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The views expressed in the contributions to this Monitor are entirely the authors’ own and not those of the Lowy Institute for International Policy or of the G20 Studies Centre.
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OVERVIEW

TRISTRAM SAINSBURY

This issue of the Monitor brings together policy contributions from a wide cross-section of society interested in feeding into the G20 process.

Business and labour representatives have been involved in dialogue with the G20 from the time of the first summit in Washington in 2008 — informally at first, but later in a more structured way under the Business 20 (B20) and Labour 20 (L20). The consultation process then expanded and became more organised. The emergence of groups drawn from Civil Society (C20), Youth (Y20), and Think Tanks (T20) were an explicit acknowledgement of the G20’s wide impact, and the need to engage with those affected by G20 decisions.

The Turkish Presidency has been a particularly committed champion of engagement in 2015. One of the three core priorities of the Turkish G20 Presidency is inclusiveness, and Turkey’s priorities included an explicit aim to ensure that discussions within the G20 resonate with the majority of its citizens. The Turkish G20 Presidency has continued to expand the G20’s engagement efforts in 2015, appointing a lead coordinator for the five established groups and overseeing the establishment of a Women 20 (W20) dedicated to promoting gender equality in the G20 agenda, and providing all engagement groups with unprecedented access to officials and ministers throughout the year. Representatives from each of these six G20 engagement groups examine how their group has organised their contribution to the G20 process in 2015, their priorities, and what outcomes would constitute success at the Antalya Summit.

Jeffrey Hardy notes that the engagement of the business community in the G20 process continues to strengthen and that the 2015 B20 Summit was the most well-attended event in the B20’s six-year history. The B20 Turkey process has already demonstrated success in 2015 with the establishment of the World Small and Medium Enterprise Forum. However, over the rest of 2015 it is up to the G20 to deliver tangible outcomes that demonstrate the G20’s willingness to respond to business priorities. The B20 has put forward 19 recommendations to address key challenges including: the need for more trade and investment; safely regulated infrastructure; accessible and affordable finance; more

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1 Tristram Sainsbury is Research Fellow in the G20 Studies Centre at the Lowy Institute for International Policy.
Meryem Aslan suggests that 2015 has seen a dramatic improvement in the level of meaningful engagement of civil society in the G20 processes, which has been the most participatory and inclusive C20 process yet. Aslan outlines areas of civil society priorities, such as the fight against poverty, inequality, and the pursuit of social justice, that align well with the 2015 Turkish Presidency’s agenda. However, more is needed and the C20 is calling on the G20 to commit to 36 actions that would collectively promote inclusive growth, improve gender equality, implement agreed international taxation policies, tackle anti-corruption, and demonstrate leadership in climate change and clean energy.  

The global trade union movement and the L20 outline a far more urgent message. Sharan Burrow and John Evans recognise that fragile economic growth, an unprecedented refugee crisis, and open questions surrounding policy delivery will likely overshadow the G20 Leaders’ Summit in Antalya. With the G20 in a ‘parallel universe’ where communiqué language does not translate into outcomes in the real economy, and facing a growing credibility problem, they suggest that workers are looking for extraordinary action from the G20 to meet these extraordinary times. The L20 recommendations will be delivered to the G20 following the L20 Summit on 13 and 14 November.

Turkish T20 2015 coordinators Feride İnan and Ussal Sahbaz have advocated for the G20 to move in radically different directions from the other engagement groups by thinking ‘outside the box’ in 2015. The T20 in 2015 has placed inclusive participation at the centre of their efforts and enlarged the T20 agenda to include topics that are currently outside of the G20’s current focus. In particular, İnan and Sahbaz argue that the G20 needs to expand its remit to include a focus on technology and innovation, and the Turkish T20 chairs are seeking to launch a Global Policy Dialogue Platform at the Antalya Summit. The T20 does not see itself as an advocacy platform, and at the time of publishing, T20 Turkey has not delivered a set of concrete, specific recommendations to advance the G20’s agenda.

Susan Harris Rimmer and Paola Subacchi outline the process and rationale behind the launch of the newest addition to the ‘alphabet soup’ of G20 engagement groups, the W20. The W20 is based on the premise that the premier economic forum should be alert to gender imbalances and dedicated to improving women’s lives. A key focus for W20 efforts

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will be to ensure that the G20 delivers on the significant commitment made by leaders in Brisbane last November to reduce the labour participation gap between men and women in the G20 by 25 per cent by 2025. The Turkish Presidency deserves credit for the significant effort involved in establishing the working group and the combined efforts of three Turkish organisations\(^5\) have driven this process. Entering the Chinese Presidency in 2016 and beyond, the W20 will need to be owned by the whole G20, and not Turkey alone.

Finally, with youth unemployment still an acute problem in many G20 countries, Australia Y20 delegates Lachlan Campbell and Erin Watson-Lynn suggest that Y20 Turkey should be pleased with the G20 labour and employment minister’s endorsement of a 15 per cent reduction in youth at risk of permanent unemployment over a ten-year time horizon,\(^6\) which is a positive step towards reducing youth unemployment and responds to calls from the Y20, as well as the B20, L20, and T20. However, this is only a preliminary step, and the onus is now on G20 leaders to be even more ambitious in setting concrete steps to tackle youth unemployment, step up efforts to improve education systems, and formally recognise the role of peace and stability in economic growth, including the Syrian refugee crisis.

EVALUATING G20 ENGAGEMENT

The main goals of an engagement group are to suggest G20 policies that address the key issues of public interest and that are likely to be publicly accepted, and to give feedback on past G20 actions. In performing these functions, engagement groups enrich and deepen G20 discussions, and carry the potential to be a crucial link towards G20 legitimacy in the eyes of the public.\(^7\) For those representing engagement groups, success is defined by a range of factors. The reputation of the engagement group will be enhanced if it: runs a legitimate process that produces timely and coherent recommendations; can gain access to key G20 political figures and officials upon which to focus their advocacy strategies and gain early awareness of relevant G20 policies; makes

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suggestions that are received favourably by the G20; and has regular access to quality networking and media opportunities.\textsuperscript{8}

But engagement is not a costless enterprise, and there is both a direct financial cost and an opportunity cost of participation. Engagement groups have to independently source financing, and all have different funding mechanisms. There is also ongoing pressure to pinpoint exactly where the G20 agenda has benefited from an engagement group’s involvement, and also to demonstrate that the outcomes are commensurate with the amount invested in the process. Yet cases when an individual or group will be explicitly credited with an idea that policymakers adopt are exceptionally rare, so most engagement groups instead point to alignments in their policy advocacy and communiqué outcomes when claiming success in influencing the policy agenda. In this regard, the B20 in particular has been able to demonstrate a strong alignment between the priorities of business and G20 commitments in recent years, with the World Small and Medium Enterprise Forum (WSF) in 2015 and the Global Infrastructure Hub the most visible of these efforts. Unfortunately, however, in the absence of this feedback loop, there is a strong risk that undue emphasis will be placed on including new voices, prosecuting issues that do not align with the G20 agenda, or ensuring that a particular individual or group position on an issue is publicly heard, rather than making a substantive and effective contribution to the G20.

G20 officials must weigh up the time spent on these discussions with the time that could otherwise be used to prosecute substantive outcomes on the G20 agenda. The G20 faces increasing questions about its legitimacy and whether it still has the capacity to deliver outcomes that achieve strong, sustainable and balanced global growth. For the G20 to be effective, the forum needs to be organised around solving the big problems in economic policymaking. The value of meeting with business, labour groups, and broader society must continually be re-evaluated in the context of an ever more crowded G20 agenda (more than 86 meetings\textsuperscript{9} have been formally scheduled during the 2015 Turkish Presidency, including just 41 working group and ministerial meetings). Further, outreach takes many forms, and the value of engagement groups must be assessed against views presented by individuals or groups that are outside formal processes. While commitments such as the WSF and Global Infrastructure Hub have positive consequences for those involved and have the potential to provide a real contribution, the G20 needs to deliver more.


A frank assessment is that all engagement groups need to improve the execution of their operations if they are to really justify the G20’s ongoing investment in a formal outreach process. Critics can argue that engagement groups are collectively producing too many recommendations across a range of areas that are too diffuse, and that despite the volume of policy suggestions, there is minimal overlap in recommendations. The quality of engagement group processes and links with substantive outcomes on the G20’s agenda still varies considerably, with too much of an emphasis on expanding the G20 agenda rather than adding value to it. At the same time, the level of general public awareness of the G20 and of core G20 policies – a core metric of engagement group effectiveness in the eyes of some – remains low. Several engagement groups in this Monitor also raise issues about a lack of continuity of their engagement process year-on-year.

Continuity is a particularly important consideration for engagement groups as attention turns towards the Chinese G20 Presidency. As Dr Ye Yu noted in August, the 2016 Presidency offers the potential for deeper and more open communications between China and the world. One point of interest will be the level of influence that non-government actors have on the G20 process in 2016, an unknown for all engagement groups at this current stage. For its part, China has consistently and firmly reiterated the importance of all of the G20’s current efforts on outreach, although it is likely that engagement groups will have to adjust to the Chinese context, for example, the limited capacity to engage via major social media platforms. But on the other hand, the Chinese Presidency will be keen to avoid the G20 becoming a year-long platform for social advocates that have an axe to grind.

Questions need to be asked about the best way to ensure that engagement achieves the right mix of actors, and also delivers the best value to G20 deliberations in 2016. There are three recommendations below to help the engagement process.

Susan Harris Rimmer has suggested that China commissions a strategic review of G20 outreach and communications and seeks to formalise the structure of negotiations through a three-year troika strategy. What is needed is a systematic, top-down assessment of those issues for which...


outreach to society offers the greatest value, how much social engagement represents an effective use of a host’s finite G20 energies, and an agreement to ongoing evaluation on a semi-regular basis. This recognises that the evolution of engagement has been largely an endogenous process to date, that the G20 will continue to face strong and ongoing calls to expand its remit in the foreseeable future, and that it seems that there is no shortage of groups willing to input directly into G20 processes and assume another ‘letter in the alphabet’.

Future G20 hosts should also consider streamlining existing engagement activities. In the previous Monitor, Barry Carin and I suggested that the G20 governing troika invite the representatives from all six formal engagement groups (B20, C20, L20, T20, W20, and Y20) to a networking event early in a presidency’s host year, across several days, where the groups can communicate their priorities to sherpas and finance deputies of troika countries.13 It would give the engagement groups the opportunity to consult, prepare, and cogently present their cases in a single public forum. The G20 President should commit to consulting with the coordinators of domestic engagement groups early in their host year on key issues, overall narratives, and strategy.

Finally, G20 Presidents should sponsor a G20engagement.org website for collating and publicly disseminating the recommendations of all engagement groups, and guarantee public funding for the coordinators of the C20, T20, W20, and Y20 processes, providing these processes are assessed as effective.14 Given the overall costs of hosting the G20, these would be relatively small expenses, designed to facilitate community understanding and boost institutional learning over time.

14 Harris Rimmer, “G20 Engagement,” 199.
B20 ENGAGEMENT IN 2015: RECOMMENDATIONS FOR THE 2015 TURKISH G20 PRESIDENCY

JEFFREY HARDY¹

INTRODUCTION

Starting with the first gathering of business leaders during the Canadian G20 Presidency in June 2010, a group of representatives from the world business community, operating collectively as the Business 20 (B20), have come together to develop business priorities and present policy recommendations for G20 leaders’ consideration. The International Chamber of Commerce (ICC) has been a long-standing partner in the B20 process, providing support, expertise, and continuity in the development of the annual business policy recommendations. Through these recommendations, the B20 offers a real economy perspective to G20 deliberations and provides practical recommendations that support the G20 agenda from year to year.

I have had the privilege to participate in the B20 process since 2010, and can report that the 2015 B20 Conference in Ankara on 3 to 5 September was the largest, most successful, and inclusive business gathering in the B20’s six-year history. The event attracted more than 1400 business leaders and CEOs from 65 countries, as well as G20 finance ministers and senior government officials from G20 countries. Notably, the three-day event provided an opportunity for the business community to share business priorities with Turkish President Recep Tayyip Erdoğan for further transmission to the G20 ahead of the Leaders’ Summit in Antalya in November 2015.

This year’s B20 process puts forward a set of policy recommendations to support G20 leaders in their ongoing mission to implement structural reforms and to ensure strong, sustainable, and balanced growth. In particular, the B20 believes that by addressing the 19 recommendations put forward in Turkey, the G20 will remove obstacles to increased private sector activity. The B20 Turkey process has already demonstrated success through the establishment of the World Small and Medium Enterprise Forum (WSF). It is now up to the G20 to deliver tangible outcomes that demonstrate G20 members’ willingness to respond to business priorities. Achieving success in Antalya will not only create a lasting legacy for B20 Turkey, but also help to set the stage for a prosperous B20 China in 2016.

¹ Jeffrey Hardy is the Director of the ICC G20 CEO Advisory Group.
B20 TURKEY: RAISING THE BAR FOR BUSINESS ENGAGEMENT WITH THE G20

In 2015, the G20 has focused on ensuring inclusive and robust growth through collective action in accordance with the Turkish G20 Presidency’s three ‘I’s’ — inclusiveness, implementation, and investment. In response, B20 Turkey, under the leadership of B20 Chair Rifat Hisarcıklıoğlu, has organised itself in six business-led taskforces: trade; infrastructure and investment; financing growth; employment; anti-corruption; and small and medium-sized enterprises (SMEs) and entrepreneurship. Each taskforce has identified a number of critical barriers to growth and employment across the three ‘I’s’ and prepared a set of policy recommendations that, if implemented, would promote and strengthen economic activity and create jobs across the G20 and beyond.

The B20 has collectively arrived at 19 recommendations put forward to the G20 in 2015:

- **four actions to complete the implementation of specific agreed policies** in trade, global financial regulation, tax, and anti-corruption
- **four actions to invest in correcting macroeconomic imbalances**, relating to international investment principles and tax arrangements, infrastructure investment strategies, improving the investment ecosystem, and reducing skills mismatches
- **six actions to foster inclusiveness**, including through structural reforms to labour markets, increasing youth employment and labour force participation, a five-year universal broadband connection target, a range of actions to improve the data, policies, regulations, and international standards around SMEs
- **five actions to enhance competition**, including improving the global trade system for the digital economy, initiating G20-wide entrepreneur visa programs, rollbacks on protectionist measures and especially non-tariff barriers, developing a comprehensive digital environment for customs procedures, and establishing electronic public procurement systems.

Together, the B20 recommendations address key challenges across all G20 members, including the need for: more trade and investment; safely regulated infrastructure; accessible and affordable finance; more capable and active SMEs; and human capital in the right place, at the right time, with the right skills. In addition, the recommendations

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underline the importance that G20 members continue to effectively implement commitments already made to improve growth and build resilience, and to make the playing field level via anti-corruption policies.

INCLUSIVENESS

B20 Turkey adopted an unprecedented inclusive approach this year and I commend the B20 Chair for all of the behind-the-scenes work that has gone into consulting with businesses worldwide in developing the robust set of policy recommendations.

In addition to the joint taskforce meetings held in April in Washington DC and in June in Paris, B20 Turkey organised nine regional consultation forums in Africa, Latin America, the Middle East, South Asia, and Eurasia. The purpose of this extended consultation process was to increase the participation and representation of emerging and non-G20 countries in the B20 process. The ICC contributed to this global effort by co-hosting four of the regional consultations, which helped to increase awareness of the B20 and G20 among business leaders in different regions, collect views, and increase business participation of previously under-represented G20 countries. This inclusive approach was recognised by President Erdoğan, who said in his opening remarks at the B20 Conference in Ankara: “The B20 is the most inclusive of all G20 engagement groups and the regional consultations and events organised by B20 Turkey have made the B20 the most important business platform in the world.”

But inclusiveness is not only about engaging business from different regions, it is also about giving a voice to businesses of all sizes. This year Turkey’s G20 presidency prioritised support for SMEs as one of the defining aspects of its G20 Presidency. In response to the government’s SME emphasis, B20 Turkey established a new taskforce on SMEs and entrepreneurship. In addition, B20 Turkey has also championed the creation of the WSF, specifically structured to assist in carrying out many of the B20’s SME-related recommendations.

The WSF, co-founded by the ICC and the Union Chambers of Commerce and Industry of Turkey (TOBB), aims to amplify the voice of SMEs, and unlock their potential to stabilise the economy and stimulate economic growth, trade, and employment. Notably, several intergovernmental bodies have pledged their support, including the World Bank and the Organisation for Economic Co-operation and Development, and the G20 Finance Ministers and Central Bank Governors Meeting officially welcomed the establishment of the WSF in

their September communiqué.5 The G20’s focus on SMEs — and its endorsement of the WSF — is an important recognition of the value of these businesses to the global economy. SMEs employ more than two-thirds of the private sector workforce, and provide over 80 per cent of net job growth.6 As noted by the SME and Entrepreneurship Taskforce, without the essential contributions of SMEs, the G20 economies would not be able to significantly reduce the over 40 million youth that are unemployed across the G20.7

B20 engagement this year has also included close cooperation with other G20 engagement groups, including Labour 20 (L20) and Think 20 (T20). Since the 2011 French G20 Presidency, the B20 and L20 — the two longest-running G20 engagement groups — have prepared joint declarations addressed to G20 labour ministers and G20 leaders. The most recent joint declaration on jobs, growth, and decent work was released during a special event at the B20 Conference, and outlined five priorities for urgent attention.8

There has also been increased engagement between the T20 and B20 in 2015. The T20, led this year by the Economic Policy Research Foundation of Turkey (TEPAV), has provided valuable support in the development of the B20 recommendations. Over the last several years, the ICC has participated in numerous T20 events, hosted by TEPAV, the G20 Research Group at the University of Toronto, the International Organisations Research Institute (IORI) in Russia, the Chongyang Institute at the Renmin University of China, the Center for Strategic International Studies, and the Lowy Institute for International Policy. All of these joint meetings have provided valuable opportunities for B20 and T20 leaders to congress on the critical policy challenges confronting the G20. As ICC Chairman Harold McGraw said during his keynote remarks to the 2015 G20 Think Tank Summit hosted by Renmin University in Beijing in July this year, “There are terrific synergies in B20 and T20 working together to ensure that the G20 can be effective in generating economic growth and jobs and prosperity for us all.”9

Strengthening international cooperation and advocacy has also been an important feature of the Turkish B20’s inclusiveness approach. While the development of business recommendations is an integral part of the B20

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7 B20, SMEs and Entrepreneurship.
process, ensuring that messages reach the right policymakers is paramount.

For this reason, B20 Turkey has taken a novel approach to advocacy by establishing the B20 International Business Advisory Council (IBAC). The IBAC is chaired by Muthar Kent, CEO and Chairman of the Coca-Cola Company; ICC Secretary General John Danilovich serves as its international secretariat; and the group is composed of CEOs and business association heads from each of the G20 countries. It aims to enhance business dialogue and engagement with governments in advance of the G20 Antalya Summit.

The B20 IBAC features a top-down approach to influencing G20 leadership before and during the summit, as well as a bottom-up approach of national champions communicating business priorities to domestic policymakers. This can be particularly effective for issues where the key constraint is political leadership, such as the ratification and implementation of the World Trade Organization (WTO) Trade Facilitation Agreement (TFA). As of 4 September 2015, 16 countries have ratified the agreement, but until the TFA is ratified by 107 WTO members, it cannot come into force and be fully implemented. In this context, IBAC members are calling on G20 governments, as well as their trade ministers, to demonstrate global leadership by committing to ratifying the TFA before WTO’s tenth Ministerial Conference in Nairobi in December 2015.

IMPLEMENTATION

The development of business recommendations is important only insofar as it results in tangible and realistic outcomes. Recognising the G20’s focus on implementation — the second ‘I’ of the Turkish G20 Presidency — this year’s B20 taskforces took stock of previous recommendations, refined where necessary, and delivered a robust set of 19 priority recommendations that support the G20’s goal of strong, sustainable, and balanced growth.10

A key factor in achieving successful implementation of business priorities lies in the advocacy of business priorities; governments cannot respond to problems of which they are not aware. With this in mind, B20 Turkey embarked on an unprecedented advocacy agenda this year.

B20 Chair, Mr Hisarcıklıoğlu, has worked closely with the Turkish Government to strengthen the B20–G20 dialogue. As a result, there have been several meetings between B20 leadership and government officials — including meetings with G20 finance ministers and sherpas, special business sessions during the G20 Trade, Energy, and Labour and Employment Ministerials, and the active participation of former Turkish Deputy Prime Minister Ali Babacan in several of the regional

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10 B20, Summary of B20 Recommendations.
business consultations. This exchange of ideas and perspectives throughout the year has provided G20 deliberations with a coherent business viewpoint, as well as an early opportunity to respond and react to business priorities.

The implementation of B20 recommendations is a two-step process. The first step is getting G20 leaders to recognise and respond to the proposed business priorities. In order to evaluate the B20’s progress, the ICC initiated an annual ‘ICC G20 Business Scorecard’ in 2012 to measure the G20’s responsiveness to business recommendations in the official summit communiqués. Notably, there has been a small yet steady improvement in score since ICC’s monitoring began, indicating an overall positive trend in G20’s recognition of business priorities.11

The second step is the actual implementation of agreed actions into national laws and practices, a process with its own unique set of challenges. The International Monetary Fund (IMF) quota reform is a good illustration of how G20 commitments do not always translate into national actions. Although G20 leaders agreed in 2010 to a major reform package that would see governance at the IMF shift towards dynamic emerging market economies — including G20 members China, Brazil, and India — the Obama administration has not been able to persuade the US Congress to approve the changes. This has effectively blocked the reforms from taking place, resulting in frustration within the G20 as noted by finance ministers and central bank governors in their 2015 September communiqué: “We remain deeply disappointed with the continued delay in progressing the 2010 IMF Quota and Governance Reforms … We strongly urge the United States to ratify the 2010 reforms as soon as possible.”12

Meanwhile, other areas of the G20 agenda are opaque in terms of the G20’s responsiveness to business recommendations. Going back to the inaugural G20 Summit in November 2008, the G20 has repeatedly pledged to refrain from protectionism, often referred to as the ‘standstill agreement’. While the B20 has welcomed and reinforced the importance of this commitment, it has been disappointed in the lack of across-the-board rollbacks of protectionist measures. Several studies show that, despite the G20’s commitments, protectionist measures have continued to accumulate since the outbreak of the global financial crisis in 2008.13

These findings are also consistent with the third edition of the ICC’s Open Markets Index (OMI), which monitors whether governments are following through on their commitments to create genuinely open economies. Launched alongside the B20 Conference in Ankara in

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12 G20 Finance Ministers and Central Bank Governors Meeting.
September, the 2015 report shows that the G20 is failing to demonstrate global leadership on trade openness, with only Germany placing among the world’s top 20 open markets.14

INVESTMENT

A key prerequisite for economic growth is a stable, predictable, and transparent investment environment that is conducive to business. It is for this reason that this year’s B20 recommendations have a strong focus on investment. The G20 and B20's unified focus stems from the shared understanding that the complex challenges ahead, ranging from persistent high levels of unemployment and faltering infrastructure to combating corruption, will require the G20 and private sector to work in concert. Therefore, this year’s business recommendations are urging the G20 to demonstrate global economic leadership by creating a sound, predictable set of rules governing investment.

In this regard, the ICC has strongly supported this year’s B20 recommendations urging the G20 to demonstrate leadership on investment and to commit to international investment principles related to foreign direct investment. Collectively, these actions could generate US$15 trillion to US$20 trillion of additional infrastructure capacity by 2030.15

Corruption is a significant impediment to growth and investment, and anti-corruption efforts have been a priority for B20 Turkey. On the macroeconomic level, corruption creates inefficiencies, prevents fair competition, deters domestic and foreign investments, and raises barriers for market entry (especially for SMEs). IMF research has shown that investment in corrupt countries is almost 5 per cent less than in countries that are relatively corruption-free, with the World Economic Forum finding that corruption increases the cost of doing business by up to 10 per cent.16 This year, the B20 Anti-Corruption Taskforce has aligned itself with the G20 Anti-Corruption Working Group (ACWG) to prepare five recommendations aimed at increasing private sector integrity, adopting solutions both for the enforcement of anti-corruption regulations, as well as empowering businesses in their fight against corrupt activities.17

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THE ANTALYA SUMMIT: THE HOME STRETCH

With the Antalya Summit fast approaching, I would like to commend this year’s B20 chair for raising the bar for the B20–G20 dialogue. This year’s B20 process has provided the G20 with practical and actionable recommendations that — if implemented — will boost confidence, strengthen the global recovery, and create jobs.

Collectively, the 19 B20 Turkey recommendations embody international business priorities that respond to the three ‘I’s’ of the Turkish G20 Presidency and the ICC is looking to the G20 to deliver tangible actions on the B20 recommendations. The B20 Turkey process has already demonstrated success with the establishment of the WSF and I am confident that we will see the G20 lend its full endorsement and support in Antalya.

To ensure a lasting legacy, the Antalya Summit must produce tangible outcomes that demonstrate G20 members’ willingness to respond to business priorities. Key among these is creating a predictable and stable environment for investors, ranging from those involved in very big investments (e.g. massive infrastructure projects) through to the very small (e.g. ensuring that SMEs have access to affordable finance). While it will not be without its challenges, I remain optimistic that the Antalya Summit will be a success and will deliver progress on key business priorities.

China will shortly take over the chairmanship of the G20 in 2016 and this will offer a unique opportunity to demonstrate its ability to lead on global economic governance. Yet the outlook for the global economy remains weak and uncertain, and the G20 must keep its eye firmly fixed on its core objectives to promote growth and create jobs. There will be great expectations for B20 China in 2016 following the success of B20 Turkey.

Fortunately, B20 China — led by the China Council for the Promotion of International Trade — has already undertaken significant steps to prepare for next year. During the final day of the Ankara B20 Conference, B20 Turkey and B20 China co-hosted a special workshop to initiate the transition to China’s Presidency of the G20 in 2016. The workshop brought together current, immediate past, and future B20 leaders — B20 Australia Sherpa Robert Milliner, B20 Turkey Chair Mr Rifat Hisarcikloğlu, and B20 China Chair Mr Yu Ping — for initial discussions on B20 China and next year’s priorities. This type of collaborative approach is critical for ensuring continuity between B20 hosts and bodes well for the B20 process in 2016.
C20 TURKEY 2015:
TOWARDS GENUINE CIVIC PARTICIPATION

MERYEM ASLAN

INTRODUCTION

Civil 20 (C20) Turkey has overseen a dramatic improvement in the level of meaningful engagement of civil society organisations with the G20. The 2015 process represents an important milestone in the gradual transformation of official G20-civil society engagement towards genuine and constructive participation in the G20’s agenda.

Turkey became the third host of the C20 when it assumed the G20 Presidency in 2015. However, since the original G20 meetings in 1999, civil society organisations have undertaken a range of activities to make their views known to leaders, including dialogue with G20 representatives, popular petitions, street demonstrations, and alternative summits such as the ‘People’s Summit’ held ahead of the 2010 Toronto G20 Leaders’ Summit. While many of these activities continue outside the formal G20 process, the C20 as a formally recognised mechanism is relatively new, especially in comparison to the more established engagement groups such as the Business 20 (B20), and is still in the process of defining itself.

The Turkish G20 Presidency’s commitment to heed the views of external institutions and countries in 2015 was taken seriously by Turkey’s C20. Chaired by the Foundation for Economic Development (IKV), the 14 member C20 Turkey Steering Committee has sought out the views of a broad range of institutions and countries. Consequently, openness, transparency, and participation have been the guiding principles of C20 Turkey from the outset.

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1 Meryem Aslan is the Oxfam Country Director responsible for leading the C20 secretariat. She thanks Josephine Whitaker for valuable drafting assistance.
3 In its 2013 fifth anniversary vision statement, the G20 once again recognised the far-reaching impact of its actions by reiterating its commitment to listen to more institutions and countries outside of the group, https://g20.org/wp-content/uploads/2014/12/G20_5th_Anniversary_Vision_Statement.pdf.
4 The members of the C20 steering committee are: IKV (Foundation for Economic Development); KEDV (Foundation for Women’s Labour); Habitat; Foundation for Protection of the Environment (or WWF Turkey); Seffalik (Transparency Turkey); OXFAM; TOG (Community Volunteers Foundation); TEGV (Educational Volunteers); KAGIDER (Women Entrepreneurs Association of Turkey); TUSEV (Third Sector Foundation of Turkey); Turkiye Sakatlar Konfederasyonu (Turkish Confederation of Disabled); TEMA and ACEV. Zeynep Bodur Okay, the Vice-chair of the IKV Board, was appointed as Chair of the C20 in Turkey.
Turkey from the outset. In view of this, it is perhaps unsurprising that the major success of C20 Turkey has been its broad-based, internationally oriented, multi-stakeholder approach. This success offers a solid foundation upon which the 2016 C20 and other civil society policy initiatives can build.

BUILDING ON PREVIOUS EXPERIENCE

Drawing on lessons learned from the C20 processes in Russia (2013) and Australia (2014), members of the C20 Turkey Steering Committee were appointed through an internal process entirely defined by civil society organisations themselves. This meant that the C20 was a fully civic initiative for the first time in its short history. The appointment process was a response to the demand of civil society organisations in Turkey, and had the support of the 2015 G20 Presidency, which backed an independent C20 facilitation process.

An emphasis on achieving international inclusion led the C20 Turkey Steering Committee to include both national and international civil society organisations as members and to establish an international advisory committee to provide strategic guidance. Moreover, there has been a particular focus on engaging civil society representatives from Least Developed Countries (LDCs). C20 Turkey also managed dialogue platforms simultaneously with the B20, Think 20 (T20), and Labour 20 (L20). The interaction with these more well-established groups was an opportunity to communicate the goals of the C20, gauge the support of other engagement groups for the C20’s agenda, and coordinate on engagement with the G20 Presidency. Diverse civil society organisations within G20 countries and beyond, as well as the other G20 engagement groups, have constituted a key part of the C20’s stakeholder portfolio throughout the process.

POLICY CONSULTATION AND DEVELOPMENT

A key goal for C20 Turkey has been to engage a broad spectrum of civil society organisations from a wide range of countries, creating space for global civil society concerns to shape engagement with the G20 and ensure that C20 policy propositions are both representative and legitimate. A robust and broad policy and consultation process began with a comprehensive review of civil society organisations’ previous recommendations to the G20 between 2009 and 2014, as well as the 2015 G20 Presidency’s policy priorities.

Through an online survey, the organisers of the C20 Turkey then sought the opinions of civil society organisations from around the world about what policy issues should be on the C20’s agenda in 2015. The survey was available in six languages — Turkish, English, Spanish, Arabic, French, and Chinese — and collectively polled more than 1200 individuals and 388 organisations in 91 countries (including all G20
members, 14 LDCs and 55 non-G20 countries). The results were published in real time on the C20 Turkey website, meaning that anyone who was interested in the policy priorities of a wide spectrum of civil society actors could access them with just one click. The results of the survey were combined with public opinion polling on relevant G20 issues. In liaison with the International Advisory Committee, the C20 Turkey Steering Committee finalised the C20’s policy priorities for 2015 based on the highest-ranking survey responses. In this way, the C20’s 2015 policy priorities were determined in a fully open, transparent, and consultative process.

Following the publication of the C20 priorities for 2015, thematic working groups were convened around four issues on the agenda: governance (with a focus on tax justice and anti-corruption); inclusive growth (with a focus on basic social services and employment); gender equality (with a focus on women’s access to social protection and employment); and sustainability (with a focus on renewable energy and access to energy). These working groups were co-chaired by a national and an international chair, and were responsible for the development of policy positions and recommendations on their priority issue. Over 65 organisations from 11 countries have directly engaged as members of these working groups.

In addition to linking to the existing online discussion spaces of civil society networks around the world, the C20 Turkey website hosted a multilingual discussion forum. Professional networks, email lists, blogs, and social media channels were also used in order to maximise engagement and participation. Face-to-face consultations were held with civil society organisations in Europe and Africa. With participation from over 5000 individuals, C20 Turkey’s working groups have produced policy briefs that reflect the policy propositions of a diverse range of civil society organisations from around the world.

The C20 Summit held on 15 and 16 September was the final event in C20 Turkey’s year-long policy consultation and development process. Bringing together over 500 participants from 52 countries, the summit was an opportunity for civil society organisations to connect and further debate key economic and social policy issues. The major outcome of this year’s summit was the C20 communiqué — a summary of civil society’s policy recommendations to G20 leaders in 2015. The policy briefs developed by C20 working groups formed the basis of the communiqué, and the processes of the summit itself were designed to

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5 C20 Turkey, “Poll Results,” http://www.c20turkey.org/poll-results.
6 The findings of this opinion polling will be released ahead of the G20 Leaders’ Summit 2015.
encourage all participants to contribute. The unanimous endorsement of the communiqué by summit participants is an indication of the broad sense of consensus among civil society organisations about the actions necessary to achieve social and economic justice.

A SUMMARY OF C20 2015 RECOMMENDATIONS TO G20 LEADERS

The C20 has collectively arrived at 36 recommendations put forward to the G20 in 2015.

- **Inclusive growth:** Devise inclusive growth strategies that explicitly target reducing inequality and track income growth rates of the poorest 40 per cent; facilitate greater access to social protection and public services; operationalise a ‘decent work’ agenda; coordinate strategies for tackling LIDC development challenges; strengthen opportunities for civil society to contribute to G20 processes (including providing a permanent seat at G20 employment and development working groups); and develop a coordinated response to the plight of refugees.

- **Gender equality:** Recognise and reduce women’s unpaid care work; champion gender-responsive budgeting and gender equitable macroeconomic policies (such as progressive tax systems and securing women’s property rights); establish legal and policy frameworks to eliminate gender-based wage gaps and occupational discrimination; penalise gender-based discrimination in the workplace and implement gender quotas for employment, public procurements, and increase representation of women on corporate boards up to 50 per cent; implement policies that address the rights and well-being of women in the informal economy.

- **International taxation:** Consider Base Erosion and Profit Shifting (BEPS) project outputs as the beginning of a longer and more inclusive reform process which could benefit all countries and truly ensure multinationals are taxed where economic activities take place and value is created; allow direct filing of country-by-country reports; create a multilateral mechanism for automatic exchange of information; and agree to a high-level declaration to end all harmful tax practices.

- **Anti-corruption:** Publish a plan of action for implementing the G20 “High-Level Principles on Beneficial Ownership Transparency”; ensure the legal right of access to public information and release key data set; ensure transparency in procurement processes; implement Los Cabos principles on asset disclosure by public officials; limit domestic immunities for public officials; and establish specialised, independent anti-corruption mechanisms to investigate and prosecute high-level corruption.
**Sustainability — climate change and energy:** Agree on fair and equitable long-term emission reduction and commit to 100 per cent renewable energy future by 2050; take the lead in supporting reliable, safe, sustainable, and clean energy access for all by 2030; completely and equitably phase out fossil fuel subsidies by 2020; shift investment to clean energy; and significantly increase public climate finance to help the developing countries adapt to the impact of climate change.

**ONGOING ADVOCACY**

This multi-stakeholder dialogue and negotiation process has also formed the basis of the C20’s ongoing advocacy throughout 2015. The C20 was granted access to sherpa meetings, G20 working group meetings, G20 symposiums, and ministerial meetings, where it was able to present the preliminary policy propositions and recommendations. In addition, the working group chairs and co-chairs were able to brief Turkey’s deputy prime minister responsible for economic affairs and the Turkish Sherpa\(^9\) on several occasions.

The C20 also made it a principle to inform the G20 Presidency on the progress of the policy consultation and development process at regular intervals. Such open dialogue and participation in G20 processes has allowed civil society organisations to better understand G20 members’ positions and the areas where the countries are able to build consensus, as well as to sharpen its policy propositions and recommendations in an informed manner.

The final C20 communiqué was presented to the Turkish Deputy Prime Minister, Cevdet Yılmaz, and Turkish Sherpa Ayşegül Sinirlioğlu during the C20 Summit closing ceremony. It will also be handed over to representatives from all G20 countries. The Turkish G20 Presidency has also committed to host a breakfast between G20 engagement group chairs and G20 leaders during the Leaders’ Summit. Should this commitment be realised, it will represent a rare opportunity for the C20 and others to directly communicate their policy recommendations to the highest policymakers, and will be the first time such an opportunity has been facilitated by a G20 Presidency.

**WHAT WOULD DEFINE SUCCESS FOR THE C20 IN 2015?**

The key outcome of the 2015 C20 process to date is the collective statement of civil society’s joint policy recommendations to the G20. The scale of buy-in and support for the C20 communiqué 2015 sets the current process apart from those that preceded it. Initial anecdotal

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\(^9\) Sherpas are personal representatives of governments or heads of state appointed to prepare for G20 events.
evidence suggests that the approach taken by C20 Turkey has inspired civil society organisations to review and improve their own internal approaches to participation, and set new parameters for civil society engagement in policy forums. This emphasis is indicative of a broader desire for more inclusive, participatory and responsive systems of governance.

The priority moving forward is to ensure that G20 leaders implement all measures necessary to establish a genuinely inclusive global economy, with a particular focus on addressing inequality (including gender inequality), climate change, and international tax systems. The exact way forward for the 2016 C20, including the specific policy priorities and approach, is yet to be determined. However, C20 Turkey has made it a priority to ensure that the 2015 process and lessons learned are documented and can support C20 China in facilitating an even stronger 2016 process.

Nevertheless, civil society organisations are well aware that participation in global processes has not been a linear progression. It has not been granted easily or fully, and has required constant renegotiation of the space in which civil society influences social, economic, and political spheres. The 2015 C20 communiqué stresses people’s right to organise, and their freedom to speak out against poverty, inequality, and injustice. It urges all G20 countries to protect and facilitate the legal, political, and social space in which civil society can speak out without threat or fear of retribution. The hope is that Turkey’s G20 Presidency has laid the groundwork for an increasingly productive collaboration between civil society organisations and G20 countries, especially if future G20 presidencies also embrace civil society, with its large and diverse groups, as a critical enabler in the fight against poverty and inequality and the pursuit of social justice.

A renewed commitment by G20 members to protect civil society platforms would place the G20 in a position of leadership in responding to the global demand for more participatory and responsive systems of governance. Such governance systems are essential to achieve inclusive economic development that responds to the needs of all.

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L20 2015 FOCUS: G20 GOVERNMENTS NEED TO LIFT GROWTH AND CREATE QUALITY JOBS

SHARAN BURROW AND JOHN EVANS1

INTRODUCTION

Fragile economic growth, an unprecedented refugee crisis, and questions surrounding policy delivery will likely overshadow the 2015 G20 Leaders’ Summit in Antalya. G20 labour and finance ministers were faced with these same issues at their meetings in September. However, solutions were scarce, and finance ministers instead made orthodox prescriptions.

Right now, the G20 faces a credibility problem. The latest International Monetary Fund (IMF) forecasts show growth targets set by the G20 in Brisbane are being undershot by as much as 3 per cent of GDP.2 In order to reach them by 2018, G20 economies would have to grow by more than 1 per cent per year to reach the 2.1 per cent target set out in Brisbane.

Represented by the Labour 20 (L20),3 the global trade union movement urged ministers in Ankara to take coordinated action to: invest in jobs; support minimum living wages and collective bargaining; set targets for youth employment; and put measures in place that ensure investment is responsible and aligns with these policy objectives. However, the joint ministerial did not live up to its full potential as a catalyst for policy action.

The reality is that if governments opt to stay in a ‘parallel universe’, where communiqué language does not translate into tangible results in the real economy, the G20 cannot expect the global jobs gap, high wage disparities, low investment levels — let alone the consequences of climate change and the refugee crisis — to be resolved. The G20 unites the major world economies and has the power to create policy synergy that has a positive impact on citizens worldwide. Expectations for the forum should be high.

1 Sharan Burrow is the ITUC General Secretary and John Evans is the TUAC General Secretary. This paper is written on behalf of the L20.
THE L20 WITHIN THE G20 PROCESS

To ensure that the concerns of workers are heard, the L20 is organising its own summit on 13 and 14 November 2015, on the eve of the G20 Leaders’ Summit. Having participated in several working group and sherpa meetings, G20 conferences, and consultations with ministers, L20 trade union centres will take stock on what has been achieved this year, and will look towards what is at stake at the Leaders’ Summit and for the next G20 Presidency in China. Besides a new tracking report, the L20 will deliver a statement with key priorities for G20 Leaders. The summit will also provide an opportunity for exchange with representatives of international organisations and outreach groups, which has proved to be useful in past years.

The G20 process shows that bringing in different stakeholders is crucial in forming the best possible policy pathways. Like the Civil 20 (C20), the global labour movement shares many concerns about quality jobs, climate change, and the refugee crisis. In this respect, there have been frequent exchanges throughout the year, which helped to identify where mutual concerns are still not sufficiently emphasised on the G20 agenda.

Meanwhile, the L20 and the Business 20 (B20) signed an ambitious agreement calling on governments to unleash the full potential of the G20 as an engine for growth. It sets out a series of requests for G20 governments, including fundamental principles about labour and business working together. The agreement includes suggestions to implement macroeconomic policies to lift employment and aggregate demand; bring youth back into the job market and scale up quality apprenticeships; formalise the informal sector of economies; ensure occupational health and safety in the workplace; create skills and jobs for the future; increase investment in infrastructure that will ensure transition to a low carbon economy; and promote women’s participation and equal pay (including investment in childcare and the care economy).

The overall message is that the resolution of major global problems requires social dialogue and collective bargaining. The L20 will continue to work with the B20 during the Chinese Presidency, as we agree that creating quality jobs must become a central G20 priority.

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AWAY WITH THE OLD: A POLICY SHIFT TO ADDRESS GROWTH AND INEQUALITY CHALLENGES

The L20 has been advocating for a policy shift (see the “L20 Priorities for the Turkish G20 Presidency” released earlier this year). The L20 continues to see union members and workers struggling in the aftermath of the global financial and economic crisis. They are faced with low wages, precarious jobs, and inadequate social protection. Globally, many are working in supply chains that lack appropriate health and safety provisions or do not adhere to labour standards.

The starting point for this shift would be to put an end to austerity policies. Their shortcomings are evidenced by strong rejection from citizens in the G20 and beyond. Meanwhile, large amounts of capital are idly sitting on balance sheets. As part of the global trade union movement, it is our duty to make this dissatisfaction heard at the G20 level.

The L20 proposes some relatively straightforward solutions. L20 growth modelling shows that an expansion of public infrastructure investment by 1 per cent of GDP across the G20 could create up to 3.8 per cent more growth. At the same time, it is crucial for the G20 to start raising low and middle incomes and, in doing so, inject purchasing power into economies. In this respect, strengthening collective bargaining needs to become a top policy objective.

MAKE THE THREE ‘I’S’ A REALITY

When the Turkish Presidency grouped its priorities under three ‘I’s’ (inclusiveness, investment and implementation), the L20 was supportive with the reservation that a social and sustainable dimension would be maintained.

INCLUSIVENESS

The L20 sees inequality as a barrier to inclusiveness. On inequality, there have been some positive developments. The proposed “G20 Policy Priorities on Labour Income Share and Inequalities”, if adopted during the G20 Leaders’ Summit, would come closer to the solutions outlined in the L20 checklist on fighting inequality. In recognising the

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relationship between rising inequality and weak growth,9 leaders should agree on these priorities. What remains to be seen is how, and how fast, they will be implemented.

Clear benchmarks and a revision of national policies in line with the G20 policy priorities are needed in order to: strengthen labour market institutions; set minimum wages; promote collective agreements; integrate vulnerable groups into the formal economy; promote quality education and apprenticeships; and provide universal social protection as called for in the joint statement by the World Bank and International Labour Organization.10

The creation of the G20 subgroup on labour income share and inequalities11 — in which the L20 actively participated — was a positive step. It showed that policy goals need to be underpinned by frameworks that allow for concrete discussions including with social partners. This approach needs to continue and extend to other pressing issues.

A successful follow-up will also depend on cooperation between finance and labour ministers in supporting aggregate demand, and progressive tax and benefits systems. Only targeted policy packages can create inclusive growth for all.

INVESTMENT

Increased investment, especially public investment in sustainable infrastructure, is needed to lift growth and create jobs. Such sustainable infrastructure would also be vital for the creation of clean energy and green jobs, and an appropriate transition towards tackling climate change. Despite being on the G20 agenda since the Australian Presidency, we are yet to see meaningful progress at the national level. Some of the policies linked to investment in the Brisbane growth strategies are being implemented, others are not, and many of the policy options need more scrutiny in terms of their sustainability and financing. In Antalya, a strong commitment to raise and set targets for public infrastructure investment as the primary route to growth and employment recovery will therefore be crucial.

Private sector infrastructure finance has a role to play as well — as long as it does not threaten public services, and that there is fair and transparent risk sharing between public and private entities. Workers’


Pensions can contribute to mobilising investment. If governments intend to facilitate large pools of capital to finance long-term investment goals, then the most efficient way is to enable, not hamper, industry-wide pension schemes that are based on collective bargaining.\textsuperscript{12}

While the L20 supports growth through investment, this should not be a free pass for unregulated and short-term behaviour. Institutional investors need to be thinking long term and to observe responsible investment standards.\textsuperscript{13} The G20 should make use of its existing instruments, including the “G20-OECD High Level Principles on Long-term Investment Financing by Institutional Investors” to mainstream responsible investment practices and ensure all financial intermediaries, including asset managers, are effectively held to account.\textsuperscript{14}

Caution is also needed with regard to the G20’s interest in promoting public-private partnerships (PPPs). In embracing PPPs and other ‘blended finance’ in developing countries and at home, G20 governments need to lead by example and ensure full transparency and fair risk sharing whenever public money is used to support private finance. This requires better governance and monitoring structures, as well as consultations with all stakeholders, including trade unions and communities affected by the projects.\textsuperscript{15}

**IMPLEMENTATION**

Without proper implementation, the impact of the G20 will be minimal. With 800 new commitments alone coming out of the Brisbane Action Plan, it is important that Turkey put implementation on its agenda this year.\textsuperscript{16} The legitimacy of the forum depends on countries following through commitments with strategies, principles, and policy plans. Implementation should therefore be a central priority for each presidency going forward.

Although the goal of lifting G20 GDP by more than 2 per cent by 2018 is currently not being met, the overall goal of prioritising growth and employment strategies should be maintained. Given the current state of most economies, and the fact that many policies put forward by

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governments in Brisbane already existed, it is advisable to revise the plans and move away from policies that are not contributing to recovery or quality job creation but instead put burdens on low-income households and young people.

Last year’s L20 Tracking Report showed that many G20 policies were perceived as having a negative effect on working families. It is important to reflect on whether policies coming out of the G20 consider the social and economic consequences of implementation.

Coordination and policy coherence are essential for a targeted follow-up that results in positive effects trickling down to households. Nevertheless, G20 governments seem reluctant to promote better synergies between their policy departments and within the G20 in terms of linking up the finance, employment, investment, and development tracks.

The final Base Erosion and Profit Shifting (BEPS) package to be delivered ahead of the Antalya Summit shows that the G20’s strength could lie in the prompt follow-up of previous commitments. While the L20 remains critical of some of the aspects of the BEPS package and will monitor its implementation process, it still serves as a positive example of G20 follow-up. This is in contrast to financial reform (the very raison d’être of the G20), which is still incomplete, despite repeated promises and ongoing volatility in financial markets.

In other areas, we need to see the same level of commitment and support as for BEPS from governments and international institutions, including the Organisation for Economic Co-operation and Development and the International Labour Organization. The newly proposed principles and frameworks on promoting quality jobs and youth employment sound nice on paper but tangible actions need to follow, including policy targets and monitoring. For example, we have yet to see how the ‘25 by 25’ target on female employment will be implemented. Given the relatively modest level of ambition, it would be disappointing if the target were not reached quickly and if some G20 members do not provide more impetus for the goal.

The same lack of ambition can be seen in the commitments to ‘safer workplaces’, for example by addressing working conditions, especially down supply chains. G20 governments are best placed to guarantee that home companies operating abroad observe good labour standards. At the same time, G20 member states can help developing countries in their efforts to create safer and better working conditions by supporting

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18 Reducing the labour participation gap between men and women in the G20 by 25 per cent by 2025 (adopted in 2014).
In view of the current refugee crisis, it is imperative that the G20 take action with targeted commitments to resettle refugees and asylum seekers and afford all migrants the right to work in the formal economy with associated labour, social, political, and cultural rights.

In Antalya, G20 leaders need to take a stance and address this as a priority, with a view to long-term solutions. This requires policies on trafficking, slavery, and forced labour; the recognition of the rights of asylum seekers; durable resettlement programs and social protection; and the recognition of the right to work and of the contribution that migrants make to development. The number of asylum seekers in the OECD area alone (according to the latest International Migration Outlook) is set to reach a historic high this year. In 2014, the number had already risen by 46 per cent, with more than 800,000 asylum applications recorded compared with 560,000 applications in 2013.¹⁹

There is a link between refugees and the broader G20 employment agenda. The national plans should target the growing informal economy by formalising jobs. Migrants, refugees, women, and young people in particular are trapped in desperate conditions across the globe where there is no respect for human rights, minimum wages, or social protection.

BEYOND TURKEY

Due to the challenges and opportunities outlined above, it is clear that the three ‘I’s’ will need to be maintained after Turkey hands the G20 Presidency to China. All three priorities need to be deepened further and pursued with serious targets and supporting mechanisms to provide continuity. The G20 is at the beginning of what could be a real shift towards job-centered and inclusive growth, and sustainable development.

The G20 has the chance to set the world of work on a different trajectory as workers look for extraordinary action in these extraordinary times. The lives and livelihoods of working people, their families, and their communities, depend on the decisions made in Turkey this year. There is no time left for complacency.

TURKEY’S 2015 THINK 20

FERIDE İNAN AND USSAL SAHBAZ

INTRODUCTION

The Think 20 (T20) is an official engagement group of the G20, now in its fourth year. This year, the Economic Policy Research Foundation of Turkey (TEPAV), an independent think tank in Ankara, coordinated the T20 activities. This paper summarises the overall T20 approach in 2015, provides an overview of the year’s T20 activities, and gives personal reflections from the T20 2015 organisers on the effectiveness and longevity of the T20.

The T20 was initiated by the Mexican G20 Presidency in 2012 in collaboration with COMEXI, the Mexican Council on Foreign Relations. The first T20 meeting took place in February 2012 in Mexico City where think tank representatives from 15 countries came together to evaluate the Mexican G20 Presidency in the run-up to the Leaders’ Summit in Los Cabos. Russia continued the T20 process during the 2013 G20 presidency, with the Russian Presidential Academy of National Economy and Public Administration scheduling a T20 meeting in December 2012.

During the Australian 2014 G20 Presidency, the T20 was coordinated by the G20 Studies Centre at the Lowy Institute for International Policy. The Australian T20 objective was to make a significant contribution to the development of policies within the G20 that aligned with substantive outcomes. Identifying that think tanks provide ideas, introduce fresh thinking, and contribute to the public policy debate, the Lowy Institute published a regular G20 Monitor, convened conferences, and had an active media presence. The Lowy Institute also published policy options that they recommended to the G20, and worked with the other engagement groups — Business 20 (B2), Civil 20 (C20), Labour 20 (L20), and Youth 20 (Y20) — to engage with the 2014 G20 Presidency. In many respects, the Australian approach formalised the T20 process.

1 Feride İnan is the Think20 (T20) coordinator and Ussal Sahbaz is Director of G20 Studies Centre at the Economic Policy Research Foundation of Turkey (TEPAV), which is chairing the T20 in 2015.

Five guiding principles have underpinned TEPAV’s approach to coordinating the T20 in 2015. The first is the T20 has a different purpose to the other engagement groups because it is not an advocacy platform. It does not campaign on behalf of a specific social group with a defined set of priorities. As such, unlike other working groups, the T20 has not arrived at a set of policy prescriptions for 2015 at the time of publishing.

The second is to focus on the concept of the T20 as an ‘ideas bank’ for G20 governments, building on an ideal first articulated at the inaugural T20 meeting in Mexico City. Ali Babacan, former Deputy Prime Minister of Turkey, speaking at the launch of T20 Turkey in February 2015 in Istanbul suggested that the T20:

“develop new initiatives, new ideas, new policies, and new projects. This is our major expectation of the T20: that is, innovativeness for G20 agenda.”

The third is to place inclusiveness at the heart of the T20 process in 2015. This has involved bringing together a much broader collection of global think tanks, academics, and experts in 2015, including a substantial number of representatives that have no prior direct experience in the G20, in order to provide analytical breadth to ongoing G20 policy discussions.

The fourth is T20 Turkey launched a website to ensure closer cooperation among network partners and as its major platform of public dissemination (www.t20turkey.org). Furthermore, TEPAV invited T20 partners to prepare publications including joint T20 papers on policy issues and blog posts for the T20 Turkey website.

The final principle is that T20 Turkey ensured that its research effectively reached G20 policymakers. T20 Turkey maintained a close working relationship with the G20 Sherpa office at the Turkish Foreign Ministry, the Turkish Treasury, and the G20 Employment Working Group. T20 Turkey has also supported the work of the other engagement groups, notably establishing a dialogue and close working relationship between the T20 and B20 in 2015. A National Advisory Council was established within Turkey which represented the major think tanks and G20-related academics in Turkey, created public awareness about G20 issues and collected inputs from Turkish scholars.

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ACTIVITIES AND EVENTS OF THE T20 2015

To ensure continuity of the T20 agenda with past and future presidencies, strong links were maintained with the G20 troika structure. In December 2014, TEPAV organised a troika meeting in Istanbul with the participation of the Lowy Institute. At the meeting, the experiences of T20 Australia were discussed and recommendations were made for T20 Turkey.

Building on the Turkish G20 Presidency’s priority of inclusiveness, T20 Turkey sought to significantly expand participation in the T20 in 2015 in terms of the number and geographic span of events organised, as well as the breadth of participation. Turkey continued the T20 practice of inviting experts from both G20 and non-G20 countries to three T20 workshops in Turkey. TEPAV also collaborated with international partners in hosting five thematic and three regional seminars.

T20 Turkey 2015 was officially launched at the T20 Istanbul Workshop, co-organised by TEPAV and the Centre for International Governance Innovation (CIGI). Over 80 participants from 20 countries discussed the challenges of global governance, macroeconomic and financial cooperation, trade and investment, infrastructure, the development agenda, and technology and development. The event also featured an interaction with G20 finance ministers and central bank governors alongside B20 and L20 representatives.

The T20 Izmir Workshop was co-hosted by TEPAV and the Chongyang Institute for Financial Studies (RDCY). A total of 60 experts from 19 countries focused on infrastructure, financial stability and reform, development, trade and investment, growth and jobs, technology and innovation, and internet governance. The outcomes of these discussions were shared with Turkey’s G20 Sherpa.

The T20 Ankara Workshop, co-organised by TEPAV and the Lowy Institute, was a small round-table discussion with one representative from each G20 country, and focused on evaluating 2015 policy, the upcoming Chinese G20 Presidency, and ways to strengthen the T20 process. Participants discussed workshop outcomes at a dinner with G20 finance ministers and central bank governors and B20 representatives.

The KIEP-TEPAV “Think20 Dialogue: G20 Priorities in Turkish Presidency” seminar in Seoul and the seminar Challenges to the Global Economy and the Role of the G20 in Washington focused on the Turkish Presidency’s priorities for 2015 and the G20’s contribution to strong, sustainable and balanced growth.

At the TEPAV–CIGI joint conference on “Financial Stability and Reform in Ottawa”, participants called on the current G20 leadership to: promote inclusivity; broaden the G20’s role and agenda to address current and emerging global issues such as sustainability, internet governance, and...
humanitarian crises; strengthen multilateral institutions, and institutionalise the T20.4

The TEPAV-Economic Policy Forum (EPF) joint seminar on “Innovation and International Technology Diffusion” discussed how the G20 could explore a framework for technology and innovation. Participants included representatives of think tanks and international organisations such as the OECD, executives of large companies with technology-based business models, technology entrepreneurs, and venture capitalists.

A T20 conference on the role of the G20 in global energy governance and coordination of energy policies in relation to climate change was jointly held by the Shanghai Institutes for International Studies (SIIS), Lowy Institute, Korea Development Institute (KDI), CIGI and TEPAV.

Two side events were also arranged on the margins of the Third International Conference on Financing for Development in Addis Ababa: one on sustainable development; and a second on the G20’s contribution to the implementation of the SDGs5 in collaboration with the Turkish G20 Presidency, Coalition for Dialogue on Africa (CoDA), the World Bank Group, the United Nations Development Programme (UNDP), the B20, C20 Turkey, and Network of Southern Think Tanks (NeST).

**T20 2015 POLICY**

In 2015, T20 Turkey brought the discussion of technological transformation and innovation into the agenda of the T20 and the G20 Turkish Presidency. TEPAV highlighted the contribution of technology and innovation to development, linking with the UN development agenda and the G20 Presidency’s inclusiveness priority in 2015. Additionally, TEPAV has grouped T20 Turkey policy discussions under two broad themes: sustainable development, and macroeconomic and financial cooperation.6

**A NEW AGENDA TOPIC IN 2015: TECHNOLOGY AND INNOVATION**

T20 Turkey emphasised technological transformation and innovation as a cross-cutting topic for T20 discussions in 2015. This coincided with the Turkish 2015 G20 Presidency’s suggestion to incorporate an ‘Innovation20’ into the T20 framework. Technology-driven transformation remains a vital contributor to the G20’s goals of strong, sustainable and

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6 Reports prepared by TEPAV addressing these headings and providing T20 policy options are due to be published in late October 2015.
balanced growth. Technological literacy is critical to developing economies and small and medium-sized enterprises (SMEs) if they are to compete in global markets. At the TEPAV-EPF joint seminar, views were exchanged around a G20 Framework on Innovation and Technology Diffusion involving the cross-country alignment of innovation policies, development of technology value chains, the needs of start-up entrepreneurs and SMEs, cross-border skilling programs, and a global research and development platform and fund.  

T20 Turkey also emphasised the need to match skills with the labour market requirements of the digital economy. In dialogue with the G20 Employment Working Group and the Employment Taskforce of the B20, TEPAV developed a framework for the establishment of a Global Skills Accelerator to address skills mismatches between demand for skills on the part of employers and labour supply and education systems. TEPAV is working together with the World Bank and the B20 to develop the idea further.

Another topic that T20 Turkey has sought to make more prominent this year is internet governance. TE PAV submits that the G20 should proactively engage with the emerging digital economy. While it is difficult for the G20 to take a unified stand on internet governance, it should nonetheless take collective action to improve the digital economy for global economic growth and job creation. The G20 could instead focus on facilitating e-commerce, SME integration into the digital economy, infrastructure development, skills development, and information and communications technology development.

SUSTAINABLE DEVELOPMENT

T20 Turkey proposed greater inclusion of development considerations into the current G20 agenda, improving cooperation among G20 working streams and seeking the advice of non-G20 countries, including African countries. This included a development focus in the areas of trade and investment, and infrastructure investment.

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11  Sahbaz and Inan, “Turkey and the G20 Presidency.”
Trade and investment

T20 Turkey’s trade agenda focused on multilateralism under the World Trade Organization (WTO) regime. Discussions emphasised a global trade agenda that expands beyond trade in goods and services, to include an emphasis on global investment and the movement of people, knowledge, and capital. Some T20 attendees highlighted the potential benefits of trade and investment on sustainable development. Others pointed to strengthening and extending the technology transfer and trade-related investment provisions in the WTO Agreement on Trade-related Aspects of Intellectual Property Rights to ensure access to cleaner technologies.12

T20 Turkey also suggested policy options to the Turkish G20 Presidency on improving the access of SMEs to the global value chains (GVCs). Information and communication technology and improved transportation have allowed firms to divide the production process into its various components across the world. GVCs provide SMEs, especially in developing economies, with an opportunity to access global production chains and improve their capabilities.

Much of modern trade regulation is still geared towards large firms, while low-income developing countries (LIDCs) rely heavily on SMEs. It is equally important to give support to SMEs to ensure their compliance with global standards in labour, and social and environmental protections.13 The G20 could consider introducing new rules that allow shipments under set thresholds to forego customs clearance when their amount of duty is less than the administrative cost to process them. The G20 could also consider establishing a target for the digitisation of customs procedures for G20 countries for the coming five years.14

There is also an opportunity to promote inclusiveness by improving digital payment systems, lowering the cost of remittance transfers, and enhancing domestic market integration through fast, secure, transparent, and cost-efficient financial services. With the lack of infrastructure acting as a binding limit on the penetration of digital payments in developing countries, the digital agenda has potential cross-over with the infrastructure agenda.

Infrastructure investment

T20 infrastructure investment discussions in 2015 focused on financing and sustainability. Some T20 2015 participants stressed the need to focus on boosting private sector investment by harnessing long-term institutional investors, alternative financing tools, and the multinational development banks (MDBs). There is also a role for public sector financing in the closing of the global infrastructure gap, and for a more positive investment climate to sustain infrastructure investment.

Frameworks for investment schemes need to be based on environmental, social, and corporate governance to ensure sustainable long-term returns. The T20 encouraged the incorporation of sustainability considerations into the investment strategies and targets developed under the Turkish G20 Presidency.

Developing countries suffer the most from a lack of investment. Greenfield projects are typically perceived by private investors as ‘high risk’ in developing countries. Some T20 participants highlighted mechanisms to address commercial gaps, such as political risk insurance and early stage investment via public budgets. The T20 discussions also canvassed the role of cross-border projects and shared infrastructure schemes in assisting developing countries.

MACROECONOMIC AND FINANCIAL COOPERATION

T20 discussions on macroeconomic and financial cooperation in 2015 highlighted global governance issues such as inclusivity and the efficacy of the financial system. Wide-ranging discussions covered a number of issues, including:

- the urgent need for the US Congress to approve the 2010 IMF quota governance reforms
- the eventual broadening of the SDR basket of currencies to include the Yuan
- the incorporation of the views of non-state actors (including SMEs) in the financial reform agenda

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15 T20 Turkey, “Infrastructure Financing and Sustainable Development,” Think 20 Turkey Infrastructure Working Group, February 2015.
17 T20 Turkey, “Infrastructure Financing.”
• the need for greater macroeconomic policy coordination between emerging markets and advanced economies

• the installation of a mechanism to ensure coordination and harmonisation of global data standards and data exchange protocols for electronic filing, and electronic protocols and draft legal contracts to support cross-country data exchange between systemic risk regulators

• the need to address climate change as a systemic risk to the global financial system

• how to address the financing needs of LIDCs and SMEs with an eye to managing severe sovereign debt crises globally.

Some T20 participants also expressed support for the new institutions of the Asian Infrastructure and Investment Bank and the BRICS New Development Bank, while emphasising that these institutions should work to ensure they complement the existing rules-based Bretton Woods architecture.

CONCLUSION

The major achievement of Turkey’s T20 coordination in 2015 has been inclusive participation within the T20 process. TEPAV substantially increased the number of T20 events in Turkey and different parts of the world, and encouraged joint research among the members of the burgeoning network. TEPAV has also attempted to expand the scope of T20 coverage to include topics that may be of future interest to the G20, such as innovation and technology, and the Global Skills Accelerator. The T20 process in 2015 has involved interactions with G20 ministers and sherpas, and the group continues to emphasise close links with other engagement groups like the B20.

There is a need for structured dialogue within the T20 network as well as in its interaction with the G20. TEPAV believes it is critical to


22 Lombardi and Amand, “Prioritizing International Monetary and Financial Cooperation.”


institutionalise some of the ideas that emerged from T20 discussions this year. It is for this reason that TEPAV will launch the Global Policy Dialogue Platform (GPDP) in 2015 to create a greater sense of continuity. The GPDP will bring together private and public sector actors, and experts from think tanks, academia and business, to formulate holistic solutions to global challenges. The authors hope that future T20 presidencies will continue to collaborate with this network and pursue closer policy dialogue with the G20.
INTRODUCTION

The Women 20 (W20) is the newest formal G20 engagement group, with a mission to promote gender-inclusive economic growth. It is based on the premise that the premier economic forum should be alert to gender imbalances and dedicated to improving women’s lives. The W20 was launched in Ankara on 6 September 2015, joining the Y20 and the not formally recognised Girls 20 as social partners that consider the G20 agenda through a demographic lens. The idea for the group came out of conversations about the need for the G20 to explicitly address gender equality and link it to its growth agenda.

One main message of the W20 is that gender equality can help drive global growth. The ‘size of the prize’ for G20 economies for investing in gender equality in growth is very large. A recent McKinsey report has estimated that in terms of global GDP, an increase of up to $12 trillion by 2025 is possible by simply giving more women the same opportunities as men. At the W20 launch, Christine Lagarde called the focus on inequality, an “economic no-brainer.”

The seeds of the W20 were sown at the policy forum “Investing in gender equality at the Group of 20 leaders’ summit” jointly organised by Chatham House and the Australian National University on 24 September...
2014. The forum produced a series of recommendations that were presented to the G20 sherpas ahead of the Brisbane Summit.

During a meeting at Chatham House in November 2014, a few days before the beginning of Turkey’s G20 Presidency, former Deputy Prime Minister Ali Babacan was presented with the idea of creating a formal G20 engagement group to focus on gender-inclusive growth. He then introduced this idea at the first sherpa meeting in Istanbul on 15 and 16 December 2014. Following consultations, the 2015 Turkish Presidency was able to achieve consensus among all G20 members to form the W20 as a stand-alone engagement in April 2015. The consensus was hard-won and W20 proponents had to prove its value. This is in contrast to the other engagement groups, which were appointed without such a guarantee.

Although the W20 is unlikely to deliver much in 2015 because of the late launch and summit, nonetheless it will make a mark. The aim of the summit was to distil 11 priority areas into more specific policy ideas. There are early signals that China will continue to invest in the W20 in 2016. China has a strong track record and a high level of political engagement on gender equality issues. Our hope is that the 2016 W20 chair will steer the 2016 G20 gender agenda, with a particular focus on contributing to the G20’s gender participation goal, promoting women’s involvement in clean technology, and promoting the education of girls for the digital economy.

BACKGROUND TO THE W20

In recent years, G20 leaders have progressively made stronger commitments relating to gender equality. In Los Cabos in 2012, leaders committed to “women’s full economic and social participation.” In St Petersburg in 2013, leaders committed to “women’s financial inclusion and education.” These were important steps, but the G20’s involvement had remained largely rhetorical and lacked a practical focus.
A major breakthrough came during the 2014 Australian Presidency. In Brisbane, leaders committed to “reducing the gap in participation rates between men and women by 25 per cent by 2025.”10 The International Labour Organization (ILO) estimates that if this target was reached, it could bring up to 100 million women into the workforce. Now, it is up to the G20 to find the means to meet its commitment, which has not been publicly detailed at the time of publishing.

The concept of the ‘25 by 25’ target was formally proposed by the Japanese sherpa in mid-2014, in line with the third pillar of ‘Abenomics’ (President Shinzo Abe’s package of Japanese economic reforms). The target had crucial support from the Turkish, US, and Australian sherpas, and the Organisation for Economic Co-operation and Development (OECD). It was adopted at the G20 labour and employment ministers’ meeting in September 2014 and then included in the final leaders’ communiqué.11

The Brisbane Summit also saw the release of the new five-year Financial Inclusion Action Plan that will guide and promote the uptake of policies or services which encourage women’s economic empowerment. These developments built on years of focus by the L20 and other actors, including work by the World Bank. However, not all the country growth strategies had a particularly deep gender perspective, with the exceptions of Canada and Germany.

The “Investing in Gender Equality” policy forum recommended G20 member promote more diversity of representation in all G20 processes with a target of at least 30 per cent female representation across all delegations (including working groups and engagement groups).12 No doubt there were other discussions about the G20 addressing gender and there were many strategic disagreements within civil society about the prospects of success for a new group as opposed to other alternatives (e.g. working harder to influence the B20 or staying focused on the United Nations).

However, there were many internal advocates within the ranks of G20 officials and it is clear that support from high-profile women such as Christine Lagarde, Gill Marcus, and Angela Merkel added political weight to these discussions. The internal decision-making processes of the G20 are not clear, and so the complete origin story of the W20 may not be known for some time. Unlike the L20 or B20, there is no demarcated international peak body to lead the group or act as a secretariat.

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11 G20, G20 Australia Leaders’ Communiqué.
12 ANU-Chatham House, “Recommendations to Sherpas.”
TURKEY’S ROLE IN THE W20

Turkey has shown great leadership in driving the establishment of the W20, and there has been significant buy-in from important women’s organisations in Turkey. The prime minister, president, and Sherpa Ayşe Sinirlioğlu have all been vocal about the W20 as a legacy investment for the Turkish Presidency. The Women Entrepreneurs Association of Turkey (KAGİDER) was selected to Chair the W20 and act as secretariat during the Turkish Presidency. The W20 Steering Committee also includes the Women and Democracy Association (KADEM) and the Turkish Businesswomen Association (TIKAD). Many prominent international brands have also demonstrated commitment to the W20, such as McKinsey, Google, Strategy&, Ernst & Young, Vodafone, and General Electric. Some of the global think tanks have been slower off the mark but Chatham House, the Lowy Institute, and the G8/G20 Research Group in Canada are long-time champions of the idea.

The inaugural W20 Summit was held on 16 and 17 October in Istanbul. Following a survey of W20 members, the summit focused on addressing women’s economic empowerment through links between education, employment and entrepreneurship; and increasing women in public and private sector leadership positions. The W20 has signalled a clear preference towards businesswomen at all levels, from small and medium enterprise and entrepreneurs to global corporations. It is sometimes described as a businesswomen’s platform.

CAN THE W20 MAKE A DIFFERENCE?

The September 2015 W20 launch in Ankara felt like a historic moment for three reasons:

- **The W20 represents an entirely new space in economic governance.** It has the potential to become the economic equivalent of the UN Security Council’s Women Peace and Security agenda. There is the potential for agenda setting and new perspectives.

- **The W20 promises an opportunity to redress some of the great disparities in G20 representation.** There have been many photos of rooms full of men in navy suits and a joke about more palm trees than women at the G20 finance ministers meeting in...
Cairns in September 2014. Economic governance should reflect the citizenship of member states, and that diverse teams will make better decisions.

- The W20 can monitor and ensure accountability for the G20’s past commitments. These include the gender commitments from Mexican, Russian and Australian presidencies. The group should play a special role in evaluating G20 progress towards meeting the ‘25 by 25’ target.

The W20 has potential to provide fresh thinking and new solutions for the current G20 agenda by looking through a gender lens at core G20 areas of focus such as infrastructure, anti-corruption, trade, financial regulation, development, and tax. The group can challenge mainstream economic thinking where the impact of differentiated gender on macroeconomic and microeconomic policy is not sufficiently considered. It can add balance to, and highlight the lack of, female membership in national chambers of commerce, finance ministries, and certain industries.

CHALLENGES FOR THE W20

The main challenge for the new group is to be strategic and to add value to the diffuse and crowded G20 policy space. As Hannah Wurf has written, “the W20 will now need to work out how to elevate some of these issues from the domestic policy space to the G20 level.”16

From the authors’ perspective, the most difficult substantive issue is dealing with the structural exclusion of women from the formal economy. Economists tend to talk of women as a resource to be better ‘utilised’, but others try to focus attention on the structural and cultural barriers to participation in the formal economy. It is well-known that women experience more obstacles in accessing land, financial services, technology, information and markets. In many countries, legal, social and cultural barriers to joining the labour market restrict women’s options for paid work. Women’s unpaid work in the care economy is not well valued or measured by mainstream economic indicators. The solution is to recognise and value women’s dual roles as breadwinners and caregivers and to provide incentives for further participation in the formal workforce. More broadly, the full recognition of women’s human rights requires the full integration of women into the formal economy and economic decision-making.

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The success of the W20 will also be dependent on the capacity to maintain momentum and to build relationships with the other engagement groups. The 2015 Civil 20 (C20) has put forward strong gender equality recommendations, the L20 has played a role in the female labour participation target, and the B20 and T20 have proposed a Global Skills Accelerator in 2015 that will reskill women to meet labour demand. The W20 could also support the young women involved in the Girls 20 and Y20.

POLICY RECOMMENDATIONS FOR THE W20

For the remainder of 2015, the W20 will need to solidify the commitment of national leadership to the group, and begin to develop and monitor concrete measures at the country level to align with country growth targets. W20 recommendations will need to consider how women can benefit from investment in social infrastructure, public-private partnerships, and new employment opportunities (e.g. in the digital economy or in science and technology). The W20 will also need to consider government levers within G20 countries, including procurement policy, tax, and regulation of corporate boards.

When the G20 labour and employment ministers met on 4 and 5 September in Ankara, they agreed to action plans to further the gender participation agenda. Much more transparency will be needed in the lead-up to Antalya in order that this ambitious ten-year target has the best possible start. There is now a new Employment Working Group with a permanent website as well as a new approach to monitoring from the OECD and ILO. What is needed is deeper country context about meeting the target in the context of country growth plans, and more pressure for accountability from domestic constituencies. The labour gap target should help the legitimacy of the G20 by broadening its demographic appeal and demonstrating that commitments can be translated into action.

There is also a need for good diagnostic data to encourage governments to improve outcomes, such as the APEC women and the economy dashboard. Another APEC example is focused on increasing the numbers and success of female entrepreneurs. Australia can boast of the Women in Global Business initiative, and showcase companies with

proven successful gender equality policies. Whatever is agreed by G20 members to promote gender-inclusive growth should be consistent with the new Sustainable Development Goals and UN human rights system, as emphasised by the C20.

THE W20 AND CHINA

It is likely that China will continue Turkey’s investment in the W20. The Chinese representatives at the 2015 W20 are the All-China Women’s Federation, the Chinese Women’s Research Society, and the China Association of Women Entrepreneurs. All three are large-scale organisations with good access to decision-makers. China recently hosted a successful APEC Women in the Economy Forum with discussions on women and green development, and women and regional trade.

China has plenty of experience and is comfortable in this space. The authors predict that China’s focus will be on promoting women’s involvement in clean technology and the education of girls for the digital economy. It is an excellent sign that China’s first lady, Peng Liyuan, made a speech at the United Nations Leaders Week in fluent English on the importance of education for women and girls.22 The W20 could be a platform for China to use the First Lady as a public diplomacy asset with global appeal.

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23 Sumeyye Erdoğan, the daughter of the Turkish President, helped to raise the profile of the 2015 W20 and attended the official launch event.
THE Y20 2015: THE G20 YOUTH PERSPECTIVE

LACHLAN CAMPBELL AND ERIN WATSON-LYNN

INTRODUCTION

Youth groups were first invited to participate directly in the G20 in 2010, and the Youth 20 (Y20) was endorsed by the G20 as an official engagement group during the Russian 2013 G20 Presidency. The Y20 coordinates the views of youth around G20 priorities and the annual Y20 Summit, held in the lead up to the G20 Leaders’ Summit, offers youth leaders a unique opportunity to directly engage in and shape global economic decision-making.

The first official Y20 summit, in Russia in 2013, emphasised the international financial architecture and sustainable development. In 2014, the Australian Y20 Summit sought two outcomes that would define success: a bolder commitment from G20 leaders to address youth unemployment, and a stronger youth engagement group as part of the broader G20 process. The formal and informal engagement structures built by the highly effective Business 20 (B20) were outlined as a model for success. The Turkish Y20 has expanded on the 2014 themes by putting forward a set of 19 policy recommendations that focus on youth unemployment, education, and peace.

Y20 Turkey can already be pleased by the G20 labour and employment ministers’ endorsement of a 15 per cent reduction in youth at risk of permanent unemployment over a ten-year time horizon, which is a positive step in reducing youth unemployment and responds to calls from the Y20, B20, Labour 20 (L20), and Think 20 (T20). The onus is now on G20 leaders to be even more ambitious in setting concrete steps to tackle youth unemployment, step up efforts to improve education...

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1 Lachlan Campbell and Erin Watson-Lynn are 2015 Australian Y20 Delegates. The authors are grateful for the contributions from fellow Y20 delegates Jacki Molla, Krista Flick, and Laura Sacks on earlier drafts.


5 Y20, Y20 Russia Communiqué.

systems, and formally recognise the role of peace and stability in economic growth, including the Syrian refugee crisis.

THE Y20 2015 PROCESS

The Turkish Y20 2015 organising committee is the Youth Commission for Diplomacy and Collaboration (YCDC). YCDC’s coordination of youth engagement involved outreach to Y20 representatives within each G20 country, dialogue with the Turkish G20 Presidency, and cooperation with the other engagement groups — the B20, Civil 20 (C20), L20, T20, and Women 20 (W20). Keeping with tradition, five delegates were selected by each G20 government to represent their respective youth populations. In 2015, voting structures also required the selection of a Head Delegate. The Australian delegation was selected at the start of 2015 in a competitive process based on demonstrated leadership, significant achievement in tertiary education, and knowledge of domestic and international policy.

The Australian delegates travelled to Canberra in early 2015 to meet with relevant experts, officials, and ministers, including the then Prime Minister Tony Abbott. Following these consultations, delegates individually authored a research paper and opinion piece on a topic relevant to the G20 2015 agenda. Published works have appeared across a number of media outlets including the Australian Financial Review, Renew Economy, the Australian Centre for Entrepreneurship Research Blog, and UN Youth Australia.

In the months preceding the Y20 summit held from 16 to 21 August in Istanbul, delegates were assigned to a working group focused on developing policy ideas around one of the three Y20 themes. Delegates...
from each working group engaged in online pre-departure negotiations, moderated by YCDC representatives, where they proposed and refined policy recommendations.

Arriving at the Y20 Summit, delegations worked to refine policy recommendations for inclusion in the final negotiations. During the first two days of the summit, each working group was allocated time to debate the substance of the pre-prepared recommendations in round-table style sessions. The third day of the Summit was dedicated for Head Delegates to negotiate whether to endorse each policy recommendation. The outcome was a three page Y20 communiqué representing the collective voice of G20 youth.\textsuperscript{13} The communiqué is the basis of the Y20’s engagement with the G20 Presidency, a process primarily undertaken by YCDC.

**Y20 2015 SUMMIT THEMES**

The three Y20 2015 themes were the impact of technology and innovation on youth unemployment, youth and education in the twenty-first century, and youth’s contribution to peace. Detailed recommendations for each theme are included below.

**THE IMPACT OF TECHNOLOGY AND INNOVATION ON YOUTH UNEMPLOYMENT**

The Y20 made four recommendations on youth unemployment, urging G20 leaders to adopt a concrete target to reduce youth unemployment, develop a supportive environment for entrepreneurs, improve digital infrastructure, and invest in research and development.

Youth unemployment rates remain persistently high across the globe and have attracted the attention of G20 leaders for a number of years.\textsuperscript{14} Y20 Australia made this a focus of the 2014 communiqué, resulting in a commitment from G20 leaders to address the problem in their national employment plans.

In 2015, the Turkish G20 Presidency coordinated a push for the Y20, L20, and B20 engagement groups to agree on a youth unemployment target to frame the G20’s ongoing strategy. In response, the Y20 communiqué urges G20 leaders to adopt a concrete target on reducing youth unemployment over ten years. This recommendation was


endorsed at the meeting of G20 labour and employment ministers in September, with ministers endorsing a 15 per cent reduction in youth at risk of permanent unemployment by 2025.\textsuperscript{15}

Translating the labour and employment ministers’ recommendation into a similar target in the G20 leaders’ final statement would represent a significant step forward in the eyes of the Y20. However, the Y20’s inability to agree on a precise target on youth unemployment was a failure of the Y20 Summit. Despite lobbying from the Australian and Canadian delegations, the use of the Solutions for Youth Employment (S4YE)\textsuperscript{16} framework based on creating 150 million youth jobs by 2030 was not adopted, ostensibly as many delegates were uncomfortable with endorsing such a significant and complex number amid the pressure of drafting deadlines. While the G20 labour and employment minister’s endorsement of a 15 per cent target is a positive first step, it also represents a missed opportunity for a stronger commitment.

The Y20 communiqué adopted entrepreneurship as a key driver for change, focusing on the macroeconomic potential of improving access to technology and facilitating innovation. Entrepreneurship has already featured prominently in G20 youth unemployment strategies, including in G20 leaders’ declarations from the Australia and Russia Summits.\textsuperscript{17} It was again highlighted in the G20 labour and employment ministers’ 2015 declaration.\textsuperscript{18} However, true success will require national employment plans to outline concrete policies to invest in digital technology and create supportive environments for young entrepreneurs.

YOUTH AND EDUCATION IN THE TWENTY-FIRST CENTURY

The education working group focused on improving investment and ensuring inclusive access to education. The Y20 endorsed policies to: eliminate gender discrimination; coordinate public and private investment in education; reduce the labour market skills mismatch; increase the supply of quality teachers; improve early childhood development; expand international student mobility; guarantee basic educational infrastructure; and ensure domestic curricula teach sustainable development and peace studies.

\textsuperscript{15} G20, G20 Labour and Employment Ministerial Declaration.

\textsuperscript{16} Solutions for Youth Unemployment (S4YE) coalition’s founding partners are The World Bank Group, Accenture, International Youth Foundation, Plan International, RAND Corporation, and Youth Business International.

\textsuperscript{17} G20, G20 Australia Leaders’ Communiqué; and G20, G20 Russia Leaders’ Declaration.

\textsuperscript{18} G20, G20 Labour and Employment Ministerial Declaration.
The plethora of policy recommendations from the education working group reflected the emphasis of the Turkish organising committee. Delegates’ recent and intimate experience of national education systems also meant passionate advocacy for a diverse set of solutions.

Delegates agreed almost unanimously that the G20 is an appropriate body to create an education development bank to coordinate global education investment. This recommendation is audacious in scope but also arguably the most relevant to the G20’s remit in coordinating collective action. Implementation would empower a global body with financial capital that could be used to incentivise the many reasonable policies endorsed by the G20 but so far not acted upon. It could also play a role in promoting best practice regulation and education policy, in a similar spirit to the Global Infrastructure Hub. G20 labour and employment ministers did not endorse this idea, retaining a less ambitious position on encouraging investment in skills through shared public-private financing.

Education systems were identified as an important driver in the growing global skills mismatch, and therefore an essential element in addressing youth unemployment. G20 labour and employment ministers agreed, and their declaration endorsed improved links between employers and educators as part of a wider skills strategy. However, the urgency and detailed policy proposals outlined under 2014’s G20 leaders’ communiqué to address the structural risks of a skills mismatch appear to have been diluted.

It is difficult to see how G20 leaders could endorse many education policy recommendations that failed to make an explicit link with youth unemployment. The G20’s education agenda is essentially limited to the skills strategy aspect of the G20 Employment Working Group. Unfortunately, recommendations focused on curriculum content to improve social cohesion, political engagement, and address youth radicalisation seem unlikely to move beyond the Y20 communiqué.

THE CONTRIBUTION OF YOUTH TO PEACE

The youth and peace working group was influenced by the Turkish organising committee’s interest in the Syrian conflict. The Y20 made five recommendations on recognising the link between peace and economic growth, formalising the discussion of peace within the G20, recognising migration as an international public good, addressing the global refugee crisis, and recognising the potential for forced displacement due to climate change.

20 G20, G20 Labour and Employment Ministerial Declaration.
21 G20, G20 Australia Leaders’ Communiqué.
The policy recommendations of the youth and peace working group stand out in the Y20 communiqué because they do not reflect any of the formal agenda priorities outlined by the Turkish G20 Presidency. The Y20’s recommendation to include peace-related issues on a G20 communiqué would represent a fundamental shift in the forum’s official scope. As an explicitly economic forum, the G20 has clearly delimitated its actions from security issues, although discussion of security at the G20 is not uncommon, for example the Brisbane Summit involved a number of side meetings on the Ukraine crisis.

Not surprisingly, none of the youth and peace recommendations have been reflected in recent G20 ministers’ communiqués. However, pressure on G20 leaders to address the refugee crisis is building and the topic seems likely to be discussed by leaders in November. Language in the leaders’ statement at Antalya would align with the Y20’s objectives to promote politically contentious ideas.

Underpinning the youth and peace working group’s discussions was the argument that political and civil stability do not exist in silo to the economy, and are fundamental to inclusive economic growth. The Y20’s recommendations were intentionally framed to include links to education and employment in order to justify the formalisation of peace discussions on the G20’s economic-based agenda. Success in this regard will be much harder to achieve.

WHAT WOULD DEFINE POLICY SUCCESS IN 2015?

Policy success at the Y20 is defined by how much value and impact the Y20 communiqué contributes to G20 leaders’ decision-making. Effectiveness requires a balancing act between reflecting the G20’s priorities and adding value by providing innovative and bold ideas to address youth issues. Holding a mirror to the G20’s agenda offers little additional value, while rejecting the G20’s priorities makes it difficult to maintain credibility and build legitimacy. With that in mind there are three key outcomes that would define success on youth issues in 2015:

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• **G20 leaders endorse a youth unemployment reduction target.**
A concrete target of 15 per cent with respect to at risk youth, although modest, will give impetus to the Y20’s efforts to improve its accountability and monitoring of employment policies. However, assessing which young people meet the definition of ‘at risk’ will no doubt prove difficult. A more ambitious target would focus on headline youth unemployment relative to total unemployment.

• **G20 leaders empower a global body to coordinate investment and policy in education.** If the G20 is to exploit its true strengths it needs to focus on issues requiring global coordination. A G20 body that engages with truly global education issues such as investment and skills mismatch would ensure that sensible policies are more effectively implemented.

• **G20 leaders formally recognise the role of peace and stability in economic growth and the Syrian refugee crisis.** The success of the G20 Summit is based in the value that an informal meeting of global leaders contributes to global crisis management. Demonstrating the link between economic growth and political stability, for example, G20 leaders explicitly addressing the refugee crisis would legitimise the G20’s role as an effective and inclusive crisis response forum.

### CONCLUSION: REFLECTIONS ON Y20 2015

The Y20 remains, at its heart, a gathering of young people from across the world that engage on international economic policy. During the opening of the 2015 Y20 summit, the Turkish G20 Presidency stated that the role of the Y20 is to present innovative and politically contentious policy recommendations. The Y20 took on this role with predictable enthusiasm. It is therefore unsurprising that a number of the 19 recommendations will be viewed by G20 leaders as politically unviable. Y20 Turkey may achieve some success in actively advocating for language in the Antalya Leaders’ Summit and building on commitments from the employment and finance ministers’ meetings.

Those present at the Y20 summit acknowledged that a key opportunity was the potential for individual benefit and personal growth. Australian delegates have already substantially benefited from the Y20, meeting with relevant experts, officials, and ministers, and publishing across a number of platforms. However, one of the greatest risks to the effectiveness of the Y20 is the potential for it to be perceived as merely an educational process for future leaders, rather than a substantive source of international policy advice and an avenue to socialise policies.

The primary challenge of the Y20 is to build up its legitimacy as a value-adding engagement group. The Y20 Turkish organising committee continued to improve on efforts to formalise the Y20 summit in 2015. In
the course of its actions, the Y20 organising committee worked closely with the G20 Presidency, and the involvement of senior Turkish foreign ministry officials demonstrated the G20 Presidency’s commitment to considering the recommendations from G20 youth.

However, it is clear that as a relatively new engagement group with limited resources, the Y20 lacks the sophisticated structure seen in other engagement groups, particularly the B20. To strengthen its success, it is critical that the Y20 maintain a balance between innovation and political realism, and Y20 delegates need to strengthen their engagement with domestic governments. A global mentorship program linking youth delegates with national diplomatic representatives is one way to support youth delegates in striking the right balance. The commitment of G20 leaders to engaging and consulting with youth for the purpose of improving policy development remains vital.

Building a stronger Y20 troika and year-on-year consistency of the Y20 Summit should be a priority. There was limited contribution from the Australian Y20 delegates to the 2015 Y20 process. However, the Australian 2014 Y20 chairs did not perceive that the 2015 organisers were particularly willing to heed advice. Whatever the cause, future Y20 organisers in China and beyond must work more effectively with their Turkish predecessors. The presence of two Chinese observers at the Y20 Summit was an encouraging step, but continuity will require effort from the Turkish organising committee in 2016 and openness from the Chinese organising committee to heed international advice.

The Y20 summit demonstrated that it is not a lack of financial resources that is a binding constraint on its capabilities. Rather, it is the need for greater investment of decision-makers’ time on an ongoing basis if the Y20 is to realise its potential.
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