth and ensuring a more robust and resilient global economy for all”. [[5]](#footnote-5) The 2016 G20 Hangzhou Summit made a combination of the promotion of economic growth and the much wider development goal of implementing 2030 Sustainable Development Agenda. In relation to the G20 Development Agenda, among the four major tasks of crisis management, world economic growth, global economic governance reform, and achieving development goals of the Leaders’ Summit, the focus on growth and development will be of great importance both currently and for a long time in the future. It has been proved by more and more facts that economic growth doesn’t definitely mean achieving sustainable development. Growth may bring new development challenges, for instance, social inequality caused by greater income disparity, and environmental degradation caused by economic growth, etc. In brief, the G20 Development Agenda has the potential to become an overarching agenda over all other issues. If sustainable development has not been made an important factor in measuring economic growth, global governance reform, and crisis management, there may be damage on the long-term sustainable development goals.

The G20 also has obvious advantages in terms of resources mobilization for development. The G20 membership not only includes biggest traditional development assistance provision countries around the global, but also the emerging donor countries. The G20 engagement groups such as B20, C20, and T20 have a great role in mobilize much wider social resources. In the meantime, MDBs and OECD have all been included into the discussion on G20 development issue. All this has shown clearly the G20’s special advantages. In 2010, the G20’s decision to increase the financing to the IMF, World Bank, and other MDBs has been one obvious example. The increased assessment will provide substantial support for the developing countries to acquire more development resources, for instance, with the assessment to the African Development Bank increased by 200%, its annual loan scale also accompanied with three times increase.[[6]](#footnote-6) The specific increased assessment is shown in Table 1.

Table 1: Increasing Assessment to Multilateral Development Banks by Members at G20 Toronto Summit

|  |  |  |  |
| --- | --- | --- | --- |
| MDBs | Percentages of Increased Assessment | Annual Loans before Crisis (hundred million dollars) a | New Annual Loans (hundred millions dollars) b |
| African Development Bank | 200% | 18 | 60 |
| ADB | 200% | 58 | 100 |
| EBRD c | 50% | 53 | 110 |
| IADB d | 70% | 67 | 120 |
| IBRD | 30% | 121 | 150 |
| IFC | 200 million selective financing | 54 | 170 |
| Total | 85% | 370 | 710 |

\* in dollars

a. 2000-2008

b. 2012-2020

c. most from the temporary capital increase at the fourth share review, and to be paid-in.

d. including the agreement on the debt relief for Haiti by the Inter-American Development Bank.

Source: G20 Toronto Summit Declaration, June 27, 2010.

In terms of the G20’s collection actions, apart from the joint stimulus packages presented at the initial period of the global financial crisis, it has also made substantial achievements in pushing the reform of IFIs in relation to development. In accordance with the consensus achieved at Pittsburgh Summit, “we stress the importance of moving towards equitable voting power in the World Bank over time through the adoption of a dynamic formula which primarily reflects countries’ evolving economic weight and the World Bank’s development mission, and that generates in the next shareholding review a significant increase of at least 3% of voting power for developing and transition countries, in addition to the 1.46% increase under the first phase of this important adjustment, to the benefit of under-represented countries. While recognizing that over-represented countries will make a contribution, it will be important to protect the voting power of the smallest poor countries. We are committed to a shift in quota share to dynamic emerging market and developing countries of at least five percent from over-represented to under-represented countries using the current IMF quota formula as the basis to work from. We are also committed to protecting the voting share of the poorest in the IMF.” [[7]](#footnote-7)

The G20’s collective actions have also been manifested in establishing Development Working Group, reaching consensus on development, and publishing joint action plan. In 2010 the G20 Canada Toronto Summit established the Development Working Group (DWG), with the mandate of improving the development agenda, drafting multi-year action plan and presenting to the Seoul Summit for discussion from the perspective of G20 goal in promoting sustainable economic growth. Later that year the G20 Seoul Summit published the *Seoul Development Consensus for Shared Growth*, [[8]](#footnote-8) with the promise of enhancing cooperation with the developing countries and especially the least developed countries, promoting capacity building and mobilizing for potential growth, so as to contributing to the rebalancing of world economy. This first G20 development consensus identified nine priority development areas, including infrastructure; human resources; trade; private investment and employment; food security; growth flexibility; financial inclusion; domestic mobilization; knowledge sharing. The Seoul Summit in the meantime also published *Multi-Year Action Plan on Development*, which had laid out specific principles for taking actions: (1) focus on economic growth; (2) global development partnership; (3) global or regional systemic problem; (4) participation of private sector; (5) complementarity; (6) result-oriented. The Seoul Summit marks the beginning for G20 members to promote development in a common approach.[[9]](#footnote-9)

Starting from the Seoul Summit, the G20 has established much improved development policy framework with clearly prioritized areas in its development agenda. The subsequent Summits were just making some addition, deduction, or special emphasis on the basis of the work done by the Seoul Summit. Among them, the Mexico Summit added the issue of inclusive green growth, expanding the G20 priority areas to ten. In 2013 and 2014, the G20 Summits had taken into consideration the problem of swelling development agenda and lack of focus. The 2013 Saint Petersburg Vision on Development and the 2014 Brisbane Development Update started to narrow down the focus areas from the ten areas presented by the 2010 Seoul Summit to five areas: infrastructure, food security and nutrition, inclusive finance and Diasporas’ remittance, human resources, and domestic mobilization. (See Table 2 for specific information) However, the G20 still cannot change the focus of Summits on crisis management and growth, with the long-term issue of development always being in the situation of more talking but less talking due to the lack of urgency.

Generally speaking, all the members assume Presidency of G20 Summits before the Hangzhou Summit have added to the development agenda with development issues to their preference, with the focus of development areas being adjusted every year. The principle of voluntary implementation has secured the flexibility of G20 development agenda, but not so satisfactory in terms of implementation and results. Considering that, the G20 Hangzhou Summit mainly considered two vital parts for the implementation of the 2030 Agenda for Sustainable Development: first is how to make selective implementation; second is how to actually enhance capabilities in collective action. In selecting priority areas of implementation, the G20 mainly selected the development areas its members have comparative advantages and able to contribute with value-added, which has been the long tradition of the G20. Compared with the G8’s focus on development issues which mainly surrounds the issues of human rights, domestic structural transformation, and immigration impact, etc., the G20 has been concerned more with the issues of national economic growth, global rebalancing, and management of systemic risk, etc.[[10]](#footnote-10) In accordance with the debates of the G20 Development Working Group on the collective action plan for the implementation of the 2030 Agenda for Sustainable Development and the final action plan adopted, the following 15 priority areas has acquired the consent of the G20 members: (1) infrastructure; (2) agriculture, food security and nutrition; (3) human resources development and job creation; (4) inclusive finance and diasporas’ remittance; (5) domestic mobilization; (6) industrialization; (7) inclusive business; (8) energy; (9) trade and investment; (10) anti-corruption; (11) international financial architecture; (12) growth strategy; (13) climate and green finance; (14) innovation; (15) global health. These 15 priority areas have basically covered the 17 sustainable development goals, with just slight difference in terms of focus in specific areas of implementation.

Table 2: Development Agenda of G20 Summit (2008-2016)

|  |  |  |  |
| --- | --- | --- | --- |
| G20 Summit | Important Document | Prioritized Development Areas | New Institutions in relation to Development |
| 2008 US Washington Summit | G20 Leaders Declaration on Financial Market and World Economy | Mainly focusing on addressing financial crisis, with little coverage of development issue | No |
| 2009 UK London Summit | G20 Communiqué  | Development issue included as one of the core issues; increased financing to the MDBs and IFIs; Capacity building for developing countries in relation to crisis response. | No |
| 2009 US Pittsburgh Summit | G20 Leaders’ Statement | Reform of International Financial Institutions, increase voice of developing countries, mobilizing resources of Multilateral Development Banks | No |
| 2010 Canada Toronto Summit | G20 Toronto Summit Declaration, The Framework for Strong, Sustainable, and Balanced Growth, Enhancing the Legitimacy, Credibility, and Effectiveness of the IFIs and Further Supporting the Needs of Most Vulnerable (Annex III) | Growth and job creation, reform of IFIs, increasing financing to MDBs and development finance | Development Working Group |
| 2010 South Korea Seoul Summit | G20 Seoul Summit Leaders’ Declaration, Seoul Development Consensus for Shared Growth, Multi-Year Action Plan on Development | Identified nine pillars of development: infrastructure building, human resources development, trade, private investment and job creation, food security, growth elasticity, financial inclusion, domestic mobilization, and knowledge sharing | None |
| 2011 France Cannes Summit | G20 Cannes Summit Declaration, G20 Leaders Summit Communiqué, Cannes Action Plan for Growth and Jobs | Focus on food security, infrastructure, and development finance | Agricultural products market information system |
| 2012 Mexico Los Cabos Summit | Leaders’ Declaration 2012, Los Cabos Growth and Jobs Action Plan | Focus on infrastructure and food security, adding the issue of inclusive green growth | None |
| 2013 Russia Saint Petersburg Summit | G20 Leaders’ Declaration, 5th Anniversary Vision Statement, Saint Petersburg Development Outlook | Focus on food security, inclusive finance and Diaspora remittance, human resource development, and domestic resource mobilization | None |
| 2014 Australia Brisbane Summit | G20 Leaders’ Communiqué, 2014 Brisbane Development Update, G20 Plan to Facilitate Remittance Flows | Focus on growth and infrastructure investment | Global Infrastructure Hub（GIH） |
| 2015 Turkey Antalya Summit | G20 Final Declaration 2015, G20 and Low Income Developing Countries Framework | Focus on inclusive development, domestic resources mobilization, and economic growth | Women 20 (W20), Investment and Infrastructure Working Group (IIWG) |
| 2016 China Hangzhou Summit | G20 Action Plan on the 2030 Agenda of Sustainable Development, MDBs’ Joint Declaration of Aspirations on Actions to Support Infrastructure Investment, G20/OECD Guidelines on Diversification of Financing Tools for Infrastructure and SMEs | 17 sustainable development goals, focusing on infrastructure investment, industrialization, energy, and food security | Global Infrastructure Connectivity Alliance, Trade and Investment Working Group (TIWG), Trade Ministers’ Meeting |

Source: G20 Official Website

# II. The Role of G20 in Implementing the 2030 Agenda

The 2030 Sustainable Development Agenda is a cornerstone document with 17 sustainable development goals and 169 specific targets. It added more comprehensive goals based on the unfinished MDGs, fully covering the four dimensions of sustainable development, i.e. economic, social, environment, and security. This new development agenda reflects the concerns of international community over various kinds of problems in the course of development and transformation, which has become a rare case of international consensus reached on common development goals. This politically ambitious alt-new development agenda applies to both the developing countries and developed countries, with the basic purpose of “left no one behind” in the course of development. Its ultimate goals is to guide the world to eradicate extreme poverty, overcome income disparity, and mitigate climate change in the next 15 years. Such a grand development agenda needs to mobilize wide range of political, economic, and social resources and appeal to the attention of governments around the world, so as to make substantial progress in achieving the ultimate goals.

All the G20 member are also the members of the United Nations, which means they have the obligation and responsibility to implement the 2030 Agenda for Sustainable Development. It also shows the connection to the decision at 2002 G20 India Ministerial Meeting to include the UN MDGs into its development agenda. It will be a win-win outcome for the G20 to implement the 2030 Agenda. For the G20, the adoption of the collective action plan for the implementation of the 2030 Agenda for Sustainable Development has provided a rare opportunity in streamlining the G20 past development agendas, which has increased the integrity of the G20 development agenda and enhanced the legitimacy of its development agenda. For the UN, taking use of the G20 can promote the actual implementation of the 2030 Agenda for Sustainable Development, with the G20 collective action plan and national implementation plans having been the best examples for development implementation.

The G20 has been stressing that its role in the implementation of the 2030 Agenda for Sustainable Development was just ‘complementary’. The UN is the major institution in charge of the implementation of the 2030 Agenda for Sustainable Development, with the G20 mainly taking a complementary role to support the UN in contributions to development. The G20 Seoul Summit Leaders’ Declaration had made specific description of the G20’s “complementary” role: “as the premier forum for our international economic cooperation, because the G20 has a role to play, complementing the efforts of aid donors, the UN system, multilateral development banks and other agencies in assisting developing countries, particularly LICs, achieve the Millennium Development Goals (MDGs). Our role must relate to our mandate on global economic cooperation and recognize that consistently high levels of inclusive growth in developing countries, and LICs in particular, are critically necessary, if not sufficient, for the eradication of extreme poverty.” “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.” [[11]](#footnote-11)

The G20’s “complementary” role conforms to its actual development contribution. On one hand, the G20 identifies itself as the primier forum for international economic policy coordination. Yet the goals of 2030 Agenda for Sustainable Development are not limited to economic indicators. So it’s difficult for the G20’s implementation action plan to cover all the sustainable development goals. On the other hand, despite the rising concern over development and expanded subjects and areas coverage in the G20, the development issue has not been the real core agenda item no matter in the era of G20 Ministerial Meetings or Leaders’ Summits due to the long-term feature of development issue. There are various reasons for the development agenda not to be mainstreamed. The Development Working Group has been under the Sherpas’ Track, making it detached from the discussions in connection to financial sectors under the Finance Track. And the Development Working Group lacks the competence and capability in coordinating the work of other working groups due to its relatively low level in the official hierarchy. This shows that the G20 faces a lot of restraints even just playing a “complementary” role.

“Complementarity” doesn’t mean irrelevancy. The G20’s “guiding” role in relation to the implementation of the 2030 Agenda for Sustainable Development is indispensable. With the systematically important countries involved, it’s easier for the G20 to solicit consensus between the developed countries and developing countries, providing an effective forum for dialogues in South-North Cooperation and South-South Cooperation. Through its combination of collective action and implementation at national level, the G20 has set an example for the countries around the world in terms of the implementation of the 2030 Agenda for Sustainable Development.

The G20 has unique advantages in the implementation of the 2030 Agenda. In Li Xiaoyun and Zhou Taidong’s article, they presented five advantages in this aspect: (1) G20’s relatively small scale of membership in comparison to the UN equips it with more flexibility; (2) with the members from emerging market economies and developing countries, the G20 has been equipped with much diversified development experiences; (3) the G20’s capability in collective action has been vital to the implementation of the Sustainable Development Agenda; (4) the G20’s exemplary effect, in particular in terms of countries of “development stereotype” such as China and South Korea; (5) the G20’s comprehensive policy framework with the “whole part of government” involved, could put development issue under a broader policy framework. [[12]](#footnote-12) In terms of size of membership, the much larger membership of the UN has made it difficult to have policy coordination, and the OECD cannot escape its “legitimacy deficiency” due to its feature of “donors’ club” .[[13]](#footnote-13) In the meantime, the informality of the G20 makes it easier to get around the political impediments from domestic legislative branches of its member countries, which leads to expeditious and effective international cooperation. [[14]](#footnote-14) However, just as the authors of the above-mentioned articles have pointed out, due to differences in values, there is little sense of solidarity between the G20 developed countries and emerging countries. In terms of development experiences and exemplary effects, it only has limited actual effect in international development cooperation, with many cases indicating that it has never been easy to replicate the success of development experiences. The sharing of development experiences actually lie more in the provision of development knowledge, which still has great differences with the real sense of development practices.

In terms of its institutional setting, the G20 has three aspects of special advantages in the implementation of 2030 Agenda: flexibility, comprehensiveness, and connectivity.

1. Flexibility

The G20’s flexibility mainly manifests in two aspects: First is in the amount of its members, with much fewer members compared with the UN making it easier to reach consensus. The status and influence of the G20 members in world economy and international political structure ensures the international influence of its political consensus. Second is in the feature of the G20 forum, with all the decisions and consensus achieved under the G20 having no mandatory binding effects. Its decisions need to be implemented and enforced through relevant international organizations, agencies, and member countries. Such a feature of soft restraint has provided the G20 with more space and possibility in making the major economies in the world reaching political consensus. The G20’s flexibility and lack of implementation mechanism work as the two sides of the same coin. The critics over the G20’s weak records in implementation may have ignored that there needs to be a coordinative and communicating forum between various global issues and the specific responsive policies and actions, with the G20 just playing such an important role. In every G20 Summit, there has been the process of accumulation and progress in relation to new political consensus and willingness. It has set up channels for the policy communication and coordination among the major economies. The maintenance of relative policy transparency has been critically important to global economic governance and risk management.

2. Comprehensiveness

Although the G20 has been regarded as the premier forum for international economic cooperation, the policy areas covered its agenda and topics discussed have gone beyond the traditional economic area, with the issues related to economic development having been included, such as climate change, anti-corruption, public health, etc. The G20 has been demonstrating more of the feature of comprehensiveness. This feature has given the G20 special advantages in strengthening policy coherence: First, it increases the possibility of policy coordination in various economic policy areas and the maintenance of policy coherence. The G20’s agenda covers a wide range of issues, including finance, growth, trade, investment, climate change, anti-corruption, and development issue. These interconnected and mutually-influencing issues have been integrated under one single forum, which has been conducive to coordination and communication among different policy departments so as to take into account the policy spillover effects and try to avoid policy offsetting and tradeoff with each other. Second, it has provide more opportunity and possibility for coordination among various member countries. As a forum with the leaders meeting, the G20 has provided major economies in the world an opportunity to maintain policy dialogue and coordination, which can reduce policy uncertainty and increase macroeconomic policy coordination and coherence among its members. Last but not least, it has set up a communication channel between international policy coordination and domestic policy implementation. The feature of G20 Summit determines that the leaders’ political commitments will have special influence on their domestic policy implementation. The G20 can prompt the leaders of its members to show more concern and focus on the consensus achieved. In 2016, one of the major achievements of the G20 Hangzhou Summit was the implementation of the UN 2030 Agenda for Sustainable Development. The fact that the G20 could play a guiding role in such a global agenda with 17 goals and 169 targets has shown again its feature of comprehensiveness.

3. Connectivity

As the premier forum for international economic cooperation, the G20 has become a hub for global economic governance. The feature of connectivity has been shown not just in its role in assembling the major economies in the world, but also its work in having the UN, WTO, World Bank, IMF, OECD, ILO, and other international organizations, as well as some non-G20 countries join the discussion process of this forum of global governance. According to the list of participants of the 2016 G20 Hangzhou Summit, apart from the 20 members of the G20, including President Idriss Déby of Chad, President Abdel Fattah al-Sisi of Egypt, President Nursultan Nazarbayev of Kazakhstan, President Bounnhang Vorachith of the Laos, President Macky Sall of Senegal, Prime Minister Lee Hsien Loong of Singapore, Prime Minister Mariano Rajoy of Spain, President Prayut Chan-o-cha of Thailand from the guest countries, as well as Secretary-General Ban Ki-moon of the United Nations, President Jim Yong Kim of the World Bank, Managing Director Christine Lagarde of the IMF, Director-General Roberto Azevêdo of the WTO, Director-General Guy Ryder of the ILO, Chairman Mark Carney of the FSB, Secretary-General José Ángel Gurría of the OECD. [[15]](#footnote-15) The participation of countries representing the regional organizations such as the African Union, ASEAN, NEPAD and other major international economic organizations has increased the representativeness of the G20 and its central role in the network of global economic governance. After the eleven summits held, the G20 has become the hub of global economic governance for policy coordination, communication, and joint actions.

# III. The Contribution of G20 Hangzhou Summit in Implementation of 2030 Agenda

There are three aspects of contribution by the G20 Hangzhou Summit in advancing the implementation of 2030 Sustainable Development Agenda: first, enhancing the mainstreaming of development issue, with it being included into the core agenda of macroeconomic policy coordination framework and becoming the third pillar of the G20 parallel with financial stability and crisis management; second, drafting a collective action plan for the implementation of 2030 Agenda, which needs periodic updates to have the sustained focus by the following members assume G20 presidency, as well as the combined effects of compliance assessment mechanism and national implementation plans. In this way, the G20 has begun to take a guiding role in the implementation of the 2030 Agenda. Third, infrastructure building has become one priority area for promoting global development, with the setup of the Infrastructure and Connectivity Alliance to promote global cooperation in infrastructure building. The 11 MDBs around the world have also been prompted to provide more financing commitments.

1. Mainstreaming of Development Issue

The mainstreaming of development issue should at least include two levels of implications: first, as for the purpose of the G20, development should become an equally important major purpose in parallel with maintenance of financial stability and crisis management; second, as for specific policy coordination, the development issue should be put at an outstanding position in global macro policy framework, so as to make all development-related policy coordination take into account policy coherence in relation to development policy. Generally speaking, the G20 Hangzhou Summit has fulfilled the above-mentioned two requirements.

First, as for the core purpose of the G20, China has been stressing this since the takeover of G20 presidency, which was also reflected vividly in the final outcome documents. Among the four points of “Hangzhou Consensus” agreed at Hangzhou Summit, one of them is inclusiveness, with the leaders of G20 members pledging that “We will work to ensure that our economic growth serves the needs of everyone and benefits all countries and all people including in particular women, youth and disadvantaged groups, generating more quality jobs, addressing inequalities and eradicating poverty so that no one is left behind.” [[16]](#footnote-16) In terms of outcome documents of Summits, the Hangzhou Summit has the most outcome documents in relation to development compared with the previous ones. For instance: *G20 Action Plan for Implementation of 2030 Sustainable Development Agenda* (abbreviated as Collective Action Plan); *G20 Hangzhou Summit Report on Comprehensive and Systematic Assessment of Implementation of Commitments in Development Area*, *G20 Initiative on Supporting the Industrialization of Africa and Least-Developed Countries*; *Global Infrastructure Connectivity Alliance Initiative* as well as the *Joint Declaration of Aspirations on Actions to Support Infrastructure Investment* jointly presented by 11 MDBs, etc.

Second, as for the position of development issue in global macro policy coordination, the G20 Hangzhou Summit has also been the one with most intensive focus on long-term sustainable development issues. Bearing in mind the importance of coordination and policy coherence in the G20 work, it endeavored to make all the G20 work helpful for achievements in sustainable development, which has been included into one of the overarching principles of the collective action plan. China’s work on development issue under its G20 presidency not just make it covered by various working groups, but also make development issue one of the core issues in the debates among the G20’s engagement group such as the T20, B20, C20, and W20, etc. The Hangzhou Summit also included the global health issue into one of priority areas in implementing 2030 Agenda, providing a more thorough and comprehensive perspective in addressing the actual demand of global development. The 15 priority areas for implementation covers almost all the 17 indicators of the 2030 Agenda, with the exception of SDG4 (ensuring inclusive and fair quality education and life-long opportunity of studying for all the people) and SDG14 (protection and sustainable use of the ocean and marine resources to promote sustainable development). However, the collective action plan has made it clear that it’s a “dynamic document”, which means that it will be updated and adjusted according to new demand and experiences.

Table 3. Goals of 2030 Agenda Covered by G20 Priority Implementation Areas

|  |  |  |
| --- | --- | --- |
| Number | Priority Areas of the G20 Action Plan in Implementation of 2030 Agenda | SGDs-related Goals |
| 1 | Infrastructure | 6、7、9、11 |
| 2 | Agriculture, Food Security, and Nutrition | 2、8、9、10、12、13、15 |
| 3 | Human Resources and Employment | 8 |
| 4 | Inclusive Finance and Overseas Remittance | 1、10 |
| 5 | Mobilization of Domestic Resources | 17 |
| 6 | Industrialization | 9 |
| 7 | Inclusive Business | 1、8、9、10、12、17 |
| 8 | Energy | 7、9、12、13 |
| 9 | Trade and Investment | 8 |
| 10 | Anti-Corruption | 16 |
| 11 | International Financial Architecture | 10 |
| 12 | Growth Strategy | 1、8、10 |
| 13 | Climate Finance and Green Finance | 13 |
| 14 | Innovation | 8、9 |
| 15 | Global Health | 1、3、5 |

Source: G20 Action Plan on the 2030 Agenda for Sustainable Development.

2. “Two-Track Approach” Combining Collective Action Plan and National Plans

Apart from the drafting of collective action plan, the G20 Hangzhou Summit also advocated its members to make their own national plans for implementation. China published its own Chinese National Plan for Implementation of 2030 Sustainable Agenda.[[17]](#footnote-17) In respect to the national implementation plans, the G20 collective action plan can have a role of guidance and instruction. It also attaches great importance to the alignment with national development strategy of its members. In accordance with the High Level Principles of the G20 collective action plan, “implement the 2030 Agenda domestically according to national priorities, needs and capacities, and internationally in fostering peaceful, just and inclusive societies which are free from fear and violence, and in supporting low income and developing countries to generate progress towards achieving the SDGs which includes eradicating poverty and hunger.” And it also “recognize the importance of sustainable development in all its dimensions (economic, environmental and social) in a balanced and integrated manner, and resolve to integrate sustainable development into our domestic policies and plans as well as our international development efforts as applicable.”[[18]](#footnote-18) The collective action plan has provided the basis for the G20 to promote efficiency in dialogue on development agenda and enhance capability in collective actions.

The G20 Hangzhou Summit has taken the first step toward the global implementation of 2030 Agenda. This initial development framework will be helpful for the G20 to work in the future on adopting relative reviewing and assessment frameworks to monitor the specific effects of implementation by its members. The collective action plan also stipulates that the Development Working Group should work together with other working groups to present a comprehensive and specific list of actions taken before the 2017 G20 Hamburg Summit, which will summarize the contribution made the relevant actions taken by the G20 to the implementation of the 2030 Agenda for Sustainable Development. [[19]](#footnote-19) The exemplary effect of the G20 in terms of the implementation of the 2030 Agenda has been showcased to the utmost degree in the Hangzhou Summit.

3. Infrastructure as the priority area for global development

Infrastructure investment has been directly connected to the sustainable goals 6, 7, 9, 11 of the 2030 Agenda. It also has great implications for promoting global economic growth, eradication of poverty, and addressing challenges of climate change, which has connection to the sustainable goals 1, 3, 8, and 13 of the 2030 Agenda. The G20 Hangzhou Summit put infrastructure building as top priority area for global development and took actual actions on it, including the setup of global infrastructure connectivity alliance to strengthen the international cooperation and synergy in infrastructure building, with all the 11 MDBs making investment pledges. The G20 Hangzhou Summit not just responded to the reality of great gap in global infrastructure building, but also provided actual institutional solutions to ensure the financing for infrastructure building.

The G20’s work in the area of infrastructure has been mainly led by the investment and infrastructure working group and the development working group, with the support of the World Bank and other MDBs, the global infrastructure investment hub, the OECD, and the IMF. The G20 Hangzhou Summit adopted the *Global Infrastructure Connectivity Alliance Initiative* with the aim of strengthening current initiatives on infrastructure connectivity, including the integration of regional initiatives. It also led to the adoption of the *MDB’s Joint Declaration of Aspirations on Actions to Support Infrastructure Investment*. The secretariat of the Global Infrastructure Connectivity Alliance initiated by the G20 Hangzhou Summit will be set up under the World Bank, which not only strengthens the cooperation between the G20 and other relevant international organizations and MDBs in mobilizing financing from public and private sector to fill the gap in global infrastructure building, but also be conducive to enhancing the synergy and alignment of regional and national infrastructure initiatives and strategies to promote global infrastructure connectivity.

Since the infrastructure was listed as one of nine development pillars in 2010 Seoul Summit, the G20 has been working on policy coordination in the area of infrastructure, with the efforts finally manifested in the Hangzhou Summit. The subsequent G20 Summits need to continue with effective support for global infrastructure building on the basis of the knowledge support from the Global Infrastructure Hub and more project lists from the Global Infrastructure Connectivity Alliance.

# IV. Challenges to the G20 in the implementation of 2030 Agenda

The G20 has the advantages in resource mobilization and policy coordination in relation to the implementation of the 2030 Agenda. Yet it still faces great challenges in terms of capacity and effects of implementation. The G20 is a “toothless” forum for coordination. Barry Carin, a Canadian scholar, has made a more vivid description of the development agenda as the white elephant in the culture of Thailand, only for watching and without any actual use. [[20]](#footnote-20) So the major issue for the G20 in implementing the 2030 Agenda is still how to make it work. In detail, there are several aspects of issues in terms of implementation:

First, how the G20 should prioritize major areas for implementation? It’s impossible for the G20 to cover all the 17 goals and 169 specific targets for sustainable development. The G20 Hangzhou Summit selected 15 priority areas for the implementation of 2030 Agenda. Yet there will be great difficulty of coordination in subsequent implementation. Even if there is achievement in all the 15 areas, it’s still uncertain whether the implementation in each area can be sustained in the future. More details are still needed to explain the specific policies, financing, and supportive actions in the 15 priority areas. Despite the difficulty in addressing all the issues in one single collective action plan, the following G20 Summits need more coordination in improving and enforcing the collective action plan.

Second, how to make the G20 collective action plan aligned effectively with national implementation plans of its members? One major difficulty may be that not every country is willing to work out a national implementation plan. Even if there is one drafted, the priority concern in the national plan will definitely be based on the country’s own specific circumstance, not the G20’s collective action plan. In the meantime, every member holding the G20 presidency can choose areas of priority implementation plan. In this case, it needs to take into account how to ensure all the 15 priority areas receiving sustained focus and inputs.

Third, how the G20 can really make unique contribution to the 2030 Sustainable Development Agenda? In comparison to the work of Multilateral Development Banks, bilateral and multilateral development assistance and cooperation, and other development-related international organizations, it will be a challenge for the G20 to play a different role. The G20 itself has no financial resources available for the Multilateral Development Banks and no capability and knowledge in taking actions which has been a necessity for the international development cooperation organizations. It needs to be considered what should be the G20’s unique contribution.

Fourth, it’s been a long-term work to implement the 2030 Sustainable Development Agenda. With the initial work under China’s G20 presidency, it’s still uncertain whether the following members taking presidency can continue with the sustained focus and inputs in the aspect of mainstreaming of development issue. The crisis-response nature of the G20 has made it clear that the short-term emergency and crisis management should always be one of its core functions. The breaking out of some emergency and crisis may interrupt the attention on the implementation of 2030 Sustainable Development Agenda.

# V. Conclusions

The 2030 Sustainable Development Agenda covers the economic, political, environmental, social, and security aspects of development in human society, which determines that its implementation needs a systematic solution. The author has suggested that the G20 should set up a global development council (GDC) on the basis of Development Working Group (DWG) to integrate the currently fragmented global development governance mechanisms. [[21]](#footnote-21) The GDC may be composed of representatives from the DWG, UNDP, World Bank representing multilateral development banks, OECD, and national development banks of member countries. The GDC set up by the G20 not just fills a gap in global governance, but may also act as the semi-secretariat of the G20, complementing the work of the Troika. However, there is great difficulty in reality in setting up the GDC, since the priority issue for the G20 members is not setting up new agencies for the G20, but maintaining the flexibility of informal dialogue process by avoiding further bureaucracy. Any proposal in relation to the institutionalization of the G20 will encounter with great obstacles in political and social public opinions. This definitely doesn’t mean that the G20 has a limited role in implementing the 2030 Agenda. For instance, on the issue of enhancing infrastructure building, the G20 could require the Development Working Group and Infrastructure Investment Working Group to make up a list of G20 infrastructure projects, which is based on the initiatives and proposals presented by countries around the world on infrastructure building, with special consideration of the projects sponsored or participated by G20 members. The support of the G20 as the premium platform for coordination of economic affairs, will be conducive to the mobilization of resources for infrastructure projects, appealing to the participation of private sector, and also enhancing international supervision of the related projects.

In conclusion, the G20 Hangzhou Summit took a “two-track” approach with the combination of collective action plan and national implementation plan to enhance the implementation of the UN 2030 Sustainable Development Agenda. The measurement of contribution of the G20 collective action plan to the sustainable development goals will ultimately depend on the political willingness of its members and the actual implementation of the national implementation plans. After the Hangzhou Summit, Germany will be the host of 2017 G20 Summit. With a long history of focus on international development cooperation, Germany is expected to present further improved solutions in continuing with the implementation of 2030 Sustainable Development Agenda.

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