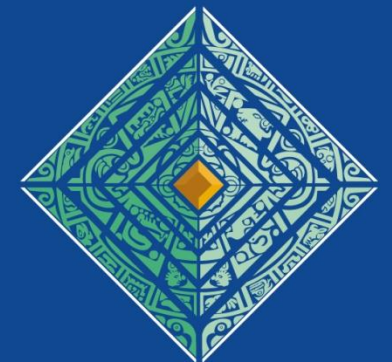


MEXICAN PRESIDENCY OF THE G20



G2012
MÉXICO

SRE



SECRETARÍA
DE RELACIONES
EXTERIORES

1. ORIGIN AND COMPOSITION OF THE G20
2. MEXICAN PRESIDENCY OF THE G20
3. CHALLENGES FOR THE G20

MECHANISM FOR INFORMAL COORDINATION



TRANSFORMATION OF THE INTERNATIONAL STRUCTURE

- **New *modus operandi* of international cooperation:** multilateral, informal coordination among developed and emerging countries.
- **Deficit in international governance:** Economic borders are dissolved, while, in politics, nation-states are maintained.
- **G7 loses space in favor of emerging powers** with more weight, demographics and regional leadership.
- Innovative mechanisms of cooperation for a globalized and more **interdependent** world.

Brazil, China, India, Mexico and South Africa: essential partners



Formalization of the G20: more variation in global economic power.

G20 PREDECESSORS

G8

1975

1976

1998 + 1977



OUTREACH

G5



MINISTERIAL G20

85 %
Global GDP
(FMI)

G8 +



Context: Asian crisis 1998-1999. Importance of **emerging economies and systemically relevant countries** becomes evident.

1999: Dialogue between Central Banks and Finance Ministers to maintain macroeconomic cooperation and address global imbalances.

Agenda: including policies for financial and economic stability, prevention of abuse in the financial system, growth policies, crisis management.

The most serious international financial crisis since 1929

Three-Pillar Plan:

- 1. Counter-cyclical policies to avoid a drop in global demand**
- 2. Agenda of reforms on financial supervision and regulation**
- 3. Commitment to avoid economic protectionism**

Lessons

- Effective mechanism to articulate a global response to the crisis, restore confidence in markets and avoid a deeper recession.
- Decision making reflected the change in the power structure and in the relative weight of developing countries.
- In fact, it left the G8 behind.

G20 SUMMITS (LEADERS' LEVEL)



WASHINGTON, D.C.
NOVEMBER 14-15 2008

LONDON
APRIL 2 2009



PITTSBURGH
SEPTEMBER 24-25
2009



TORONTO
JUNE 26-27 2010



LOS CABOS
JUNE 18-19 2012



SEOUL
NOVEMBER 11-12
2010



CANNES
NOVEMBER 3-4 2011

CONTRIBUTIONS TO ECONOMIC AND FINANCIAL GOVERNANCE



- Economic stimulus packages adopted in 2008.
- Improvements in international macroeconomic coordination and financial regulation.
- Financial institutional reform (such as the IMF and World Bank).
- Bank sector reforms (FSB).
- Financial security networks.
- Strengthening the structure and governance of the international monetary system.

CONTRIBUTIONS TO GLOBAL GOVERNANCE

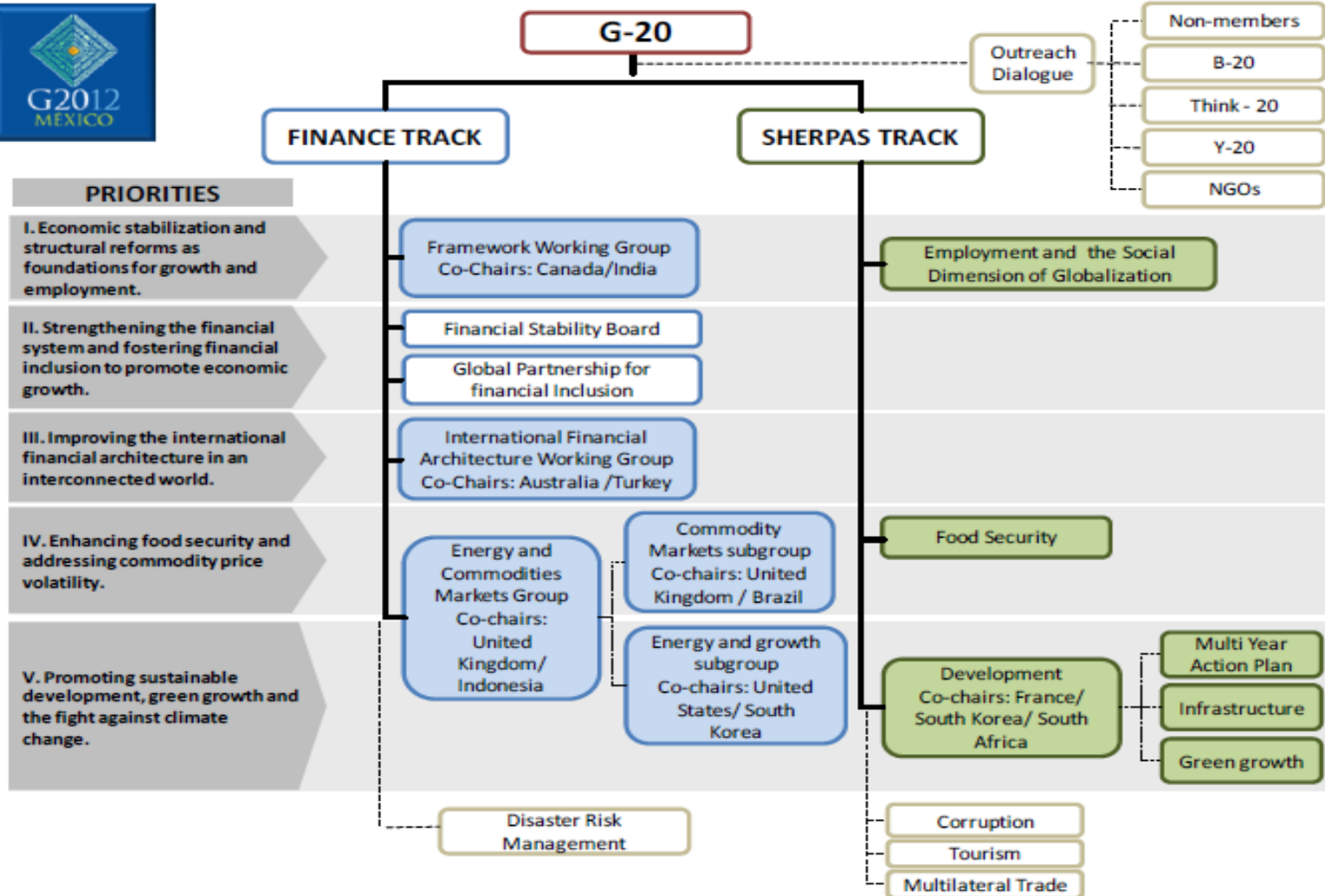


- ❑ More faithful reflection of current international economy.
- ❑ Fosters globalization.
- ❑ Contributes to a recovery of trust in multilateralism.
- ❑ Complements United Nations' and Bretton Woods institutions' capacity for action.

PRIORITIES OF THE MEXICAN PRESIDENCY OF THE G20

1. **Economic stabilization and structural reform** for growth and employment.
2. Strengthening **financial systems** and **financial inclusion** for economic growth.
3. Improving the **international financial architecture** in a globally interconnected economy.
4. Promotion of **food security** and addressing the issue of commodity price volatility.
5. Fostering **sustainable development**, including an agenda on infrastructure, energy efficiency, green growth and financing to fight climate change.

ORGANIZATION OF THE MEXICAN PRESIDENCY



- Sherpas track: non-economic, non-financial issues, such as development, anti-corruption, food security, employment; internal aspects of the G20.
- The finance track focuses on economic and financial issues.
- Both tracks delegate technical and substantive work to a series of work groups and experts. The themes for the agenda are developed through a series of ministerial and senior official meetings.
- In Mexico, Amb. Lourdes Aranda Bezaury, Vice-Minister of Foreign Affairs, was Sherpa for the G5 until 2008 and has since been Sherpa for the G20.

CALENDAR OF THE MEXICAN PRESIDENCY OF THE G20

PREPARATORY PROCESS

Ministerial meetings

Finance

February 24-26, Mexico City

April 10-20, Washington D.C.

September 13-14, Mexico City

November 9-10, Mexico City

Tourism (T-20):

May, to be determined

Agriculture

May, to be determined

Sherpas meetings

December 13-14 (2011), Cancun

February 2-3, Mexico City

March 15-16, Mexico City

May, to be determined

June, to be determined

October, to be determined

OUTREACH

Think-20: February 27-28

Y-20 Mexico: May

B-20: June 17-18

LEADERS' SUMMIT

LOS CABOS

June 18-19

IMPORTANCE OF G20 FOR MEXICO

- Facilitating the construction of agreements around global economic and financial problems that have consequences for our economy and levels of welfare.
- Reaffirm our presence in the design and construction of a new, more just and representative structure of international financial governance.
- Interest in promoting more equitable and sustainable development both nationally and globally.
- Strengthening the bilateral relationship with global and regional powers, a key part of Mexico's foreign policy strategy.
- Strengthening communication and coordination amongst international groups on issues of common interest.

MEXICO AS FACILITATOR OF AGREEMENTS

- Mexico will make use of its privileged geopolitical and geostrategic position to bridge gaps between regions.
- Mexico has the voice and necessary characteristics to facilitate international negotiations and bring together different positions on the current urgent economic and financial challenges.

G20 AND CITIZENS

Actions promoted by G20 are directly related to the improvement of living conditions of all citizens in areas such as:

- ✓ **Employment and social security.**
- ✓ **Mitigating the effects of food price volatility.**
- ✓ **Reducing risks in the financial system and promoting conditions that allow banks to provide credit.**
- ✓ **Fight against corruption.**
- ✓ **Protection of savings.**
- ✓ **Support to regional development banks for social programs, etc.**

CHANGES IN GLOBAL GOVERNANCE

- **Interdependent and multifaceted international architecture.**
- **Efficiency of informal mechanisms for coordination of international decision-making.**
- **The G20 is still an imperfect forum, but necessary until multilateral institutions adapt to new circumstances.**
- **The G20 is expected to gain importance as the main forum for policy decision-making that has a global impact.**
- **It is necessary for the G20 to link its discussions and proposals to formal, multilateral institutions.**

WEB SITE OF THE MEXICAN PRESIDENCY OF THE G20

www.g20mexico.org

The screenshot displays the website's interface. At the top, there is a navigation bar with links for 'INICIO', 'CONTÁCTANOS', 'FAQ'S', 'MAPA DE SITIO', 'ENLACES', and 'RSS'. A search bar with the text 'BUSCAR...' and a 'IR' button is also present. Below the navigation bar is a horizontal menu with the following items: 'G20', 'Presidencia Mexicana del G20', 'Cumbre de Líderes', 'Canal de Finanzas', 'Diálogo con Otros Actores y Eventos Paralelos', and 'Centro de Noticias'. The main content area features a large graphic with the 'G2012 MÉXICO' logo and a grid of flags representing the G20 member countries. On the left side of this area, there is a section titled 'Documento de discusión Presidencia Mexicana del G20'. At the bottom of the page, there are two sections: 'Noticias' and 'Twitter'.