

B20 Questions and Answers

What is the B20?

- The Business 20 (B20) is the official G20 dialogue with the global business community. The mission of the B20 is to support the G20 through consolidated representation of interests, expertise, and concrete policy proposals. Furthermore, the B20 promotes dialogue among policy-makers, civil society, and business at the international level.
- The B20 has no standing secretariat. The leadership rotates every year together with the G20 presidency. On September 4, 2016, the leading German business associations the Federation of German Industries (BDI), the Confederation of German Employers' Associations (BDA), and the German Chambers of Industry and Commerce (DIHK), mandated by the German Chancellery, assumed the B20 presidency. Chair of B20 Germany is Juergen Heraeus.
- The B20 is the voice of the G20 business community. The B20's foundation is the development of recommendations to the G20 in topic-specific taskforces, cross-thematic groups, and an initiative on a consensus basis.

How is the B20 legitimated?

- B20 Germany was officially mandated by the G20 Presidency (specifically by the German Federal Chancellery).
- B20 Germany has over 700 members – representatives of industry and business leaders – from all G20 members. They are organized in eight working groups.
- While the German government assumed the G20 presidency from China on December 1, 2016, B20 Germany was already launched on September 4, 2016 with the hand-over from B20 China at the B20 Summit in Hangzhou, China.
- At the beginning of September 2016, B20 Germany invited companies and trade associations in the G20 countries to apply for membership in the B20. The call was made via the B20 website as well as by dispatch to the B20 China members and the top business associations of the G20 countries.
- When selecting members, care was taken to ensure that the working groups were representative in terms of countries, regions, sector size, and type.
- International organizations – such as UNCTAD, the OECD, the WTO, and the World Bank – contribute to the formulation of positions in the working groups with subject matter expertise.
- The topics covered by B20 Germany were determined in a survey among the members of B20 China and the top-level associations of the G20 members in the late summer of 2016. The results of this query were published on the B20 Germany website.
- Recommendations to the G20 are prepared by means of monthly meetings of the working groups and a regular exchange (verbally and in writing). The B20 allows for a lively exchange between representatives of companies and trade associations from all G20 countries.
- The process is consensus-based. This ensures that the positions developed in a working group are supported by all of its members.
- In addition to consolidating the interests of its members and developing recommendations, B20 regularly hosts conferences and workshops with representatives of industry, politics, and civil society. The B20 helps to create a global stakeholder community.

What are the topics of the B20?

Germany's B20 Presidency adopted the motto "Resilience, Responsibility, Responsiveness – Towards a Future-oriented, Sustainable World Economy". The world economy is becoming increasingly uncertain. In this environment, it is more important than ever that we work towards an environment that fosters innovation, economic growth, and job creation.

Each "Taskforce" and "Cross-thematic Group" deals primarily with three focus themes. The "Health Initiative" deals with six main themes.

- *Trade and Investment*: Strengthen an open and inclusive trading system; make use of digital trade potential; foster investment facilitation.
- *Energy, Climate and Resource Efficiency*: Curtail climate change; foster the energy transition; advance resource and energy efficiency.
- *Financing Growth and Infrastructure*: Infrastructure investments; fit-for-purpose regulation 2.0; stable international tax environment.
- *Digitalization*: Foster global connectivity; strengthening Industry 4.0 and the Industrial Internet; embrace artificial intelligence.
- *Employment and Education*: Promotion of open, dynamic and inclusive labor markets; harnessing the potential of technological change through better education and training; creation of a global level playing field and promotion of fair competition for globally operating companies.
- *SMEs*: Enhance SME participation in global trade; build digital capacities and capabilities for SMEs; increase financial inclusion.
- *Responsible Business Conduct*: Establish beneficial ownership transparency; recognize compliance; advance responsible business conduct in infrastructure projects.
- *Health*: Driving innovation in healthcare; combating antimicrobial resistance; fighting neglected tropical diseases; improving pandemic preparedness and response; advancing digital health.
- *Africa*: Promote foreign direct investment in Africa through the "Compact with Africa"; improve the investment climate through cooperation in the following areas: energy, digital connectivity, open and inclusive trade, good governance, SMEs, financial inclusion, health, employment and education.

The focus topics of each taskforce/cross-thematic group were determined through a survey among participants of previous B20 cycles, major G20 business associations, and international business networks. Each taskforce/cross-thematic group/initiative developed a policy paper with implementable policy proposals for the G20.

Who are the members of the B20?

The taskforces/cross-thematic groups/initiative are headed by a Chair and several Co-Chairs. Chairs and Co-Chairs were appointed by the B20 presidency; they are CEOs, supervisory board members and association principals from the G20 states. Their role is to enhance the visibility and inclusivity of the B20.

B20 Chair		
Juergen Heraeus, Chairman of the Supervisory Board of Heraeus Holding GmbH		
Members of the B20 Germany Executive Committee		
Dieter Kempf, President of BDI; Eric Schweitzer, President of DIHK; Ingo Kramer, President of BDA		
Chairs	Co-Chairs	
Trade and Investment		
Emma Marcegaglia President, BusinessEurope	Loic Armand President, L'Oréal France Jack Ma Executive Chairman, Alibaba Jamal Malaikah President & COO, National Petrochemical Industrial Company	Sunil Bharti Mittal Chairman, International Chamber of Commerce Alexey Mordashov Chairman of the Board of Directors, Severstal PAO
Energy, Climate, and Resource Efficiency		
Kurt Bock CEO, BASF SE	Aldo Belloni CEO, Linde AG Elmar Degenhart CEO, Continental AG Xabier Etxberria Muguruza Business CEO, Gamesa Corporación Tecnológica S.A. Peder Holk Nielsen President & CEO, Novozymes A/S	Joanne Farrell Group Executive Health Safety and Environment and Managing Director Australia, Rio Tinto Francesco Starace CEO & General Manager, Enel S.p.A. Dany Qian Vice President, Jinko Solar Ltd.
Financing Growth and Infrastructure		
Oliver Bäte CEO, Allianz SE	Timothy D. Adams President and CEO, Institute of International Finance John Cryan CEO, Deutsche Bank AG John W. H. Denton CEO, Corrs Chambers Westgarth	José Manuel González-Páramo Executive Board Director, BBVA Jean Lemierre Chairman, BNP Paribas Axel Weber Chairman, UBS Group AG Ju Weimin Executive Vice President, CIC
Digitalization		
Klaus Helmrich Member of the Board, Siemens AG	Sabine Bendiak Chairwoman of the Management Board, Microsoft Germany Hans-Paul Bürkner Chairman, The Boston Consulting Group Timotheus Höttges CEO, Deutsche Telekom AG	Pierre Nanterme Chairman & CEO, Accenture Klaus Rosenfeld CEO, Schaeffler AG Rajeev Suri President & CEO, Nokia

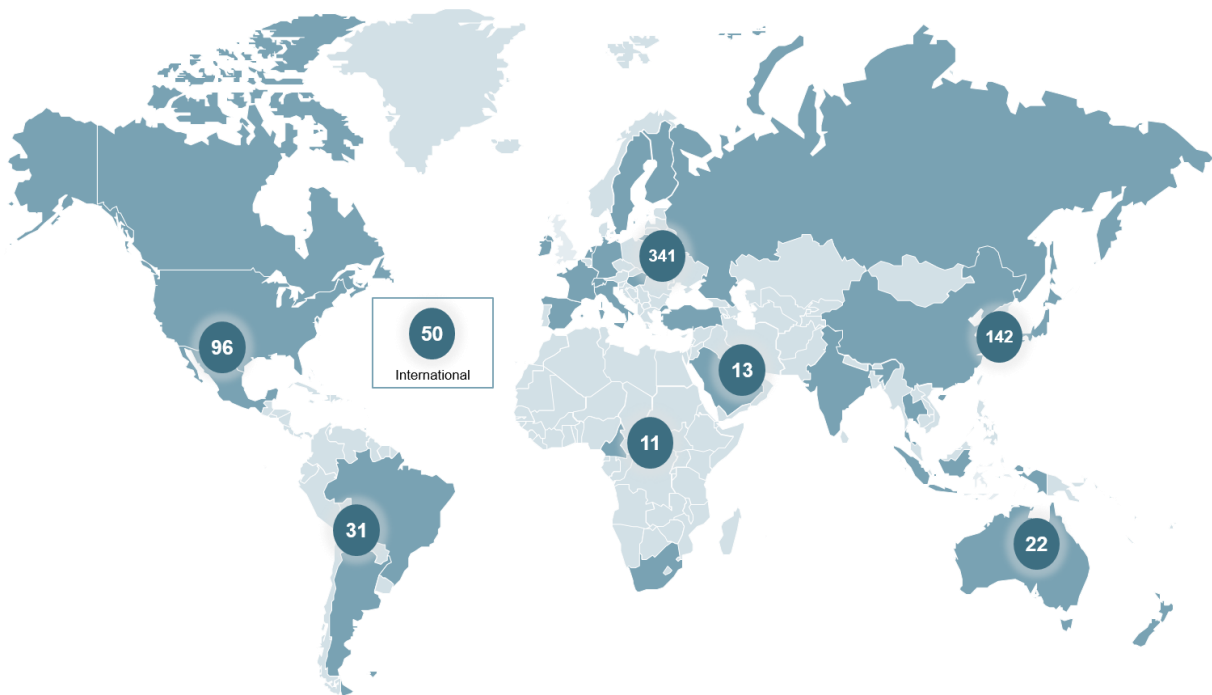
Employment and Education		
<p>Gerhard Braun Vice President, Confederation of German Employers' Associations (BDA)</p>	<p>Daniel Funes de Rioja President, International Organisation of Employers David Iakobachvili President, Orion Heritage Company Erol Kiresepi Vice President, Turkish Confederation of Employer Associations (TISK) Zhang Lei Founder & CEO, Hillhouse Capital Group</p>	<p>Mthunzi Mdwaba Vice President Africa, International Organisation of Employers (IOE) Yogendra Modi Executive Chairman, Great Eastern Energy Corporation Ltd Kathryn Porter Director of Youth Strategy for Europe, Middle East and Africa, Hilton Worldwide Peter Robinson President & CEO, USCIB</p>
Responsible Business Conduct and Anti-corruption		
<p>Klaus Moosmayer Chief Compliance Officer, Siemens AG & Anti- Corruption Chair of BIAC</p>	<p>Andrey Bugrov Senior Vice-President, MMC Norilsk Nickel Andre Gustavo de Oliveira Member of South America Executive Team, BASF SE Corinne Lagache Senior Vice President, Group Compliance Officer, Safran S.A.</p>	<p>Jorge Mandelbaum President, CIPPEC Anny Tubbs Chief Business Integrity Officer, Unilever PLC/NV</p>
Small and Medium-Sized Enterprises		
<p>Rudolf Staudigl CEO, Wacker Chemie AG</p>	<p>Mary Andringa Chair of the Board, Vermeer Corporation Bertram Kawlath Managing Associate, Schubert & Salzer Monique Leroux President, International Cooperative Alliance; Chair of the Board, Investissement Québec; President & CEO, Desjardins Group</p>	<p>Lynette Magasa CEO, Boniswa Corporate Solutions Ltd. Rosan P. Roeslani President, Kadin Diane Wang Founder & CEO, DHgate</p>
Health		
<p>Kemal Malik Member of the Board of Management, Bayer AG</p> <p>Stefan Oschmann Chairman of the Executive Board & CEO of Merck</p>	<p>Carla Kriwet Chief Business Leader Connect Care and Health Informatics, Philips</p>	

In each taskforce/cross-thematic group/initiative, around 100 representatives from companies and business associations, from all G20 members and economic sectors, worked together to find solutions to global challenges.

B20 Germany had over 700 members (not counting double membership of individual persons in several taskforces or cross-thematic groups) from 39 countries. Membership in each B20 cycle is constituted anew with the change of the G20 Presidency. In September 2016, B20 Germany called for applications among previous B20 members, leading G20 business associations, and their members. Criteria for the selection process were based on a country, regional, and sectoral balance.

Country	#	Country	#	Country	#	Country	#
Argentina	13	Germany	131	Mexico	7	United States	70
Australia	21	India	36	Russia	22	EU (other)	75
Brazil	18	Indonesia	2	Saudi Arabia	9	International	50
Canada	19	Italy	20	South Africa	10	Other	16
China	75	Japan	10	Turkey	31	Total	706
France	32	South Korea	9	United Kingdom	30		

The B20 consists of 706 members from 39 countries*



*Membership can diverge from the sum of individual Taskforces and Cross-thematic Groups due to double membership.

How does B20 find its positions?

- The recommendations of the B20 are the result of a lively and transparent exchange between the members of each working group. At the beginning of the reconciliation process, the B20 Secretariat, together with the relevant knowledge partners, drew up a so-called induction paper to provide an overview of the topic to all members and to provide a basis for further discussions.
- In a second step, the working groups agreed on three core themes (five for health).
- The B20 Secretariat, together with the Knowledge Partners, prepared the first drafts of the position papers under the direction of the Chair and in close coordination with the Co-Chairs, as well as on the basis of written and verbal input from the members of the respective working groups.
- The position papers subsequently proceeded to an intensive consensus-finding process with several feedback rounds. Part of these rounds were physical meetings of working groups, telephone conferences, and written feedback calls.
- The process continued until a consensus could be reached in the corresponding working groups.

Does everything run smoothly in the B20 or are there also conflicts?

- Representatives from all G20 members are represented in the B20, addressing difficult global issues. It goes without saying that – like in the G20 – negotiations are sometimes difficult and heated. These difficult discussions are welcome, as the B20 is intended to help identify potential conflicts of interest, but they also find creative solutions and compromises. The B20 thus helps to identify actions that can be supported by all G20 governments and are also in the interest of their local economy.
- Discussions are always conducted in an agreeable manner, even during intense exchanges. We all share the same goal: sustainable, inclusive, and dynamic growth in a world that is becoming ever more closely integrated.

What is the B20 Summit?

- At the B20 Summit in Berlin in early May 2017, members of the B20 met with representatives from politics, civil society, and international organizations to discuss the recommendations of the B20 to the G20.
- The highlight of the summit was the handover of the B20 recommendations by B20 Chair Juergen Heraeus to German Chancellor Angela Merkel.
- Over the course of two days, several hundred participants discussed the most important global economic topics such as trade, financial stability, inclusive growth, responsible entrepreneurship, and the promotion of climate protection and resource efficiency.
- Each of the official G20 dialogue partners had its own high level summit.

What are the responsibilities of the B20 Chair, the B20 Executive Committee, the B20 Secretariat, and the B20 Sherpa?

- B20 Chair Juergen Heraeus (Heraeus Holding) leads the B20 process and represents the B20 members. Juergen Heraeus handed over the final B20 Recommendations to the Federal Chancellor of the Republic of Germany Angela Merkel in the beginning of May at the B20 Summit.
- The three responsible associations (BDI, BDA, and DIHK) maintain a B20 Executive Committee, which takes all significant organizational decisions on B20 Germany through consensus. The members of the Executive Committee are Dieter Kempf, President of BDI, Eric Schweitzer, President of DIHK, and Ingo Kramer, President of BDA.
- A B20 Secretariat is headed by a full-time B20 Sherpa, Stormy-Annika Mildner, and is responsible for the operational business of the B20 Presidency. This includes, among others, the organization of the summit and various conferences, the monitoring of the reconciliation processes and the communication. The B20 Secretariat is the cornerstone of the B20 process. The B20 Sherpa is not to be confused with the G20 Sherpa. The B20 Sherpa is independent and represents the business community. The B20 Sherpa is chosen by the B20 Presidency.

Does the work of the B20 have an impact?

- The fact that business representatives from all G20 member countries engage in regular exchanges, consolidate interests, and promote joint positions is, in itself, of value. In this way, the B20 contributes to understanding, trust, and interconnectedness.
- The B20 supports the G20 with expertise and practical experience. For the G20, it is important and helpful to have a consolidated position from the economy rather than a multitude of different voices from the individual member states.
- Many of the B20 recommendations are incorporated into G20 decisions – each year, the International Chamber of Commerce (ICC) analyses this process. Moreover, recommendations of

the B20 are often explicitly referred to in G20 statements. We believe that the B20 played an important role, for example, in the G20's current focus on digital trade and in the numerous G20 initiatives aimed at improving funding for small and medium-sized enterprises.

Are there other G20 engagement groups apart from the B20?

- During the G20 presidency, Chancellor Merkel is in close dialogue with civil society. She meets representatives from academia, business and trade unions, women's and youth associations as well as non-governmental organizations from the G20 countries.
- B20 is part of seven Engagement Groups:
 - Civil 20 (C20): Association of German Development NGOs (VENRO), German NGO Forum on Environment and Development
 - Labour 20 (L20): German Trade Union Confederation (DGB)
 - Science 20 (S20): German National Academy of Sciences (Leopoldina)
 - Think Tank 20 (T20): German Development Institute (DIE-GDI), Institute for the World Economy (IfW)
 - Women 20 (W20): Association of German Women Entrepreneurs (VDU), National Council of German Women's Organizations
 - Youth 20 (Y20): Federal Ministry for Family Affairs, Senior Citizens, Women and Youth (BMFSJ).
- All Engagement Partners had been invited to present their positions to the G20 Sherpa. The B20 presented its positions on March 23 at the second meeting of the G20 Sherpa in Frankfurt. The L20 also participated at the meeting.
- The B20 was invited to meetings of various G20 working groups and other G20 events to present their positions:
 - Anti-Corruption Working Group, January 24, 2017, together with C20,
 - Trade and Investment Working Group, February 6, 2017,
 - Development Working Group, March 15, 2017; together with C20 and T20.
 - Sustainability Working Group, March 23, 2017, together with C20 and T20,
 - Employment Working Group, December 21/22, 2016, February 15, 2017, and May 18/19, 2017, together with L20,
 - High Level Session and Workshop on Resource Efficiency, March 17, 2017, together with L20,
 - G20 "Digitizing Manufacturing" Conference, March 17, 2017, together with all other engagement groups,
 - G20 Multi-Stakeholder Conference "Digitalization: Policies for a Digital Future", April 6, 2017, together with all other engagement groups,
 - Global Partnership for Financial Inclusion (GPMI) Plenary, May 4, 2017, together with W20,
 - G20 Labor and Employment Ministers Meeting, May 18/19, 2017, together with L20.
- The B20 is looking for a close exchange with the other engagement groups and has formed a joint Outreach Committee with the representatives of the other G20 Engagement Groups.
- B20 has aligned positions with other engagement groups
 - Statement on the Withdrawal of the United States from the Paris Climate Agreement (B20, C20, L20, T20, W20, Y20, F20) – June 8, 2017

- Statement for Ensuring Inclusiveness in a Digitalized World (B20, T20, W20) – June 7, 2017
- Statement for Sustainable Growth, Decent Work and Social Cohesion in the Digital Economy (B20, L20) – May 17, 2017
- Statement for an Inclusive Business Environment in a Globalized World: Strengthening Women-owned SMEs (B20, W20) – May 11, 2017
- Statement for a Sustainable Energy Transition (B20, C20, T20) – March 22, 2017
- Statement for Open and Inclusive Societies (B20, C20, L20, S20, T20) – February 8, 2017

What is the G20?

- The G20 began in 1999 as a meeting of Finance Ministers and Central Bank Governors in the aftermath of the financial crisis in Asia and Latin America. The initial objective was to better coordinate monetary, financial, and fiscal policy in order to preempt balance of payments problems and turmoil on financial markets.
- Within the G20, 19 leading industrial and emerging economies as well as the European Union coordinate their policies and agree on joint actions and principles. In 2008, the first G20 Leaders' Summit at the level of the heads of state and government was held to deal with the global financial and economic crisis. G20 leaders have met eleven times since 2008, and there is now a Leaders' Summit every year.
- Since 2008, the range of topics of the G20 has continuously expanded. This year, for example, there are also meetings of the ministers of digitalization, health, agriculture, foreign affairs, and labor. A major difference to the G7 is that security and foreign policy play a much smaller role in the G20, at least thus far. Nevertheless, there was also a meeting of the foreign ministers under the German G20 Presidency.
- The G20 members combined hold more than 85 percent of the global economic output, more than 80 percent of global goods and services exports and represent about two thirds of the global population.

How does the G20 function?

- The G20 is an informal forum, rather than an organization, and possesses no permanent secretariat. Instead, the rotating presidency – in close coordination with the preceding and following presidencies (Troika) – is responsible for the G20 agenda as well as organizing working processes, meetings, and events. The G20 working and study groups, which are composed of governmental officials and experts, play an essential role in preparing joint initiatives and ministerial decisions, laying the groundwork for the G20 Sherpas, and in following-up on implementation at the national level. The G20 Sherpas – usually chief economic advisors of heads of state or government – are responsible for the preparation of all summit decisions.



How useful is the G20?

- The founding of the G20, initially at the finance ministers' and central bank governors' level in 1999 as a result of the Asian crisis and then at the level of heads of state and government as a result of the global financial market crisis, was due to the fact that national solutions fall short in our globalized and interconnected world.
- From climate change to anti-corruption, financial market regulation and combating epidemics to digitization: if we are to tackle challenges and take advantage of opportunities, we need better coordination of national measures and stronger joint action. Only in this way can we find effective solutions in the 21st century.
- The G20 members bring together around two-thirds of the world's population and over three-fourths of global GDP.
- G20 decisions have no binding force under international law. According to studies, however, the conversion rate is still over 70 percent for members and over 80 percent for Germany and the EU. Examples of pioneering decisions of the G20 are the Basel III financial market regulations, the BEPS implementation in tax cooperation, and the breakthrough to support the WTO Bali Pact 2013. However, there are also areas where implementation has not yet been satisfactory. In 2009, G20 members agreed not to introduce protectionist measures and to dismantle existing ones (so-called protectionist standstill and rollback). Nevertheless, G20 trade barriers have been steadily increasing ever since.
- By approaching these issues on the national level, we can neither overcome the big problems, nor fully benefit from potential opportunities.

What are the focal areas of the German G20 Presidency?

- The guiding motto of the German G20 Presidency is "Shaping an Interconnected World". It rests on three pillars: Building resilience, improving sustainability, and assuming responsibility. Many of the topics of the German G20 Presidency have been on the G20 agenda for years such as financial stability and trade. The Chinese G20 Presidency introduced climate change and digitalization as priorities in 2016, which also play a major role in the German Presidency. A new

focus of the German G20 Presidency is on migration, health, and the “Compact with Africa”, which is to improve the framework conditions for private investment in Africa. Due to the growing skepticism surrounding globalization, inclusive growth as well as the advantages and acceptance of globalization are important cross-cutting issues.

Overview German G20-Agenda – „Shaping an Interconnected World“

Building resilience	Improving Sustainability	Assuming responsibility
World economy	Climate and energy	Tackling the causes of displacement
Trade & investment	2030 Agenda	Partnership with Africa
Employment	Digitalization	Fighting terrorism
Financial markets / international financial architecture	Global health	Anti-corruption
International tax cooperation	Empowering women	Agriculture / food security

B20 Recommendations

Trade and Investment

For decades, trade and investment have been fostering growth and welfare. Still, the number of trade barriers enacted by G20 members has been growing continuously. Public opposition to trade and investment agreements has increased in many G20 countries. This is a dead-end road: trade and investment are not zero-sum games. In contrast, they benefit all: exporters, importers, and consumers. Imports play a fundamental role for purchasing power, particularly for poorer households, as well as productivity.

- **Strengthen an Open and Inclusive Global Trading System:** The G20 has to collectively advocate for free trade and fair competition. Governments and business need to improve the communication on the effects of trade and common rules. Inclusiveness of trade has to be strengthened so that the benefits of trade are widespread in society. This must include social safety nets and adjustment assistance as well as greater efforts from both governments and business to improve lifelong learning and requalification opportunities. Protectionism destroys economic potential and harms the poorest the most. G20 members have to implement the agreed upon protectionism standstill and rollback. Therefore, they should strengthen the WTO monitoring of G20 trade measures, making it more detailed and qualitative. The rule-based global trading system is the best guarantee in order to ensure that trade is not only free, but also characterized by fair competition. The G20 has to commit to respect WTO rules and decisions and to strive to advance liberalization efforts under the WTO umbrella.
- **Make Use of Digital Trade Potential:** Digital trade can substantially facilitate the participation of SMEs and developing countries in global value creation. The G20 should reinforce capacity building for digital trade, including inter alia digital skills, the buildup of adequate legal frameworks, and the expansion of ICT infrastructure. National e-commerce-related policies need to be nondiscriminatory and interoperable. Hitherto, the global trading system barely contains rules governing digital trade. This opens the door for digital protectionism and legal uncertainty. The G20 should strive for a WTO negotiation mandate on a digital trade agreement. Negotiations should inter alia include the guarantee of free cross-border data flows (with clearly defined safeguards for the protection of privacy and security), trade facilitation, regulatory coherence, as well as trade with digital products and services.
- **Foster Investment Facilitation:** FDI plays an important role for development. In 2016, the G20 made an important step forward with its Guiding Principles for Investment Policymaking. Building on these, the G20 should adopt an Investment Facilitation Package, which should contain measures to reduce administrative barriers as well as best practices for regulation. Barriers for FDI market access should be reduced. Assistance should be provided to developing countries in setting adequate reliable legal frameworks to attract FDI. There is a multitude of bilateral investment treaties. However, multilateral rules or institutions are missing. The G20 should mandate international organizations to investigate the feasibility of a multilateral investment framework as well as its potential advantages and drawbacks.

Energy, Climate, and Resource Efficiency

The effects of climate change have made action inevitable. Continued economic growth and a growing world population are also increasing the stress on ecosystems and on natural resources that are already scarce today. Managing the transformation towards a sustainable world economy will require increased and timely deployment of resource efficient and climate-friendly technologies and infrastructure.

- **Curtail Climate Change:** The G20 governments should lead by example when implementing the Paris Agreement and supporting the UNFCCC in developing an effective Paris rulebook. The G20 members should support the UNFCCC in developing effective monitoring, reporting, and verification standards (MRV) that ensure transparent setting of Nationally Determined Contributions (NDCs) and stocktaking. They should also enable carbon pricing mechanisms as well as transparent tracking and reporting of climate finance and the verification of the results achieved. The NDCs of the G20 governments should aim to deliver on the agreed 2°C target and outline in a transparent way how the G20 governments intend to use voluntary cooperation and market-based instruments under the Paris Agreement. The G20 governments should back up their NDCs with national long-term low GHG emission development strategies, supported by technology needs assessments and transparent GHG abatement cost calculations and methodologies. The G20 should establish an intergovernmental G20 Carbon Pricing Platform, chaired by the respective G20 Presidency, as a forum for strategic dialogue to create a basis for global GHG emissions pricing mechanisms, and to phase-out inefficient fossil fuel subsidies. The G20 should use this platform to discuss how the thereby generated revenues could be used to ensure an energy transition that benefits all as well as finance the necessary investments in sustainable infrastructure and support programs for those that are affected by this structural change.
- **Foster the Global Energy Transition:** The G20 should accelerate the market readiness and deployment of low-carbon technologies through effective and predictable energy policies, a joint innovation agenda, and strengthened Energy Access Action Plans. The G20 should broaden the technology scope of the G20 Voluntary Action Plan for Renewable Energy and develop an energy policy toolkit. This toolkit should provide methodologies and good practices on power market designs, digital and interconnected energy infrastructure and on how to increase the resilience of energy infrastructures towards climate change and cybercrime. With regard to innovation, the G20 should develop an Energy Innovation Action Plan with an R&D innovation roadmap to facilitate collaborative and focused R&D in the energy sector. With regards to energy efficiency, the G20 should accelerate its efforts by translating the Voluntary Energy Efficiency Investment Principles for G20 into a policy toolkit. The G20 Energy Access Action Plans for Sub-Saharan Africa and Asia Pacific should be further substantiated into national, urban, and rural action plans.
- **Put Resource Efficiency on the G20 Agenda:** The G20 should elaborate on resource efficiency and put the topic on the global agenda. This is important because resource governance is a global issue and of high significance for business. The G20 should therefore establish a G20 Resource Efficiency Platform chaired by the respective G20 Presidency. G20 governments should use this platform to share best practices and knowledge to build a robust and consistent international understanding of and scientific basis for resource efficiency, and identify areas of further potential international collaboration. Topics should be the monitoring of global material flows, process standards regarding remanufacturing and refurbishing, campaigns for consumers and small enterprises about the importance of resource efficiency, innovative products that help consumers achieve more sustainable lifestyles and public-private collaboration for example on public procurement.

Financing Growth and Infrastructure

Despite the timely efforts from governments and regulators to restore financial markets' resilience and stability and inject liquidity, global economic growth has been subdued in the past years. To boost growth, better framework conditions are needed for investments, especially in infrastructure, as well as forward-looking financial regulations that balance the opportunities and risks of digitalization.

- **Boost Infrastructure Finance:** The G20 should ask the Global Infrastructure Hub (GIH) and the World Bank, in close cooperation with other relevant Multilateral Investment Banks (MDBs), to actively promote the use of local, regional, and global portals that provide relevant information about infrastructure projects. They should define a common template for the publication of project feasibility information. The template should include all the relevant criteria to assess whether a project is bankable and investment-ready, including risk and performance information. The GIH, in conjunction with the World Bank, should also develop a methodology for comparative economic efficiency analyses between conventional infrastructure provision and PPPs, both at construction and post-construction stages. The G20 should encourage MDBs to further expand their role as catalysts for, and not competitors to, private sector investment, for example, through extending guarantees and co-financing, with a clearer focus on the construction phase of infrastructure projects. Finally, the G20 and G20 members should foster the growth of green finance markets through commonly accepted terminologies and concepts, improved publication of information, and the development of international standards for proportionate and consistent market regulation. In the area of climate-related financial disclosure, G20 members should build on the recommendations of the Taskforce on Climate-Related Financial Disclosures (TCFD) and work towards its implementation, in particular through harmonized metrics endorsed by relevant industries and associations. This would enable investors to better assess and price climate-related risks.
- **Design Growth-Enhancing Financial Regulation:** The G20 should reaffirm its support for international financial regulatory cooperation. The G20 should enhance evidence-based financial standard-setting by calling on international financial standard-setting bodies to adhere to good regulatory practices and Quantitative Impact Studies that measure the impact of proposed and current standards on growth. The G20 should improve the coherence in the implementation and interpretation of international standards across borders. Therefore, the Financial Stability Board should set up a more formal mechanism for continuous and systematic cross-border dialogue between national regulators. In the area of digitalization of finance, the FSB should undertake a comprehensive assessment of Fintech regulatory regimes in G20 countries. On RegTech, the FSB should facilitate a dialogue between financial institutions, regulators, and business stakeholders.
- **Establish a Stable and Investment Friendly Environment:** Investors need stability and certainty when it comes to the legal and political conditions that influence the respective infrastructure projects. That is why the G20 members should, in building on the G20 Guiding Principles for Global Investment Policy-making, ensure that binding rules apply, and where required, provide for grandfathering clauses and clear, sound, and reliable dispute resolution mechanisms, subject in principle to national legal processes. In the area of international tax policy, the G20 should focus on tax certainty and – where not already in place – issue binding tax rulings, facilitate Advance Pricing Agreements (APAs), and, where required, grandfathering clauses that cover the duration of long-term projects to provide a stable framework for investment.

Digitalization

Digitalization revolutionizes business models, production, communication, and our everyday lives. It significantly contributes to growth, welfare, and consumer value. However, substantial barriers prevent us from leveraging the full potential of digitalization for social and economic inclusion. As the internet is and has to remain open, global, and interoperable, governments and business have to intensify international cooperation to make full use of the opportunities provided by digitalization.

- **Strengthen Global Connectivity:** As cyberrisks are mostly transfrontier in nature, global cooperation is of the utmost importance regarding cybersecurity. Cooperation is equally important to strengthen the openness and interoperability of the Internet. G20 members should strive to develop common standards, processes, and procedures in a cybersecurity baseline framework, while incorporating input from the business community. Cross-border data flows increasingly become the fuel of the global economy. G20 members should commit in bi-, pluri-, and multilateral trade agreements not to engage in forced governmental localization of data or ICT infrastructure. At the same time, clearly defined safeguards should exist for the protection of privacy and security. Furthermore, on a voluntary basis, they should aim to make their data protection regimes more compatible, without lowering effective protection levels, and facilitate the use of mechanisms that enable the transfer of data without impairing data protection. The expansion of ICT infrastructure has to be fostered to reach the goal “Internet Access for All”. Governments should ensure an investment-friendly environment, for instance through nondiscriminatory spectrum allocation, and incentivize investment in unprofitable deployments.
- **Industry 4.0 and the Industrial Internet (I4.0&II):** The G20 should foster and protect innovation and its applications, for instance by supporting knowledge exchange on use cases and demonstration systems. I4.0&II applications require a high broadband coverage, which underlines that the expansion of ICT infrastructure also needs to be a priority in industrialized countries. G20 members should foster international cooperation for standardization across different economic sectors. Furthermore, governments should incentivize the use of global and international standards, for instance by referencing them in public tenders.
- **Embrace Artificial Intelligence:** The G20 should ensure an informed public dialogue on the effects, opportunities, and challenges that the dissemination of artificial intelligence will entail, and mandate the OECD to draft a report in this regard. Policies and regulation should be regularly adjusted and updated to ensure that innovations related to artificial intelligence can be used to the benefit of all, for instance by enabling the use of Big Data. Together with the Global Infrastructure Hub, the G20 should work towards a common understanding on the opportunities and use cases of smart infrastructure, as well as the exchange of best practices to effectively develop and deploy smart infrastructure.

Employment and Education

In recent years, employment and education have become core topics of the G20. Its leaders recognize the need to address unemployment, raise labor force participation, improve education and workforce qualification, and create framework conditions for quality jobs to ensure sustainable economic and financial development.

Three global trends currently affect employment and labor markets. Firstly, economic and technological factors redefine mobility on a global scale. To facilitate mobility across geographic locations and within different stages of one's career, governments should remove structural barriers to promote the growth of various forms of work and encourage an inclusive labor market. Secondly, while technological change can result in job losses due to the substitution of human labor, it can also directly and indirectly create new jobs, access to new markets and wealth. G20 members need to foster an environment that enables innovation for all members of society and allows them to take greatest advantage of their skills. Finally, greater internationalization of production has led to improved trade and increased job opportunities.

- **Promotion of Open, Dynamic, and Inclusive Labor Markets:** This should be achieved through the removal of legal and structural barriers in the labor market and the promotion of diverse forms of work. Furthermore, governments should ensure policy frameworks that improve female entrepreneurship and female labor market participation. Finally, G20 countries should bring labor migration policies in line with labor market needs. Thus, governments should set up easy-to-understand, employment-friendly immigration laws which allow easy access to the formal labor market and reduce incentives for informality.
- **Harness the Potential of Technological Change through Better Education and Training:** To achieve this, governments should implement clear and consistent regulations for businesses to operate and innovate in, while reducing bureaucracy and legal barriers to drive innovation, which can be best achieved in close collaboration with companies. Also, G20 countries should urgently invest in skills development by identifying jointly with the business community, the skills needs of each country and establish, in cooperation with the social partners, vocational training programs that instruct workers in skills which make them competitive in the new economy. Finally, G20 countries should also promote entrepreneurship, which is crucial for more dynamic labor markets, not the least because entrepreneurs are job creators.
- **Creation of a Global Level Playing Field and Promotion of Fair Competition:** At the national level, governments should implement and enforce legislation that respects human rights and labor protection standards. They should also recognize that many companies are already actively contributing to creating safe and healthy working environments and that there are numerous alliances, initiatives, and measures, which they use to meet their responsibility in global supply chains. Finally, G20 countries should build on existing initiatives and promote the UN guiding Principles on Business and Human Rights as well as the OECD Guidelines for Multinational Enterprises.

SMEs

Small and medium-sized enterprises (SMEs) represent the vast majority of enterprises worldwide. They are an essential pillar of innovation, economic and social progress, as well as job creation. At the same time, they face a multitude of challenges, such as access to finance or the complex regulatory business environment. Access to markets abroad and shortage of skilled labor in a more and more digitalized economy are further concerns for SMEs. These concerns have been increasingly accounted for by many governments. But we need to do more. How can SMEs be further empowered? How can a better participation of SMEs in global value chains be facilitated? Specific attention needs to be given to the implementation of SME-friendly regulations and agreements as well as ensuring full access to the financial markets. The G20 can and has to contribute to a level-playing field that enables SMEs.

- **Facilitating SME Participation in Cross-Border Trade:** Participation of SMEs in trade should be strengthened by facilitating the inclusion of SME needs in trade agreements, including in the implementation of the WTO's Trade Facilitation Agreement (TFA), by recommending a stronger SME representation in the WTO, and by strengthening knowledge of as well as clarifying priorities on SME market access impediments. Secondly, trade capacity building for SMEs should be boosted by requesting multilateral and national development institutions as well as business and SME associations to strengthen SME trade capacity building by providing and enabling access to funding and expertise. Lastly, the G20 members should discuss a G20 Business Travel Card to allow fast track clearance across G20 members to promote a freer flow of skills and talent across borders.
- **Building Digital Capacities and Capabilities:** G20 members should foster SME Internet access by strengthening digital infrastructure outside industrial centers, incorporating comprehensive and targeted Digital Strategies, as well as raising SME awareness and capabilities through Innovation Hubs. SME participation in digital trade should be advanced by reducing regulatory barriers and enhancing SME e-commerce readiness, leveraging support for international multi-stakeholder initiatives on e-commerce such as the eWTP and the SME Market Link of the World SME Forum. Lastly, the measurement of the Digital Economy should be improved. Together with the respective international organizations such as the OECD, the G20 members should improve measurements of key characteristics of the digital economy, including size, scope, global reach, and economic value-creation by market sector and segment, with particular attention to SMEs, to create a better foundation for SME policy-making.
- **Advancing Financial Inclusion:** The financial market infrastructure for SMEs should be strengthened by consulting with the private sector on the reform of the credit reporting framework, collateral registries, and insolvency rules, as well as by mandating the Financial Stability Board (FSB) to improve the impact assessment of financial regulation with respect to lending to SMEs. Secondly, G20 members should improve access to various forms of financing and take specific and targeted measures to boost the financial literacy of SMEs by encouraging the establishment of mentorship and financing networks. Lastly, the G20 members should implement the G20 High-Level Principles for Digital Financial Inclusion, ensure that SME specific needs are sufficiently addressed, and boost SME awareness of and ability to engage in digital finance, including electronic invoicing and settlement, as well as digital trade and supply chain finance.

Responsible Business Conduct and Anti-Corruption

To raise standards of living, economic growth is indispensable. Job creation, training and education, innovation and technology development – business plays an integral part in improving living conditions globally. Around the world, countless companies are committed to Responsible Business Conduct (RBC), improving health and safety at work, living conditions, society, environment, and consumer welfare. More and more, companies are integrating this concept in their value chains. An important aspect of Responsible Business Conduct is fighting corruption. Corruption reduces efficiency and increases inequality. It distorts the efficient allocation of resources. It raises the costs of doing business. It undermines the trust in governments and erodes the rule of law. According to the World Economic Forum, the cost of corruption equals more than five percent of global GDP. Much has already been done to fight corruption, but we can do better.

- **Establish Beneficial Ownership Transparency:** G20 members should continue to lead the world in realizing beneficial ownership transparency by progressively implementing their action plans, raising global standards of data quality, exploring possibilities of connecting ownership information, and monitoring implementation progress. Secondly, the availability of information is key. G20 members should ensure easy access to, and efficient use of, beneficial ownership information by laying down clear rules governing access to information and facilitating access for users through adequate measures and guidance. Lastly, the exchange of information should be improved. The G20 members should facilitate the timely and effective exchange of beneficial ownership information at the national and international levels by defining or adopting data standards, providing guidance on legal set-ups in their country, and assisting developing countries in improving company registers.
- **Recognize Compliance Efforts:** G20 members should recognize corporate compliance efforts when awarding public contracts and when imposing sanctions for breaches, and they should explore additional ways to acknowledge compliance efforts. Moreover, G20 members should be encouraged to harmonize their administrative and legal approaches to self-disclosure of compliance breaches, recognize effective and safe internal reporting, and support adequate self-cleaning. Lastly, a culture of integrity needs to be promoted among the G20. They should continue its commitment to building a global culture of intolerance towards corruption by reinforcing international cooperation, including the promotion of key international instruments, supporting the provision of capacity building and training for SME and in non-G20 countries, as well as improving education on anti-corruption and integrity in schools and universities.
- **Enhance Responsible Business Conduct in Infrastructure Projects:** To promote responsible government conduct and transparency, G20 members should address the demand side of corruption and should ensure that public infrastructure projects are selected, planned, awarded, and managed openly and accountably by promoting integrity in their own organizational structures and processes and by enhancing reporting about project risks, impacts, progress, and costs. Additionally, G20 members should promote integrity among participating businesses by specifying requirements related to RBC, by encouraging coherent sustainability reporting, and by providing awareness training on anti-corruption and integrity. Lastly, G20 members should promote collective action, e.g. initiatives between different businesses, and between businesses and the public sector, which foster integrity (such as Integrity Pacts and High Level Reporting Mechanisms). G20 should initiate a study that explores joint ways of fighting corruption and misconduct in infrastructure projects.

Health

Health is a key aspect of human and economic development. A healthy population is essential to delivering sustainable and inclusive economic growth and security: one extra year of life expectancy has the potential to raise a country's per capita GDP by about four percent. The healthcare sector is one of the largest business sectors in the G20. Its research intensity and power to innovate, its large share in employment, and its outward-orientation make the sector an important driver of economic growth and development for G20 members and beyond. At the same time, the global healthcare sector faces unprecedented challenges. Demographic change, aging populations, increasing life expectancies, and changing lifestyles are just some of the most significant changes. Therefore, the B20 lauds G20 Germany for placing health on the agenda of this year's G20.

- **Driving Innovation in Healthcare:** Only healthcare systems, which incentivize the uptake of innovative medical products and allow greater access, will deliver on social development. G20 members should therefore ensure that healthcare systems adequately recognize the benefits delivered by innovative research and development for more effective therapies and diagnostics, and improve access to health by committing to establish a pro-innovation ecosystem, prioritizing self-organization, and empowerment of individuals.
- **Combating Antimicrobial Resistance (AMR):** Drug-resistant diseases and infections are some of the biggest health challenges the world faces today. If not addressed forcefully, by 2050, drug-resistant infections could cost ten million lives per year and a cumulative US\$ 100 trillion globally. G20 members should therefore combat antimicrobial resistance, including multidrug-resistant tuberculosis (MDR-TB), by agreeing on stronger support and incentives for R&D, standards for responsible use of antibiotics, as well as support for capacity building in low- and middle-income countries.
- **Fighting Neglected Tropical Diseases:** The World Health Organization estimates that neglected tropical diseases (NTDs) affect more than a billion people annually around the world and cost low- and middle-income countries billions of dollars. The G20 should thus fight NTDs by increasing funding for public health interventions, strengthening cooperation with governments of endemic countries and capacity building, and agreeing on more financial support for R&D.
- **Improving Pandemic Preparedness and Response:** The Ebola outbreak in West Africa and the recent outbreak of the Zika virus in the Americas made clear that the world is still woefully underprepared for pandemics. The G20 members should therefore support ongoing efforts to improve pandemic preparedness and response capabilities, including efforts to foster public-private partnerships in a variety of sectors.
- **Advancing Digital Health:** Digital health holds a wealth of opportunities for patients, governments, and the industry. Big Data can be a powerful tool to devise new personalized medicines and increase our understanding of diseases. Digital healthcare technologies can empower customers through unprecedented access to information, connect physicians to patients, and create new vast sources of data through continuous monitoring of patients. The G20 should thus endorse the use of Big Data in health by promoting translational data flows as well as protecting individual data, and accelerate the provision of a high-performance digital health infrastructure by setting clear targets and deploying broadband and mobile connectivity.

Africa

The “Compact with Africa” (CWA) Initiative of the German G20 Presidency aims to improve macroeconomic, political, and financial conditions in Africa, thereby promoting the sustainable development of the continent through increased domestic and foreign direct investment. The B20 is ready to support the members and individual Compact countries in their efforts and to successfully implement the Compact partnerships

- **Strengthening the Environment for Foreign Direct Investment:** The G20 should, in partnership with the Compact countries, improve the environment for FDI by jointly working on investment facilitation plans and more strongly supporting public-private partnerships.
- **Boosting Investment in Infrastructure:** The G20 should, jointly with the Compact countries, enhance investment in infrastructure by providing better information about infrastructure project pipelines, further expand risk mitigation instruments, and increase regulatory certainty.
- **Enabling Reliable and Affordable Energy:** The G20 should, in cooperation with the Compact countries, enable reliable and affordable energy by promoting the development and further expansion of bankable and investment-ready energy investment pipelines with a larger number of high-quality energy infrastructure Projects.
- **Increasing Digital Connectivity:** The G20 should, in cooperation with the Compact countries, bridge the digital divide between and within countries by enabling investment in ICT infrastructure as well as scaling up capacity building and skills programs.
- **Fostering Open and Inclusive Trade:** The G20 should, in cooperation with the Compact countries, foster open and inclusive trade by reducing trade barriers, implementing trade facilitation measures, and scaling up capacity building.
- **Improving Good Governance and Responsible Supply Chains:** The G20 should, in cooperation with the Compact countries, foster responsible global and regional supply chains and anti-corruption measures by supporting the comprehensive set of existing international initiatives and by encouraging the African partners to develop strong national institutions.
- **Enabling Small and Medium-Sized Enterprises:** The G20 should, in cooperation with the Compact countries, enable an environment that promotes SMEs as a pillar for inclusive growth and development.
- **Improving Financial Inclusion:** The G20 should, in cooperation with the Compact countries, advance financial inclusion to create a broader basis for sustainable economic growth and development.
- **Advancing Health:** The G20 should, in cooperation with the Compact countries, support measures that aim to expand access to essential healthcare services to their citizenry by applying best practices, building improved and sustainable policies, as well as incentivizing private sector involvement.
- **Advancing Employment and Education:** The G20 should, in cooperation with the Compact countries, advance employment and education, in particular by promoting open, dynamic, and inclusive labor markets, and by harnessing technological change through education.