

**G20 Leaders' Communiqué**

**Hangzhou Summit**

4-5 September 2016

1. We, the Leaders of the G20, met in Hangzhou, China on 4-5 September 2016.
2. We met at a time when the global economic recovery is progressing, resilience of our economy is improved and new sources for growth are emerging. But growth is still weaker than desirable. Downside risks remain due to potential volatility in the financial market, fluctuations of commodity price, sluggish trade and investment, and slow productivity and employment growth. Emerging challenges originating from geopolitical developments and conflicts as well as terrorism also complicate the global economic outlook. **【Sherpa and Finance Tracks】**
3. We also met at a time of major shifts and profound transformations in the configuration of the global economic landscape and dynamics for growth. With these transformations come challenges and uncertainties as well as opportunities. The choices we make together will determine the effectiveness of our response to the challenges of today and help to shape the world economy of the future.
4. We start from the belief that closer partnership and joint action by G20 members will boost confidence in, foster driving forces for and intensify cooperation on global economic growth, contributing to shared prosperity and better well-being of the world.
5. We are determined to foster an innovative, invigorated, interconnected and inclusive world economy to usher in a new era of global growth and sustainable development.
6. In this context, we forge a comprehensive and integrated narrative for growth, and thereby adopt a package of policies and actions - the Hangzhou Consensus - based on the following:
  - Vision. We will strengthen the G20 growth agenda to identify and catalyze new drivers of growth, open up new horizons for development, lead the way in transforming our economies in a more innovative and sustainable manner and better reflect shared interests of both present and coming generations.
  - Integration. We will pursue innovative growth concepts and policies by forging synergy among fiscal, monetary and structural policies, enhancing coherence between economic, labor, employment and social policies as well as combining demand support with supply side reforms, short-term with mid-to-long-term policies, economic growth with social development and environmental protection.
  - Openness. We will work harder to build an open world economy, reject protectionism, promote global trade and investment, and further strengthen the multilateral trading system, ensuring broad-based public support for expanded growth in a globalized economy.
  - Inclusiveness. We will work to ensure that our economic growth serve the needs of everyone and benefit all countries and all people, generating more jobs, addressing inequalities and eradicating poverty so that no one is left behind.
7. We, the G20, as the premier forum for international economic cooperation, resolve to set sail and embark on a new journey from Hangzhou for strong, sustainable, balanced and inclusive growth.

43 **Strengthening Policy Coordination**

44 8. Our growth must be shored up by well-designed and coordinated policies. We are determined to use all  
45 policy tools - monetary, fiscal and structural - individually and collectively to achieve our goal of  
46 strong, sustainable, balanced and inclusive growth. Monetary policy will continue to support economic  
47 activity and ensure price stability, consistent with central banks' mandates, but monetary policy alone  
48 cannot lead to balanced growth. Underscoring the essential role of structural reforms, we emphasize  
49 that our fiscal strategies are equally important to support our common growth objectives. We are using  
50 fiscal policy flexibly and making tax policy and public expenditure more growth-friendly, including by  
51 prioritizing high-quality investment, while enhancing resilience and ensuring debt as a share of GDP is  
52 on a sustainable path. Furthermore, we will continue to explore policy options, tailored to country  
53 circumstances that the G20 countries may undertake as necessary to support growth and respond to  
54 potential risks including balance sheet vulnerability. We reiterate that excess volatility and disorderly  
55 movements in exchange rates can have adverse implications for economic and financial stability. We  
56 will consult closely on exchange markets. We reaffirm our previous exchange rate commitments,  
57 including that we will refrain from competitive devaluations and we will not target our exchange rates  
58 for competitive purposes. We will carefully calibrate and clearly communicate our macroeconomic and  
59 structural policy actions to reduce policy uncertainty, minimize negative spillovers and promote  
60 transparency. **【 Finance Track 】**

61 9. We are making further progress towards the implementation of our growth strategies, but much more  
62 needs to be done. Swift and full implementation of the growth strategies remains key to support  
63 economic growth and the collective growth ambition set by the Brisbane Summit. In light of this, we  
64 launch the Hangzhou Action Plan and have updated our growth strategies, including new and adjusted  
65 macroeconomic and structural policy measures that can provide mutually-supportive benefits to growth.  
66 We will also strive to reduce excessive imbalances and promote greater inclusiveness in our pursuit of  
67 economic growth. **【 Finance Track 】**

68 **Breaking a New Path for Growth**

69 10. Our growth, to be dynamic, must be powered by new driving forces. While reaffirming the importance  
70 of addressing shortfalls in global demand to support short-term growth, we believe it is also imperative  
71 to address supply side constraints so as to raise productivity sustainably, expand the frontier of  
72 production and unleash mid-to-long-term growth potential.

73 11. We recognize that innovation is a key driver of long-term growth for both individual countries and the  
74 global economy as a whole. We are committed to tackling the root causes of weak growth by taking  
75 innovation as a key element of our effort to identify new growth engines for the world economy, which  
76 will also contribute to creating new and better jobs, building a cleaner environment, unleashing  
77 productivity, addressing global challenges and improving people's lives. We thus endorse the G20  
78 Blueprint on Innovative Growth as a new agenda encompassing policies and measures in and across the  
79 areas of innovation, the new industrial revolution, the digital economy and structural reforms. We will  
80 act on the recommendations of the Blueprint in accordance with our national circumstances and in line  
81 with our vision for leadership, partnership, openness, inclusiveness, creativity, synergy and flexibility.

82 12. We commit to important cross-cutting actions related to multi-dimensional partnerships, supporting  
83 developing countries and improving skills and human capital. Our work will be supported by a G20  
84 Task Force facilitated by the OECD in line with the priorities of the respective G20 Presidency and  
85 ensuring continuity and consistency.

86 13. To achieve innovation-driven growth and the creation of innovative ecosystems, we support dialogue  
87 and cooperation on innovation, which covers a wide range of domains with science and technology  
88 innovation at its core. We deliver the G20 2016 Innovation Action Plan. We encourage members to  
89 adopt pro-innovation strategies and policies, support investment in science, technology and innovation  
90 (STI), improve skills training for STI and mobility of STI human resources, emphasizing the

91 importance of more open trade and investment regimes to facilitate innovation including through  
92 intellectual property rights (IPR) protection. We are committed to foster exchange of knowledge and  
93 experience by supporting an online G20 Community of Practice within the existing Innovation Policy  
94 Platform and the release of the 2016 G20 Innovation Report. We encourage discussions on open  
95 science and will explore innovative solutions to global challenges.

96 14. To seize the opportunity that the new industrial revolution (NIR) presents for industry, particularly  
97 manufacturing and related services, we deliver the G20 New Industrial Revolution Action Plan. We  
98 agree to strengthen communication, cooperation and relevant research on the NIR, facilitate small and  
99 medium size enterprises (SMEs) to leverage benefits from the NIR, address employment and workforce  
100 skill challenges, encourage more cooperation on standards, IPR and new industrial infrastructure, and  
101 support industrialization in developing countries, especially in Africa and Least Developed Countries  
102 (LDCs). We are committed to supporting our workforces throughout this transition and to ensuring that  
103 the benefits of the NIR extend to women, young people and other marginalized groups. We call for  
104 cooperation to maximize the benefits and mitigate the negative impact of the expected technological  
105 and industrial changes. In all these initiatives, the G20 will take into consideration the different  
106 opportunities and challenges for developing and developed countries.

107 15. To unleash the potential of digital economy, we deliver the G20 Digital Economy Development and  
108 Cooperation Initiative, which builds on our Antalya commitments. We aim to foster favorable  
109 conditions for its development, including through expanded and better broadband access, investment in  
110 the ICT sector, entrepreneurship, digital transformation, e-commerce cooperation, enhanced digital  
111 inclusion and development of micro, small and medium size enterprises (MSMEs). We will offer policy  
112 support for an open and secure environment, in recognition of the key role of adequate and effective  
113 IPR protection and enforcement to the development of the digital economy as reaffirmed in the Antalya  
114 Communiqué. We welcome the efforts made by the OECD, IMF and other international organizations  
115 on the measurement of the digital economy, and recognize that further relevant research and exchange  
116 are needed.

117 16. We reiterate the essential role of structural reforms in boosting productivity and potential output, as  
118 well as promoting innovative growth in G20 countries. We deliver the Enhanced Structural Reform  
119 Agenda, noting that the choice and design of structural reforms are consistent with countries' specific  
120 economic conditions. We agree upon the nine priority areas of structural reforms and a set of guiding  
121 principles identified in the Agenda to provide high-level and useful guidance to members, while  
122 allowing them to account for their specific national circumstances. We also support the quantitative  
123 framework consisting of a set of indicators to help monitor and assess our efforts and progress with  
124 structural reforms and challenges. We support incorporating the Enhanced Structural Reform Agenda  
125 into the existing work stream under the Framework for Strong, Sustainable and Balanced Growth, and  
126 expect implementing and improving it over time. **【 Finance Track 】**

#### 127 **More Effective and Efficient Global Economic and Financial Governance**

128 17. Our growth, to be resilient, must be underpinned by effective and efficient global economic and  
129 financial architecture. We will continue our work in this regard.

130 18. We endorse the G20 Agenda towards A More Stable and Resilient International Financial Architecture.  
131 We will continue to improve the analysis and monitoring of capital flows and management of risks  
132 stemming from excessive capital flow volatility. We support work to further strengthen the Global  
133 Financial Safety Net (GFSN), with a strong, quota-based and adequately resourced IMF at its center,  
134 equipped with a more effective toolkit, and with more effective cooperation between the IMF and  
135 Regional Financing Arrangements (RFAs), respecting their mandates. In this respect, we welcome the  
136 upcoming CMIM-IMF joint test run. We support maintaining the IMF's current lending capacity. We  
137 welcome the entry-into-effect of the 2010 IMF quota and governance reform and are working towards  
138 the completion of the 15th General Review of Quotas, by the 2017 Annual Meetings. We reaffirm that

139 any realignment under the 15th review in quota shares is expected to result in increased shares for  
140 dynamic economies in line with their relative positions in the world economy, and hence likely in the  
141 share of emerging market and developing countries as a whole. We support the World Bank Group  
142 (WBG) to implement its shareholding review according to the agreed roadmap and timeframe, with the  
143 objective of achieving equitable voting power over time. We underline the importance of promoting  
144 sound and sustainable financing practices and will continue to improve debt restructuring processes.  
145 We support the continued effort to incorporate the enhanced contractual clauses into sovereign bonds.  
146 We support the Paris Club's discussion of a range of sovereign debt issues, the ongoing work of the  
147 Paris Club, as the principal international forum for restructuring official bilateral debt, towards the  
148 broader inclusion of emerging creditors, and welcome the admission of Republic of Korea to the Paris  
149 Club. We welcome China's continued regular participation in Paris Club meetings and intention to play  
150 a more constructive role, including further discussions on potential membership. We welcome the  
151 inclusion of RMB into the Special Drawing Right (SDR) currency basket on October 1st and support  
152 the ongoing efforts to broaden the use of the SDR, such as broader reporting in the SDR and the  
153 issuance of SDR-denominated bonds, as a way to enhance resilience. In this context, we welcome the  
154 recent issuance of SDR bonds by the International Bank for Reconstruction of the WBG in China's  
155 interbank market. We welcome further work by the IOs to support the development of local currency  
156 bond markets. **【Finance Track】**

- 157 19. Building an open and resilient financial system is crucial to supporting sustainable growth and  
158 development. To this end, we remain committed to finalizing remaining critical elements of the  
159 regulatory framework and to the timely, full and consistent implementation of the agreed financial  
160 sector reforms, including Basel III and the total-loss-absorbing-capacity (TLAC) standard as well as  
161 effective cross-border resolution regimes. We reiterate our support for the work by the Basel  
162 Committee on Banking Supervision (BCBS) to finalize the Basel III framework by the end of 2016,  
163 without further significantly increasing overall capital requirements across the banking sector. We look  
164 forward to the BCBS comprehensive quantitative impact study that will inform the final design and  
165 calibration of the framework. We welcome the FSB's second annual report on implementation and  
166 effects of reforms, and will continue to enhance the monitoring of implementation and effects of  
167 reforms to ensure their consistency with our overall objectives, including by addressing any material  
168 unintended consequences. We will continue to address the issue of systemic risk within the insurance  
169 sector. We welcome the work towards the development of an Insurance Capital Standard (ICS) for  
170 internationally active insurers. We will accelerate implementation of the agreed OTC derivatives  
171 reforms, and we will make the necessary legal changes to remove barriers to trade reporting. We  
172 encourage members to close the gap in the implementation of the Principles for Financial Market  
173 Infrastructures and welcome the reports by the Committee on Payments and Market Infrastructures,  
174 International Organization of Securities Commissions and FSB on enhancing central counterparty  
175 resilience, recovery planning and resolvability. Recognizing the importance of effective  
176 macroprudential policies in limiting systemic risks, we welcome the joint work by the IMF, FSB and  
177 BIS to take stock of international experiences with macroprudential frameworks and tools and to help  
178 promote effective macroprudential policies by providing best practices. This could serve as a basis for  
179 future international guidelines on the design and implementation of effective macroprudential policies.  
180 We welcome the FSB consultation on proposed policy recommendations to address structural  
181 vulnerabilities from asset management activities. We will continue to closely monitor, and if necessary,  
182 address emerging risks and vulnerabilities in the financial system, including those associated with  
183 shadow banking, asset management and other market-based finance. We will continue to address,  
184 through the FSB-coordinated action plan, the decline in correspondent banking services so as to support  
185 financial inclusion, trade and openness. We look forward to the Financial Action Task Force's planned  
186 clarification of regulatory expectations regarding such services in October. We call on G20 members,  
187 the IMF and WBG to intensify their support for domestic capacity building to help countries improve  
188 their compliance with global anti-money laundering and countering the financing of terrorism  
189 (AML/CFT) and prudential standards. We endorse the G20 High-level Principles for Digital Financial

190 Inclusion, the updated version of the G20 Financial Inclusion Indicators, and the Implementation  
191 Framework of the G20 Action Plan on SME Financing. We encourage countries to draw from the  
192 High-level Principles for Digital Financial Inclusion when devising financial inclusion plans and taking  
193 concrete actions to accelerate progress on all people's access to finance. **【 Finance Track 】**

194 20. We will continue our support for international tax cooperation to achieve a globally fair and modern  
195 international tax system and to foster growth, including advancing on-going cooperation on Base  
196 Erosion and Profits Shifting (BEPS), exchange of tax information, tax capacity-building of developing  
197 countries and pro-growth tax policies. We welcome the establishment of the G20/OECD Inclusive  
198 Framework on BEPS, support a timely, consistent and widespread implementation of the BEPS  
199 package and call upon all relevant and interested countries and jurisdictions that have not yet  
200 committed to the BEPS package to do so and join the framework on an equal footing. We also welcome  
201 the progress made on effective and widespread implementation of the internationally agreed standards  
202 on tax transparency and reiterate our call on all relevant countries and jurisdictions, including all  
203 financial centers, which have not committed to the standard of automatic exchange of information to do  
204 so without delay and to sign the Multilateral Convention on Mutual Administrative Assistance in Tax  
205 Matters. We endorse the proposals made by the OECD working with G20 members on the objective  
206 criteria to identify non-cooperative jurisdictions with respect to tax transparency, and ask the OECD to  
207 prepare a list of non-cooperative jurisdictions by the 2017 G20 Leaders' Summit. Defensive measures  
208 will be considered against listed jurisdictions. We encourage countries and international organizations  
209 to assist developing economies in building their tax capacity and acknowledge the establishment of the  
210 new Platform for Collaboration on Taxation by the IMF, OECD, UN and WBG. We support the  
211 principles of the Addis Tax Initiative. We emphasize the effectiveness of tax policy tools in supply-side  
212 structural reform for promoting innovation-driven, inclusive growth, as well as the benefits of tax  
213 certainty to promote investment and trade and ask the OECD and IMF to continue working on the  
214 issues of pro-growth tax policies and tax certainty. In this connection, China would make its own  
215 contribution by establishing an international tax policy research center for international tax policy  
216 design and research. **【 Finance Track 】**

217 21. We call on the FATF and the Global Forum to make initial proposals by the Finance Ministers and  
218 Central Bank Governors meeting in October on ways to improve the implementation of the  
219 international standards on transparency, including on the availability of beneficial ownership  
220 information of legal persons and legal arrangements, and its international exchange. **【 Finance Track 】**

221 22. We recognize that, in order to support environmentally sustainable growth globally, it is necessary to  
222 scale up green financing. We agree that the development of green finance faces a number of challenges,  
223 including difficulties in internalizing environmental externalities, maturity mismatch, lack of clarity in  
224 green definitions, information asymmetry and inadequate analytical capacity, but many of these  
225 challenges can be addressed by financial sector options. We endorse the G20 Green Finance Synthesis  
226 Report submitted by the Green Finance Study Group (GFSG), and welcome the voluntary options  
227 developed by the GFSG to enhance the ability of the financial system to mobilize private capital for  
228 green investment. **【 Finance Track 】**

229 23. Recognizing the detrimental effects of corruption and illicit finance flows on equitable allocation of  
230 public resources and sustainable economic growth, we will reinforce the G20's efforts to enhance  
231 international cooperation against corruption, while fully respecting international law, human rights and  
232 the rule of law as well as the sovereignty of each country. We endorse the G20 High Level Principles  
233 on Cooperation on Persons Sought for Corruption and Asset Recovery and welcome China's initiative  
234 to establish a Research Center on International Cooperation Regarding Persons Sought for Corruption  
235 and Asset Recovery in G20 Member States. We commit to continue the G20 Denial of Entry Experts  
236 Network. Consistent with our national legal systems, we will work on cross-border cooperation and  
237 information sharing between law enforcement and anti-corruption agencies and judicial authorities. We  
238 call for ratification by all the G20 members of the United Nations Convention Against Corruption and

239 welcome the launch of the second cycle of its review mechanism. We will endeavor to apply effectively  
240 the extradition, mutual legal assistance and asset recovery provisions of the above Convention and  
241 other applicable international conventions. We endorse the 2017-2018 G20 Anti-Corruption Action  
242 Plan to improve public and private sector transparency and integrity, implementing our stance of zero  
243 tolerance against corruption, zero loopholes in our institutions and zero barriers in our actions. We ask  
244 the Anti-Corruption Working Group to develop an implementation plan before the end of 2016 as a  
245 flexible framework to carry this work forward with renewed high-level attention and urgency. We also  
246 welcome outcomes of the London Anti-Corruption Summit in May 2016.

247 24. In line with the G20 Principles on Energy Collaboration, we commit to building strong and resilient  
248 energy markets, fostering more effective and inclusive global energy architecture to better reflect the  
249 changing realities of the world's energy landscape, and shaping a low green house gas emission, smart,  
250 sharing and sustainable energy future. We stress that continued investment in energy projects remains  
251 critically important to ensuring future energy security and preventing economically destabilizing price  
252 spikes. We endeavor to work with Sub-Saharan and Asia-Pacific countries to improve universal access  
253 to affordable, reliable, clean, sustainable and modern energy services, particularly by addressing  
254 barriers to electricity access through greater interconnectivity. We encourage members to significantly  
255 improve energy efficiency based on the specific needs and national circumstances of each member. We  
256 endorse the G20 Voluntary Collaboration Action Plan on Energy Access, the G20 Voluntary Action  
257 Plan on Renewable Energy and the G20 Energy Efficiency Leading Programme agreed by the G20  
258 energy ministers and look forward to their early implementation.

259 25. We support increasing substantially the share of renewable energy in the global energy mix, based on  
260 national conditions, such as energy interconnections. We support efforts to improve the functioning,  
261 transparency and competitiveness of gas markets, recognizing that natural gas can play an important  
262 role in moving towards a low greenhouse gas emission energy future. We will work on the efficiency  
263 and emissions performance of heavy duty vehicles on a voluntary basis. We commit to rationalize and  
264 phase-out inefficient fossil fuel subsidies that encourage wasteful consumption [by a date certain],  
265 recognizing the need to support the poor. Further, we welcome the successful conclusion of the peer  
266 review conducted by China and the US and the related update, and anticipate peer reviews of more G20  
267 members are planned. We welcome the efforts to promote natural gas extraction, transportation and  
268 processing in a manner that minimizes environmental impacts[, including reducing methane emissions].

## 269 **Robust International Trade and Investment**

270 26. Our growth, to be strong, must be reinforced by robust and sustainable trade and investment. We note  
271 with concern the slow growth in trade and investment globally and will endeavor to enhance an open  
272 world economy by strengthening G20 trade and investment cooperation and working towards trade and  
273 investment facilitation and liberalization. We recognize that for many developing countries, building  
274 the requisite productive capacity is necessary to benefit from more open global markets. We also  
275 commit to work together to ensure that the outcome of the referendum of the UK's membership of the  
276 EU would not negatively affect international trade. We commend the successful G20 Trade Ministers  
277 Meeting held in Shanghai on 9-10 July, and welcome the establishment of the G20 Trade and  
278 Investment Working Group (TIWG). We encourage officials to further strengthen G20 trade and  
279 investment cooperation.

280 27. We reaffirm our determination to ensure a rule-based, transparent, non-discriminatory, open and  
281 inclusive multilateral trading system with the World Trade Organization playing the central role. We  
282 reiterate our commitment to shape the post-Nairobi work with development at its center and commit to  
283 advancing negotiations on the remaining DDA issues, with a sense of urgency and solidarity and with a  
284 view to achieving positive outcomes of the MC11. We also note that a range of issues, such as those  
285 addressed in RTAs and by the B20, may be of common interest and importance to today's economy,  
286 and thus may be legitimate issues for discussions in the WTO. We commit to ratify the Trade  
287 Facilitation Agreement by the end of 2016 and call on other WTO members to do the same. We

288 welcome the landing zone achieved in the WTO Environmental Goods Agreement (EGA) negotiations,  
289 and encourage G20 EGA participants to redouble efforts with an aim to conclude the negotiation by the  
290 end of 2016, after finding effective ways to address the core concerns of participants. More broadly, we  
291 resolve to work with all WTO members to set the direction towards achieving further positive  
292 outcomes as they mature.

- 293 28. We reiterate our opposition to protectionism on trade and investment in all its forms. We extend our  
294 commitments to standstill and rollback of protectionist measures till the end of 2018 and support the  
295 work of the WTO and other international organizations in monitoring protectionism. We emphasize that  
296 open markets must be accompanied by appropriate domestic policies to ensure that benefits are widely  
297 distributed. We commit to working to ensure our bilateral and regional trade agreements complement  
298 one another and the multilateral trading system, and are open, transparent, inclusive and  
299 WTO-consistent. We further recognize that WTO-consistent plurilateral trade agreements with broad  
300 participation can play an important role in complementing global liberalization initiative.
- 301 29. We endorse the G20 Strategy for Global Trade Growth, under which the G20 will lead by example to  
302 lower trade costs, harness trade and investment policy coherence, boost trade in services, enhance trade  
303 finance, promote e-commerce development, and address trade and development. We welcome the  
304 World Trade Outlook Indicator released by the WTO as an important leading indicator of global trade.  
305 We endorse the G20 Guiding Principles for Global Investment Policymaking, which will help foster an  
306 open, transparent and conducive global policy environment for investment, promote coherence in  
307 national and international policy-making, and promote inclusive economic growth and sustainable  
308 development.
- 309 30. We also support policies that encourage firms of all sizes, including SMEs, to take full advantage of  
310 global value chains, and that encourage greater participation and value addition by developing  
311 countries, particularly low income countries (LICs). We take note of the B20's initiative on an  
312 Electronic World Trade Platform (eWTP), and encourage efforts in this regard.

### 313 **Inclusive and Interconnected Development**

- 314 31. Our growth, to be strong, sustainable and balanced, must also be inclusive. We are committed to  
315 ensuring the benefits of our growth reach all people and maximize the growth potential of developing  
316 and LICs. In this context, we place sustainable development high on the G20 agenda.
- 317 32. We pledge to enhance policy coherence on sustainable development and reaffirm our commitment to  
318 further align our work with the universal implementation of the 2030 Agenda for Sustainable  
319 Development, based on the comparative advantage and the added value of the G20 and in accordance  
320 with our national circumstances, while acknowledging that the global follow-up and review of the 2030  
321 Agenda is a UN-led process. We commit to contributing to the implementation of the 2030 Agenda by  
322 taking the lead through bold, transformative collective and national actions in a wide range of areas. We  
323 endorse the G20 Action Plan on the 2030 Agenda for Sustainable Development, which includes  
324 national and collective actions to be taken by G20 members to implement the 2030 Agenda, and a set of  
325 high-level principles that provide guidance to those efforts. We welcome the Addis Ababa Action  
326 Agenda on financing for development and the establishment of the Technology Facilitation Mechanism  
327 and stress the importance of enhanced cooperation on technologies to achieving sustainable  
328 development. We welcome the Hangzhou Comprehensive Accountability Report on G20 Development  
329 Commitments, which reflects our progress already made over the period of 2014-2016.
- 330 33. We launch the G20 Initiative on Supporting Industrialization in Africa and LDCs to strengthen their  
331 growth potential through, inter alia, sharing knowledge on good practices, supporting agriculture and  
332 agro-business development, investing in energy, renewables and resource efficiency, enhancing  
333 industrial production and vocational training, and promoting science, technology and innovation as a  
334 critical means for industrialization.

- 335 34. We will continue our work on addressing illicit cross-border financial flows derived from illicit  
336 activities, including trade mispricing, which hamper the mobilization of domestic resources for  
337 development. We welcome the communication and coordination with the World Customs Organization  
338 for a study report in this regard to be delivered in 2017.
- 339 35. We acknowledge the important role of inclusive business in development, and welcome the  
340 establishment of the G20 Global Platform on Inclusive Business and its future actions. We welcome the  
341 G20 Inclusive Business Report for the 2016 Summit.
- 342 36. We all commit to meaningful contributions for the International Development Association 18<sup>th</sup>  
343 replenishment, which is important to tackling today's ambitious development agenda. **【Finance**  
344 **track】**
- 345 37. We reaffirm our commitment to promote investment with focus on infrastructure in terms of both  
346 quantity and quality. We welcome the "Joint Declaration of Aspirations on Actions to Support  
347 Infrastructure Investment" by 11 MDBs, including their announcements of quantitative ambitions for  
348 high-quality infrastructure projects within their respective institutional mandates as well as their efforts  
349 to maximize the quality of infrastructure projects, strengthen project pipelines, collaborate further  
350 among existing and new MDBs, strengthen the enabling environment for infrastructure investment in  
351 developing countries, as well as catalyze private resources. We stress the importance of quality  
352 infrastructure investment, which aims to ensure economic efficiency in view of life-cycle cost, safety,  
353 resilience against natural disaster, job creation, capacity building, and transfer of expertise and  
354 know-how, while addressing social and environmental impacts and aligning with economic and  
355 development strategies. We welcome the MDB Response to the G20 MDB Balance Sheet Optimization  
356 Action Plan and call for further implementation of the Action Plan. We note that infrastructure  
357 connectivity is key to achieving sustainable development and shared prosperity. We endorse the Global  
358 Infrastructure Connectivity Alliance launched this year to enhance the synergy and cooperation among  
359 various infrastructure connectivity programs in a holistic way, and encourage G20 members to actively  
360 participate in the Alliance. We ask the WBG to serve as the Secretariat of the Alliance, working closely  
361 with the Global Infrastructure Hub (GIH), OECD, other MDBs, and interested G20 members to support  
362 its activities. We endorse the G20/OECD Guidance Note on Diversification of Financial Instruments  
363 for Infrastructure and SMEs and we welcome the Annotated Public-Private Partnership (PPP) Risk  
364 Allocation Matrices completed by the Global Infrastructure Hub (GIH) to help developing countries  
365 better assess infrastructure risks. We support the effective implementation of the G20/OECD Principles  
366 of Corporate Governance and G20/OECD High-level Principles on SME Financing and look forward to  
367 the revision of the assessment methodology of the G20/OECD Principles of the Corporate Governance,  
368 which will be informed by an FSB peer review on corporate governance. **【Finance Track】**
- 369 38. Generating quality employment is indispensable for sustainable development and is at the center of the  
370 G20's domestic and global agenda. We will work to ensure the benefits from economic growth,  
371 globalization and technological innovation are widely shared, creating more and better jobs. We  
372 endorse the strategies, action plans and initiatives developed by G20 labour and employment ministers  
373 to enhance the growth and development agenda by taking effective actions to address changes in skill  
374 needs, support entrepreneurship and employability, foster decent work, generate sustainable wage  
375 growth, ensure safer workplaces including within global supply chains and strengthen social protection  
376 systems. In particular, we recognize entrepreneurship is an important driver for job creation and  
377 economic growth, reinforce our commitments in the G20 Entrepreneurship Action Plan, and welcome  
378 China's leadership in the establishment of an Entrepreneurship Research Center on G20 Economies.  
379 We also endorse the G20 Initiative to Promote Quality Apprenticeship with policy priorities of  
380 increasing the quantity, quality and diversity of apprenticeships. We will further develop the G20  
381 employment plans in 2017 to address these commitments and share progress in achieving the G20 goals  
382 especially on youth employment and female labor participation. We call for further action to strengthen  
383 labor market institutions to support higher and sustainable wage growth, greater productivity and



384 decent work for all.

385 39. The G20 will continue to prioritize its work on food security, nutrition, sustainable agricultural growth  
386 and rural development as a significant contribution to implementing the 2030 Agenda for Sustainable  
387 Development. We endorse the outcome of the G20 Agriculture Ministers Meeting and encourage our  
388 agriculture ministers to meet regularly to jointly facilitate sustainable agricultural development,  
389 including through technological, institutional and social innovation, trade and investment, as a means  
390 of food security, rural development and poverty alleviation. We support increasing efforts by the  
391 agricultural scientific and private sectors in this regard, welcome the opening of the First G20  
392 Agricultural Entrepreneurs Forum and encourage future G20 Presidencies to continue convening these  
393 meetings. We recognize the role of family farmers and smallholder agriculture in development, and  
394 take note of the proposal on Good Practices on Family Farming and Smallholder Agriculture which  
395 identifies a set of policies, programs and tools that can prove useful to G20 members and beyond. We  
396 welcome the contribution by programs and initiatives that promote sustainable agricultural  
397 development, including the Global Agriculture and Food Security Program.

### 398 **Other Issues Affecting the World Economy**

399 40. Noting that the outcome of the referendum on the UK's membership of the EU adds to the uncertainty  
400 of the global economy, we support efforts to minimize its negative economic and financial impact, and  
401 hope to see a close partnership between the UK and the EU in the future.

402 41. We reiterate our commitment to green and sustainable growth, and support strong and effective actions  
403 to address climate change. We commit to complete our respective domestic procedures in order to join  
404 the Paris Agreement as early as possible, welcome those G20 members who have taken the lead in  
405 joining the Agreement and call for early entry into force of the Agreement by the end of 2016. We  
406 affirm the importance of fulfilling the commitment by developed countries in providing financial  
407 resources to assist developing countries with respect to both mitigation and adaptation actions. We  
408 encourage other countries to provide such support voluntarily. We welcome the G20 Climate Finance  
409 Study Group Report on Promoting Efficient and Transparent Provision and Mobilization of Climate  
410 Finance to Enhance Ambition of Mitigation and Adaptation Actions and take note of the Outlook on  
411 Mainstreaming Climate Change Considerations into Development Assistance and Climate Finance  
412 Programs. We will continue our efforts in climate finance in line with the principles, provisions and  
413 objectives of the United Nations Framework Convention on Climate Change. In addition, we will work  
414 together and with others to make progress in related multilateral fora, including Montreal Protocol and  
415 International Civil Aviation Organization. **【Finance and Sherpa Tracks】**

416 42. Worldwide forced displacement of people, especially those generated from violent conflicts, has raised  
417 global attention and concern. We continue to call for global concerted efforts in addressing the root  
418 causes and effects of massive forced displacement and migration, in accordance with international law.  
419 We call for strengthening humanitarian assistance for refugees and host communities, intensifying  
420 efforts to find durable solutions, in particular for protracted refugee situations, and in this regard,  
421 strengthening the contribution of development assistance. We support the international efforts to  
422 respond to the ongoing crisis and look forward to successful [high-level meetings which will take place  
423 during the upcoming UN General Assembly]. We note the ongoing discussion within the WBG on  
424 considering a global crisis response platform. The G20 will continue to address forced displacement  
425 and migration in 2017.

426 43. We strongly condemn terrorism in all forms and manifestations, which poses serious challenges to  
427 international peace and security and endangers our ongoing efforts to strengthen the global economy  
428 and ensure sustainable growth and development. We reaffirm our solidarity and resolve in the fight  
429 against terrorism in all its forms and wherever it occurs. We will tackle all sources, techniques and  
430 channels of terrorist financing. We welcome the progress achieved by the FATF in the implementation  
431 of its new Consolidated Strategy on Combating Terrorist Financing and call for effective

432 implementation of its operational plan. **【Sherpa and Finance Tracks】**

433 44. Antimicrobial resistance poses a serious threat to global economic stability, growth and public health.  
434 We agree on the need to explore ways to unlock research and development into new and required  
435 antimicrobial from a G20 value-added perspective, while taking into consideration current usage  
436 patterns and the access gap to antimicrobial in different areas. We strongly support the work of the  
437 WHO and the OIE and look forward to a successful high-level meeting on AMR during the UN  
438 General Assembly. [In addition, we will advance the implementation of the WHO International Health  
439 Regulations and encourage voluntary participation in the WHO Joint External Evaluation.] We also  
440 look forward to a proposal from the upcoming presidency on the terms of reference for dealing with the  
441 impacts of global health risks on the world economy.

442 45. We reaffirm that the G20's founding spirit is to bring together the major economies on an equal footing  
443 to catalyze action. Once we agree, we will deliver.

444 46. We thank China for hosting a successful Hangzhou Summit and its contribution to the G20 process, and  
445 look forward to meeting again in Germany in 2017 and in Argentina in 2018.