MEXICAN PRESIDENCY OF THE G20
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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.**

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**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

G5

OUTREACH

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

PITTSBURGH
SEPTEMBER 24-25 2009

LONDON
APRIL 2 2009

SEOUl
NOVEMBER 11-12 2010

LOS CABOS
JUNE 18-19 2012

TORONTO
JUNE 26-27 2010

CANNES
NOVEMBER 3-4 2011
G20’S MAIN ACCOMPLISHMENTS

CONTRIBUTIONS TO ECONOMIC AND FINANCIAL GOVERNANCE

- 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.
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

PRIORITY

I. Economic stabilization and structural reforms as foundations for growth and employment.
II. Strengthening the financial system and fostering financial inclusion to promote economic growth.
III. Improving the international financial architecture in an interconnected world.
IV. Enhancing food security and addressing commodity price volatility.
V. Promoting sustainable development, green growth and the fight against climate change.

FINANCE TRACK

G-20

FRAMEWORK WORKING GROUP
Co-Chairs: Canada/India

FINANCIAL STABILITY BOARD

GLOBAL PARTNERSHIP FOR FINANCIAL INCLUSION

INTERNATIONAL FINANCIAL ARCHITECTURE WORKING GROUP
Co-Chairs: Australia/Turkey

SHERPAS TRACK

EMPLOYMENT AND THE SOCIAL DIMENSION OF GLOBALIZATION

FOOD SECURITY

COMMODITY MARKETS SUBGROUP
Co-Chairs: United Kingdom/Brazil

ENERGY AND GROWTH SUBGROUP
Co-Chairs: United States/South Korea

ENERGY AND COMMODITIES MARKETS GROUP
Co-Chairs: United Kingdom/Indonesia

DISASTER RISK MANAGEMENT

MULTI YEAR ACTION PLAN

INFRASTRUCTURE

GREEN GROWTH

CORRUPTION

TOURISM

MULTILATERAL TRADE

NON-MEMBERS

B-20

THINK - 20

Y-20

NGOs
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
• 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.
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.
- 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