



# **C20 POLICY PACK 2019**



**C20**  
JAPAN 2019

# C20 POLICY PACK 2019





# Table of Contents

<b>Communiqué</b>	4
<b>Tokyo Declaration on Peace, Human Rights and Democratic Governance: Towards Improvement of Civic Space for the SDG 16+</b>	5
<b>Policy Papers</b>	7
Anti-Corruption	8
Education	13
Environment, Climate and Energy	18
Gender	23
Global Health	28
Infrastructure	33
International Financial Architecture	37
Labour, Business and Human Rights	41
Local2Global	46
Trade and Investment	51
<b>Recommendations by Digital Economy Task Group</b>	55
<b>General Information</b>	60

# Communiqué

***Fundamental transformation is needed  
to make the world more equal, democratic, peaceful, and sustainable.***

Almost 10 years to go to 2030 and with the current model of economic development already identified as unsustainable, our world is facing a critical implementation gap between promises and actions and tremendous challenges that stand in the way of achieving the Sustainable Development Goals. ***The problems are so grave that multilateralism and democratic pluralism are in danger.*** The environmental crisis has sharply accelerated and economic development is not happening for too many people while inequality has reached dramatic levels, putting basic human rights at threat. With a handful of individual billionaires as wealthy as half of humanity, the growing imbalance exacerbates key issues such as corruption and illicit financial flows, unsustainable debt levels, high risks towards another financial crisis, lack of access to basic infrastructure, goods and services, unfair labour practices, an unbearable gender gap, discrimination against marginalised groups, and inequitable access to education, health, digitalisation and technology. As the flagship multilateral forum for sustainable economic development, **G20 members must take an active role to accomplish the Sustainable Development Goals by 2030.**

In this context, G20 countries must ensure adequate financing for the 2030 Agenda with substantial financial support for developing countries. These financing mechanisms should prioritise domestic resources mobilisation by changing the current global tax system, fulfilling the ODA commitment, and agreeing on an exhaustive debt sustainability criterion. G20 must put in place measures to prevent the world from another financial crisis.

**Globally shared problems need globally shared solutions.** The international system needs profound reforms, so that it benefits not just a few but everyone. Multilateralism needs to be preserved, to address common challenges and common problems that necessarily need solutions based on sustainability, justice and democratic participation including the civic space as an equal and relevant stakeholder with an important role in creating healthy and peaceful societies. World leaders must come together to develop concrete and effective solutions to globally shared problems.

**Genuine democratic and participatory approaches should be sought to “leave no one behind”.** In that regard, human rights and the “leaving no one behind” principle should be put at the forefront, both in decision-making and actions in order to ensure inclusive growth. Those who are often marginalised, least heard and least visible, including women, LGBTQI, disabled, indigenous peoples, and descent-based communities, ethnic, linguistic and religious minorities, refugees and IDPs, immigrants, and the aged, should be able to voice their concerns together with Civil Society Organisations (CSOs) and have the capacity to hold governments to account. Continued shrinking spaces for democratic action would only have a negative impact. Criminalisation in the face of dissent or protest that puts young people particularly at risk in many countries weakens societies as a whole. It is vital that all G20 leaders preserve and improve conditions for CSOs to continue their work so that policies can take peoples’ voices into account, within the G20 as well as in other spaces and multilateral institutions. More than ever, participation and transparency in decision-making should be a priority for the G20.

**Speeches and commitments should be translated into concrete, timely and realistic actions, and be accountable, responsive and resolute in addressing global challenges.** Civil society across the world is keen to continue its dialogue with G20 leaders in order to find shared solutions to shared challenges and to jointly work for a more inclusive and better world. G20 has much to benefit from civil society capacity in reaching the most vulnerable and forgotten parts of societies. We, more than 400 CSOs from around the world working within the Civil20 (C20), urge the G20 to implement their commitments. ***It is time to turn promises into actions.***

# Tokyo Declaration on Peace, Human Rights and Democratic Governance: Towards Improvement of Civic Space for the SDG 16+

Adopted at Tokyo Democracy Forum (TDF), as part of the C20 Summit in Tokyo, Japan on 21 April 2019

The participants of the Tokyo Democracy Forum, which was held on the first day of the 2019 C20 Summit,

1. **Recalling** the Busan Declaration on Peaceful, Just and Inclusive Societies in Asia and Beyond on 24 January 2018 and the Ulaanbaatar Declaration on Peaceful, Just and Inclusive Societies in Asia and Beyond (SDG 16+) on 28 February 2019;
2. **Welcoming** the participation of more than 200 civil society members from across the world, including the countries and area in the Group of Twenty (G20);
3. **Expressing** our deep appreciation to the organisers of the TDF, namely, the Permanent Secretariat of the Community of Democracies (PSCD), Asia Democracy Network (ADN) and Asia Development Alliance (ADA), and the supporters of the TDF, namely, the Government of Japan, Japan International Cooperation Agency (JICA), and Friedrich-Ebert-Foundation (FES);
4. **Reaffirming** the importance and gravity of the UN General Assembly document (A/70/L.1) “Transforming our world: the 2030 Agenda for Sustainable Development”, which outlines 17 Goals and 169 targets to stimulate actions until 2030 in areas of critical importance for humanity and the planet;
5. **Reaffirming** that the principles of the UN 2030 Agenda are embedded in such phrases as “we are determined to foster peaceful, just and inclusive societies which are free from fear and violence”, “we envisage a world of universal respect for human rights and human dignity, the rule of law, justice, equality and non-discrimination”, “[s]ustainable development cannot be realized without peace and security; and peace and security will be at risk without sustainable development” and “no one will be left behind”;
6. **Concerned** about continuing conflicts and humanitarian crises, the dreadful violation of human rights, erosion of the rule of law, denial of access to justice, and deteriorating democratic governance;
7. **Concerned** about increasing restrictions on civic space and human rights, including freedom of speech, expression, association and assembly (especially in Asia); increasing financial and security constraints on civil society organisations; attacks on human rights defenders; gender inequality and discrimination against LGBTQI people; corruption and the undermining of democratic governance; risks associated with technological disruption (especially in the fields of artificial intelligence and bioengineering), which may negatively impacts on civil society; and the abuse, exploitation, trafficking, torture and all forms of violence against children;
8. **Declare** that SDG 16 is an enabler and accelerator for all SDGs, and commit to work with all governments (especially those in the G20) and other official G20 engagement groups to ensure the full achievement of SDG 16 and its 12 targets to promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable and inclusive institutions at all levels;
9. **Submit** the following recommendations, as a part of the 2019 C20 Communiqué, to the 2019 G20 Osaka Summit scheduled on 28-29 June 2019.

## RECOMMENDATIONS

- A) G20 governments must consider and implement all previous and current C20 recommendations within a specific time frame.
- B) G20 governments must do all within their power to make SDG 16 a permanent, global and cross-cutting priority goal at the UN High-Level Political Forum (HLPF) on Sustainable Development, and review it on an annual basis, as is done with SDG 17.
- C) Regarding civic space in Asia, G20 governments must recognise that CSOs are indispensable and independent actors in their own right, that a diversity of voices from civil society enriches policy-making, and that legal and policy frameworks regulating CSOs must enable diverse and free operation rather than restrict or control them. Relevant governments must also create meaningful partnerships with civil society (providing financial and other support as required) and respect internationally agreed human rights standards (including freedom of association, assembly, expression and the right to operate independently without government interference).
- D) Regarding gender and sexuality, G20 governments must develop and implement comprehensive plans to achieve SDG 5, which will contribute to the fulfillment of SDG 16. In doing this, they must ensure women are engaged in all aspects of peace processes and support them to lead, participate and benefit equally from governance systems; introduce and implement laws to eliminate discrimination and gender-based violence against women and LGBTQI people (including sexual and other violence in the context of conflict); provide public services that fully meet women's and LGBTQI people's needs; and ensure gender-responsive reform of justice and security institutions.
- E) Regarding corruption and democratic governance, G20 governments must recognise that a social system and practice lacking transparency and civic participation combined with inequality is what causes corruption; they must establish and strengthen adequate legislative, administrative and social measures to increase accountability and integrity, engaging with stakeholders including civil society and vulnerable people who are suffering due to corruption. As a cross boundary issue, global collaboration is a key and G20 governments must work across borders to combat corruption.
- F) Regarding financial and security constraints on CSOs, G20 governments must: ensure that financial laws and practices facilitate the establishment and operation of CSOs; evaluate the legal and regulatory environment to enable CSOs and human rights defenders to freely carry out their legitimate work; and collaborate with global mechanisms, including the Financial Action Task Force and the Global Partnership for Financial Inclusion, and civil society partners, to study and mitigate the negative impact of bank de-risking on non-profit organisations.
- G) Regarding science, technology and civil society, G20 governments must establish an inter-governmental process with universal and inclusive membership to regulate the development of science and technology (especially artificial intelligence). They must also engage with stakeholders at the national level to design transitional policy in this context, which includes re-training workers, upgrading educational curricula, promoting the increased participation of women and girls in STEAM (Science, Technology, Engineering, Art and Mathematics) courses and professions, and supporting new forms of digital ownership (such as platform cooperatives, which provide a safe, accountable space for users and workers to provide and use data to collectively share the benefits of digitalisation).
- H) Regarding violence against children, G20 governments must recognise that all forms of violence against children are unacceptable and that this is clearly set out in the 2030 Agenda as a fundamental principle of a peaceful, just and democratic society in SDG 16, as well as article 19 of the Convention on the Rights of the Child, which provides that States should "take all appropriate legislative administrative and social and educational measures to protect the child". G20 governments must thus show leadership in addressing common challenges through focused actions to put an end to violence against children (e.g. by prohibiting corporal punishment in all settings and promoting a children's rights-based approach to child caregiving).

# Policy Papers

## Policy Papers

## Policy Papers





# **Anti-Corruption**

## Relevant G20 Commitments

### **Infrastructure**

"[Infrastructure] is an area particularly vulnerable to corruption, the ACWG will contribute to the international agenda by identifying the key anti-corruption features that are needed to ensure integrity and transparency in this sector." **G20 2019-2021 Anti-Corruption Action Plan**

### **Whistleblowing**

"G20 [...] continue to make practical and valuable contributions to international efforts to combat corruption and lead [...] in key areas that include, but are not limited to, [...] protect whistleblowers, who report in good faith suspected acts of corruption, from discriminatory and retaliatory actions." **G20 2010 Anti-Corruption Action Plan**

"Protection of whistleblowers: the ACWG will assess and identify best practices, implementation gaps and possible further protection measures as appropriate" **G20 2019-2021 Anti-Corruption Action Plan**

### **G20 Effectiveness**

"We need to accelerate the implementation of our past commitments, which will be one of the priorities of the ACWG in the next three years." **G20 2019-2021 Anti-Corruption Action Plan**

"Strengthen interactions and cooperation with other relevant work streams, while avoiding duplication" **G20 2019-2021 Anti-Corruption Action Plan**

"Strengthen engagement with the civil society, academia and the business community" **G20 2019-2021 Anti-Corruption Action Plan**

### **Gender**

"The ACWG will continue to deepen its understanding of the linkages between gender and corruption, and discuss possible actions. The ACWG will also discuss how the gender dimension could be included in anti-corruption programming and policies." **G20 2019-2021 Anti-Corruption Action Plan**

## Challenges

One of the biggest challenges that the G20 faces in order to promote global development in a sustainable manner, eradicate poverty, reduce inequalities and achieve the SDGs, is corruption.

Corruption impacts poor people, especially women, the most and thus exacerbates inequality. No country nor sector nor company is immune to corruption. In this sense, **increasing transparency and integrity in the infrastructure sector is crucial**. Every year an estimated average of US\$9.5 trillion of public money is spent by governments through public procurement for these types of projects<sup>1</sup>. It is estimated that by 2030, the value of global construction output will increase by US\$8 trillion to reach US\$17.5 trillion per annum and it is estimated that close to US\$6 trillion of this investment could be lost annually through corruption, mismanagement and inefficiency.<sup>2</sup>

Whistleblowers play an essential role in exposing corruption and other wrongdoing. By disclosing information about such misdeeds, whistleblowers have helped save countless lives and billions of dollars in public funds.<sup>3</sup> According to the OECD, "Whistleblower protection is the ultimate line of defence for safeguarding the public

---

1 Caroline Spruill, "Open Contracting: Factivists fighting Procureaucrats", 2013: [https://www.open-contracting.org/2013/12/09/open\\_contracting\\_factivists\\_fighting\\_procureaucrats/](https://www.open-contracting.org/2013/12/09/open_contracting_factivists_fighting_procureaucrats/)

2 [https://www.transparency.org/whatwedo/publication/model\\_monitoring\\_agreement\\_and\\_integrity\\_pact\\_for\\_infrastructure](https://www.transparency.org/whatwedo/publication/model_monitoring_agreement_and_integrity_pact_for_infrastructure), 2018

3 US Department of Justice, 'Justice Department Recovers \$ 2.4 Billion in False Claims Cases in Fiscal Year 2009; More than \$ 24 Billion Since 1986', Press Release, 19 November 2009, <https://www.justice.gov/opa/pr/justice-department-recovers-24-billion-false-claims-cases-fiscal-year-2009-more-24-billion>

interest.<sup>4</sup> However, whistleblowers often put themselves at high personal risk. They may be fired, sued, blacklisted, arrested, threatened or, in extreme cases, assaulted or killed. While many G20 countries have adopted whistleblower legislation, these laws leave significant loopholes and fall short of best practice.<sup>5</sup>

**The resources developed so far by the G20 Anti-Corruption Working Group (ACWG), especially on asset recovery, beneficial ownership transparency, asset disclosure by public officials, open data and integrity in public procurement, are a valuable starting point. But now is the time to put them into practice and ensure coordination between sectors.**

### **The Solution**

Following the promise of facilitating the implementation of past G20 commitments, increasing the impact of the anti-corruption agenda<sup>6</sup>, and the B20 and C20 requests for implementation, the G20 ACWG should focus on the implementation of existing G20 commitments and anti-corruption good practice. Furthermore, the G20 ACWG should improve its accountability and scale up the impact of their work.

In key areas such as whistleblowing and gender and corruption the G20 should lead by example by adopting and implementing effective anti-corruption measures.

The C20 Anti-Corruption Working Group has some suggestions for how the G20 could do better in tackling corruption. We believe G20 countries must implement the following recommendations:

### **Recommendations**

#### **Infrastructure:**

G20 countries should accelerate the implementation of their previous commitments, respect the OECD Guidelines for Multinational Enterprises and avoid and address adverse impacts related to human rights, labour rights, environment and bribery, and ensure dialogue between themselves to address major corruption risks in infrastructure projects.

- **Beneficial ownership transparency and conflict of interest:** In infrastructure procurement there should be equal treatment of all bids. Public funds should not be used to favour specific individuals or companies and conflict of interest should be identified and addressed. This could be done by:
  - Requiring companies that bid for public contracts to publish beneficial ownership information in order to identify potential conflicts of interest, reduce the opportunities for collusion between linked companies, create fair competition for companies and ensure full knowledge of who is ultimately benefitting from public money;
  - Disclosing through a central and public portal the identity and beneficial ownership of all bidders. In order to reduce costs and duplication and to ensure registered data is available for free in widely used formats that are non-proprietary, searchable, sortable, platform-independent and machine-readable, G20 countries should implement the global beneficial ownership data standard being developed by OpenOwnership;
  - Establishing asset declaration systems for public officials, in line with best practice principles.<sup>7,8</sup> Sanctions should be imposed on public officials who do not include their beneficial ownership connections to companies and other legal entities when declaring their assets;
  - Regulating lobby activity in order to prevent infrastructure decision-making from favouring a particular

---

4 <http://www.oecd.org/daf/anti-bribery/Committing-to-Effective-Whistleblower-Protection-Highlights.pdf>

5 Whistleblower Protection Laws in G20 Countries. Priorities for Action, 2014, [http://transparency.org.au/wp-content/uploads/2014/09/FINAL\\_-\\_Whistleblower-Protection-Laws-in-G20-Countries-Priorities-for\\_Action.pdf](http://transparency.org.au/wp-content/uploads/2014/09/FINAL_-_Whistleblower-Protection-Laws-in-G20-Countries-Priorities-for_Action.pdf)

6 G20 2019-2021 Action Plan

7 [https://www.transparency.org/whatwedo/publication/working\\_paper\\_1\\_2014\\_asset\\_declarations\\_an\\_effective\\_tool](https://www.transparency.org/whatwedo/publication/working_paper_1_2014_asset_declarations_an_effective_tool)

8 [https://www.transparency.org/whatwedo/publication/asset\\_declarations\\_in\\_morocco\\_illicit\\_enrichment\\_and\\_conflicts\\_on\\_interest](https://www.transparency.org/whatwedo/publication/asset_declarations_in_morocco_illicit_enrichment_and_conflicts_on_interest)

interest group or individual. This regulation would include a lobbying registry, regulation of revolving doors, and ensuring the transparent and balanced composition of advisory groups;

- Adopting measures to prevent elected officials from choosing a specific investment that benefits contractors who contributed to their political campaigns by, for example, requiring disclosure and banking of political contributions, adopting online registering and reporting mechanism of the economic movements of the entire political campaign.

● **Citizen participation and access to public information:** Increasing access to public information and the role of civil society in promoting transparency, monitoring procurement processes and promoting the engagement of communities, especially women, affected by infrastructure projects<sup>9</sup> are key in order to tackle corruption in any of the phases<sup>10</sup> of an infrastructure project. This could be done by:

- Ensuring that the entire public contracting process is “open by default”;
- Publishing timely and accurate information using open contracting data, such as the OC4IDS;
- Supporting independent civil society monitoring of large-scale infrastructure projects through Integrity Pacts and other similar vehicles that help ensure governments are delivering on commitments to transparency, efficient and accountable procurement;
- Establishing effective and constructive feedback channels, open to stakeholders across government, industry and civil society, and especially affected communities, to ensure decisions are made taking into account the needs of those affected by projects, including during the pre-tender phase;
- Enact effective whistleblowing legislation to allow people and public servants to challenge unethical behaviors that can derail infrastructure projects.

### **Whistleblowing**

All G20 countries should have a dedicated, comprehensive whistleblowing law. The G20 ACWG should adopt and implement G20 High Level Principles on Whistleblowing in line with international standards and best practice, such as Transparency International **Principles for Whistleblowing Legislation** and Government Accountability Project **International Best Practice for Whistleblower Policies**. G20 countries should commit to report back on progress in two years. The G20 High Level Principle on whistleblowing should include:

- **Scope of application:** A wide range of categories of wrongdoing should be covered and a wide definition of whistleblower (beyond traditional employee-employer relationship) should be provided. Both the private and public sector should be covered. The motives of a whistleblower in reporting information that they believe to be true should be unequivocally irrelevant to the granting of protection.
- **Protection:** Comprehensive protection against retaliation should be provided, including protection in legal proceedings. Confidentiality of the identity of the whistleblower should be guaranteed and allowing anonymous disclosures should be considered. Penalties should apply to persons who attempt to hinder reporting or retaliate against whistleblowers.
- **Disclosure Procedures and follow-up:** Multiple avenues for making a disclosure should be provided. whistleblowers should be able to make reports internally to their organisation or directly to the competent authorities. Disclosure to the public, in certain circumstances, should be allowed. It should be mandatory for a wide range of public and private sector organisations to set up internal whistleblowing mechanisms and have procedures to protect whistleblowers. Furthermore, there should be an obligation to follow up on reports and to keep the whistleblower informed, within a reasonable timeframe.
- **Relief:** A full range of remedies, financial and others, covering all direct, indirect, past and future consequences of unfair treatment should be provided. The burden of the proof should be placed on the employer to establish that any detriment suffered by the whistleblower is not linked to his/her disclosure. Providing legal and financial assistance to whistleblowers should be considered.

<sup>9</sup> OECD's Recommendation of the Council on Public Procurement, Integrity Framework for Public Infrastructure

<sup>10</sup> initial project identification; appraisal through feasibility studies; project planning and the preparation of tender documents; evaluation of bids and award of contracts; contract implementation and management; and final auditing and evaluation

- **Whistleblowing Authority:** An independent agency, with appropriate power and resources, should be responsible for the effective implementation and enforcement of whistleblower protection.

### ***Gender and corruption***

- Collect gender disaggregated data on the differentiated impact that corruption has on women, including sexual extortion ('sextortion'), to better integrate the gender perspective into anticorruption policies and inform evidence-based and gender-sensitive anti-corruption initiatives.
- Establish robust and gender-responsive reporting mechanisms for women to report corruption and demand accountability.
- Recognise and address sextortion as a gendered form of corruption and violence.
- Mainstream gender into anti-corruption programmes, ensuring women are involved in the formulation, implementation, monitoring and evaluation of anti-corruption policies.

### ***G20 Effectiveness***

- **Accountability:**
  - G20 countries should publish **individual country accountability reports** as was the case during the Australian presidency. A combined progress report is not satisfactory for monitoring progress and consequently leads to gaps.
  - Focus must ultimately be on **implementation of existing G20 commitments and reporting back on progress and challenges**. There is extremely limited information on what countries are doing to implement promises, leading to loss of trust in the effectiveness and ambition of the G20 ACWG from the wider anti-corruption community.
- **Scale up G20 ACWG engagement and improve communication:** Ultimately very few people or organisations know about the work of the G20 due to poor engagement and communication, changing central platforms and weak reporting mechanisms. We recommend that:
  - NGOs and business representatives be invited to additional parts of G20 Working Group meetings, to provide insights and guidance on a thematic basis and not in a single short session;
  - All G20 members adopt the policy of meeting with civil society groups in-country prior to G20 ACWG meetings. We welcome those governments who already convene meetings with business and civil society stakeholders in-country throughout the year.

### ***Supporting information***

Transparency International, Model monitoring agreement and integrity pact for infrastructure: an implementation guide for civil society organisations. Available in:

[https://www.transparency.org/whatwedo/publication/model\\_monitoring\\_agreement\\_and\\_integrity\\_pact\\_for\\_infrastructure](https://www.transparency.org/whatwedo/publication/model_monitoring_agreement_and_integrity_pact_for_infrastructure)

Transparency International, From Open to Clean Contracting: A collective agenda to end corruption in public procurement and infrastructure and support sustainable development. Available in:

[https://www.transparency.org/files/content/feature/Clean\\_Contracting\\_Manifesto.pdf](https://www.transparency.org/files/content/feature/Clean_Contracting_Manifesto.pdf)

OECD/G20 Study on G20 Whistleblower Protection Frameworks: Compendium of Best Practices and Guiding Principles for Legislation. Available in:

<http://www.oecd.org/daf/anti-bribery/48972967.pdf>

Transparency International, A best Practice Guide for Whistleblowing Legislation, 2013. Available in:

[https://www.transparency.org/whatwedo/publication/best\\_practice\\_guide\\_for\\_whistleblowing\\_legislation](https://www.transparency.org/whatwedo/publication/best_practice_guide_for_whistleblowing_legislation)

Transparency International, International Principles for Whistleblowing Legislation, 2018. Available in:

[https://www.transparency.org/whatwedo/publication/international\\_principles\\_for\\_whistleblower\\_legislation](https://www.transparency.org/whatwedo/publication/international_principles_for_whistleblower_legislation)

Government Accountability Project, International Best Practice for Whistleblower Policies, 2016. Available in:

<https://www.whistleblower.org/international-best-practices-for-whistleblower-policies/>



**Education**

## **Educational justice as a sustainable development strategy**

### **Context / G20 Commitments**

"Access to education is a human right and a strategic public policy area for the development of more inclusive, prosperous, and peaceful societies. We underline the importance of girls' education. To equip our citizens to reap the benefits of societal and technological innovations, we will promote coordination between employment and equitable quality education policies, so we can develop comprehensive strategies that promote key competences such as learning to learn, foundation and digital skills, in a lifelong learning perspective from early childhood". (G20 Leaders' Declaration, 2018)

We, civil society, reinforce the importance of compliance with SDG 4 and the corresponding sub-goals; as well as the Incheon Declaration for Education 2030 (2015).

### **Challenges**

Educational justice is the pedagogical dimension of social justice aimed at providing each student and learner with what they need to complete their educational career and quality lifelong learning. Therefore, educational justice contributes to the construction of fairer societies, through the strengthening and/or development of skills and construction of knowledge in favour of each person's desires in dialogue with the collective construction of their community.

There is a strong need to invest in improving equity in education. This requires additional resources and increasing the national and education budget, consistent with international benchmarks (i.e. The Incheon Declaration). Investments should be made in infrastructure, teacher training and adequate pay, appropriate pedagogical methods supported by information and communication technology, and the creation of safe learning environments free from discrimination based on gender, race, ethnicity, disability or socioeconomic status. We must ensure that the most excluded and left behind are given top priority in provisions of quality education in a safe, gender-responsive, child- and disability-friendly, inclusive, and multicultural learning environment. The recent Global Education Meeting held in Brussels in December 2018 noted that "despite some progress, globally, we are not on track to achieve the SDG 4 targets by 2030." (Brussels Declaration, 2018). Equally alarming is the UN ESCAP report that states inequalities are widening compared to 2000 because rapid economic growth has not always been equitably shared. (Asia and the Pacific, SDG Progress Report 2017 UN ESCAP).

As noted by the Brussels Declaration (2018), " [...] there are still 750 million youth and adults who are not literate, two thirds of whom are women, and 262 million children and youth who do not attend school. Equally worrying, 617 million, or 58% of children and adolescents, are not able to read and do basic mathematics, of which a large share is in school." Education throughout life must be assumed by the States as a non-delegable right. States must declare themselves guarantors of the educational trajectory of all children, beginning in early childhood. Improvements in access to school and learning institutions can be made most notable for early learning and stimulation childhood education, literacy, adult education and skills for decent work, all areas which have been neglected since the Education For All agenda/MDGs. For young people, and especially for girls, the greatest difficulty lies in the continuity of education from primary to secondary level. Various studies have suggested that this is due to the differentiated and selective characteristics of secondary school, as well as the disconnect with the social, cultural context and the needs of the world of work.

The school trajectories of young people are designed from the perspective of a single route, a narrative that ignores the challenges and varying circumstances facing many young people. Therefore, to ensure we leave no one behind, the education system must provide multiple avenues for school completion that take into account the diversities of young people in all their social, economic, political and environmental circumstances. We place special emphasis on girls and women, migrant populations, refugees, nomads, people with disabilities, indigenous peoples, and those living in crisis caused by conflicts and disasters. A commitment to education in

crisis contexts is particularly crucial, as nearly 1 in 3 of all out-of-school children are in countries affected by conflicts and disasters, and as the potential for children's development could be at risk. (UNICEF, 2018) In addition, attention must be paid to children and adolescents in employment and those deprived of education in response to conflict with the law. " [...] Experience shows that a system based on the principles of the Convention on the Rights of the Child, which facilitates reintegration, is better for society because it reduces recidivism and violence and, in many cases, these kinds of measures are also less expensive in economic terms. [...] The social policies that promote education, sports and adolescent health are the best strategy to prevent juvenile crime "(UNICEF, 2018).

As outlined within the Sustainable Development Goals, it is necessary to build the transition between the education system and the world of work. Inequalities in education are later translated into inequalities in employment and income, and we know that the development of foundational, vocational and transferable skills are the key to unlocking the potential of decent work. Education systems must focus on building these essential skills to give young people the opportunity to reach their full potential and contribute meaningfully to their communities. By strengthening education systems to provide life skills programs and expand access to decent work and livelihood opportunities, adolescents will be more likely to find productive work, take decisions that affect their lives, and access decision making and leadership spaces, all of which leads to increasing productivity, employment growth and sustainable development.

### **Recommendations**

It is the responsibility of the G20 member countries to demonstrate in concrete actions that a more socially just world rooted in the principals of human rights is possible. Considering the aforementioned challenges, the recommendations and proposals of the C20 Education Working Group have been organised into four main pillars:

#### ***1. Quality education for realising sustainable growth***

**Early childhood education:** Guarantee the right to child well-being, integral education policies and play. Design public policies that promote inclusive early childhood care and stimulation for all children, particularly those who are marginalised, with measures to guarantee access to educational completion also for the mother. Ensure that quality care and education for children is delivered by trained professionals and with provision of adequate equipment, accessible learning materials and products, and reasonable accommodations to include children with disabilities.

**ESD and GCED in formal, non-formal and informal education settings:** Develop policies and programs to promote Education for Sustainable Development (ESD) and Global Citizenship Education (GCED) to promote peace, justice, human rights, cultural diversity, and social cohesion in line with SDG target 4.7. Ensure that these programs are mainstreamed at all levels in education (Education 2030, UNESCO 2016).

**Literacy through formal/non-formal education and training:** Literacy and numeracy skills are foundations for life. Work to ensure functional literacy for all, including digital, media and information literacy, as essential educational outcomes (Brussels Declaration, 2018).

**Basic education system that considers cultural diversity and different social contexts:** Ensure that school curriculums take into account different cultural values, languages and references. Develop a regional and global level certification system that considers migrant populations and develop various educational trajectories that take into account situations such as social re-inclusion due to situations of conflict with the law, nomadic and migrant populations.

**Quality education/Quality teaching:** Increase the supply of qualified teachers, educators and trainers, and improve teacher training, professional development, working conditions and social dialogue. Develop strong incentive systems for the training of teachers and educators who come from different social backgrounds and communities to guarantee respect for diversity of contexts, abilities and languages.

#### ***2. Education for creating innovation***

**Skills for life and work:** Inclusion, follow up and certification of social, emotional and life skills as part of the curriculum at all levels, beginning in early childhood. Build transferable and job specific skills within education, and connect students with the world of work (G20 Leaders Declaration, 2017) and facilitate vocational choice.



This includes knowledge about decent work and skills development programs that meet the needs of the economy and can drive youth employment.

**Skills for Girls Initiative:** Improve access and provide incentives to encourage marginalised populations and adolescent girls into the fields of science, technology, engineering, arts and mathematics (STEAM) and work to bridge the gender digital divide by implementing the measures outlined in the 2018 G20 Digital Economy Ministerial Declaration (Annex Paper 2).

**Intersectoral participation:** Strengthen the leadership of key actors in the education system, particularly students and teachers, in curriculum development, decision making and transformation. Acknowledge adolescents and youth as agents of change that should take part in defining the knowledge and skills they wish to acquire and the opportunities they want to access. Promote socio-educational policies and non-formal education by working with community organisations as an inclusive strategy for students who want to engage in alternate ways.

**STI and education:** G20 should design innovative “STI for SDGs” that are considered and context-specific. It is imperative to understand the wider cultural context of a country or a community, and accessible technologies should be implemented in line with the local curriculum, instead of introducing a one-size-fits-all type of curriculum everywhere.

### ***3. Education for creating resilient and inclusive future***

**Gender-responsive national education sector plan:** Prioritise gender equality in education, starting with safe school facilities and transport, female teacher recruitment in contexts where cultural and social barriers hinder girls’ participation in education, and gender-responsive curricula that are inclusive of different sexual orientations, gender identities, gender expressions and sex characteristics. Curriculums should include comprehensive sexuality and relationship education with a focus on consent, healthy relationships and breaking down harmful gender stereotypes, norms and practices.

**Equal, safe, accessible and inclusive educational opportunities for persons with disabilities:** Educational and learning establishments should all have adequate infrastructure, equipment and learning materials for the inclusion and participation of children and adults with disabilities. Develop training tools suitable for teachers, parents, and the community on inclusion of learners with disabilities, as well as developing a curriculum that is inclusive and economic incentives to promote education for learners with disabilities.

**Continuity of educational opportunities for children must be maintained throughout contexts of crisis caused by conflicts and disasters:** Develop educational policies that respond to populations in crisis as a result of natural catastrophes or wars, and ensure the continuity of education provision for children and young people living in crisis contexts. This should include supporting a child or young person’s re-entry into the formal education system, as well as protecting the school and its students from armed conflicts.

**Children facing the risk of child labour:** Sensitise the different key actors (families, educators, employers and unions) on the regulations related to the prevention of child labour, forced adolescent labour and all forms of modern slavery that often affect girls disproportionately, in order to guarantee the right to education. Develop policies that include economic support so that families are able to prioritise education for their children.

**System based on restorative justice and preventing children, adolescents and youth from conflicts with the law:** The restriction of freedom for children, adolescents and young people must be an exceptional measure. We should focus on social reintegration and offer adolescents and young people educational opportunities, job training and recreational opportunities, to facilitate their inclusion within society and as a deterrent from crime (UNICEF, 2018). Include training for teachers and staff about the penitentiary service and centres of deprivation of liberty for children, youth and adolescents.

**End school violence and bullying:** Develop a strong policy framework to promote a safe and positive school climate and classroom environment, including effective systems for reporting and monitoring school violence, bullying and training, with additional support for teachers (UNESCO, 2019).

### ***4. Financing for Education***

**Regulating private actors in education and ending commercialisation of education:** Prioritise investments in public education and regulate private education to guarantee educational justice. Guarantee a minimum of 12

years of free, safe and quality pre-primary, primary and secondary education. Eliminate tuition fees and hidden fees in the 12 full years of primary and secondary education, in order to ensure the participation of all children and young people, including the most marginalised and especially girls and boys in crisis contexts.

**Increase investment in education:** Prioritise education financing on all agendas in order to secure investment through domestic, bilateral and multilateral funding.

**National budget spending and ODA:** Reinforce the commitment assumed by the countries in the Incheon Declaration (2015) of "[...] allocating efficiently at least 4 - 6% of Gross Domestic Product and/or at least 15 - 20% of total public expenditure to education", as well as " [...] the fulfilment of all commitments related to official development assistance (ODA) is crucial, including the commitments by many developed countries to achieve the target of 0.7 per cent of gross national product (GNP) for ODA to developing countries. In accordance with their commitments, we urge those developed countries that have not yet done so to make additional concrete efforts towards the target of 0.7 per cent of GNP for ODA to developing countries."

**Multilateral funding needed:** Multilateral funding needed: Prioritise increased education financing through bilateral and multilateral cooperation particularly through Global Partnership for Education and Education Cannot Wait, and the strengthening of South-South cooperation. This cooperation should not imply in any way the indebtedness of the countries, their capacity to make sovereign decisions and the privatisation of education in any of its aspects. Resources from international cooperation should not be used in any way to support commercial or no-commercial private schools or any form of profit making in and through education.

**Reform in the global tax system/fair and progressive taxation:** In order not to hinder domestic resource mobilisation for education, the global tax system should be based on a balanced system of rights and obligations, where the collection of resources is progressive, equitable, and transparent and ensures social harmony. This should include mechanisms to prevent tax avoidance and combat tax opacity.

**Debt sustainability:** Reinforce the importance that the developing countries do not take on external debt. In the case of countries that take debt, the volume and payment of debt services should not condition the educational budget.

### Supporting Information

Transforming our world: the 2030 Agenda for Sustainable Development (2015)

The Incheon Declaration for Education 2030 and the Education 2030 Framework for Action (2015)

G20 Leaders' declaration Building consensus for fair and sustainable development (2018)

G20 Education Ministers' Declaration (2018)

G20 Initiative for Early Childhood Development: Building human capital to break the cycle of poverty and inequality (2018)

Buenos Aires Update: Moving Forward the G20 Action Plan on the 2030 Agenda for Sustainable Development (2018)

C20 POLICY PACK and other 7 documents, joint statement on Education (2018)

G7 Charlevoix Declaration on Quality Education for Girls, Adolescent Girls and Women in Developing Countries (2018)

UNGEI, Make it Right: Ending the Crisis in Girls' Education. Available in:

[http://www.ungei.org/MakeItRight\\_Report\\_07.pdf](http://www.ungei.org/MakeItRight_Report_07.pdf)

Foreign Policy, Argument: Here Come the Young (2016) Available in:

<https://foreignpolicy.com/2016/08/12/here-comes-the-young-youth-bulge-demographics/>

UNESCO, Discover the new Right to education handbook (2019) Available in:

<https://en.unesco.org/news/discover-new-right-education-handbook>

UNESCO, Behind the numbers: ending school violence and bullying (2019)

Brussels Declaration, outcome document of the Global Education Meeting (2018)

Human Rights Council resolutions A/HRC/29/L.14 and A/HRC/32/L.33

UN ESCAP. Asia and the Pacific, SDG Progress Report (2017)



# **Environment, Climate and Energy**

## Context - Political Landscape

Accounting for approximately 80% of global greenhouse gas (GHG) emissions, G20 countries have a crucial role and collective responsibility to fight climate change, which is already negatively impacting nature and human civilisation, human rights and causing the loss of billions of dollars in infrastructure and livelihoods. The poorest and most vulnerable people are disproportionately reliant on natural resources for their livelihoods, and least able to cope with and adapt to the effects of climate change, or reduction in ecosystem services.

Environment, Climate Change and the Energy Transition have been part of the agenda of G20 and G7, and the Hamburg and Buenos Aires Summits have proven that climate change is and will be a crucial part of geopolitics.

As states have agreed to the implementation guidelines of the Paris Agreement (PA), they need to accelerate implementation of climate action. G20 must ensure that outcomes recognise the systemic risks posed by climate change, and that energy and financial decisions mutually reinforce climate action on socio-economic policies. Escalating fragmentation, damage and overuse of natural and agricultural systems and marine ecosystems, are mutually reinforcing climate and biodiversity crises. It is critical to heed the call in the Convention and the PA to protect biodiversity and ensure climate action in land, forests and oceans tackles the biodiversity crisis.

## Policy Recommendations

We call on all G20 countries to adopt the following provisions to address the risks and impacts posed by climate change and to seize opportunities for sustainable development and modernisation of their economies in view of leaving no one behind.

### **Recognise the urgent need to enhance AMBITION to prevent the most serious impacts of climate change:**

Building on the 2017 G20 Climate and Energy Action Plan for Growth, the 2018 G20 Leaders' Declaration, the urgency shown in the IPCC Special Report on 1.5°C, the Katowice outcomes on Climate Ambition and the Talanoa Dialogue, we expect G20 countries to;

- **Make concrete commitments on enhancing their Nationally Determined Contributions (NDCs)** by 2020, acknowledging that current commitments are entirely insufficient to achieve the goal of the PA;
- Take immediate steps to reduce GHG emissions in line with the PA's 1.5°C goal, and make tangible announcements on the process for scaling up integrated climate ambition at the UN Secretary General (UNSG) Climate Summit in 2019;
- Provide support to scale up balanced and predictable climate finance for NDC enhancement process in developing countries;
- **Develop** and communicate by 2020 **ambitious**, comprehensive, and economy-wide, **long-term strategies (LTS) in line with 1.5°C and net-zero GHG emissions by 2050** to provide policy stability and predictability to all stakeholders in a manner to achieve Sustainable Development Goals (SDGs);
- Announce ways forward for convening multi-stakeholder, inclusive and participatory dialogues to review and update NDCs and develop LTS, and ensure the integration of human rights, ecosystem integrity and other principles, including the rights of indigenous peoples, gender equality, food security, just transition, intergenerational equity, the protection of biodiversity and integrity of ecosystems;

**Accelerate ENERGY TRANSITION** to clean, sustainable, environmentally-sound, and decentralised energy system, and **ensure a just transition to a 100% renewable energy future**, in line with safe and sustainable access to energy for all;

- Commit to ensuring energy policies are aligned with ambitious LTS. This should include defining decarbonisation options and technologies, and outlining a decarbonisation pathway in line with 1.5°C, for a country's energy mix to evolve within;
- Swiftly shift energy systems from conventional energy sources, such as fossil fuels and nuclear, commit to phase out coal, as well as set regulations for private finance institutions;
- Stop financing new coal power plants by 2020, regardless of the location of the project (domestic or

overseas), by implementing regulations for public and private finance institutions located in G20 member countries (government organisations, MDBs, DBs, and commercial banks);

- Commit to putting in place national policies to ensure rapid deployment of renewable energy across G20 countries by 2030 in order to decarbonise their energy matrix in line with a 1.5°C trajectory;
- Initiate policies to achieve SDG 7.3 to double the annual rate of energy intensity improvement by 2020 and maintain that rate until 2030;
- Engage with all stakeholders and citizens in national and regional dialogues to steer a process of a just transition towards a 100% renewable energy future and advance an accelerated, worker and community oriented, resilient energy transition;
- Innovation and technology must be in line with environmentally-sound practices and not be used to delay actions to continue business as usual. Technologies such as Carbon Capture and Storage (CCS) and Carbon Capture and Utilisation (CCU), cannot be used to continue the exploitation of fossil fuels, and any development of geo-engineering technologies should be avoided;
- Other technologies, such as clean production of hydrogen and new sources of renewable energy should be further explored, in order to contribute to a diversified and integrated energy matrix.

**Phase out fossil fuel subsidies (FFS):** This year, the G20 marks a dubious anniversary - 10 years from the Pittsburgh declaration where countries agreed to phase out fossil fuel subsidies. The lack of progress G20 countries have made on this front is a real threat to the energy transition. G20 countries, without further delays, must urgently set a timeline for the complete and equitable phase-out of FFS by 2025, and develop by 2020 FFS phase-out roadmaps to achieve this goal;

- Establish a timeline and clear guidance for the completion of peer review of FFS by all G20 members by 2020 to enable equitable phase out of all FFS;
- Set up a process to initiate the redirection of energy-related domestic and international public finance to only support cost-effective, clean, healthy, human-rights compliant and safe environmental and social practices by 2020.

**Scale up climate finance and align FINANCIAL FLOWS with the PA and SDGs:**

- Demonstrate progress on collectively scaling up climate finance towards the US\$100 billion/year goal by 2020, providing additional adaptation funds to balance adaptation and mitigation, and channeling at least 25% to the least developing countries;
- Reaffirm and scale up financial support to the Green Climate Fund (GCF) for its upcoming replenishment in 2019, as well as other multilateral mechanisms, such as the Global Risk Finance Facility (GrIF);
- Encourage innovative mechanisms to ensure both public and private funding are appropriately and sufficiently targeting poor and vulnerable populations;
- Make sustainable finance a permanent focus of the G20 finance track, including the upgrade of the study group on sustainable finance (SFSG) to a working group and ensure that all lending through the Multilateral Development Banks (MDBs) and International Financial Institutions (IFIs) is aligned with the SDGs by 2020, and make financial flows compatible with the 1.5°C goal of the PA;
- Ensure full transparency and accountability in markets and global finance, by requiring disclosure of all financial flows to carbon-intensive companies' contracts and recipients, and full disclosure of climate risks through implementation of the Task Force on Climate-related Financial Disclosures (TCFD) recommendations;
- Ensure environmental and social externalities are adequately priced into the market by implementing a strong and effective carbon price floor. Carbon prices should be progressive and put the burden primarily on fossil fuel companies and wealthier consumers, not on lower-income ones; study border adjustments to incentivise non-carbon-price jurisdictions to become more environmentally responsible while securing an equal footing in the global market.

**Ensure INFRASTRUCTURE is low-carbon, inclusive, environmentally-sound and climate resilient:** Investing in fossil fuel infrastructure has substantial environmental and social risks, and locks in high-emitting infrastructure that is incompatible with the PA's goals;

- Cease energy-related infrastructure developments that are not compatible with the 1.5°C goal of the PA, to minimise the risk of costly stranded assets in non-resilient fossil fuel infrastructure, including coal with CCS, natural gas, shale and tar sand;
- Ensure by 2020, all public finance institutions cease direct, indirect, ancillary infrastructure and policy support for upstream and downstream fossil fuels, carbon intensive projects, assets and technologies, and for nuclear, large bioenergy and hydropower;
- Ensure that infrastructure decisions are guided by upstream, systemscale geospatial planning that meets strict environmental and social development criteria and be assessed through a pro-poor, inclusive, climate-resilient and gender-responsive lens. This includes avoiding linear infrastructure that opens up valuable ecosystems for agricultural purposes, leading to high emissions from land use changes;
- Ensure democratic monitoring and reflection process of infrastructure investments.

**Support global transition towards RESILIENT economies, ecosystems & societies:**

- Recognise the vulnerability of economies, ecosystems, nature, people and societies to changes in nature due to human activities and address the resilience gap of G20 and partner countries through policy, financial, and fiscal measures;
- Enhance and implement the work program to build resilience with year-on-year monitoring and reporting of progress made;
- Enhance support to vulnerable countries, especially SIDS and LDCs, through enhanced financial flows and enabling sharing of technical knowledge and technology.

**Protect BIODIVERSITY to ensure ecosystem integrity and stability:**

- Deliver on international agreements and objectives to protect biodiversity, by elevating the protection and restoration of Earth's high integrity, relatively stable carbon rich ecosystems, and preventing further fragmentation and damage;
- End deforestations and ecosystem conversion by 2020;
- Ensure sustainable finance takes into account ecosystems conservation and restoration;
- Ensure biodiversity is enhanced through appropriate management of areas under agriculture, aquaculture and forestry;
- Develop and implement a rapid transition plan from current destructive land use towards sustainable and climate smart agriculture, recognising the invaluable role of indigenous and local knowledge;
- Encourage a virtuous cycle in which consumption and environmental behavior is aligned with food security policies, such as ecosystems protection, landscape restoration, food waste reduction; protecting and restoring ecosystems is critical to deliver a sustainable food future for all.

**Reduce MARINE PLASTIC POLLUTION:** G20 must take action, building on G7's initiative in 2018 and the G20 Action Plan on Marine Litter 2017, to reduce the production of virgin plastic and stop the outflow of plastics to ocean;

- Commit to join and implement Ocean Plastics Charter of the G7 Charlevoix Summit and support a new international legally binding agreement to combat marine plastic pollution;
- Set annual targets for reducing single-use plastic (bags, plates, cutlery, straws, balloon sticks, cotton buds and microbeads, products made of oxo-degradable plastics, and packaging and fast-food containers made of expanded polystyrene etc.) towards phase out by 2021;
- Introduce policies to rapidly reduce plastic items, including to ban single-use plastic items, invest in creating refillable, reusable containers and the innovation of new delivery systems that minimise wasteful packaging, and regulate the discharge of plastic pellets, fragments of artificial turf;
- Accelerate recycling by collecting separately and recycling fully beverage bottles by 2025, and reducing use

- of agricultural plastics and banning fertiliser covered with plastic;
- Implement countermeasures against the source of micro plastic fiber (clothing, washing machine, dryer that does not easily produce micro plastic fiber);
- Take a precautionary approach on biodegradable/bioplastics, particularly the sustainability concerns of feedstock, and ensure closed system cycle for material recycling and/or nutrient cycle;
- Exclude energy recovery of waste plastics in the recycling rate. Set annual targets for reducing incineration of plastics towards phase out by 2030 to also reduce CO<sub>2</sub>;
- Alert marine litter is one of the serious environmental pollution to threat human food (including salt, not only sea food). Microplastics, chemicals and heavy metals;
- Attention threat to sustainable use (fishery, tourism etc.) of marine natural resources of ecosystem services based on marine biodiversity;
- Conserve marine livelihood and economic activities of coastal areas from the threat of huge amount of stranding and drifting marine litters. Marine litter comes to be obstacles of physical coverage of fishery and sports ground. This situation may lead the collapse of coastal traditional communities and the loss of coastal culture.

### **Supporting Information**

B-C-T-20 (2017) Statement for a sustainable energy transition

C20 (2018), Energy Transitions recommendations

C20 (2018), Climate Sustainability recommendations

CAN (2017), Briefing on civil society participation

CAN (2018), G20 Argentina Issue Briefs

Climate Transparency (2018), Brown To Green Report

G20 (2017), G20 Leaders' Declaration. Shaping an Interconnected World. Hamburg, Germany

G20 (2017), G20 Hamburg Climate and Energy Action Plan for Growth

G20 (2018), G20 Leaders' Declaration. Buenos Aires, Argentina

IPCC (2018) Global Warming of 1.5C

UNEP (2018), Emissions Gap Report



**Gender**



## Context / G20 Commitment

The C20 acknowledges and commends G20 countries for their commitments aimed at achieving gender equality and securing the full economic empowerment of women.

In their 2018 Leaders' Declaration, G20 leaders acknowledged that "[g]ender equality is crucial for economic growth and fair and sustainable development" and reinstated their commitment to reduce the gender gap in labour market participation by 25 percent by 2025, while affirming that "more needs to be done." Leaders also committed to "improve labour conditions for all" and "promote initiatives aimed at ending all forms of discrimination against women and girls and gender-based violence."<sup>11</sup>

In their 2019-2021 Action Plan, the G20 Anti-Corruption Working Group committed to deepen its understanding of the linkages between gender and corruption and discuss possible actions on how to include a gender dimension in anti-corruption programmes and policies.<sup>12</sup> In their 2018 Ministerial Declaration, G20 Ministers responsible for the digital economy also presented a comprehensive list of recommended actions to bridge the gender digital divide.<sup>13</sup>

C20 welcomes these statements and commends G20, under Argentina's presidency, for applying a gender mainstreaming strategy across the 2018 G20 Agenda.

G20 have yet to make any commitments regarding the human rights or economic participation of LGBTQI<sup>14</sup> people, despite their disproportionate experience of discrimination and violence.

## Challenges

Despite women's economic empowerment being identified as a priority for the G20 and other international forums, women's economic choices, income and control over assets continue to lag behind those of men. In their Global Gender Gap Report 2017, the World Economic Forum found it could take another 217 years until the economic gender gap is closed.<sup>15</sup>

There is both an ethical and economic imperative to achieving gender equality and fulfilling the human rights of women and girls. Gender equality sits at the heart of the Sustainable Development Goals (both as a goal in itself and as a key requirement for other Goals). G20 countries are also required to ensure gender equality under the Universal Declaration of Human Rights and international human rights law and standards to which they are bound.

Evidence shows that investment in women's rights and empowerment has a positive return, while the perpetuation of gender inequalities has significant social and economic costs for families, communities and society at large. The International Labour Organisation suggests that closing the gender gap in economic participation by 25 per cent by 2025 could increase global GDP by US\$5.3 trillion<sup>16</sup>. Studies also show that prevention of violence against women and protecting sexual and reproductive health and rights improves productivity and yields positive returns on investment.<sup>17</sup>

**Bold action is required to achieve G20's target of reducing the gender gap in labour market participation.**

---

11 G20. *G20 Leaders' Declaration: Building Consensus for Fair and Sustainable Development*, 2018.

12 G20 Anti-Corruption Working Group. *G20 Anti-Corruption Working Group Action Plan 2019-2021*, 2018.

13 G20 *Digital Economy Ministerial Declaration*, 2018.

14 Lesbian, gay, bisexual, trans, queer, questioning, intersex.

15 World Economic Forum. *The Global Gender Gap Report 2017*, 2017.

16 International Labour Organization. *Economic Impacts of Reducing the Gender Gap (What Works Research Brief No. 10)*, 2017.

17 Care International. *Counting the Cost: The Price Society Pays for Violence Against Women*; 2018; *Universal Access Project. BRIEFING CARDS: Sexual and Reproductive Health and Rights (SRHR) and the Post-2015 Development Agenda*, 2014.

The C20 challenges G20 countries to tackle the root causes and structural barriers that inhibit economic justice for women and people who experience discrimination on the grounds of their real or perceived sexual orientation, gender identity, gender expression or sex characteristics, including harmful social, cultural and religious norms and practices related to gender and marginalised groups. These sit at the heart of the unequal distribution of unpaid care and work, the gender pay-gap, gender-based violence and harassment (including in the world of work), women's digital exclusion and other key barriers to achieving economic justice for women and LGBTQI people. Consequently, the UN Secretary General's High-Level Panel on Women's Economic Empowerment stated that "[c]hanging norms should be at the top of the 2030 Agenda to expand women's economic opportunities."<sup>18</sup>

Similarly, harmful gender norms and stereotypes, among other intersecting forms of discrimination, have detrimental impacts on LGBTQI people's education, employment prospects, and experience, once in employment.<sup>19</sup> A 2014 study found that discrimination on the grounds of real or perceived sexual orientation, gender identity, gender expression or sex characteristics causes harm to economies, while "the addition of legal rights for LGBT people is associated with higher levels of economic development."<sup>20</sup>

In the context of aging populations, the growing digital economy and changing nature of work, it is critical that women and LGBTQI people, in all their diversity, are at the centre of policy development. Women live an average of 5 years longer than men and are disproportionately affected by a lack of universal healthcare and social protection (especially pensions, where the cumulative lifetime burden of unpaid care and work often leaves older women without adequate income). Similarly, opportunities presented through the digital economy risk a lack of social protection (such as parental leave and job protection) as well as growing inequality due to the gap in women's digital inclusion and participation in STEM areas.

Meaningful progress will only be achieved when actions are responsive to the needs of all women and LGBTQI people (including young, Indigenous, migrant, refugee, and older women and LGBTQI people, widows, and those with disabilities and from minority groups). Alongside this, G20 countries must implement a strong framework of legislation and policy that combats discrimination and inequality in every sector so that no one is left behind.

## Recommendations

In order to achieve economic justice for all women and LGBTQI people, the C20 calls upon G20 to:

1. **Develop and implement National Implementation Plans to reduce the gender gap in labour market participation** by 25 per cent by 2025, focusing on decent work, applying an intersectional approach, and incorporating the recommended actions listed below;
2. **Increase resources to prevent, respond to, and monitor gender-based violence**, collaborating with grassroots movements and organisations to scale up their best practices and working with boys and young men to break down harmful gender norms and stereotypes, and support the adoption of an effective ILO Convention and Recommendation to prevent, address and remedy Violence and Harassment in the World of Work;
3. **Eliminate intersectional discrimination and harmful gender norms at the community and national level** – this should include a specific focus on supporting children and young people to break free from stigma and stereotypes, including boys and young men, and end the cycle of adverse attitudes and behaviours associated with gender roles;
4. **Institutionalise a gender mainstreaming strategy across the G20 agenda** (that is inclusive of different sexual orientations, gender identities, gender expressions and sex characteristics) with appropriate accountability mechanisms including data collection and establish a Ministerial Working Group on Gender (ensuring accountability

---

18 UN Secretary-General's High-Level Panel on Women's Economic Empowerment. *Leave No One Behind: A Call To Action For Gender Equality And Women's Economic Empowerment*, 2016.

19 International Labour Organization. *Gender Identity and Sexual Orientation: Promoting Rights, Diversity and Equality in the World of Work: Results of the ILO's PRIDE Project*, 2017.

20 USAID & The Williams Institute. *The Relationship Between LGBT Inclusion and Economic Development: An Analysis of Emerging Economies*, 2014.

through transparent and adequate resourcing, monitoring and evaluation) and commit to do so in subsequent years.

### **National Implementation Plans to Reduce the Gender Gap in Labour Market Participation, focusing on decent work and applying an intersectional approach**

In 2018, C20 issued a joint statement with L20, W20, T20, S20 and Y20 calling on G20 to adopt concrete and effective actions and monitor its 2014 commitment to reduce the gender gap in labour market participation.<sup>21</sup> C20 again calls on G20 to develop National Implementation Plans to reduce the gender gap in labour market participation by 25 per cent by 2025, in partnership with civil society, employers, and diverse groups of affected individuals. In doing this, G20 countries must build on existing knowledge and best-practices, evidence of effectiveness, and innovative approaches (including new technologies and behavioural insights<sup>22</sup>) to ensure initiatives are effective for all women and LGBTQI people.

National Implementation Plans must have a specific focus on decent work (using ILO's indicators of decent work) and social protection. The plans must also apply an intersectional approach that ensures actions are responsive to the needs of all women and LGBTQI people, especially those that belong to groups subject to vulnerability (including migrants, refugees, widows, people with disabilities, Indigenous Peoples, young and older people and people who belong to minority groups).

National Implementation Plans must include targets and indicators to measure progress. Consequently, G20 countries must harness digital technologies to collect, analyse and disseminate disaggregated data, broken down by gender, age, gender identity, gender expression, sexual orientation, sex characteristics, ethnicity, disability and other relevant identity markers.

G20 countries must adequately finance and release figures that show a breakdown of their financial commitment to National Implementation Plans.

### **Content of National Implementation Plans:**

Each National Implementation Plan must include a holistic set of policies, initiatives, and legal instruments that align with and contribute to the Sustainable Development Goals and target the seven primary drivers of women's economic empowerment, as identified by the UN Secretary-General's High-Level Panel on Women's Economic Empowerment.<sup>23</sup>

In addition, Implementation Plans must include policies and initiatives that:

- a) Work to **eliminate gender-based violence and harassment** in all spaces;
- b) **Recognise, reduce and redistribute women's unpaid care and work and support women's and LGBTQI people's safe access to economic opportunities** – as part of this, G20 countries must increase investment in:
  - Accessible and quality care and social services;
  - Comprehensive social protection (including universal pensions and paid parental leave for parents, guardians and caregivers of all genders);
  - Technologies and infrastructure that save time and labour and protect women and LGBTQI people's safety in the world of work (including water, sanitation, transport and energy infrastructure);
- c) **Address the disproportionate impacts that corruption has on women** by implementing previous G20 anti-corruption commitments and mainstreaming gender throughout; **recognising and addressing sexual extortion** ('sextortion') as a gendered form of corruption and violence; and collecting gender disaggregated data to better understand and monitor the gendered impact of corruption and inform evidence-based and gender-sensitive

---

21 *Joint Statement by the C20, L20, S20, W20 and Y20 on Addressing Gender Labour Gaps*, 2018.

22 Behavioural insights is an approach to policy making that uses behavioural science to develop trials, which, if proven to be effective, are scaled up.

23 *Ibid.*, UN Secretary-General's High-Level Panel on Women's Economic Empowerment. 2017.

anti-corruption initiatives;

- d) **Ensure universal provision of Sexual and Reproductive Health and Rights information, education and services**, including education and campaigns around consent, comprehensive sexuality and relationship education (that is inclusive of different sexual orientations, gender identities, gender expressions and sex characteristics), and access to contraception and safe abortion services;
- e) Work to **bridge the gender digital divide** by implementing the measures outlined in the 2018 G20 Digital Economy Ministerial Declaration (Annex Paper 2);
- f) **Accelerate the equal participation of women and LGBTQI people in decision-making with special attention to intersecting forms of discrimination** – this includes promoting women’s and LGBTQI people’s participation as voters and candidates in electoral processes and supporting their representation in governance institutions, including constitutional committees, parliaments, public administrations and the judiciary;
- g) Ensure women and LGBTQI people, especially those with disabilities and/or living in rural areas, have **access to quality education that prepares them for the future of work**.



# Global Health

## Context

G20 countries, along with all UN Member States, committed to achieve Universal Health Coverage (UHC) by 2030 by adopting the Sustainable Development Goals (SDGs). However, the world is far from achieving this; at least half of the world's population lacks access to essential health services and an increasing number of people face catastrophic out-of-pocket payments, despite countless commitments made by Heads of Governments. For example, **in 2018 alone the G20 Health and Leaders' Declarations committed to:**

- Encourage **investing in high-quality research and development**, especially for new antimicrobials, diagnostic technologies, vaccines and alternative preventative measures across the One Health agenda, while promoting affordable and equitable access to all individuals in need.
- Welcome the outcomes of the UN High-Level Meeting on Tuberculosis (TB) and **acknowledge the first global AMR target to commit to treating 1.5 million people with drug resistant TB.**
- Welcome the outcomes of the Third UN High-level Meeting on Non-Communicable Diseases (NCDs) and the **commitment on a series of actions to scale up efforts to fight against NCDs.**
- Tackle **malnutrition**, with a special focus on childhood overweight and obesity.
- Support the need for stronger health systems to achieve better access to safe and quality health care for the purpose of moving towards **UHC.**
- Strengthen core capacities in all countries as required by International Health Regulations for prevention, detection and response to **public health emergencies.**
- Commit to ending HIV/AIDS, TB and malaria, through the **successful replenishment of the Global Fund to Fight AIDS, TB and Malaria in 2019.**

Being both a coalition of the world's largest economies and home to a large share of the global burden of disease, the G20 is in a unique position of influence and power, and has a responsibility to spur the changes needed to get the world on track to achieve SDG 3 (ensure healthy lives and promote well-being for all at all ages). 2019-2020 offers a unique opportunity for the G20 to do this:

- The first ever joint G20 Health and Finance Ministers meeting will take place on 28 June 2019.
- The UN High-Level Meeting on UHC will take place on 23 September 2019.
- Japan is the G20 President and a recognised leader on global health. For example, Japan hosted the UHC Forum in 2017, co-facilitated the UN High-Level Meeting on TB in 2018, and will host the Global Nutrition Summit in 2020. Japan must use its presidency to forge accountability for the commitments made at previous high-level fora and build momentum for upcoming opportunities.
- Numerous replenishments of key global health programmes and multilateral organisations will happen in 2019 and 2020, including that of the Global Fund and Gavi, the Vaccine Alliance.
- The G20 should leverage the discussions and decisions of the G7, especially on primary health care, addressing inequalities and fully funding the Global Fund.

As President of the G20, Japan has identified three priority areas for the health working group; universal health coverage, healthy and active ageing, and health security. As such, the G20 Global Health Working Group has structured our recommendations under those three themes.

## 1. Universal Health Coverage (UHC)

**Background:** UHC stipulates that all people and communities have access to needed quality health services without risk of financial hardship. It cuts across health targets and contributes to the promotion of health security, equity, and long-term economic development. Under Japanese Presidency, the G20 will approach UHC from a multi-sectoral perspective, with the first ever G20 joint health and finance ministers meeting.

- **Financing for UHC:** Donor governments should invest at least 0.7% of their GNI on Official Development Assistance (ODA) with a priority on global health and ensure sustainability of all investments, building in timely capacity and risk assessments, analysis of donor transitions, and providing the necessary technical

assistance. All governments should increase equitable public financing, to achieve a target of at least 5% of GDP as government spending on health.<sup>24</sup> National plans must incorporate sustainable financing for community-based health services, human resources including community health workers and ensure that civil society, as well as vulnerable and marginalised populations, are involved in planning. Increased investment by all countries for research and development (R&D) is required to address prevention, diagnosis, and treatment technology gaps, to sustainably eliminate infectious and neglected tropical diseases (NTDs), and to tackle drug-resistance.

- **Equity:** Achieving health for all is a test of countries' political will to challenge the status quo that leaves behind the poorest, most vulnerable, and marginalised communities. These communities, along with civil society, must be actively involved in policy planning, decision making, implementation, monitoring and evaluation, and accountability. Such involvement needs to be meaningful, sufficiently resourced, and legally enabled.<sup>25</sup> Any UHC framework must be grounded in a human-rights based approach, prioritise primary health care, ensure sexual and reproductive health and rights (SRHR)<sup>26</sup> including maternal and child health (MCH) and gender equality, recognise nutrition as key to health and development,<sup>27</sup> prioritise water, sanitation and hygiene (WASH) in all health facilities,<sup>28</sup> ensure access to safe and affordable surgical, obstetric and anaesthetic care, and respond to violence, which is often gender-based.<sup>29</sup> G20 must set clear, concrete, time-bound, costed, and publicly communicated UHC plans and targets, developed through inclusive multi-stakeholder dialogues, including civil society. At the same time, G20 should leave no countries behind in the context of UHC, especially countries with heavy disease burdens as well as political and economic crises.

#### **Concretely in 2019-2020, the G20 should:**

- Commit to **ambitious and increased pledges to:**
  - **The 2019 replenishment of the Global Fund to Fight AIDS, TB and Malaria** in recognition of its critical role in strengthening health systems, preventing unnecessary deaths from infectious diseases and tackling drug-resistance.<sup>30</sup>
  - **The 2020 replenishment of Gavi, the Vaccine Alliance** in recognition of immunisation as part of integrated primary health care services and an early priority in building UHC and preventing antimicrobial resistance (AMR).
  - **The Global Polio Eradication Initiative** in recognition that it has provided an entry point to reach the most vulnerable people with health services and must be continued until every last child is reached.
  - **The WHO 13th General Programme of Work (2019-2023)**, including commitment to implement the Global Action Plan for Healthy Lives and Well-Being for All.
  - Other upcoming pledging moments including UNITAID and the Global Financing Facility (GFF).
- Commit to **reconvene in Japan in 2020 for the Global Nutrition Summit** to demonstrate renewed

24 Governments should raise revenue for health and nutrition systems in an equitable way, such as through prepaid, mandatory and progressive taxation, pooling funds to increase purchasing power, and creating mandatory health insurance schemes.

25 Community and civil society mobilisation and advocacy, service provision, outreach, monitoring, and research enable health programmes to reach and respond to the needs of hardest to reach communities, including undocumented people, migrants, refugees and internally displaced persons, mobile populations, indigenous people, people physically or socially isolated, people with disabilities, children and youth, older persons, people using drugs, sex workers, MSM, lesbian, gay, bisexual, trans and queer communities, people under detention including prisoners. Protecting human rights and ending discrimination and stigma against these communities should be also emphasised in the context of community responses for health.

26 Women and girls are 51% of the world's population and face higher poverty rates than their male counterparts for much of their lifetimes.

27 Undernutrition contributes to 45% of child deaths. In 2017 among children under-5 22.2% were stunted, 7.5% wasted and 5.6% overweight.

28 Almost 40% of healthcare facilities in low and middle income countries lack water supply and more than a third do not have hand hygiene facilities.

29 1 billion children (2–17 years) have experienced physical, sexual or emotional violence or neglect. This negatively impacts lifelong health and well-being, impairing brain and nervous system development and contributing to non-communicable diseases.

30 Investment in the Global Fund is an investment in equitable health systems to tackle the three diseases. For example, being predominantly a disease of society's poorest, vulnerable, criminalised, stigmatised and marginalised people, TB is a strong indicator of how equitable a country's health system is. Currently about 40% of people with TB are never formally diagnosed. In reference to the Global Fund investment case, every US\$100m raised above the US\$14 billion target will save over 100,000 lives and generate US\$1.8 billion in economic returns through health gains.

leadership on nutrition through new financial and policy pledges to tackle global malnutrition.

- Commit to **Head of State or Government attendance** at the UN High-Level Meeting on UHC and agree indicators to measure progress of UHC in meeting the specific needs of vulnerable and neglected populations, including women, children, adolescents and youth, and those affected by neglected diseases.
- Agree a G20 initiative to **expand diagnostic, treatment and surveillance capacity for infectious diseases** across the world in line with SDG target 3.3. This should include and aim to achieve delivery of the commitment in the Political Declaration of the UN High-Level Meeting on TB to diagnose and treat 40 million people with TB by 2022. Such an initiative would greatly enhance the ability of countries to respond to other priority pathogens identified by WHO as Malaria, STDs or NTDs. G20 should foster a research-enabling environment that streamlines and expedites innovation and promotes collaboration through innovative financing mechanisms to ensure R&D for new diagnostics, drugs and vaccines is carried out and products are made accessible to all.

## 2. Healthy and Active Ageing

**Background:** WHO identified NCDs<sup>31</sup> as the main threat to human health. This threat spans the life-course, with opportunities to address NCDs beginning during pregnancy and childhood, and being particularly prevalent among older people (in low- and middle-income countries NCDs account for 90% of disease burden among older people). With the global population of people aged 60+ surpassing one billion in 2018,<sup>32</sup> it is essential that the G20 addresses the implications of this for health systems. Actions must be gender-responsive, recognising that women live an average of 5 years longer than men.

- **NCDs:** A life course approach to health that spans the continuum of care, from health promotion, prevention, screening and diagnosis, to treatment and care, including rehabilitation and palliative care, is required to protect the health of populations and to meet the needs of people living with NCDs.
- **Dementia:** Globally, there are 50 million people living with dementia, forecast to rise to 152 million by 2050. Women continue to be disproportionately affected in terms of burden of care, making up 71% of informal carers. The current annual cost is US\$1 trillion per year, set to double by 2030.
- **Malnutrition:** A life-course approach to health and NCD prevention must include adequate nutrition. While undernutrition contributes to 45% of child deaths, there are 41 million children under-5 who are overweight or obese. Building on the World Bank's recognition of stunting rates as a determinant of human capital and recognition that obesity tends to grow in lower socio-economic groups, any framework or blueprint for achieving UHC must recognise nutrition as key to health and development.
- **Gender-responsiveness:** Improve ageing women's access to a continuum of quality care that is both age- and gender-responsive and invest in a national care infrastructure that meets the needs of both carers and older women.

### Concretely in 2019-2020, the G20 should:

- Reiterate the 2018 UN High-Level Meeting on NCDs commitment to better prepare health systems to respond to the needs of rapidly ageing populations once more at the UN High-Level Meeting on UHC, including reducing exposure to major risk factors such as tobacco, alcohol, unhealthy diet, environmental pollution and insufficient physical activity. **Population ageing and long-term care expenditures must be considered as integral components of UHC frameworks and planning.**
- **Ensure multi-stakeholder response to dementia** across health, social services, education, employment, justice and housing sectors, and in partnership with people living with dementia, civil society and private sector entities, in line with the 2017-25 Global Action Plan on Dementia. This should include funded, rights-based national dementia plans,<sup>33</sup> and robust national reporting and data collection. Plans should include

31 NCDs include cardiovascular disease, cancer, chronic respiratory disease and diabetes.

32 Many commitments already exist on the prevention and control of NCDs and their common risk factors, including the WHO Global Action Plan on the Prevention and Control of NCDs, the United Nations Political Declarations on NCDs from 2011, 2014, and 2018 and SDG3.4.

33 National dementia plans are an essential tool for responding strategically to the challenge and in measuring health and care preparedness. Currently, eight G20 countries have a national plan. Globally, less than 15% of WHO Member States have a national plan.



innovative approaches to care, such as dementia friendly communities.<sup>34</sup> All countries should be ready to report on progress at WHA in 2020.

- **Enact effective policies to reduce consumption of unhealthy products and promote consumption of healthy products.** For example, adopt food labelling, implement taxes, and restrict marketing on products high in salt, sugar and fat, create healthy school environments, and enhance availability, affordability and acceptability of healthy products.

### 3. Health security

#### Background:

- **Antimicrobial resistance (AMR):** Drug-resistant infections caused by bacteria, viruses, fungi and parasites must be urgently addressed. For example, TB is the only drug-resistant infection that is airborne and is responsible for one third of AMR-related deaths. Fewer than 20% of people with multi-drug resistant TB are correctly diagnosed and provided treatment. The Political Declaration of the UN High-Level Meeting on TB provides the first global AMR target, “Commit to provide diagnosis and treatment to 1.5 million people with drug-resistant TB from 2018-2022.” G20 countries must take a lead on delivering this through bold commitments on TB as part of the AMR and global health security agendas. An adequately financed Global Fund will be essential to combat AMR. For example, emergence of drug-resistant malaria in the Greater Mekong Subregion is a serious threat against which countries and partners such as Global Fund have been making tremendous efforts to contain. If it continues to spread in and across regions, where over 200 million people are infected with malaria annually, it would be a public health disaster.
- **Health emergencies:** Health systems must be adequately prepared for health emergencies. For example, the Democratic Republic of Congo has faced an Ebola outbreak for the past seven months, highlighting the need for adequate surveillance and response capacity, especially in crisis-prone unstable areas. The response should be people- and community-centred to avoid mistrust of the system. The outbreak highlights the need for more coordinated efforts of R&D for prevention, diagnosis and treatment of acute viral infections such as Ebola, Lassa Fever, Crimean-Congo Haemorrhagic Fever and Marburg Viral Disease.
- **R&D:** UHC cannot be delivered without addressing technology, human resource and infrastructure gaps that hinder the effective diagnosis and treatment of people and is required to tackle the rising threat of drug resistance. Developing new diagnostics, drugs and vaccines, based on public health priorities and principles of affordability, effectiveness, efficiency and equity, can significantly contribute to both individual health and the quality and resilience of health systems.

#### Concretely in 2019-2020, the G20 should:

- **Support and finance public health needs-driven, evidence-based research for new diagnostics to detect AMR and new antibiotic treatments to address AMR.** Promote the responsible use of existing and newly developed antibiotics for optimal conservation and ensure stewardship and equitable access for all in need, as well as implement the IACG recommendations. R&D initiatives should incorporate de-linkage approaches and be guided by the principles of affordability, effectiveness, efficiency and equity.<sup>35</sup>
- **Commit to concrete action plans** to deliver the commitments of the UN High-Level Meeting on TB, including diagnosing and treating 40 million people with TB and 1.5 million people with drug-resistant TB by 2022. This includes fully financing the Global Fund in its 2019 replenishment. Further, **agree a definition of contributing “appropriately” to TB R&D** as 0.1% of gross expenditure on R&D, and aim to meet this target. G20 countries could then pool collective contributions towards a common objective, such as diagnostic, drug or vaccine trial and development.
- **Review performance and collaboration of existing stakeholders in health emergencies and outbreak responses,** including newly created financing agencies (e.g. CFE and PEF), multilateral and bilateral aid agencies, governments, private sector, and civil society.

<sup>34</sup> Japan led the way by introducing the ground breaking dementia friends programme, now with 11 million people in the community trained.

<sup>35</sup> G20 countries should support innovative financing models for global health R&D. This could include CARB-X, Global Antibiotic Research and Development Partnership, Innovative Medicines Initiative, Joint Programming Initiative on AMR and Coalition for Epidemic Preparedness Innovations.



# Infrastructure

## Context / G20 Commitment

At the 2016 G20 Summit in Hangzhou, G20 leaders agreed to 'stress the importance of Quality Infrastructure Investment (QII) which aims to ensure economic efficiency in view of life-cycle cost, safety, resilience against natural disaster, job creation, capacity building, and transfer of expertise and know-how on mutually agreed terms and conditions, while addressing social and environmental impacts and aligning with economic and development strategies.'<sup>36</sup> In addition to this agreement, in December 2018, G20 leaders endorsed the 'Roadmap to Infrastructure as an Asset Class' and the 'G20 Principles for the Infrastructure Project Preparation Phase.' They also agreed to make progress on 'quality infrastructure' in 2019.<sup>37</sup> Mindful of these commitments, Japan as the host country in 2019 is preparing to upgrade the principles for QII and has proposed four priority areas: 1) openness, 2) transparency, 3) economic efficiency including life-cycle cost analysis and 4) debt sustainability for host countries<sup>38</sup> Japan has also proposed to develop a guidance note on QII.

## Challenges

It is widely recognised that QII is essential to delivering the SDGs, dealing with the impact of climate change and ensuring prosperity for all. However, recognising its importance is not the same as the ability to deliver it in practice. Clear principles are needed to guide policy-makers and practitioners and to ensure that the QII approach retains relevance, broad based support and practical utility.

## Recommendations

The Principles and the guidance note on QII should reflect the following recommendations:

- **Consistency with key international goals and agreements including the Sustainable Development Goals (SDGs) and the Paris Agreement:** Infrastructure investments should help deliver international commitments to end poverty, uphold human rights and protect the environment. This requires detailed consideration of the economic, social and environmental impact of investments at all stages of the delivery cycle. With regard to the Paris Agreement, new energy and transport infrastructure must be screened to determine whether its direct and indirect greenhouse gas emissions over its lifetime, are consistent with the goal of limiting global warming to 1.5°C above preindustrial levels.
- **Consistency with national strategies and priorities for sustainable development:** Infrastructure investments should help deliver national commitments to end poverty, uphold human rights and protect the environment. Governments should consider the economic, social and environmental impact of investments at all stages of the delivery cycle. They should also involve citizens and civil society organisations at all stages of decision-making, report on progress, invite public scrutiny and make themselves accountable to the public.
- **Inclusion:** All people should benefit from the design, construction, operation and maintenance of infrastructure. However, this will not occur without purposeful consideration of inclusive approaches that for example: support meaningful stakeholder and community engagement, promote women's economic empowerment, incorporate universal design for disability inclusion, integrate safeguarding mechanisms, promote safety in public spaces and reduce violence against girls and women.
- **Social and environmental safeguards:** Infrastructure investments should be designed and implemented through participatory processes that help identify, mitigate and manage social and environmental impacts. These measures must be an integral part of decision-making at all stages of delivery. All financial institutions should adopt appropriate social and environmental safeguard policies. Governments should strengthen cooperation amongst financial regulators and public banks, through the Sustainable Banking Network (SBN) and the Network for Greening the Financial System (NGFS).

---

36 G20 Leaders' Communique - Hangzhou Summit, September 5, 2016

37 G20 Leaders' Declaration - Building consensus for fair and sustainable development, December 1, 2018

38 Government of Japan, SDGs Action Plan 2019, December 21, 2018

- Labour standards: Construction workers have the right to decent pay and conditions, to working environments in which they are not hurt or made ill through work, to join trade unions and enjoy the benefits of collective bargaining and to be paid on time and in full. Migrant workers are often particularly vulnerable and should not be subject to the constraints and indignities associated with the kafala system or similar employment frameworks.

Workers' rights are best protected through ratifying and effectively implementing relevant international labour standards related to construction and in particular, the Safety and Health in Construction Convention, 1988 (No. 167), and the Labour Clauses (Public Contracts) Convention, 1949 (No. 94), and promoting the inclusion of labour clauses in public contracts, procurement processes, and bidding documents.<sup>39</sup>

- Anti-Corruption: Infrastructure investments have characteristics that make them particularly prone to corruption including that almost all projects are unique, they involve numerous actors and complex transaction chains and that various approvals are required from government, in the form of licenses and permits. At various stages of the delivery cycle, each one providing an opportunity for bribery. Therefore, anti-corruption measures must be an integral part of planning, delivering, operating and maintaining infrastructure.

In line with existing B20 and C20 statements and recommendations,<sup>40</sup> G20 countries need to implement the more than 60 anti-corruption resources previously adopted that address a wide range of topics, including beneficial ownership, transparency, open data and asset disclosure. Implementing these commitments and utilising the tools and resources identified, would significantly reduce the corruption risks associated with infrastructure investments.<sup>41</sup>

- Transparency and accountability: On average, thirty per cent of investments in infrastructure are lost through corruption, mismanagement and inefficiency. Whilst the focus is often on mobilising additional investment, reducing these losses could result in thirty per cent additional productive investment, without having to mobilise additional finance. Improvements in transparency and accountability are needed to meet this challenge.

Information on public investments and on investments that use private investment to deliver infrastructure for public use, should be publicly disclosed so that decision-makers can be held to account.<sup>42</sup> CoST and the Open Contracting Partnership have drawn on the Infrastructure Data Standard and the Open Contracting Data Standard respectively, to develop OC4IDS,<sup>43</sup> the leading international standard guiding the disclosure of data on investments in infrastructure. It supports the disclosure of data in a machine readable, interoperable and open data format. The OC4IDS should be endorsed by the G20 and widely applied.

Beyond this focus on data and in line with a drive towards clean contracting, G20 countries should support independent civil society monitoring of large-scale infrastructure projects through Integrity Pacts<sup>43</sup> and other similar vehicles that help ensure governments are delivering on commitments to transparency and efficient and accountable procurement.

- Financing: QII should acknowledge and promote the benefits of public financing which is less costly, more sustainable and more accountable to citizens than private financing. However, public financing is currently starved of funds because of a lack of action at international level and because the G20 is promoting private financing for development through PPPs and its 'Roadmap to Infrastructure as an Asset Class'.

This 'private first' approach fails to acknowledge that infrastructure investments are inherently risky, frequently unprofitable and as a result, unattractive to potential investors. That is why the levels of private financing, particularly in developing countries, are miniscule. It is unrealistic to think that private financing

39 [https://www.ilo.org/wcmsp5/groups/public/-ed\\_dialogue/-sector/documents/meetingdocument/wcms\\_458150.pdf](https://www.ilo.org/wcmsp5/groups/public/-ed_dialogue/-sector/documents/meetingdocument/wcms_458150.pdf)

40 <https://civil-20.org/c20/b20-c20-joint-statement-calling-g20-members-to-adopt-national-anti-corruption-strategies/>

41 [https://www.transparency.org/files/content/feature/Clean\\_Contracting\\_Manifesto.pdf](https://www.transparency.org/files/content/feature/Clean_Contracting_Manifesto.pdf)

42 <http://standard.open-contracting.org/infrastructure/latest/en/>

43 [https://www.transparency.org/whatwedo/tools/integrity\\_pacts](https://www.transparency.org/whatwedo/tools/integrity_pacts)

can fill the gap and provide the infrastructure which is vital to the goal of 'Leaving No-One Behind'.

The G20 can help ensure that more public finance is available by stemming public revenue losses through clamping down on tax dodging, dealing with unsustainable debts through establishing criteria to assess debt sustainability and developing an effective debt resolution mechanism, meeting ODA commitments and getting behind new sources of public financing such as the UN's proposal for annual reserve assets for developing countries and proposals for a Robin Hood Tax.

- **Public-Private Partnerships (PPPs):** The 'private finance first' bias of the G20 and multilateral agencies should be replaced with a focus on increasing and improving the quality of public investment. There is a growing body of evidence that PPPs are expensive, risky and opaque. Privately-financed infrastructure often ends up costing the public purse in the form of bailouts, subsidies or risk guarantees, as countless examples of failed PPPs can testify.<sup>44</sup> Effective tools are needed to assess fiscal risks of PPPs and they should be included in debt sustainability assessments.

PPPs must also be open and transparent. This includes publishing contract values, full details of guarantees and contingent liabilities. International standards such as the OCDS for PPP Framework<sup>45</sup> should be adopted to achieve this.

---

44 <https://eurodad.org/HistoryRePPPeated>

45 <http://standard.open-contracting.org/profiles/ppp/latest/en/overview/>



# **International Financial Architecture**

## **G20 Commitments**

### **Fiscal Transparency, Illicit Financial Flows, Taxation and Inequality**

The G20 have committed to enhancing transparency as a tool in the fight against illicit financial flows, by: (i) advancing beneficial ownership transparency of legal persons and trusts; (ii) implementing automatic exchanges of information, and (iii) considering defensive measures against jurisdictions that do not comply with international standards on tax transparency.

The G20 have committed to addressing the taxation of the digital economy and to working for a globally fair and modern international tax system, implementing the OECD Base Erosion and Profit Shifting Reports (BEPS Reports) and supporting developing countries in building their tax capacity.

### **Financial Regulation, Financial Inclusion and Debt**

The G20's 2008 promises to ensure effective regulation of the whole of the financial sector have not been fulfilled. G20 summit commitments include regulating too big to fail banks and addressing the risks from shadow banking so that they cannot disrupt the financial system. The G20 agenda now focuses mainly on implementation and tackling related effects such as problems with remittances.

To avoid over-indebtedness, the G20 has adopted the Operational Guidelines for Sustainable Financing. These commit G20 lenders to share more information with the IMF, but not media, parliaments and civil society. In 2019 the G20 is discussing measures to enhance debt transparency and ensure debt sustainability.

## **Challenges**

### **Fiscal Transparency, Illicit Financial Flows, Taxation and Inequality**

Tax havens, especially major financial centres, continue to offer secrecy provisions and are not being compelled to improve towards automatic exchange of information, beneficial ownership registration and country-by-country reporting (the ABC of fiscal transparency).

The international financial and tax systems have failed to solve the increasing inequality between countries and within countries. Digitalisation has exacerbated the fundamental flaws of the international tax regime, further facilitating tax avoidance by multinationals. The proposals resulting from the BEPS Reports have patched up existing rules, but have not ensured that multinationals will be taxed 'where economic activities occur and value is created'. There is also growing evidence confirming that tax systems are not gender neutral.

### **Financial Regulation, Financial Inclusion and Debt**

The finance sector is far bigger and more interconnected today than it was before the crisis, with a significant rise of the asset management industry. Shadow banking is still not adequately regulated but anti-money laundering measures have resulted in restrictions and the financial exclusion of non-profit organisations. Hyper-financialisation of the global economy continues to advance while specific financial needs of developing countries remain unaddressed. It augments existing inequalities, exacerbating women's structural limitations in gaining access to finance. Overall, finance continues to evolve in directions not consistent with the sustainable development imperatives for people and planet. Increased financial risks, financial market volatility, and downward economic forecasts all generate concerns for new financial instability and a global crisis. Additional challenges come from investments needed to tackle climate change and disinvestment in unsustainable activities. This requires the G20 to take concerted and bold action, beyond the cautious steps and watered-down regulations in place so far, in a context marked by de-regulation and lack of international cooperation.

The past months have exposed the worrisome combination of commodity price, interest rate and exchange rate shocks and currency instabilities. This raised debt payments and increased risks of unsustainable debt levels in many countries. The variety of creditors and types of debt makes debt restructuring and default resolution more difficult.

## **Recommendations**

### **Fiscal Transparency and Illicit Financial Flows**

The G20 should introduce a proposal within a truly democratic institution where all countries have an equal voice in developing a multilateral Convention establishing minimum standards, including a requirement for all countries to:

- a) Implement the OECD's Common Reporting Standard for Automatic Exchange of Information, to exchange information with all interested parties (including non-reciprocal exchanges with developing countries during a transition period, if necessary). In addition, to publish statistics on the total values of deposits held in their territories by jurisdiction of origin of the account holders (at the legal and beneficial ownership level of the account holder);
- b) Establish beneficial ownership registries for all legal vehicles (e.g., companies, partnerships, trusts, foundations) to be publicly accessible online and for free, in an open data format, and to ensure that registered information will be verified;
- c) Publish country-by-country reports of all multinational enterprises headquartered in their territories to be publicly accessible online and for free, in an open data format;
- d) Establish collective counter-measures (developed with inputs from countries of the Global South and civil society organisations) against non-cooperative jurisdictions, starting with major financial centres, while allowing more time and providing technical and financial assistance to low-income countries.

### **Taxation and Inequality**

G20 Countries should commit to achieving comprehensive taxation reforms fit for the 21st century to ensure all companies and high-net worth individuals pay due taxes, not just a patch-up applied to a few large highly digitalised multinationals, including by:

- a) Developing a new definition for taxable presence based on significant economic presence combined with a holistic approach in attributing profits to relevant jurisdictions in order to take into account the combined contributions of all the affiliates of a multinational enterprise within each jurisdiction;
- b) Agreeing principles for allocation that would be (i) fair, by balancing production and consumption factors, and (ii) easy to administer, reducing compliance costs for both taxpayers and tax administration and providing certainty for business;
- c) Accepting all the BEPS' Multilateral Instrument provisions, or publicly explaining their reasons for any reservations;
- d) Undertaking spill-over analyses, where they assess the tax impact of their own tax system and bilateral tax treaties in relation to other countries, especially developing countries;
- e) Undertaking gender analysis of tax measures and addressing gender barriers and gaps;
- f) Developing a global asset registry to allow for measuring inequality, identify illicit financial flows (people who cannot justify the origin of their wealth), and apply wealth taxes, as appropriate.

### **Financial Regulation and Financial Inclusion**

As a self-proclaimed guardian of global financial stability, the G20 needs a new strategy of global cooperation to prevent new global financial risks and crises. In addition, it should promote further financial reforms to ensure that the banking sector, and the financial system as a whole, support sustainable societies and economies, and adapt to developing countries' financial priorities, including SDGs. The G20 can agree on particular measures thereto, including:

- a) Abstaining from unilateral deregulation measures and urgently further regulate Systemically Important Financial Institutions (SIFIs) to reduce their size, interconnectedness and complexity;
- b) Undertake measures against new systemic threats and financial risks by strictly monitoring, regulating, supervising and limiting renewed expansion of securitisation and derivatives trading, unregulated shadow banking, concentration of credit rating agencies and the rapid development of fintech; ensuring, in addition, that entities that issue trade or exchange crypto-currencies (e.g. bitcoins) apply customer due diligence and anti-money laundering provisions to identify the beneficial owners of such crypto-currencies;
- c) Addressing volatile financial outflows that negatively affect currencies of emerging and developing countries, by coordinated and effective capital flow management by central banks, flexible interpretation of the IMF's institutional view on capital flow management to adapt to external circumstances and discourage 'hot' inflows before crises occur, and revise articles in trade and investment treaties that forbid a flexible management of capital flows;



- d) Reversing the financial exclusion of non-profit organisations (NPOs) due to risk and cost aversion by banks in order to comply with anti-money laundering and counter-terrorism financing (AML-CTF) laws, by effective steps by G20 states in collaboration with the Financial Action Task Force (FATF), the Global Partnership for Financial Inclusion (GPFI), the World Bank, and NPO experts;
- e) Agreeing on coordinated measures and international standards that prudently direct financial flows to support the Paris Agreement, achieving the Sustainable Development Goals (SDGs) and promoting inclusive pro-poor economic development, amongst others, by:
  - Designing, implementing, and promoting policies and regulations to re-orient investment and loans to socially and environmentally beneficial activities and companies,
  - Introducing a legally binding duty on investors and banks to incorporate social and environmental impact in their risk assessments and investment decisions; such an impact assessment duty should also apply to central bank monetary policy,
  - Ensuring that all large companies report at least according to the Financial Stability Board's initiated climate-related financial risks disclosure (TCFD),
  - Introducing national and multi-jurisdictional International Solidarity Levy, including Financial Transactions Taxes (FTTs) and Solidarity Levy on Air Tickets, to finance SDG implementation and reduce the speculative nature and high frequency trading of financial assets (applying progressively larger levies depending on price volatility).
- f) Agreeing on standards that promote a more diverse banking system in all countries, including state-owned and development banks at the regional and local levels, as well as cooperatives, savings and ethical banks and non-profit institutions. The banking system should address the gender barriers and gaps in women's financial inclusion, and ensure finance to rural economy, small and medium enterprises, non-formal sector and poor and marginalised people at large.
- g) G20 Finance Ministers in addition to dialogues with the B20, should also consult with a broader range of stakeholders, particularly the C20, in pursuit of promoting the public interest in the financial architecture and discussions to reform it.

## **Debt**

Bold action is needed to prevent debt crises from increasing poverty and inequality, including:

- Renewed discussions should begin to establish an independent, multilateral and transparent debt restructuring mechanism, to ensure timely and orderly debt crisis resolution and comprehensive creditor coordination as well as to prevent negative fiscal and social impacts of protracted debt crises.
- Debt sustainability assessments should cover all debt risks, including those coming from domestic debt, private external debt, Public-Private Partnerships and bonds issuance from "infrastructure as an asset class", and include key metrics such as total public debt service as a proportion of revenue.
- All loans to governments (of any income level), or with government guarantees, should be publicly disclosed when they are given, so that parliaments, media and civil society can hold governments and lenders to account. To assist in this the G20 should ensure that a publicly accessible registry of loan and debt data is created, commit to disclosing loan details in this registry and pass legislation in all relevant legislatures, to require all lenders to disclose loans to governments in this registry.
- The G20 should further encourage the introduction of state-contingent debt instruments by official and private creditors.

Debt owed by the private sector is as, or more, risky than sovereign debt, including when bailouts lead to this debt being passed to the public sector. The G20 should support interventions by governments to manage private debt risks. The increase of corporate bonds calls for standard ('boilerplate') debt restructuring clauses in corporate bond contracts to be reviewed.

## **Supporting Information**

BEPS Monitoring Group's report; Tax Justice Network's reports on AEOI, BO and CBCR; Latindadd's report on debt; and the Inter-Agency Task Force report on financing for development.



# **Labour, Business and Human Rights**

## **Context / G20 Commitment**

### ***The time to agree is also the time to implement***

*“Promote due diligence and transparency in global supply chains. We will increase engagement with the private sector encouraging businesses to carry out comprehensive risk analyses of their supply chains and to implement strong social compliance systems, in order to promote transparency. We will also encourage business sectors to work on creating multi-stakeholder agreements that facilitate due diligence in their supply chains in order for all involved in the supply chain to benefit. In carrying out due diligence, we encourage businesses to consider the 2018 OECD due diligence guidance for responsible business conduct.*

*The findings show that gender gaps in labor force participation are still substantial, but there are proven and promising initiatives which will accelerate progress towards gender equality. In this regard, we encourage the collection, harmonization and analysis of gender-disaggregated data, including among the business sector.*

*Improve effective mechanisms to promote and monitor compliance with legal frameworks, through a clear definition of the sets of rights and responsibilities of workers and employers in the area of social protection, including the prevention of misclassification of workers’ employment status, according to employment status as defined in national legislation”. (Labour and Employment Minister’s Declaration – Argentina 2018).*

*“Shaping the future of work cannot be achieved by governments alone, business and labour will play a critical role in shaping a world of work that puts people, employers and workers, first.” (Guy Ryder, ILO Director-General).*

*“We remain committed to building an inclusive, fair and sustainable Future of Work by promoting decent work, vocational training and skills development, including reskilling workers and improving labour conditions in all forms of employment”. (G20 Leaders’ Declaration, 2018)*

*“We will strive to ensure that all our citizens are digitally connected 2025 and especially welcome infrastructure development in low-income countries in this regard”. (G20 Leaders’ Declaration, 2017)*

## **Challenges**

Although more than 70 years have passed since the adoption of the Universal Declaration of Human Rights, a great number of companies still neglect to respect it. It is urgent that decent work in the global supply chain, by implementing the UN Guiding principles on Business and Human Rights,, be made a top priority.

### **Persistent economic inequality and climate change**

Along with the increase in geopolitical tensions and the accelerated pace of the Fourth Industrial Revolution, there is an urgent need for a collaboration from multi-stakeholders. The SDGs is a new opportunity to put the people in the centre, so that no one gets left behind.

### **Lower economic growth and more limited trade in global supply chains**

Technological changes and innovation shaping the world of work in different ways is generating a complex forecast.

### **Exclusion of a significant number of citizens, particularly women and young people**

This situation precedes the forthcoming technological changes, which poses important challenges, since these workers are less likely to find secure jobs with regular and decent income and to have access to social protection.

**Financialisation of infrastructure, outlined in the Roadmap for Infrastructure as an Asset Class, putting market preferences ahead of the public interest and leading to push backs in environmental and labour protections**

Especially concerning in a global context of increased restrictions on civic freedoms and attacks on environmental and human rights defenders and whistle-blowers, and where community participation and consultation are increasingly under threat in the context of infrastructure projects.

### **Boom in new technologies of production, such as automation and robotisation**

Decrease in demand for human labour risks generating a race to the bottom in wages and worker benefits. Low-skilled workers in global supply chains, especially women and those traditionally discriminated against and/or marginalised, are most likely to be adversely impacted by these transitions.

### **Environmental and Developing Professional Skills policies**

Both aim to integrate environmental awareness and adequate technical training for green jobs. Without a properly trained workforce, the transformation to a greener economy will stop.

A world in which the advancement of science and technology is detrimental to humanisation is inconceivable. Thus, automation and mechanisation of labour should be a tool to improve workers' quality of life, as well as the quality of products and services offered and care for the environment. By no means should we accept the prediction that millions of workers will be displaced in global supply chains without any alternative, because at the same time we would be predicting that world peace would be at risk.

That is why a new social pact is needed, taking into account key actors and a just transition in the human rights frame. Guided by the responsibility and common sense, we must take into account that people in general, and especially in the poorest countries, expect their rights to be respected.

It is the responsibility of G20 member countries to demonstrate in concrete actions that a more humane world is possible.

## **Recommendations**

### **Policies to support decent employment**

- Adoption by G20 members of a system of incentives to companies so they promote given vacancy quota for internships, and first young employment advocacy, together with the strengthening of the social emotional capacities for this purpose (Commitment G20 2017);
- Adoption by G20 members of systems of protection of youth employment in all its organisational forms (employment, self-employment, cooperative movements, etc.) within the framework of workers' rights and social security as guarantors of inclusion to the G20 goal of reducing the percentage of young people who are most at risk of being permanently left behind in the labour market by 15% by 2025 in G20 countries;
- G20 members should report the percentage reduction in young people at risk of being left behind which they have achieved;
- Take concrete steps to eradicate child labour, forced labour, human trafficking and modern slavery as agreed upon in the Leader's Declaration in Germany in 2017 and Argentina in 2018, as well as in 2018 Labour and Employment Minister's Declaration, by promoting transparency in global supply chains including through trade and public procurement policies and promoting human rights due diligence in business;
- Adoption by G20 members of systems of public policies (including incentives and special quotas) that guarantee labour inclusion (with a focus on decent work) and social security of women and the fulfillment of the goal of reducing the gender gap in employment by 25% by the year 2025 assumed by the G20 leaders at the Brisbane Summit (2014). This recommendation should also apply to LGBTQI people and people with disabilities;
- G20 members should report back on their progress in reducing the gender gap in employment by 25% by the year 2025 with specific focus on decent work. G20 countries must collect, analyse and disseminate disaggregated data (broken down by gender, ethnicity, disability and other relevant identities) related to

- participation in different types of work;
- Adoption of legal and social protection framework that is responsive to women, informal and migrant workers, older people, and socially and economically marginalised populations, and enables them to enter and thrive in the formal labour market that guarantees decent work environment including various social security provisions and affordable care services.

#### **Policies for implementing the UN Guiding Principles on Business and Human Rights**

- The Guiding Principles on Business and Human Rights provide a clear roadmap for protecting and respecting human rights as part of the wider concept of responsible business conduct. Acting on the Guiding Principles should also be a key part of the SDGs roadmap as the public sector is partnering with the private sector to solve the world's sustainable development challenges. Put simply, achieving the SDGs will require that States meet their duty to protect human rights from business-related human rights abuses and that businesses meet their corporate responsibility to respect human rights;
- Ensure that all G20 countries have a National Action Plan on Business and Human Rights with mandatory human rights due diligence requirements; and constructively engaging to develop legally binding instruments on human rights, transnational corporations and other businesses (C20 Education, employment and inclusion);
- Ensure that human rights and ILO conventions are safeguarded throughout global supply chains, including through implementing and strengthening international labour rights standards; guaranteeing decent work; ensuring a living wage; and requiring full supply chain transparency. Adopt ILO's forthcoming Convention and Recommendation on Violence and Harassment in the World of Work;
- Ensure meaningful participation of civil society and community participants in human rights due diligence processes related to business, investment decisions, guaranteeing communities participation in projects from their design, according to their own time and priorities; access to information; upholding the right to free, prior and informed consent; and protecting human rights defenders and whistleblowers;
- Guarantee access to effective remedy for communities impacted by business activities, including when the harm occurred abroad, through strengthening judicial and non-judicial mechanisms, according to the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises;
- Develop standards and promote policies and legislation on how all public and private lenders and investors, including investments through financial intermediaries, should be transparent about how they assess social and environmental risks as well as impacts, beyond those that affect the (short term) value of the loans or investments. In addition, support independent (official) institutions/mechanisms and regulate sustainability ratings, to ensure that the actual social and environmental impacts of loans and investments are fully assessed throughout the value chains of the companies invested in. Moreover, such mechanisms and regulations should ensure such negative impacts are averted.

#### **Policies for an inclusive digital society**

- Universal training and use of modern technologies within the education systems, considering the diversity of particular needs -people with disabilities, technological presence at home, gender inequalities etc.;
- Work to bridge the gender digital divide by implementing the measures outlined in the 2018 G20 Digital Economy Ministerial Declaration (Annex Paper 2);
- Continued training by companies, together with the States, so that workers are prepared for the economic transitions of a more digital labour world, including continuous face-to-face and virtual training systems emphasising the participation of workers in rural areas and women (G20 Leaders Declaration 2017);
- Ensure competition in the digital economy is sustainable, that the market encourage new entrants (especially SMEs, self-employed individuals and social economy actors), and that consumers are protected from unfair practices;
- Guarantee affordable Internet access for everyone -including through community networks- to boost

economies and digital literacy programs;

- Inclusive policies allowing an effective exercise of Digital Citizenship, avoiding the discrimination of collectives in relation to technological access (on compliance with the G20 2017 commitment to guarantee universal connectivity by 2015);
- Privacy and data protection rights through mechanisms for public participation and democratic accountability regarding the adoption of algorithms and artificial intelligence systems by the public and private sectors;
- Regulations to maintain an open Internet where speech is free and uncensored for everyone;
- National assessment systems to assess the impact of technological developments in the labour world;
- Develop cybersecurity approaches, in close collaboration with all stakeholders protecting human rights and values and preserving the Internet as a global public resource (strong encryption is essential to both these aims).

### **Supporting Information**

G20 Leaders' Declaration (2017)

G20 Leaders' Declaration (2018)

Labour and Employment Minister's Declaration (2018)

Civil 20 Recommendations to the G20 (2017)

World Employment and Social Outlook - Trends 2017. Available in:

[https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms\\_541211.pdf](https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_541211.pdf)

Monitoring progress in reducing the gender gap in labor force participation. Available in:

<http://www.oecd.org/g20/topics/employment-education-and-social-policies/Monitoring-progress-in-reducing-the-gender-gap-in-labour-force-participation.pdf>

The Global Risks Report 2019 14th Edition – World Economic Forum (2019)



**Local 2 Global**

## Context / G20 Commitment

“To build consensus for fair and sustainable development through an agenda that is people-centred, inclusive and forward-looking.” **G20 2018 Leaders' Declaration**

“Building consensus requires the commitment of the society as a whole.” **G20 2018 Leaders' Declaration**

“We renew our commitment to work together to improve a rules-based international order that is capable of effectively responding to a rapidly changing world.” **G20 2018 Leaders' Declaration**

## Challenges

Civil society organisations (CSOs) are crucial to the development of strong democracies and inclusive societies. CSOs contribute creative, agile responses to long-term Sustainable Development Goals (SDGs) as well as urgent natural disasters and humanitarian crises. CSOs not only help propel innovation in policy making, but in many instances also take responsibility for delivery of services on the ground in line with the needs of local communities. Moreover, they are also an important actor in national economies, not only as providers of services but also for the economic contribution they make to the gross domestic product.<sup>46</sup>

In order to effectively fulfill these roles, CSOs require an enabling environment to legally form and operate. We believe that civic space is the key to unlocking the potential of the 2030 Agenda through robust civil society and public participation.<sup>47</sup> Civic space is centred on the freedoms of expression, association and peaceful assembly, which are fundamentally guaranteed in national constitutions and international human rights instruments ratified by G20 countries and others. However, when CSOs are impeded in forming legally recognised organisations and carrying out their diverse missions due to intrusive legal restrictions, civic space is constrained and sustainable development is compromised.

Restrictions on these fundamental freedoms are increasingly becoming a global trend.<sup>48</sup> Data shows that during 2018 civil society has been under serious attack in 111 countries around the world.<sup>49</sup> Although international human rights mechanisms have indicated that the best practice for legal registration of CSOs is through simple notification systems,<sup>50</sup> many governments implement prior authorisation systems based on ambiguous, highly discretionary laws and procedures that increase the costs, administrative burdens, and time frames for obtaining and maintaining legal personality.

These and other restrictive regulations, at times grounded in cultures of heavy-handed bureaucratic oversight and at times with the perceived intention of silencing civil society critics, have a negative impact on civil society

---

46 According to a study by the Johns Hopkins University, the non-profit workforce makes up 7.4% of the total workforce on average in the thirteen countries on which data was collected; placing it ahead of a number of major industries. See The state of global civil society and volunteering. Available in: [http://ccss.jhu.edu/wp-content/uploads/downloads/2013/04/JHU\\_Global-Civil-Society-Volunteering\\_FINAL\\_3.2013.pdf](http://ccss.jhu.edu/wp-content/uploads/downloads/2013/04/JHU_Global-Civil-Society-Volunteering_FINAL_3.2013.pdf)

47 The 2030 Agenda for Sustainable Development includes commitments to civic space; for example, Target 16.7 on responsive, inclusive, participatory and representative decision making.

48 In Turkey, more than 1,300 NGOs have been permanently closed down under the state of emergency for vague links to “terrorist” organisations, while in Mexico journalists and activists continue to be attacked and killed for reporting on crime or criticising officials. India routinely denies UN accreditation to CSOs in their country and Indonesia systematically cracks down on peaceful protests in the region of West Papua. See CIVICUS Monitor 2018. Available in: <https://monitor.civicus.org/PeoplePowerUnderAttack2018/>

49 The CIVICUS Monitor 2018 reflects 23 countries with a closed civic space, 35 countries in the repressed category; and 53 in the obstructed category. This means that civic space in almost six out of ten of the world's countries is under attack. Available in: <https://monitor.civicus.org/PeoplePowerUnderAttack2018/>. The International Center for Not-for-Profit Law (ICNL) also tracks legislation affecting CSOs. According to ICNL's tracking data, 94 countries have proposed or enacted more than 269 legislative initiatives impacting civic space since 2013. Of these initiatives, 67% are restrictive and 33% are enabling; 82 countries have proposed or enacted more than 181 restrictions on civil society since 2013. (See <http://www.icnl.org/>)

50 See, for example, Report of the Special Rapporteur on the rights to freedom of peaceful assembly and of association, Maina Kiai, A/HRC/20/27, May 2012, Para. 58.



by raising barriers to registration, funding, access to information, and advocacy. In some cases, authorities deny registration or requested modifications to by-laws based on reasons without legal support or without any justification at all. Further, in some instances there are no effective remedies available to organisations to challenge a rejection before an impartial and independent court.

Frequently, governments crack down on CSOs through “extra-legal tools, including stigmatising narratives, overt threats and intimidation, government surveillance and harassment (through, for example, office inspections and closures, as well as arbitrary detention of individuals), and violence, whether perpetrated by state or non-state actors.”<sup>51</sup> Governments also stifle the voice of CSOs through extra-legal means by restricting their access to international fora and using Government-affiliated CSOs to discredit independent CSOs before international bodies.<sup>52</sup>

Emerging legal trends reflect governments’ misapplication of international legal standards to address problems of corruption and anti-money laundering and counter-terrorism financing (AML-CTF) demands in ways that close civic space.<sup>53</sup> Governments increasingly impose restrictions based on the origin of funds, how those funds are channeled, and on which issues donated funds may be spent. In particular, limitations on foreign donations deprive CSOs of a valuable source of funding, causing many organisations to greatly scale back or cease operations that help vulnerable and marginalised people in their countries.

One troubling development affecting civic space is the problem of bank de-risking: inordinate delays in cash transfers, onerous due-diligence requirements, inability to open bank accounts, and arbitrary closure of bank accounts.<sup>54</sup> One of the key drivers of bank de-risking for non-profit organisations (NPOs) is the failure of governments to properly implement the revised Financial Action Task Force (FATF) Recommendation 8 and its Interpretive Note, which explain that governments must not treat all NPOs as uniformly vulnerable to abuse for the financing of terrorism, but rather that they should impose proportionate laws and measures on a sub-sector of NPOs identified as at heightened risk without limiting the legitimate charitable work of the sector.<sup>55</sup> Notwithstanding this FATF reform, governments worldwide are imposing one-size-fits-all legal restrictions on all NPOs based on the unsubstantiated argument that they are all at high risk for terrorism financing abuse.<sup>56</sup> A second key driver of bank de-risking is that financial institutions frequently perceive the profit margin for providing banking services to NPOs as too low to justify the high cost of due-diligence measures or the institution’s own risk of running afoul of ambiguous AML-CTF rules with steep sanctions for non-compliance.<sup>57</sup> Bank de-risking is reportedly disproportionately affecting NPOs working in peace operations/peacebuilding,

---

51 ICNL, *Effective Donor Responses to the Challenge of Closing Civic Space* May 2018, p. 10. Available in: <http://www.icnl.org/news/2018/Effective%20donor%20responses%20FINAL%201%20May%202018.pdf>

52 See id., pp. 11-12.

53 For example, governments point to the need for transparency to justify “(1) burdensome requirements for reporting and for disclosure of private information (e.g., in Bulgaria, Panama, Uganda); (2) mandatory disclosure of private assets of CSO directors and/or officers (e.g., in Ukraine and India); (3) limiting public advocacy by categorising CSOs as lobbyists or political activists (e.g., in the United Kingdom and Ireland); (4) disclosure of private and international funders (e.g., in Hungary and Mexico); and (5) disproportionate penal provisions linked to non-compliance with reporting and disclosure requirements (e.g., in Egypt and Russia).” See id., p. 11.

54 See Human Security Collective and European Center for Not-for-Profit Law (ECNL) *At the Intersection of Security and Regulation: Understanding the Drivers of ‘De-Risking’ and the Impact on Civil Society Organizations*. Available in: [http://ecnl.org/wp-content/uploads/2018/05/Understanding-the-Drivers-of-De-Risking-and-the-Impact-on-Civil-Society-Organizations\\_1.pdf](http://ecnl.org/wp-content/uploads/2018/05/Understanding-the-Drivers-of-De-Risking-and-the-Impact-on-Civil-Society-Organizations_1.pdf)

55 See ICNL FATF Toolkit, <http://www.icnl.org/programs/lac/fatftoolkit.html>

56 See CIVICUS *The International Anti-Terrorist Financing System’s Negative Effect on Civil Society Resources* Available in: [http://www.civicus.org/images/SOCS2015\\_ESSAY9\\_AntiTerroristFinancingEffectsOnCS.pdf](http://www.civicus.org/images/SOCS2015_ESSAY9_AntiTerroristFinancingEffectsOnCS.pdf) The UN Special Rapporteur on the rights to freedom of peaceful assembly and association has said that FATF fails to provide for specific measures to protect the civil society sector from undue restrictions to their right to freedom of association which includes the right to seek, receive and use resources from domestic, foreign, and international sources. See <https://www.ohchr.org/Documents/>

57 See Hayes, van Broekhoven, Skoric, *De-risking and non-profits: How do you solve a problem that no-one wants to take responsibility for?* Available in: <https://www.opendemocracy.net/en/de-risking-and-non-profits-how-do-you-solve-problem-that-n/>

public health, development/poverty reduction, human rights/democracy building, and humanitarian relief.<sup>58</sup>

Therefore, we need governments to facilitate and support the work of CSOs, highlighting the importance of the sector and the value it brings to the economy and to building stronger democracies. We urge G20 countries to implement legal frameworks consistent with international law that guarantee and promote freedom of association. We further call on G20 countries to promote CSO sustainability by guaranteeing access to the resources – international and domestic – needed to carry out their objectives.

## **Recommendations**

### **We urge G20 countries to take the following measures:**

Policies to support **freedom of action** for civil society:

- Reaffirm their commitments to the principles of the Freedoms of Expression, Association, and Peaceful Assembly enshrined in the Universal Declaration of Human Rights that celebrated the 70th anniversary of adoption in 2018; as well as adhere to their obligations to protect civil society actors from violence, to investigate alleged violations of CSO members' rights and hold those responsible accountable, and to take measures to halt violations and prevent their recurrence.
- Commit to take concrete actions to put an end to the criminalisation and stigmatisation of human rights defenders by both state and non-state actors.

Policies to facilitate **legal creation and operation of CSOs**:

- Facilitate the laws and the application procedures to create and operate a CSO by eliminating extraneous paperwork, high fees, and onerous requirements. Repeal or substantially amend legislation and regulations that require associations to obtain prior authorisation for registration as a legal entity, and replace them with simple, accessible, non-discriminatory notification processes which are either affordable or free of charge, in consultation with human rights defenders and CSOs.
- Address the negative impact of AML-CTF regulations on the NPO sector, in collaboration with global mechanisms such as the FATF and the Global Partnership for Financial Inclusion (GPFI) as well as organised civil society, including the Global NPO Coalition on FATF, by:
  - Recognising and investigating the negative impact on NPOs from bank de-risking and considering possible response strategies;
  - Setting up a G20-GPFI sub-group on financial access for NPOs (or expanding the mandate of an existing one) to identify and promote institutional-level good practices; and
  - Encouraging FATF to produce more comprehensive guidance for NPOs and financial institutions on the risk-based approach.<sup>59</sup>
- Facilitate CSO access to resources from a range of international and domestic sources by guaranteeing in law and practice the right of CSOs to seek, receive and utilise funding from national, foreign and international sources without prior authorisation or undue interference.
- Enable CSO participation in international processes at the UN and other international fora instead of blocking them.
- Collaborate with CSOs to evaluate the overall legal environments in which the organisations operate in order to identify broader barriers to freedom of association, for example, tax and customs laws that inhibit charitable donations and labour laws that impede volunteerism.

Policies to enable mechanisms to create sustainable **partnerships for development**:

- Recognise civil society as a legitimate actor and implement policies to enable civil society to participate in decision-making processes in an inclusive and democratic way.

---

<sup>58</sup> See <http://blogs.worldbank.org/psd/de-risking-impedes-access-finance-non-profit-organizations>

<sup>59</sup> See G-20: Access to Financial Services for Non-Profit Organizations

- Adopt procedures and channels for inclusive partnerships, including roadmaps for CSO-State engagement.
- Commit to work with and support capacity-building for CSOs; bilateral and multilateral donors should emphasise enabling environment objectives in their policy framework for partnering with CSOs, and their funding modalities for CSOs must respect the diversity of CSOs and be responsive to CSO initiatives.
- Build and strengthen multi-sectoral partnerships for development in order to accomplish 2030 Agenda – as stated in SDG 17 – through improved channels for CSO engagement and full participation in public policy development.<sup>60</sup>

## Supporting Information

*G20 2018 Leaders' Declaration: Building consensus for fair and sustainable development*

*CIVICUS Monitor 2018*

Chaundhry, Suparna and Heiss, Andrew (2018): *Are donors really responding? Analyzing the Impact of Global Restrictions on NGOs*. Available in: <https://www.andrewheiss.com/files/research/chaundhry-heiss-ngos-aid.pdf>

*G-20 Access to financial Services for Non-Profit Organizations*. Available in: [http://www.civicus.org/images/SOCS2015\\_ESSAY9\\_AntiTerroristFinancingEffectsOnCS.pdf](http://www.civicus.org/images/SOCS2015_ESSAY9_AntiTerroristFinancingEffectsOnCS.pdf)

*Closing Civic Space: Impact on Development and Humanitarian CSOs*, 7 Global Trends in NGO Law 1 (2016), Available in:

<http://www.icnl.org/research/trends/Global%20Trends%20Vol.%207%20Iss.%203%20Challenges%20to%20Development%20Organizations%20final.pdf?pdf=trends7-3>.

Johns Hopkins University (2013) *The state of global civil society and volunteering*

CIVICUS (2015) *Anti-Terrorist financing Effects on CS*

Human Security Collective and European Center for Not-for-Profit Law (ECNL): *At the Intersection of Security and Regulation: Understanding the Drivers of 'De-Risking' and the Impact on Civil Society Organizations*.

Hayes, van Broekhoven, Skoric, De-risking and non-profits: How do you solve a problem that no-one wants to take responsibility for?

Amnesty International (2019): *Laws designed to silence: The global crackdown on civil society organizations*

<https://www.amnesty.org/download/Documents/ACT3096472019ENGLISH.PDF>

ICNL FATF Toolkit

ICNL, Effective Donor Responses to the Challenge of Closing Civic Space May 2018, p. 10

UN Human Rights Council Report (2012): A/HRC/20/27 Report of the Special Rapporteur on the rights to freedom of peaceful assembly and of association. Available in:

[https://www.ohchr.org/Documents/HRBodies/HRCouncil/RegularSession/Session20/A-HRC-20-27\\_en.pdf](https://www.ohchr.org/Documents/HRBodies/HRCouncil/RegularSession/Session20/A-HRC-20-27_en.pdf)

---

<sup>60</sup> Restrictions on free association rights can severely impede CSO contributions to SDGs, with grave consequences. Eritrea lost all but one of its international CSOs after a 2005 proclamation placed onerous and restrictive regulations on them. As a result, the country now faces the increasingly severe concern of malnutrition. See *Closing Civic Space: Impact on Development and Humanitarian CSOs* at 3.



# **Trade and Investment**

## **G20 Commitments**

We welcome that the Japanese G20 presidency has put economic imbalances and the need to address them on the agenda of this year's summit. Huge deficits and surpluses are a sign that there are global imbalances that have the potential to create trade conflicts.

In the 2018 Buenos Aires Action Plan, the G20 recognised: "Excessive external and internal imbalances pose a risk to global economic and financial stability." (#8), and they also recognised serious problems in trade: "The system is currently falling short of its objectives and there is room for improvement. We therefore support the necessary reform of the WTO to improve its functioning. We will review progress at our next Summit." (#7 – the same wording at #27 of the Leaders' Declaration).

In the Hamburg 2017 Leaders' Declaration, the G20 stated: "We recognise that the benefits of international trade and investment have not been shared widely enough. We need to better enable our people to seize the opportunities and benefits of economic globalisation. We agree to exchange experiences on the mitigation of the adjustment costs of trade and investment liberalisation and technological change, and on appropriate domestic policies, as well as to enhance international cooperation towards inclusive and sustainable global growth. We underline the crucial role of the rules-based international trading system. We note the importance of bilateral, regional and plurilateral agreements being open, transparent, inclusive and WTO-consistent, and commit to working to ensure they complement the multilateral trade agreements." (#3,4)

## **Challenges**

In almost every democratic G20 member state, there is visible public discomfort with globalisation as we know it. However, the trade agreements that currently are pursued by governments have been following the same old lines and objectives for decades. They are aiming at more deregulation, more globalisation, and more market opening, with little emphasis on socio – economic development and reduction of inequality. This neoliberal approach has only lead to growing inequality, up to dramatic proportions, with a handful of billionaire individuals as wealthy as half of humanity. The globalisation of industrial production was buttressed politically by far-reaching new trade rules and trade deals. Dozens of new trade agreements in the pipeline are mainly aiming at liberalising agriculture and services, and "regulatory harmonisation". This agenda only serves multinational corporate's interests, not the local economy, neither people nor the planet.

Family and small-scale farms around the globe are in crisis, which forms one of the main reasons of the massive migration from rural to urban areas within and across borders. Family and small-scale farms are a better answer to the challenge of feeding the world than the industrialisation and globalisation of agriculture. They depend on regional markets, not global markets with fierce price competition with agribusiness corporations. We oppose trade agreements that further globalise agriculture markets. Family and small-scale farms as well as rural areas don't need global markets but properly functioning regional markets.

The services sector is now the other main sector affected by projected new trade agreements. Through services liberalisation, working people are being pushed into an ever-growing low-wage precarious sector where the achievements of 150 years of struggles by the labour movement are under massive attack. The main reason is not only technological developments such as digitalisation, but politically promoted deregulation and globalisation of the services sector, as well as the transformation of non-profit public services into commercialised and privatised sectors. New trade agreements in the pipeline all share the same agenda of further deregulating, globalising and commercialising the services sector, with working people and consumers paying the price for ever higher "shareholder value" of a capitalist class that seemingly is never rich enough. The world does not need even higher market domination by multinational corporations.

The transformation to a sustainable economy for people and the planet, the implementation of the UN Sustainable Development Goals need governments actively regulating in the public interest. Before the

neoliberal revolution of the 1980s, no one challenged that. Social and civic movements all over the world call on governments to return to an activist state regulating the business sector in the public interest. The free trade agreements in the pipeline of G20 countries, however, aim at so-called “regulatory cooperation” which in practice translates into making regulation in the public interest more difficult, if not impossible.

The proposed new agreement on e-commerce, launched at the “World Economic Forum” in Davos, is promoted by Japan’s Prime Minister Abe as a cornerstone of the digital economy – yet he failed to specify how such an agreement can actually benefit ordinary people, rather than just a handful of digital corporations. The right of countries to regulate digital corporations, to require local data storage, to protect citizens’ privacy and to impose taxes on the business of transnational digital corporations must not be restricted. The concept of “free flow of data” across borders is an agenda promoted by certain business interests to evade regulations, but this is not in the public interest.

Investor protection agreements are another instrument to prevent regulation in the public interest by giving multinational corporations a parallel legal system where only they can sue governments for such indefinite terms as “lost profits”, “indirect expropriation” or “unfair treatment”. Many regulations are being challenged in such tribunals, while many governments are scared to adopt policies in the public interest because they fear being sued for millions of dollars in these tribunals. The EU has a proposal to establish a multilateral ISDS court but this is not a solution as it only tries to legitimise a special legal system exclusively for corporations. Some G20 member states (notably South Africa, India, and Indonesia) have recently taken positive steps to reform their bilateral investment treaty (BIT) regime by terminating their existing treaties and undertaking parallel policy reforms.

A standard aim of new trade agreements is increasing intellectual property rights on pharmaceuticals, even more than the WTO TRIPS Agreement. As a result, access to medicine for poor people is restricted in many developing countries. This contradicts SDG Target 3b that calls for providing “access to affordable essential medicines and vaccines, in accordance with the Doha Declaration on the TRIPS Agreement and Public Health”. We believe IPRs are not too weak, but too strong.

## **Recommendations**

In a globalised economy, you cannot separate “domestic” and “international” economic policy anymore. Trade policy is a function of economic policy, and it cannot be redesigned independently. The economic policies of the G20 countries urgently need a reset, with different priorities and different outcomes.

2030 Agenda, the Sustainable Development Goals of the United Nations, unanimously agreed on by the world’s governments in 2015, cannot be implemented by continuing or even expanding our present resource-intensive economic system. An economic policy for the people and the planet respects the planetary boundaries, as the laws of nature cannot be changed by humans, and it aims at benefitting everyone and not a few that are already rich enough or too rich. For a new economic policy and sustainable growth, we need different regulations, different tax systems, different social systems, different labour laws, and different environmental laws.

- Trade agreements must not promote trade for its own sake, but only in so far as it can also help meet the transformation we so urgently need.
- Trade agreements must allow governments to protect local markets, where local markets make sense for meeting social and environmental needs.
- Trade agreements must protect workers’ rights by discriminating against products that are unfairly cheap by exploiting workers, and must be consistent with human rights obligations.
- Trade agreements must allow government to support and promote sustainable producers by discriminating against products that are unfairly cheap by polluting and destroying the environment or exploiting workers, who are often women.

- The G20 should support developing countries by giving unilateral market access benefits that do not need to be reciprocal.
- Trade and investment agreements must not give investors unfair advantages over other parts of society. We need legal systems where investors do not have more 'rights' than workers, civil society, consumers and other citizens. In short, such agreements must not undermine the regulation of trade and investment for the benefit of people and the planet and for the transformation towards a sustainable economy. Therefore we call on the G20 to cancel their old ISDS treaties.
- The digital economy should not benefit a handful of powerful multinational corporations but its benefits should be shared equitably. If G20 governments want to regulate it with an agreement on e-commerce, they should do so cooperatively in the WTO rather than outside.
- The G20 must not endorse recent initiatives to reform and modernise the WTO by a small group of developed countries, which can potentially undermine existing rules like the special and differential treatment that cater to the needs of poor and developing countries. If the same set of rules are applied to developed and developing countries alike, already existing global economic inequalities are likely to increase.
- Trade negotiations must become democratically accountable and transparent from the outset, when negotiation mandates are formulated. Negotiating in secrecy, with the influence of only business lobbyists, almost guarantees that societies do not accept such agreements.

The logical consequence is not a whole series of new bilateral or regional or sectoral trade agreements, but a comprehensive reform of the WTO along these lines. "My country first" is not the solution. "Protectionism vs Free Trade" is a fake dichotomy – the real problems are "neoliberal market fundamentalism vs sustainability for people and planet". Multilateral approaches can work, but that will only happen if the neoliberal model of globalisation is no longer imposed on the people of the world as the only model for development. Sustainability, justice and democratic participation of civil society are the answer, not authoritarianism, nationalism and neoliberalism. We can meet the challenges of the 21st century. The 2030 Agenda for Sustainable Development of the UN must be the guiding principles for the G20.

# **Recommendations by Digital Economy Task Group**



## **Context / G20 Commitment**

Digital economy debuted in the agenda of the G20 at the Hangzhou Summit in 2016, with the adoption of the G20 High-Level Principles for Digital Financial Inclusion that aims to unleash the potentials of digital services for financial inclusion to empower the poor and achieve economic growth. The G20 Task Force on Digital Economy (TFDE) was also adopted in Hangzhou and took on the task of developing the G20 Blueprint on Innovative Growth, ensuring continuity and consistency with the G20 Digital Economy Development and Cooperation Initiative and the G20 New Industrial Revolution Action Plan which were adopted in 2016. The G20 Digital Economy Development and Cooperation Initiative outlined key areas of cooperation, namely broadband expansion and quality improvement, investments in the ICT sector, supporting entrepreneurship, encouraging e-commerce cooperation and enhancing digital inclusion. Critical issues that need to be further discussed were identified: intellectual property rights, regulations and standards, transparency in digital economy policy making and trust in the digital world.

The first ministerial process on digital economy was established in Dusseldorf in 2017 where the G20 Digital Economy Ministerial Declaration: Shaping Digitalisation for an Interconnected World was adopted. The thrust of the 2017 ministerial declaration was harnessing the potential of the global digitalisation on inclusive growth and employment, promoting digitisation of production and strengthening trust in the digital world by recognising the importance of protecting privacy, personal data and consumer rights. The Buenos Aires summit in 2018 further advanced the discussions on digital economy and provided more details on the priorities and direction of the G20's agenda, as embodied in the Digital Economy Ministerial Declaration that adopted the G20 Digital Government Principles developed to frame the use of ICT, reshaping capacities and strategies of governments while respecting national frameworks on privacy and data protection. The Declaration also adopted a paper aimed at addressing the digital gender divide through awareness raising, supporting women's entrepreneurship, increasing the participation of women and girls in STEM (science, technology, engineering and mathematics), addressing cyber-violence towards girls and women, and promoting the collection of gender disaggregated data to monitor progress in these areas. It also highlighted the importance of measurement of the digital economy by adopting the G20 Toolkit for Measuring the Digital Economy (the Toolkit) that presents possible measurement approaches to support evidence-informed policymaking and aims to guide countries in assessing the challenges and opportunities of the digital economy, identifies issues that could be addressed by public policies, and helps implement standardised measurement activities.

The Japanese Presidency has consistently underscored the digital economy in this year's Summit and agenda. Prime Minister Abe promoted Japan's "Society 5.0" agenda built on the promises of harnessing digitalisation and disruptive technologies to address societal challenges at the World Economic Forum in January 2019. The global hype over the digital economy and recent disturbing developments on the impacts of digitalisation on security and safety have highlighted the strategic, even game-changing, role of the digital platform in shaping the future of global developments.

## **Issues and Challenges**

As the G20 charts its path in the digital economy and begins to address the most critical issues and challenges that we are confronting in the digital world, the following equally important issues need to be tackled by G20 at the Summit:

### **1) Rights issues**

At the very heart of concerns on privacy and personal data is the fundamental value of protecting human rights in the digital world. G20 has referred to these as critical concerns but have not gone beyond exchange of views and experiences, flagging signals against regulations that could hamper the growth and curtail economic potentials of the digital sector. This while the world grapples helplessly with the serious impacts of violation of privacy, absence of consent on the use of personal data for commercial uses, security concerns, surveillance, promotion of violence and crimes, and cyber-violence directed at women and girls globally. As governments

and multilateral institutions currently grapple with a governance framework for these exponentially advancing technologies, there is a virtual absence of regulations that safeguard against unscrupulous use of personal information and protect the rights of consumers in e-commerce. The promises of connectivity and access to information for all in the digital world are fraught with ironies on absence of transparency on how e-commerce businesses operate and nebulous policies on disclosure on how consumers' data are used and commercialised. Ownership and use of consumers' and users' data on digital platforms are highlighted in recent developments involving political and electoral exercises in G20 countries.

Protection of labour rights is a concern as important as harnessing the potentials for investment and employment in the digital economy. Automation and digitisation of production and services are accompanied by a host of issues regarding work conditions, working hours, occupational hazards and employer-employee relations, as well as human alienation and a tough transition to new jobs, if workers even make it to a new job. The possible impacts of taxation and generation of public finances also need to be addressed, considering recent experiences of G20 countries like the Republic of Korea (ROK) regarding taxes or disincentives for automation in businesses to compensate for the loss of human labour.

## **2) Social concerns**

The impacts of the digital economy on society as a whole, on values and cultures, and how people and communities relate to each other are most pervasive and yet seldom addressed. None of the principles laid out in the G20 Digital Government Principles cover the social aspects of the digital economy, nor does the G20 Toolkit for Measuring the Digital Economy provide any guide to evaluate the social impacts of digitalisation. Neither do these principles and tools address the growing concerns worldwide on the political repercussions of these social impacts of digitalisation, as the world witnesses the proliferation of 'fake news' and manipulation of political views through social media.

Displacement of labour in manufacturing, agriculture and service sectors should be faced as realities associated with industrial revolutions and technological changes, and be addressed beyond re-skilling, re-training, upgrading the educational curricula and promoting increased participation of women and girls in STEM courses and professions. The cascading impacts of such displacement and transitions to communities and sectors need to be addressed by providing social protection floors and long-term development planning to reduce social and economic shocks and taking into account the peculiar nature of the digital revolution that does not necessarily foster new jobs nor result in real economy development that benefits the marginalised.

The over-hype on the promises of the digital economy and the tendency to dismiss concerns on its adverse consequences results in diversion of resources and political attention away from grassroots-oriented, collective innovations. Limiting the definition of 'innovation' and 'technology' to 'high tech' marginalises indigenous and traditional knowledge systems and innovations that enabled communities and marginalised sectors to address and adapt to development challenges for centuries. It severely limits the potentials of coming up with solutions to problems, based on diverse sources of knowledge.

## **3) Environmental concerns**

There is barely any discussion on the environmental impacts of the digital economy, which is another irony since many digital technologies are promoted to address climate change and resource scarcity such as the use of drones to more efficiently use water and apply chemical inputs. The digital economy is enabled by super computers, mega servers and cloud storage – all of which are powered by enormous energy consumption. The power consumption of bitcoins (a cryptocurrency used in financial technologies or fintech) in 2017 was equivalent to the annual energy use of Singapore in that same year, for example. Even if half of the super computers, mega servers and cloud storage in the world will depend on renewable energy sometime in the future, the mineral resources needed to produce solar and wind energy and efficient batteries to power all the digital requirements will require massive mining, extraction and processing of minerals and rare earths. Already,

in a world where the majority is outside the digital economy, problems on the life-cycle, management and disposal of electronic wastes are serious current issues.

#### **4) Equity issues**

The rise of the digital economy is associated with the massive income gap between the world's rich and poor, with 1 percent of the world's people controlling 82 percent of the world's wealth. The race for control over Big Data in the food and agriculture industry has paved the way to concentration of economic power in the hands of only 4 corporations that control 75% of the global agrochemical market and 70% of the global seeds market. Bitcoins and fintech was espoused by libertarians, and yet 97% of all bitcoins are owned only by 4% of accounts. The wealth of the world's richest peoples are derived from the digital economy, with the wealth of the 20 richest people equivalent to that of the bottom 50% of the world's population. While G20 has correctly addressed the obvious digital divide between rich and poor countries, and between men and women, it has yet to acknowledge the concentration of wealth in the hands of those who control the digital economy and marginalisation of the rest of the people.

Equity issues in the application of digital technologies on life forms are equally concerning. Digitalisation of genetic information and commercialisation of de-materialised information on life-forms, biodiversity and genetic materials from local and indigenous communities and wildlife brings up new forms of biopiracy and marginalises community control over those resources. The application of intellectual property rights (IPR) including patents, copyrights and trade secrets regarding digital sequence information on genes and on associated algorithms, reinforce commercial appropriation of biological resources and indigenous knowledge.

#### **5) Governance**

There is currently no global governance or regulatory framework that covers the digital economy, and national governments are left without appropriate policy tools to handle it. Even digital technologies that comprise the digital platform are barely regulated. It is only very recently that governments have adopted laws and regulations on the civilian use of drones and only ROK so far has imposed taxes/disincentives on robots. The development and use of Big Data are not governed by rules as digital giants make use of public statistics and consumer data in proprietary software and algorithms that power artificial intelligence and feeds machine learning. All privately-owned Big Data are comprised of publicly-generated small data, and yet there are no rules on where the lines are drawn and how personal data and privacy are protected from being misused and commercialised without consent.

#### **Recommendations**

In view of above issues, the C20 advocates the following recommendations to the G20 TFDE and to the Leaders' Summit:

##### **1) Rights**

- Explore the adoption of a global framework to protect privacy, personal data, consent, right to information and human rights in the digital world;
- Adopt principles and guidelines to protect the rights of workers, farmers, youth and women in digitalisation of manufacturing, agriculture and services;
- Promote the adoption of rules to ensure the accountability and liability of digital companies for violation of rights to privacy, consent, information and human rights resulting from their proprietary platforms, learning from recent experiences of G20 countries that adopted national measures to curtail such violations and abuses, such as Germany;
- The G20 Osaka Summit needs to take stock of what measures have been adopted at the national level to implement the commitments to address the digital gender divide;
- The rights of women and girls to be protected against cyber-violence are addressed in the Digital Economy Ministerial Declaration in 2018, but how that is actually implemented needs to be tracked and what kind of

measures are put in place at the national level in view of continuing assault on privacy and rights needs to be reported. The more subtle impacts of digitalisation on women and girls such as normalisation of gender stereotyping and discrimination in social media and algorithms that power artificial intelligence need to be tackled in further actions.

## 2) Society

- Review and update the G20 Digital Government Principles and Toolkit to include the social dimensions and potential impacts of the digital economy on society and cultures;
- Come up with a study on the contributions and value of indigenous and traditional knowledge, often passed on through women, in sectors and areas that are threatened by digitalisation, such as in agriculture.

## 3) Environment

- Update the G20 Digital Government Principles and Toolkit to include the environmental dimensions of the digital economy;
- Strengthen the operationalisation of commitments to sustainable production and consumption in the digital economy; and
- Arrange studies on the energy consumption and associated environmental impacts of the digital economy, or its components such as the internet of things, digital farming, automation of manufacturing, etc.

## 4) Equity

- Recognise the role played by e-commerce and the digital economy in the highly eschewed concentration of wealth, to be able to come up with measures to ensure leaving no one behind;
- Update national taxation laws and global policies to cover the scope and nature of e-commerce and digital platforms and ensure that public finances generated will support social protection measures; and
- Review the current state of digitalisation of genetic information from gene banks and in situ, and the implications on developing countries and local communities.

## 5) Governance

- The transboundary nature of the digital economy requires global governance mechanisms with universal state memberships to ensure accountability, transparency and liability among actors;
- Recognise the urgent need for participatory, inclusive and transparent global/regional mechanism for evaluation of digital technologies before they are developed and deployed.

## Supporting Information

G20 High-Level Principles for Digital Financial Inclusion, Hangzhou, September 2016

G20 Blueprint on Innovative Growth, Hangzhou, September 2016

G20 Digital Economy Development and Cooperation Initiative, Hangzhou, September 2016

G20 New Industrial Revolution Action Plan, Hangzhou, September 2016

G20 Digital Economy Ministerial Declaration: Shaping Digitalisation for an Interconnected World, Düsseldorf, April 2017

G20 Digital Economy Ministerial Declaration, Buenos Aires, August 2018

Toolkit, Buenos Aires, August 2018

# General Information

## About C20

Civil 20 (C20) is one of the eight Engagement Groups of the G20. It is characterised as a specific space through which civil society organisations (CSOs) from different parts of the world can contribute in a structured and sustained manner to the G20, thus ensuring that world leaders listen not only to the voices representing the governmental and business sectors, but also to the proposals and demands of civil society as a whole. The objective of this Engagement Group is to generate spaces to discuss and build, policy papers to be presented to the G20 in order to influence its discussion, through transparent and inclusive processes.

Similarly to the G20, the C20 does not have a permanent structure, so it does not have a permanent secretariat, or central offices or officials. It also has a rotating presidency that changes annually. In recent years, the C20 adopted the division into specific Working Groups from which different topics are addressed in depth, and policy papers are prepared and then presented to the G20.

Bearing in mind that the G20 and the C20 are global spaces, both local and international organisations that wish to discuss issues on the global agenda with an impact on the G20 can participate in the C20.

The final result of all the C20 work is reflected in the final communiqué of the C20.

## C20 Structure

### Chair, Co-Chair and Sherpas



**C20 Chair, Ms. Yuka Iwatsuki**  
ACE (Action against  
Child Exploitation)



**C20 Co-Chair, Ms. Atsuko Miwa**  
Asia-Pacific Human Rights  
Information Center



**C20 Sherpa, Mr. Masaki Inaba**  
Japan Civil Society Network  
on SDGs (SDGs Japan)



**C20 Sous-Sherpa, Mr. Aoi Horiuchi**  
Japan NGO Center for  
International Cooperation  
(JANIC)

## Steering Committee (SC)



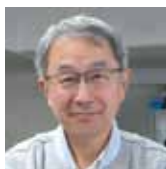
**Ms. Valeria Milanes**  
Asociación por  
los Derechos Civiles (ADC)



**Ms. Yuka Iwatsuki**  
ACE (Action against  
Child Exploitation)



**Mr. Katsuji Imata**  
Japan Civil Society Network  
on SDGs (SDGs Japan)



**Mr. Hideki Wakabayashi**  
Japan NGO Center for  
International Cooperation  
(JANIC)

**Ms. Her Highness Princess  
Nouf bint Muhammad**  
King Khalid Foundation



**Ms. Maria Emilia Berazategui**  
Transparency International



**Mr. Matthieu Moriametz**  
Coordination SUD



**Mr. Martin Tsounkeu**  
Africa Development  
Interchange Network  
(ADIN)



**Mr. Anselmo Lee**  
Asia Development Alliance  
(ADA)

## International Advisory Committee (IAC)



**Mr. Max Heywood**  
Transparency International



**Ms. Ines Pousadela**  
CIVICUS



**Mr. Steve Price-Thomas**  
Oxfam International



**Mr. Enrique Maurtua  
Konstantinidis**  
Climate Action Network  
(CAN)



**Ms. Patricia Miranda**  
LATINDADD

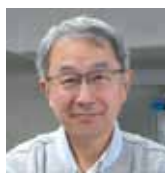


**Ms. Neth Daño**  
Action Group on Erosion,  
Technology and Concentration  
(ETC Group)

## Coordinators of Working Groups



### Anti-Corruption



**Mr. Hideki Wakabayashi**  
Japan NGO Center for  
International Cooperation  
(JANIC)



**Ms. Maria Emilia Berazategui**  
Transparency International

---



### Education



**Ms. Naoko Shiroya**  
Plan International Japan /  
Japan NGO Network for  
Education (JNNE)

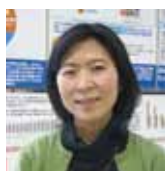


**Ms. Marcela Browne**  
Fundación SES /  
Liga Iberoamericana de  
Organizaciones de la Sociedad Civil

---



### Environment, Climate and Energy



**Ms. Tomoko Hoshino**  
Environmental Partnership  
Council (EPC)



**Mr. Enrique Maurtua  
Konstantinidis**  
Fundación Ambiente y  
Recursos Naturales (FARN)

---



### Gender



**Ms. Tomoko Fukuda**  
Japanese Organization for  
International Cooperation in  
Family Planning (JOICFP)



**Ms. Yamini Mishra**  
Amnesty International

---



### Global Health



**Mr. Masaki Inaba**  
Africa Japan Forum



**Mr. Kurt Frieder**  
Fundacion Huesped



### Infrastructure



**Mr. Yuki Tanabe**  
Japan Center for a Sustainable  
Environment and Society  
(JACSES)



**Mr. Petter Matthews**  
CoST: The Infrastructure  
Transparency Initiative



### International Financial Architecture



**Mr. Hiroo Aoba**  
Tax Justice Network Japan



**Mr. Andrés Knobel**  
Tax Justice Network



### Labour, Business and Human Rights



**Ms. Kaori Kuroda**  
Civil Society for  
Japan's National Action Plan on  
Business and Human Rights



**Mr. Valdinei Valerio Da Silva**  
Rede Pró-Aprendiz



### Local2global



**Mr. Tatsuro Niikawa**  
Steering Committee for  
G20 Osaka Citizen's Summit 2019



**Ms. Juliana Catania**  
Red Argentina para  
la Cooperación Internacional  
(RACI)



### Trade and Investment



**Ms. Shoko Uchida**  
Pacific Asia Resources Center  
(PARC)



**Mr. Jürgen Maier**  
German NGO Forum on  
Environment and Development

## Coordinators of Digital Economy Task Group

**Ms. Shoko Uchida**, Pacific Asia Resources Center (PARC)  
**Ms. Neth Daño**, Action Group on Erosion, Technology and Concentration (ETC Group)



# Contact Us

## C20 2019 Secretariat

### **Japan Civil Society Network on SDGs (SDGs Japan)**

ADDRESS: 3rd Floor, 1-20-6 Higashi-Ueno, Taito-Ku, Tokyo, 110-0015 Japan

TEL: +81-50-7505-5221 / FAX: +81-3-3834-6903

WEB: <http://www.sdgs-japan.net> / E-MAIL: [office@sdgs-japan.net](mailto:office@sdgs-japan.net)

### **Japan NGO Center for International Cooperation (JANIC)**

ADDRESS: 5th Floor, Avaco Building, 2-3-18 Nishiwaseda, Shinjuku-ku, Tokyo, 169-0051 Japan

TEL: +81-3-5292-2911 / FAX: +81-3-5292-2912

WEB: <https://www.janic.org> / E-MAIL: [janic-advocacy@janic.org](mailto:janic-advocacy@janic.org)

## **C20 official website**

<https://civil-20.org/>

## **E-mail**

[c20@civil-20.org](mailto:c20@civil-20.org)

## **Facebook**

<https://www.facebook.com/civilsociety20>

## **Twitter**

[https://twitter.com/c20\\_2019](https://twitter.com/c20_2019)

## **Instagram**

[https://www.instagram.com/c20\\_2019/](https://www.instagram.com/c20_2019/)

## **Hashtag**

#G20takeaction

