



Task Force 06

STRENGTHENING MULTILATERALISM AND GLOBAL GOVERNANCE

Improving G20 Effectiveness and Accountability

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Abstract

The G20 is often criticized for its lack of transparency, accountability, and effectiveness. However, G20 leaders pledged to be accountable at their first summit and developed accountability instruments, building on the 2012 Los Cabos Accountability Assessment Framework. These instruments include annual self-assessments, such as the G20 Action Plan on the 2030 Agenda for Sustainable Development and the Anti-corruption Working Group progress reports; monitoring by international institutions mandated by the G20, including the World Trade Organization (WTO), Organization for Economic

Co-operation and Development (OECD) and the United Nations Conference on Trade and Development (UNCTAD) on protectionist measures, and the International Monetary Fund (IMF) on strong, sustainable, balanced, inclusive growth; and ad hoc peer assessments, including on fossil fuels subsidies. Yet independent assessments reveal that G20 members only partially comply with their commitments, averaging 71%. These assessments also identify compliance challenges related to the proliferation of instruments, their complexity, and the lack of transparency. The G20 has been unable to provide the quality of accountability promised by its Los Cabos principles, including measures to focus on progress. Nor has it made the accountability exercise “open and transparent, with the overall outcomes communicated to the public after agreement.” The G20 needs to improve its compliance and streamline its accountability process by revisiting the methodologies and outcomes. T20 and other engagement groups have provided insights into the issue. Drawing on the assessments by groups engaged in regularly monitoring G20 commitments, this policy brief offers recommendations -on how the G20 can fulfill its promise of improving accountability, with overall outcomes communicated publicly, thereby enhancing its effectiveness in meeting its commitments and the global needs they address.

Keywords: G20, effectiveness, accountability, transparency, compliance



Diagnosis of the Issue

The G20's informality raises questions of legitimacy, transparency, representativeness, and effectiveness¹². Despite developing accountability instruments, independent assessments show that G20 members comply with their commitments on average only 71% of the time. To meet the increasingly comprehensive, complex and interconnected global challenges it confronts, the G20 can and must improve its compliance, accountability, transparency and effectiveness. This policy brief offers recommendations for G20 leaders to make their governance more accountable, inclusive, transparent, effective and thus legitimate.

Recognizing accountability as essential to legitimacy³, at its first summit in 2008, the G20 pledged to follow up on the immediate actions of the Washington Action Plan. At

¹ Jan Rood, "Transnational Governance and Democratic Legitimacy: The Case of the G20 and Financial-Economic Cooperation," in *Special Report on Transnational Governance and Democratic Legitimacy* (Hague Institute for Global Justice and Clingendael Institute, 2014), 67–87.

<https://www.clingendael.org/sites/default/files/pdfs/Transnational%20Governance%20and%20Democratic%20Legitimacy%20-%20G20.pdf>

² Dirk Willem te Velde, ed., "Accountability and Effectiveness of the G20's Role in Promoting Development: Analysis, Views, Annotated Bibliography and Workshop Report," October 2, 2012 (London: Overseas Development Institute),

<https://cdn.odi.org/media/documents/7842.pdf>.

³ Robert O. Keohane, "Global Governance and Legitimacy," *Review of International Political Economy* 18, no. 1 (2011): 99–109.

the 2009 London Summit the G20 initiated accountability by international organizations (IOs), asking the World Trade Organization (WTO) to publically report on G20 compliance with the promise to refrain from introducing new barriers to trade and investment⁴. The 2012 Los Cabos Accountability Assessment Framework was designed to review progress on past commitments, including the 2009 Pittsburgh Summit’s objectives of strong, sustainable, and balanced growth and provide guidance for future actions. It was strengthened at Brisbane in 2014 to assess the advance towards its quantitative goal of lifting gross domestic product by at least 2% by 2018, and to examine how members met their commitments to minimize negative spillovers⁵.

Since then, the G20 has developed an extensive and evolving accountability system to track progress on core commitments through self-assessment and monitoring by IOs.⁶ The G20 Framework Working Group (FWG) produced accountability assessments for the 2015 Antalya and 2016 Hangzhou summits. Since 2017, the IMF has produced reports on

⁴ WTO, “G20 Trade Policy Direction Becoming More Restrictive Amid Continued Slow Trade Growth,” December 18, 2023.

https://www.wto.org/english/news_e/news23_e/trdev_18dec23_e.htm.

⁵ G20, “Accountability Assessment Framework Going Forward,” Brisbane, November 14, 2014.

http://www.g20.utoronto.ca/2014/2015_g20_accountability_assessment_process.pdf

⁶ At London 2009, the G20 initiated accountability by IOs, asking the WTO to publicly report on G20 compliance with refraining from introducing barriers to trade and investment.

strong, sustainable, balanced and inclusive growth⁷, with the OECD offering recommendations for further action.

The Development Working Group (DWG) has issued annual updates on G20 development commitments since 2013 and comprehensive accountability reports every three years since 2016. To promote implementation of the G20 Action Plan on the 2030 Agenda for Sustainable Development, in 2017 the DWG began assessing commitments across all G20 workstreams and included a peer learning process⁸. In 2020, it adopted the Modernized Accountability Framework, which merged the annual updates and accountability reports⁹.

To what extent are the G20's commitments met? Since 2008, the academic Center for International Institutions Research and the G20 Research Group have produced independent, comprehensive, evidence-based, systematic annual assessments of G20

⁷ IMF, “G-20 Reports on Strong, Sustainable, Balanced, and Inclusive Growth,” accessed March 24, 2024. <https://www.imf.org/en/Publications/SPROLLs/SSBIG-reports>.

⁸ Sören Hilbrich and Jakob Schwab, “Towards a More Accountable G20? Accountability Mechanisms of the G20 and the New Challenges Posed to Them by the 2030 Agenda,” Discussion Paper 13/2018 (Bonn: German Development Institute, 2018). <https://www.idos-research.de/en/discussion-paper/article/towards-a-more-accountable-g20-accountability-mechanisms-of-the-g20-and-the-new-challenges-posed-to-them-by-the-2030-agenda>

⁹ G20 Development Working Group, “Accountability Framework,” 2020. <https://dwgg20.org/app/uploads/2021/05/G20-DWG-Modernized-Accountability-Framework.pdf>.



members' compliance with selected priority commitments. These assessments reveal that G20 members only comply with their commitments across all subjects at an average of 71%. Their all-time compliance is higher with commitments on macroeconomics (81%), terrorism (77%) and financial regulation (76%), and lower with commitments on trade (67%), gender (65%) and corruption (60%). The highest compliers are the United Kingdom (86%), Germany (85%) and Canada (84%), with lower compliance by Indonesia (59%), Turkey (56%) and Saudi Arabia (55%).¹⁰

Jessica Rapson has developed a compliance predictor tool to estimate compliance, enabling those who prepare summits to craft commitments in ways that can improve compliance¹¹. She finds compliance is more likely with commitments on energy, terrorism, macroeconomic policy, labour and employment, international cooperation, the environment, and reform of international financial institutions. By member, Australia, the United Kingdom, Japan and Canada are more likely to comply, and Italy, Indonesia and Saudi Arabia less likely. Rapson's findings suggest that predicted compliance with a commitment increases when G20 ministers responsible for that subject meet the same year as the summit and when commitments make reference to other G20 summits. IO membership and economic factors also appear to increase compliance probability.

¹⁰ G20 Research Group, "ALL G20 Commitments (with subject)" dataset, available on request from g20@utoronto.ca.

¹¹ Jessica Rapson, "Can Predictive AI Improve the Efficacy of the G20?" in John Kirton and Madeline Koch, eds., *G20 India: The 2023 New Delhi Summit* (London: GT Media, 2023), 164–65; Jessica Rapson and John Kirton, "Using Predictive AI to Improve the Efficacy of G7 and G20 Summits," *Global Solutions Journal* no. 10, in press.

Countries classified as advanced economies by the IMF are almost three times more likely to meet their G20 commitments. Commitments that mention specific dates or monetary values to be met are associated with a significantly lower probability of compliance.

Most G20-mandated assessments are done by IOs whose governance or financing is controlled by G20 members, which raises questions about their independence. This system is fragmented and lacks the transparency and public engagement promised by the Los Cabos Accountability Assessment Framework. Thus, there needs to be a systemic review of standards, procedures and internal mechanisms grounded in the principles of participation, transparency, public trust, credibility and accountability, inclusive of innovative compliance and oversight mechanisms.



Recommendations

Building on the extensive set of accountability instruments and accumulated experience, the G20 leaders should:

1. Produce an annual accountability report, with stakeholder input and perspectives from relevant engagement groups, led by T20, C20 B20, civil society, academia, private sector representatives and IOs on all the issues for which the G20 has made commitments. The report should highlight significant policy actions and initiatives by each G20 member since the previous summit. Issues with the highest compliance should be identified, as should members that comply the most. Remedial action for incomplete compliance should be identified through open, transparent, public communication channels. The findings should be supported by systematic, robust, evidence-based, publicly available analysis and data collection. Assessments should be based on statistical tools, economic models and qualitative assessments.

2. Add a special annual accountability summit at the beginning or end of each G20 presidency to review progress and prospects for compliance with the latest commitments, and how this can be improved, based on the annual accountability report. This summit would “push for effective implementation of various G20 decisions [from the most recent summit], including through relevant national and international platforms.”¹²

¹² India’s G20 Presidency, “Virtual G20 Leaders’ Summit,” press release, November 18, 2023, <https://www.g20.in/en/media-resources/press-releases/november-2023/virtual-summit.html>.



3. During this report and summit, craft ambitious, action-oriented commitments that are highly ambitious and binding (“we will/we shall”), and can deliver the desired results in the short term. Avoid recommendations aimed at existing or new working groups, commissioning new studies, or seeking more funding from unspecified or unlikely sources.

4. Tasking G20 ministers, working groups and IOs controlled by G20 members to start implementing action quickly.

5. Include quantifiable targets and timetables for commitments on issues where such features have historically coincided with increased compliance levels.¹³

6. Specify a core international organization relevant to the subject, where such delegation has coincided with higher compliance in the past.

7. Streamline communications strategies releasing communiqués publicly in all G20 languages as soon as possible after their production, reducing and focusing the flow of public information so substantive announcements remain prominent, particularly those regarding the high-level G20 activities of leaders and ministers.

8. Secure input from engagement groups to increase the transparency and credibility of the evaluations and initiate regular discussions with them on G20 progress on its core decisions.

¹³ See “Appendix 5-C: List of Compliance Catalysts” to “Climate Change Control through G7/8, G20 and UN Leadership,” by John Kirton and Ella Kokotsis, *Accountability for Effectiveness in Global Governance*, edited by John Kirton and Marina Larionova (Abingdon UK: Routledge, 2018).

<http://www.g7g20.utoronto.ca/accountability/05-app-c.html>.

9. Request the government ministerial and working groups tracking progress to invite engagement groups to contribute to the discussions of the accountability reports and their key findings.

10. Create an international virtual platform that operates fully remotely and uses digital tools to improve the capability to monitor the implementation of commitments; foster a more integrated approach; and provide institutional instruments of compliance, transparency and accountability.

11. Leverage existing and additional compliance information and artificial intelligence tools to predict future compliance, so G20 leaders can direct their attention toward assisting members in need of additional resources to meet their obligations, thereby improving the G20's overall ability to achieve its goals¹⁴.

¹⁴ Rapson and Kirton, "Using Predictive AI."



Scenario of Outcomes

In an optimistic scenario, Brazil's presidency engages with its engagement groups at the G20 Social to build a systemic dialogue that promotes public understanding of the G20 and enhances its transparency, credibility and legitimacy. G20 leaders ask their sherpas to define the parameters and establish the pattern of interaction on G20 accountability with relevant engagement groups and IOs and report by the next summit.

T20 members lead in initiating regular discussions of the key assessment reports with the B20, C20 and other engagement groups, recommending ways to improve accountability methodologies and procedures, and providing independent, objective analysis.

Think tanks from G20 members host and co-host discussions on topics of their expertise. Responsibilities would be assigned to dedicated G20 accountability focal points at certain think tanks or within their networks at the national and/or regional level.

In a pessimistic scenario, discussions on G20 accountability are not taken further and the accountability process continues with its current institutional arrangements, without improving G20 legitimacy, representativeness, effectiveness or transparency.

Other factors to consider in encouraging G20 decision makers to embrace these recommendations include the following:

1. Recommend updated versions of commitments that G20 leaders have already made, such as phasing out inefficient fossil fuel subsidies (which they have repeatedly committed to since 2009). Reframe commitments in ways that encourage compliance, rather than repeating previous text, by identifying component actions. For example: "We commit to eliminate subsidies related to the use of unabated coal within a year, in order to comply with our longstanding commitment to eliminate fossil fuel subsidies."



2. Recommend actions with the most co-benefits, identify their scale and scope, as well as any mitigating measures that reduce trade-offs. For example: “Phasing out fossil fuel subsidies would cut greenhouse gas emissions by about 20%, save governments \$7 trillion a year, improve economic equality, cut corruption and improve human health. We therefore commit to eliminate subsidies for fossil fuels that are most damaging to the climate and human health (specifically coal). We further commit to provide direct payments to the poorest people, to offset pricier fuel sources or spend on the less polluting transportation alternatives of their choice.”

3. Use and improve Jessica Rapson’s compliance predictor, so G20 practitioners can craft commitments in ways likely to improve compliance most acceptable to leaders.¹⁵ The compliance predictor could also help target compliance gaps, enabling G20 policymakers to identify potential resources to assist in commitment fulfillment.

4. Produce and deliver draft recommendations for commitments at the earliest stage to G20 policymakers, particularly to G20 ministers prior to their pre-summit ministerial meetings. Such meetings increase compliance with the leaders’ commitments on the same subject. Such issue-specific meetings should thus be held across all subjects the G20 leaders make commitments on.

¹⁵ See G20 Compliance Simulator at <https://g20-utoronto.shinyapps.io/compliance-tool>.

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