

Outcome of the 2023 G20 Summit in New Delhi, India

Leaders met in New Delhi, India, for the 18th summit of the G20, the intergovernmental forum for international economic cooperation of the world's major economies. The 2-day meeting (9 to 10 September 2023) hosted by the Indian G20 presidency took place at a time of increasing political and economic rivalry, in which the world's leading and emerging economies are shaping new alliances around the globe. The themes chosen by the Indian presidency and the decision taken by the G20 leaders to grant permanent member status to the African Union (AU) reflect the growing importance that the G20 members attach to the states from the 'Global South'.

Main results of the summit: G20 New Delhi Leaders' Declaration

The G20 leaders issued a declaration supported by all G20 members at the end of the summit in New Delhi at which Charles Michel, President of the European Council, and Ursula von der Leyen, President of the European Commission, represented the EU.

Responding to the Indian presidency's six G20 priorities (green development, inclusive growth, progress on the UN SDGs, technological transformation, multilateral institutions for the 21st century, and women-led development), the leaders committed to a series of actions and goals in a wide-ranging 83-paragraph-long declaration under the theme 'One Earth \cdot One Family \cdot One Future'. The declaration also responded to calls from the EU, for example, for a reform of the multilateral development bank and action to address climate change, for instance by tripling renewable energy capacity by 2030. Some of the deliverables were to:

- accelerate the full and effective implementation of the 2030 Agenda for Sustainable Development;
- act on an agreement to triple renewable energy capacity globally by 2030;
- pursue low-GHG/low-carbon emissions, and climate-resilient and environmentally sustainable development pathways;
- scale up financing from all sources and accelerate efforts towards achieving the Paris Agreement, including its temperature goal;
- improve access to digital services and digital public infrastructure, and leverage digital transformation opportunities to boost sustainable and inclusive growth;
- close gender gaps and promote the full, equal, effective and meaningful participation of women in the economy as decision-makers;
- call for a reform of the multilateral system and reform the international development finance system including more effective multilateral development banks (MDBs);
- commit to a rules-based, non-discriminatory, fair, open, inclusive, equitable, sustainable and transparent multilateral trading system, with the World Trade Organization at its core.

Geopolitical issues

The <u>absence of China's President Xi Jinping</u>, leader of the world's second largest economy, attracted significant media attention and there was <u>speculation</u> as to whether Xi, who was represented by China's Premier, Li Qiang, did not show up because of tensions in India-China relations or because of the challenging domestic situation. Other <u>analysts came to the conclusion</u> that China is disillusioned with the G20 as it is too dominated by US influence, and that the country prefers to pursue a new global system of governance. In the run-up to the summit, it seemed questionable if the G20 leaders would manageto agree on a final communiqué given divisions in the group, in particular over Russia's war against Ukraine. However, in the end – <u>after 200 hours of negotiations and 300 bilateral meetings</u> – the G20 sherpas managed to produce a text on which all leaders were able to agree. Nevertheless, compared to last year's leaders' communiqué, the <u>G20 New Delhi Leaders' Declaration</u> has been watered down. While the <u>2022</u>



<u>declaration</u> still contained a reference in which members (according to their national positions) deplored in the strongest terms the aggression by the Russian Federation against Ukraine, this year's text does not condemn Russia explicitly but states that all countries should 'refrain from action against the territorial integrity and sovereignty or political independence of any state'. They also called for the implementation of initiatives such as the <u>Black Sea Grain Initiative</u> to ensure immediate and unimpeded deliveries of grain.

As with last year, Russian President Vladimir Putin did not attend the summit and was represented by Foreign Minister Sergey Lavrov. The latter called the summit a success, and <u>said</u> that because of the 'consolidated position of the Global South in defence of its legitimate interests' it was possible 'to prevent the success of the West's attempt to again 'Ukrain-ise' the entire agenda to the detriment of discussing the urgent problems of developing countries'. Ukraine <u>criticised</u> the G20's final declaration but thanked its allies for doing their part to advance Ukraine's position in the declaration. Ukraine's President, Volodymyr Zelenskyy, who participated in the 2022 summit by video-conference, was not invited to attend the meeting this time. According to <u>reports</u>, key emerging economies of the Global South (India, Brazil, Indonesia and South Africa), who are <u>avoiding taking sides</u> in an increasingly polarised world, were decisive in negotiating a compromise that allowed all G20 members to sign the final declaration. The decision by the G20 leaders to grant permanent member status to the <u>African Union</u> (which represents 55 African member states) acknowledges the growing role of the emerging countries from the Global South.

Side events: Partnership for Global Infrastructure and Investment

Several side events took place on the margins of the summit. US President Joe Biden and Indian Prime Minister Narendra Modi <u>co-hosted</u> a group of G20 leaders to accelerate investments to scale up high-quality infrastructure projects and the development of economic corridors through the <u>Partnership for Global Infrastructure and Investment</u> (PGII), which was launched last year by the EU, the US and Indonesia during the G20 summit in Bali. A memorandum of understanding on the <u>India - Middle East - Europe Economic Corridor</u> (IMEC), seen as a possible <u>alternative to the Chinese Belt and Road Initiative</u>, was signed by the US, India, Saudi Arabia, United Arab Emirates, France, Germany, Italy and the European Union. The planned corridor would link India, Saudi Arabia, the United Arab Emirates, Jordan, Israel and the EU, with the objective to boost trade and economic growth. In addition to this, the EU and the US decided to join forces to promote the <u>Trans-African Corridor</u> connecting southern Democratic Republic of Congo and northwestern Zambia to regional and global trade markets via the Port of Lobitoin Angola.

Reactions and next steps

The simple fact that the G20 leaders agreed upon a final declaration has been considered a <u>success</u> for the Indian presidency and for Modi. Moreover, some experts stress that India used the G20 presidency effectively as an opportunity to present itself as the <u>voice of the Global South</u>, in particular by choosing <u>topics</u> that are relevant for developing countries and by proposing to invite the AU to be a permanent member of the G20. The decision of President Xi to skip the summit at a moment in which India is emerging as a counterweight to China within the developing world, brings Michael Schuman, a non-resident senior fellow at the Atlantic Council's Global China Hub, to the conclusion that President Xi turned out to be the <u>biggest loser of the summit</u>. Regarding commitments on climate change, experts make a rather critical assessment of the G20 summit. While some <u>credit</u> the Indian presidency with selecting sustainable themes, and see the G20's commitment to triple renewable energy positively, many other <u>responses from the civil society</u> come to a negative assessment on the final declaration. For <u>Greenpeace</u>, for example, the outcome was disappointing, not least since leaders failed to reach agreement on the phasing out of fossil fuels.

India will host the speakers of parliaments of G20 countries (including the European Parliament) from 12-14 October 2023 in the new Parliament building in New Delhi. The next two G20 presidencies will also be held by members of the BRICS group: Brazil will formally take over the annual G20 presidency on 1 December, with South Africa following a year later. Brazilian President Luiz Inácio Lula da Silva announced at the closing of the G20 summit that Brazil's G20 presidency would have three priorities: i) social inclusion and the fight against hunger; ii) energy transition and sustainable development in its three aspects (social, economic and environmental); and iii) reform of global governance institutions.