Outcome of the 2022 G20 summit in Bali, Indonesia

SUMMARY

On 15 and 16 November 2022, the Group of Twenty (G20) held the 17th annual summit of its leaders in Bali, Indonesia. This was the first G20 summit since Russia began its war of aggression against Ukraine and the first fully fledged physical leaders' meeting since the COVID-19 pandemic began.

While Russian President Vladimir Putin did not attend the summit and was represented by Foreign Minister Sergey Lavrov, Ukrainian President Volodymyr Zelenskyy participated by video-conference as a guest.

Condemnation of Russia’s invasion of Ukraine, expressed in the Leaders' Declaration, dominated the summit, taking place at a time of geopolitical tension, economic slowdown and rising food and energy prices.

The final communiqué also contains a series of economic measures and political commitments relating to the global health architecture, the sustainable energy transition, and the digital transformation – the three priorities of the Indonesian G20 presidency.

On the margins of the G20 summit, a series of meetings took place, notably that between United States (US) President Joe Biden and Chinese President Xi Jinping, and the meeting of the leaders of the G7/NATO member countries.

Another take-away of this year's summit was that the role of the emerging countries from the Global South is growing. They were decisive in overcoming differences between the major geopolitical players. The Bali Summit was the first in a row of Global South G20 presidencies. The next G20 presidencies will be held by members of the BRICS Group: India in 2023, Brazil in 2024, and then South Africa in 2025. The EU has 'strategic partnerships' with all three of them.

This briefing draws on a previous one, published ahead of the 2022 G20 summit, by Angelos Delivorias.
Background

The G20 countries, together representing 85% of global gross domestic product (GDP), 75% of international trade and 66% of the world’s population, held their annual summit of leaders in Bali, Indonesia, in November 2022. This year, under the Indonesian Presidency’s theme ‘Recover Together, Recover Stronger’, the focus was on three interconnected pillars, namely the global health architecture, the sustainable energy transition and digital transformation. Charles Michel and Ursula von der Leyen, Presidents of the European Council and European Commission, represented the EU.

The first G20 summit since Russia began its war on Ukraine, the 2022 summit in Bali took place in an environment of growing rifts between the major geopolitical powers. It therefore presented an opportunity to show that the G20 still functions and how committed the major world economies are to multilateral rules and intergovernmental cooperation. A summit without a declaration would have demonstrated the gap between the G20 Western governments on the one hand and the members of the BRICS group (the five leading emerging economies: Brazil, Russia, India, China, and South Africa) in particular Russia, China and India on the other. As a sign of the growing rift, most of the ministerial meetings in the run-up to the summit failed to issue communiqués. This was also the reason some experts did not expect the leaders to find any consensus and were of the opinion that the overall effectiveness of the Group was at stake. European Council President Charles Michel said before the summit that ‘this G20 is one of the most difficult ones that there have ever been’.

The G20 Summit took place in tense geopolitical times but also with global economic activity experiencing a broad-based and sharper-than-expected slowdown, and inflation higher than seen for decades. The cost of living crisis, interrupted supply chains, high energy prices, climate change and the COVID-19 pandemic are all weighing heavily on the global economy.

Outcome of the summit

Contrary to negative expectations, the diplomatic negotiators – the G20 Sherpas – agreed after six rounds of talks and over 17 days of negotiations on a draft text for the G20 Bali Leaders’ Declaration. The final communiqué endorsed by the leaders includes 52 paragraphs and covers a series of topics, such as food and energy security, trade, climate and biodiversity, health and digital transformation.

The question of how the G20 would react to a war of aggression initiated by one of its members attracted significant media attention, not least since Ukrainian President Volodymyr Zelensky attended the summit by videoconference as a guest. Russian President Vladimir Putin did not attend and was represented by Foreign Minister Sergey Lavrov. Although the leaders pointed out in their declaration that the G20 was a forum for global economic cooperation and not a forum to resolve security issues, the dominant security problem was addressed directly in the third point of the declaration, which stated that most members strongly condemned the war in Ukraine. Leaders also condemned the use of, or threats of the use of, nuclear weapons.

The language condemning Russia’s war of aggression followed that of the UN General Assembly’s 2 March 2022 resolution on Ukraine. It allowed in particular China and India to reiterate their position at the UN where they, together with South Africa, were the only G20 countries (other than Russia) to abstain and not explicitly condemn Russia’s war of aggression. Commentators underlined that the rather clear criticism of Russia and the fact that Russia gave up its resistance to the declaration could be interpreted as a sign that its traditional allies – China and India – had started to distance themselves from Russia on this point. However, the very fact that leaders endorsed the declaration was seen as a success, as there were many concerns that the summit would finish without a declaration. In fact, diplomats praised the Indonesian president Joko Widodo, the summit’s host, and the Indian delegation for their constructive and mediating diplomacy.

The leaders’ declaration also focused on macroeconomic measures to address the challenges confronting the global economy, namely public investment, private investment, stronger multilateral trade and more resilient global supply chains.
Responding to the **Indonesian presidency’s three priorities (global health architecture, sustainable energy transition and digital transformation)** leaders underlined the importance of the World Health Organization’s technical expertise and central coordination role in the global health architecture. They also recognised that extensive **COVID-19 immunisation** was a global public good and committed to make efforts to ensure timely, equitable and universal access to safe, affordable, quality and effective vaccines.

Another topic, also addressed by Ursula von der Leyen at the event on the Partnership for Global Infrastructure and Investment in the framework of the G20 summit, was the **sustainable energy transition and the fight against climate change**. With a view to the **UN COP27 climate summit** in Egypt, which took place from 6 to 18 November 2022, G20 leaders agreed to pursue the objective of limiting the global temperature increase to 1.5 degrees Celsius – confirming their intention to tackle climate change by strengthening the full and effective implementation of the Paris Agreement.

The leaders recognised the importance of the **digital transformation** in reaching the sustainable development goals and acknowledged that affordable and high-quality digital connectivity is essential for digital inclusion and digital transformation. Moreover, they advocated international collaboration to further develop digital skills and digital literacy, so as to harness the positive impacts of digital transformation, especially for women, girls, and people in vulnerable situations.

On **food security**, leaders promised to take coordinated action to address food security challenges and called for an accelerated transformation towards sustainable and resilient agriculture and food systems and supply chains. They supported international efforts to keep food supply chains functioning and welcomed the **Black Sea Grain Initiative** brokered by the United Nations and Türkiye to open a safe maritime humanitarian corridor in the Black Sea.

**The rules-based multilateral trading order**, which is strongly supported by the EU, was backed by the leaders’ commitment to a rules-based, non-discriminatory, free, fair, open, inclusive, equitable, sustainable and transparent multilateral trading system, with the World Trade Organization (WTO) at its core. The declaration goes on to stress the importance of reforming the WTO, including the dispute settlement mechanism. Notably, the G20 agreed to reinforce international trade and investment cooperation, to address supply chain issues and avoid trade disruptions.

**Some reports** found that one of the most interesting developments at this year’s G20 summit was the role of the emerging nations from the Global South – India, Indonesia, Mexico, Argentina and South Africa – which were decisive in overcoming differences between the traditional geopolitical players and enabling the G20 to produce the final declaration. Against this backdrop it is no surprise that a series of topics relevant for the emerging economies and the **Global South** are mirrored in the declaration, such as the need to address food insecurity, strengthen pandemic prevention, preparedness, and response (PPR) through the **Pandemic Fund**, boost access to education, and strengthen the tax and development agenda. Leaders also urged developed countries to fulfil their commitments to deliver on the goal of jointly mobilising **US$100 billion** in climate finance per year by 2020 and annually through to 2025 to address developing countries’ needs.

The **EU leadership** welcomed the outcome of the 17th annual summit. Ursula von der Leyen stated that the G20 was showing its value as a leading forum to address global challenges and their consequences and ‘reaffirming international law and peace order’.

**Side events**

The summit was preceded by a **bilateral meeting between US President Joe Biden and Chinese President Xi Jinping**, which was the first time the two had met since Biden became president. Diplomats have been quoted as stating that it was a **constructive meeting** that paved the way for a successful G20 summit. One outcome of this meeting was that US Secretary of State, Antony Blinken plans to visit China next year. This would be the highest-level US visit to China in more than 4 years.
The leaders of Canada, the European Council, the European Commission, France, Germany, Italy, Japan, the Netherlands, Spain, the United Kingdom and the US met in the margins of the G20 summit in Bali. In a joint statement the leaders condemned Russia's missile attacks on Ukrainian cities and civilian infrastructure. They also discussed the explosion that had taken place in the east of Poland near the border with Ukraine and offered their full support for, and assistance with, Poland's ongoing investigation. However, NATO Secretary-General Jens Stoltenberg concluded that there was no indication that the missile had been the result of a deliberate attack and no indication that Russia was preparing offensive military actions against NATO.

Charles Michel and Ursula von der Leyen also attended the second EU-Australia leaders' meeting with Anthony Albanese, Prime Minister of Australia. The leaders reaffirmed their strong commitment to the conclusion of an ambitious and comprehensive trade agreement. EU-Australia trade negotiations were launched in July 2018. By the time of the meeting, 13 negotiation rounds had taken place, most recently on 17-21 October 2022.

Media outlets also reported on Chinese President Xi Jinping's speech – entitled 'Working Together to Meet the Challenges of Our Times and Build a Better Future' – at the first session of the summit, in which he reasserted China's role as global player. He positioned China as an advocate for peace, contributor to global development, defender of multilateralism and the WTO-centred multilateral trading system, and an ally of African countries by supporting African Union G20 membership.

European Parliament position

In an April 2022 resolution, Parliament called on EU leaders and the leaders of other states to exclude Russia from the G20 and other multilateral cooperative organisations. In a resolution of 20 October 2022, MEPs called on all G20 nations to show leadership and to commit to more ambitious reduction targets ahead of COP27. European Parliament Vice-President Nicola Beer took part in the 6-7 October Parliamentary Speakers' Summit (P20), a forum attended by G20 countries' parliament speakers designed to bring a parliamentary dimension to global governance.

Outlook

On 1 December 2022, India took over the G20 presidency from Indonesia. The Indian Presidency's chosen theme – 'Vasudhaiva Kutumbakam' or 'One Earth, One Family, One Future' – is drawn from the ancient Sanskrit text of the Maha Upanishad. The theme affirms the value of all life – human, animal, plant and microorganisms – and its interconnectedness on planet Earth and in the wider universe. Another key element of India's G20 Presidency will be to make it truly a 'People's G20. India's presidency comes at a time when the country has become the world's fifth-largest economy.

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