

The G20 Summit in Buenos Aires

On 30 November and 1 December 2018, Argentina hosts the 13th Group of Twenty (G20) summit. This is the first time that a G20 summit is being hosted by a South American country, coinciding with the 10th anniversary of the consolidation of the G20 at leader level following the 2008 summit in Washington. Main challenges will include achieving consensus on climate and trade, with US-China relations being a decisive factor in the latter.

The Argentinian presidency of the G20

Exactly a decade after the <u>elevation</u> of the group to leaders' level, the G20 holds its 13th leaders' summit in Buenos Aires on 30 November and 1 December 2018. As the first South American country to host a G20 summit, Argentina has attempted to inject issues of particular relevance to Latin America into the agenda. The vision of the Argentinian G20 presidency was presented in a paper '<u>Building Consensus for Fair and Sustainable Development</u>' which also sets out the summit's themes: consensus, fairness, and sustainability. Three issues will be at the centre of Argentina's presidency: the future of work, with a view to 'unleashing people's potential'; infrastructure for development, by means of 'mobilising private resources to reduce the infrastructure deficit'; and a sustainable food future, which will require 'improving soils and increasing productivity'. In addition, the summit will maintain the focus on the G20's longstanding work on global economic growth, and international trade. It will also aim to <u>take forward</u> previous G20 initiatives on women, fighting corruption, strengthening financial governance, global tax fairness, climate and clean energy.

On assuming the presidency, Argentina's hope was to <u>send</u> 'a strong message to the international community that [the] country is returning to normal economic and fiscal policies'. However, the past year has challenged the centre-right government of <u>Mauricio Macri</u>, with a currency crisis and galloping inflation having led to <u>recourse</u> to the International Monetary Fund (IMF), with stringent conditions attached.

The summit also comes at a turbulent time for global governance, with trade relations between the US and some of the group's biggest members facing challenges that render the possibility of consensus quite slim. In 2017, at the G20 summit in Hamburg, the adopted Leaders' declaration already reflected key divisions between the US and other G20 countries on trade, with the language on protectionism significantly softened compared to the previous year, when leaders had committed unequivocally to oppose protectionism in 'all forms'. In Hamburg, the G20 also called for policy solutions to reduce excess steel capacity, welcomed the launch of the Women Entrepreneurs Financing Initiative; launched a G20 Africa partnership for growth and development; and aimed to continue work on the refugee crisis and on bolstering the resilience of the global financial system.

The G20 is the international forum for economic cooperation on the key issues of the global economic and financial agenda. Its members are Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, South Korea, Mexico, Russia, Saudi Arabia, South Africa, Turkey, the United Kingdom, the United States (US) and the European Union (EU). It was launched in 1999 by the Group of Seven (G7) countries and upgraded to a 'global crisis management committee' in 2008. Its agenda has expanded to include issues such as refugees, terrorism, climate, health and development. Since 2008, annual G20 summits have taken place at the level of heads of state or government. The G20 represents approximately two thirds of the world's population, accounts for 85 % of global GDP and 75 % of international trade.

Participation

As is customary, the presidency has invited several additional states and regional/international organisations to attend. This year, these include Spain, Chile and the Netherlands; the chairs of the Caribbean Community (Jamaica), ASEAN (Singapore), African Union (Rwanda) and NEPAD (Senegal); the Inter-American Development Bank and CAF-Development Bank of Latin America; and international organisations including the United Nations, IMF, World Bank, WTO, the Organisation for Economic Co-operation and Development (OECD), the Financial Stability Board and the International Labour Organization (ILO).

Outreach groups

As usual, the summit will take note of several tracks of outreach group meetings which have taken place in the run-up to the summit, including Business20, Women20, Labour20, Think20, Civil20, Science20, Youth20 and, for the first time, <u>Urban20</u> (U20). The latter has been established in acknowledgment of the increasingly important role of cities, and was an initiative by the mayors of Buenos Aires and Paris. U20 is convened by <u>C40 Cities</u> and United Cities and Local Governments (<u>UCLG</u>) 'to help cities develop collective messages and inclusive solutions for global issues' such as climate action and social integration.

Towards a parliamentary dimension of the G20: the European Parliament at the G20.

The Buenos Aires summit will be the first to host a parallel summit of G20 Speakers of Parliament (P20), organised by the Inter-Parliamentary Union (IPU) and the National Congress of Argentina. The P20 will provide parliaments with a channel to contribute to the G20 work and to discuss its implementation, including the relevant parliamentary action needed. The P20 will be preceded by a parliamentary forum on 31 October and 1 November. The European Parliament will be represented at the Forum by a nine-member delegation from the Committees on Foreign Affairs (AFET) and on International Trade (INTA) led by David McAllister (EPP, Germany) and Iuliu Winkler (EPP, Romania). MEPs will also meet Argentinian counterparts to discuss issues of mutual interest, such as the EU-Mercosur trade negotiations and the situation in Venezuela.

Issues to watch closely

Trade disputes are expected to occupy the spotlight. The US and China have recently intensified efforts to reach a deal at the G20 which would reduce the trade tensions between them, but <u>prospects</u> remain low. The Summit also follows threats by the US President to pull out of the World Trade Organization (WTO) unless it is reformed. <u>WTO reform</u> is a longstanding item on the agenda and a key issue for the EU, but achieving consensus on the way forward will be a challenge. A <u>draft communiqué</u> leaked to the **media** suggests that the language on trade will be less firm than in previous years. In the meantime, tariff measures imposed by the G20 have reached record highs.

Following the <u>withdrawal</u> of the US from the **Paris Climate Agreement**, the 'G20 Hamburg Action Plan on Climate and Energy for Growth' <u>included</u> a footnote clarifying that the US 'is currently in the process of reviewing many of its policies related to climate change and continues to reserve its position on this document and its contents'. This year's summit takes place only days before the United Nations climate change conference (<u>COP24</u>) in Katowice (Poland), which is due to conclude negotiations on the operating rules of the Paris Agreement. Some media and several civil society groups <u>report</u> weakened resolve to support the Agreement in the draft communiqué.

As always, the summit will be marked by important **bilateral meetings**. A <u>meeting</u> between Presidents Trump and Putin is due to take place, amidst a new crisis in Russia-Ukraine relations. A possible <u>meeting</u> between Saudi Crown Prince Mohammed bin Salman and Turkish President Erdogan may also materialise, while the prospect of the Prince travelling to Argentina has been greeted with <u>controversy</u> by civil rights organisations and by the country's prosecutors.

The ten-year anniversary, combined with the tumultuous state of global cooperation, has also opened up debate about the **future of the G20**. While some analysts argue that the group needs to be further institutionalised in order to be more effective, making the case for a <u>permanent secretariat</u>, others <u>posit</u> that its nature avoids the burden of excessive bureaucracy with which other international organisations struggle. Its future, according to <u>one view</u>, will also depend on its adaptation to changes in technology, rising nationalism, radicalisation and new concepts of human security.

The European Union is a full member of the G20 and takes part in its work at all levels. It is jointly represented at summits by the presidents of the European Commission and the European Council. Unlike other members, the EU does not hold the rotating presidency and does not host summits. The EU's participation in the G20 is coordinated by its 'sherpa', currently Antoine Kasel, a member of the Commission President's <u>cabinet</u>. In a <u>joint letter</u> to Heads of State or Government ahead of the summit, Presidents Juncker and Tusk set out the EU's key priorities for this year's G20: fair globalisation and trade; ambitious climate action; harnessing the future of work; building a more resilient international monetary and financial system; and delivering on counter-terrorism.

