

ICC G20 Policy Consultation - 7 March 2013, New Delhi

Summary of consultation

The New Delhi G20 consultation provided senior business leaders from India and the Asia-Pacific region with an opportunity add input into the G20 policy agenda, principally in the areas of trade, investment and infrastructure. Participants strongly suggested that G20 leaders should provide support for trade and open markets to stimulate growth, support for a global agreement on investment and work with business to ensure financial regulations do not become barriers to trade and investment.

Policy discussion

Results from the New Delhi consultation gave businesses in the region the opportunity to help shape ICC's policy recommendations for input into the G20 process. Key outcomes from policy discussion are as follows:

- There is a need to place trade liberalization at the top of the G20 agenda. While the Russian government has placed a strong emphasis on trade for the 2013 G20 cycle, there is a need for business to advocate a number of concrete measures to promote jobs and growth. In particular a focus on delivering a comprehensive trade facilitation agreement at the WTO Bali Ministerial in December 2013 would be a strong signal to the global economy.
- It is important to build continuity from one G20 cycle to another and hold G20 governments accountable for their actions. The ICC G20 Scorecard is an excellent tool in this regard.
- In addition to trade facilitation agreement, G20 governments should also; a) remove agricultural subsidies, b) monitor rising protectionism in standardization and technical barriers to trade, c) insure regional and preferential trade agreements are compatible with multilateralism, d) provide capacity building for business in developing markets and, e) explore altering the methodology on how trade is measured.
- The Russian G20 cycle is an opportunity to promote a multilateral agreement on investment and provide a stable and predictable investment environment continue to generate employment and wealth creation.
- G20 leaders should make infrastructure development and productivity a top priority, particularly by improving and enabling long-term investment into infrastructure.
- Overall and across a variety of G20 policy areas including financial regulation, business should be more active in outlining principles that can serve as the basis for global rules.
- Concern was expressed regarding currency issues that hamper fair valuation of products and trade.

- G20 should place an emphasis on free and fair trade and avoid utilizing sanctions on trade to achieve political ends.
- Four key areas for the G20 on information technology and communication (ICT) include; a) the need to drive investment in ICTs, b) data protection, c) enhanced training for information technology, d) public-private partnerships

Views from the G20 Sherpa

The G20 arose from the financial crisis with a principal focus on financial issues. However as the G20 has shifted from “crisis” mode increasing attention has moved into other areas such as trade, infrastructure, green growth, and food security for example. Business has also become an increasingly important partner in the process via the B20 process. There is a need to deepen public-private dialogue on key issues of the G20 agenda. Some of the key issues that are being discussed for the 2013 G20 cycle including;

- 1) Ongoing Eurozone crisis
- 2) US political issues
- 3) Weakness in the financial system
- 4) Sovereign borrowing and private debt – austerity vs. growth

Over the medium- to long-term the G20 will likely consider the shape and structure of the international monetary system, use of fiscal policy, and other macro-economic concerns.

Selected quotes

"We are very pleased that the CEO Forum has given diverse voices from Asia and the Pacific region the opportunity to be heard and to be relevant to the global policy debates that ultimately impact their commercial opportunities, investments and trade."

*Victor K Fung, ICC Honorary
Chairman and Chairman, Li & Fung Group*

"The member companies of ICC are the everyday practitioners of the global economy and, consequently, have a clear stake in the success of the G20. Business leaders at the Forum received a first-hand assessment of the evolving business opportunities in one of the fastest growing regions of the world."

*Harsh Pati Singhania, President, ICC
India and Managing Director, JK Paper*

"The results from this policy consultation will be conveyed to the respective B20 task force leaders in Moscow so as to ensure that business recommendations reflect the broad base of companies large and small in all regions of the world."

*Harold McGraw III, ICC Vice-Chairman
and CEO, The McGraw-Hill Companies*