

G20 Accountability: Taking Stock of the Pledges Due in the Seoul Summit

Jenilee Guebert and Netila Demneri
G20 Research Group
University of Toronto

This report takes stock of ten pledges that the G20 leaders made at the June 2010 Toronto G20 Summit. The members promised to comply with these promises by the completion of the Seoul Summit.

In contrast to the 2010 G20 Toronto Summit Final Compliance Report (<http://www.g20.utoronto.ca/analysis/2010toronto.pdf>), which assesses individual members' compliance on a scale of -1 to +1, this accountability report documents whether the G20 as a whole have complied with these pledges. Below, the ten pledges are outlined; G20 compliance is assessed; and comments and excerpts from the Seoul Summit documents are provided to help explain the assessments.

Commitment	Compliant	Non-Compliant	Comments
We support reaching agreement at the time of the Seoul Summit on the new capital framework. <i>(Finance)</i>	X		The G20 reached agreement on the need to adopt new standards. However, the specific standards have not been identified or agreed on yet. Excerpts from <i>The Seoul Summit Document</i> : - Today, we have delivered core elements of the new financial regulatory framework to transform the global financial system [28] - We endorsed the landmark agreement reached by the BCBS on the new bank capital and liquidity framework. ... With this, we have achieved far-reaching reform of the global banking system. ... We are committed to adopt and implement fully these standards within the agreed timeframe that is consistent with economic recovery and financial stability. The new framework will be translated into our national laws and regulations, and will be implemented starting on January 1, 2013 and fully phased in by January 1, 2019 [29]

<p>We called upon the FSB to consider and develop concrete policy recommendations to effectively address problems associated with, and resolve systemically important financial institutions by the Seoul Summit. <i>(Finance)</i></p>	<p>X</p>		<p>The FSB prepared concrete policy recommendations to address issues associated with IFIs. The G20 endorsed these recommendations.</p> <p>Excerpts from <i>The Seoul Summit Document</i>:</p> <ul style="list-style-type: none"> - Delivering on our commitment in Toronto, we endorsed the policy recommendations prepared by the FSB in consultation with the IMF, on increasing supervisory intensity and effectiveness. [33]
<p>We called for an acceleration of the substantial work still needed for the IMF to complete the quota reform by the Seoul Summit and in parallel deliver on other governance reforms, in line with commitments made in Pittsburgh. <i>(IFI Reform)</i></p>	<p>X</p>		<p>The G20 welcomed the quota and governance reforms that the IMF completed. These reforms are consistent with commitments made in the Pittsburgh and Toronto Summits and are outlined in the Seoul Summit Document.</p> <p>Excerpt from <i>The Seoul Summit Document</i>:</p> <ul style="list-style-type: none"> - Today, we welcomed the ambitious achievements by the Finance Ministers and Central Bank Governors at the Gyeongju meeting, and subsequent decision by the IMF, on a comprehensive package of IMF quota and governance reforms. The reforms are an important step toward a more legitimate, credible and effective IMF, by ensuring that quotas and Executive Board composition are more reflective of new global economic realities, and securing the IMF’s status as a quota-based institution, with sufficient resources to support members’ needs. Consistent with our commitments at the Pittsburgh and Toronto Summits, and going even further in a number of areas, the reforms include. [16]
<p>Today we build on our earlier commitment to open, transparent and merit-based selection processes for the heads and senior leadership of all the IFIs. We will strengthen the selection processes in the lead up to the Seoul Summit in the context of broader reform. <i>(IFI Reform)</i></p>	<p>X</p>		<p>The issue of selection processes was not one of the reforms included in The Seoul Summit Document. Nonetheless, the G20 committed to continue working on further reforms.</p> <p>Excerpt from <i>The Seoul Summit Document</i>:</p> <ul style="list-style-type: none"> - We asked our Finance Ministers and Central Bank Governors to continue to pursue all outstanding governance reform issues at the World Bank and the IMF. [18]

<p>We agreed to task our Finance Ministers and Central Bank Governors to prepare policy options to strengthen global financial safety nets for our consideration at the Seoul Summit. <i>(Socioeconomic)</i></p>	<p>X</p>		<p>The Finance Ministers and Central Bank Governors prepared policy options to strengthen global financial safety nets. The G20 welcomed their achievements. The specific policy options are outlined in <i>The Seoul Summit Document</i>.</p>
<p>We stand united with the people of Haiti and are providing much-needed reconstruction assistance, including the full cancellation of all of Haiti’s IFI debt. <i>(Development)</i></p>		<p>X</p>	<p>There was no mention of Haiti in the released G20 Seoul Summit communiqué.</p>
<p>We ask the OECD, the ILO, World Bank, and the WTO to report on the benefits of trade liberalization for employment and growth at the Seoul Summit. <i>(Trade)</i></p>	<p>X</p>		<p>The OECD, the ILO, World Bank, and the WTO reported on the benefits of trade liberalization for employment and growth at the Seoul Summit.</p> <p>The Excerpt from <i>The Seoul Summit Document</i>: - The importance of free trade and open markets is illustrated by the joint report of the OECD, ILO, World Bank and WTO on the benefits of trade liberalization for employment and growth. [42]</p>
<p>We direct our representatives, using all negotiating avenues, to pursue this objective (i.e. bringing a conclusion to the WTO Doha Development Round), and to report on progress at our next meeting in Seoul, where we will discuss the status of the negotiations and the way forward. <i>(Trade)</i></p>	<p>X</p>		<p>Negotiations on the conclusion of the WTO Doha Development Round were pursued and discussed at the Seoul Summit. Plans for the future were also discussed.</p> <p>Excerpt from <i>The Seoul Summit Document</i>: - With respect to the WTO Doha Development Round, we welcome the broader and more substantive engagement of the past four months among our representatives in Geneva. Bearing in mind that 2011 is a critical window of opportunity, albeit narrow, this engagement must intensify and expand. We now need to complete the end game. We direct our negotiators to engage in across-the-board negotiations to promptly bring the Doha Development Round to a successful, ambitious, comprehensive, and balanced conclusion consistent with the mandate of the Doha Development Round and built on the progress achieved. Once such an outcome is reached, we commit to seek ratification, where necessary, in our respective systems [43]</p>

Building on the progress made since Pittsburgh to address corruption, we agree to establish a Working Group to make comprehensive recommendations for consideration by Leaders in Korea on how the G20 could continue to make practical and valuable contributions to international efforts to combat corruption and lead by example, in key areas that include, but are not limited to, adopting and enforcing strong and effective anti-bribery rules, fighting corruption in the public and private sectors, preventing access of corrupt persons to global financial systems, cooperation in visa denial, extradition and asset recovery, and protecting whistleblowers who stand-up against corruption.
(Corruption)

X

The Anti-Corruption Working Group was established and presented its recommendations to the leaders. The G20 endorsed these recommendations.

Excerpt from *The Seoul Summit Document*:
- In this regard, we will lead by example in key areas as detailed in the Anti-Corruption Action Plan [70]
- The G20 will hold itself accountable for its commitments. Beyond our participation in existing mechanisms of peer review for international anti-corruption standards, we mandate the Anti-Corruption Working Group to submit annual reports on the implementation of our commitments to future Summits for the duration of the Anti-Corruption Action Plan [71]

We agree to establish a Working Group on Development and mandate it to elaborate, consistent with the G20's focus on measures to promote economic growth and resilience, a development agenda and multi-year action plans to be adopted at the Seoul Summit.
(Development)

X

The G20 created a Working Group on Development shortly following the G20 Toronto Summit and mandated it to monitor the implementation of the Multi-Year Action Plan.

Excerpt from *The Seoul Summit Document*:
- We further mandate the Development Working Group to monitor implementation of the Multi-Year Action Plan, so that we may review progress and consider the need for any further steps at the 2011 Summit in France.