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# G20 Digest

*– Pursuit for G20 India 2022 Presidency*

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# G20 Digest

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# EDITORIAL

## Another Opportunity for G20 to Deliver

The pandemic of the century, COVID-19, continues to torment the world at large. Effective treatment or preventive vaccines are yet to surface. While both the rich and the poor are on the same page when it comes to saving their lives, the latter have far less access to medical care and are also devastated economically. Governments responding vigorously to these extraordinary circumstances face serious resource constraints and capacity gaps, especially in developing, less developed and small economies. Amidst uncertainty of a turnaround in the global economy in the near future, the possibility of the pandemic giving way to a full-fledged economic recession cannot be ruled out. The World Bank in its June 2020 report on *Global Economic Prospects* forecasts that the world GDP would contract by 5.2 per cent, the deepest recession the world has ever witnessed, eroding the economic base of many countries with catastrophic economic damage and human sufferings. Along with sudden collapse of economic activity, the debt situation for many LDCs, small economies and developing economies have worsened further.

International organisations like IMF, the World Bank, WHO, multilateral and regional development banks are pooling their financial resources and capacity to support the affected countries in order to prevent any hard-landing, which is not unlikely given the synchronized collapse of output and investment. In this effort, one wonders whether G20, the product of crises in 1997 and 2008, could be a 'game changer'. The whole world is looking up to the G20 to deliver at this critical juncture.

In our March-May Issue of *G20 Digest* we made an attempt to characterise the evolving economic crisis precipitated by the COVID-19 pandemic and the nature of G20 response, including the announcement of an economic stimulus of US$5 trillion. In this issue, we delve into more sectors and areas that are affected due to the pandemic and the possible way out of this crisis. In addition, we continue to expand our coverage on climate change; this time with focus on India's efforts. Women and children have been the worst victims of crises like COVID-19 in the past. Two articles on women empowerment and Women 20 (W20) in the past issue adequately covered the space G20 have given to these issues and/or need to give in the future. Carrying this theme forward, this issue of *G20 Digest* covers the impact of COVID-19 on education, especially how COVID-19 has impacted the delivery of educational programmes by schools, and what has been the response of G20 to address those challenges. Moreover, role of digitalisation and distance learning has been examined as possible solutions to the challenges faced in the education sector.

We welcome Mr. Suresh Prabhu, India's Sherpa to G20 and G7, as the Chairman of the Editorial Advisory Board of the Digest.

***Enjoy reading it.***

**Priyadarshi Dash**

# If G20 Health Ministers Can Help to Identify Cure for COVID-19 Pandemic, They Should Meet Again

**Subhash Garg**
Economy, Finance and Fiscal Policy Strategist and Former Finance Secretary, Government of India

**The G20 process has come a long way since 1999 and most significantly since 2008. While it has handled several challenges, mostly successfully including the Global Meltdown of 2008-09, how does the Coronavirus challenge compare with it?**

Global Financial Crisis (GFC) had its origins in the United States and primarily affected the global financial system. The American financial system had become over-leveraged with toxic and fraudulent financial innovations creating a highly unsustainable situation. The US bore the biggest brunt of GFC but the global financial system also froze and financial flows to emerging market and developing world suffered. While asset valuations suffered globally and the financial system choked for some time, there was no great impact on the real economy in most countries of the world.

COVID-19 induced Global Economic Crisis (GEC) has disrupted the real economy, massively shuttering most businesses in many countries. As firms have gone out of business, hopefully not for long, the GEC has left millions of workers jobless.

**The first meeting of the health ministers under the G20 umbrella took place in 2017, Berlin. This year the ministers have already held a virtual meeting in April. Would there be a need for another round of meeting of the health ministers, later this year?**

As the current GEC has its roots in a virus pandemic, health ministers' role is quite understandable. The economic crisis, however, has been caused principally by the kind of decisions made by authorities other than health ministers in locking down people, businesses and economy to save from the risk of exposure to COVID-19. If the health ministers can help in identifying effective cure for combating the virus, they would do well to meet again. The novel corona virus at this moment, does not appear to have a medical answer; vaccine seems to be quite far away. It is better health and hygiene practices - safe distancing, wearing masks to avoid catching infections, testing aggressively to identify the infected, and isolating the infected for recuperation - which seem to be better responses to deal with the risk.

For economic crisis to end, the businesses need to go back to work - employ workers to produce and sell goods and services. These decisions are not for the health ministers to make.

**At a time when there is a serious doubt about the efficacy of multilateral institutions, in what way should the G20 forum weigh in on the issue?**

Multilateral institutions of today were created in the world of 1940s and 1950s. In that world, the governments held total sway over people, businesses, financial flows and technology. Private sector was barely present and that too in some countries. Multilateral institutions brought finances to fund development, infrastructure and technology transfers. Multilateral institutions also helped build international rules for countries to engage in-trade, security and all else. That world was an analogue world which required multilateral institutions to nurture global cooperation.

World of 21st Century is quite different. It is massively integrated at the level of peoples, technology, financial flows and businesses. Governments have retreated a good deal. Resources of multilateral organisations-financial, people and innovation leadership-are relatively dwarfed in comparison to private sector.

Multilateral institutions still remain massively important in certain limited way - these are the forums for governments to engage; the developing world still needs their resources and technical support and the advanced countries need everyone to rally whenever any crisis occurs. I think multilateral institutions would continue to be relevant for some more time.

**In this context, all the Bretton Woods institutions and UN ones participate in G20 meetings. With the role of WHO under a cloud is there a possibility for the G20 to weigh in?**

In G20 system, Leaders' Summit and Finance and Central Bank Governors' Meetings are the most effective channels of interaction and cooperation. Bretton Woods Institutions - the IMF and the World Bank participate in both these meetings. WHO does not seem to be that prominent participant in G20 meetings.

However, when the COVID-19 pandemic is the most proximate factor of leaders' decisions to deal with their economies, the WHO becomes quite a significant player in the G20 scheme of things. Recent controversies emanating from the largest donor do not augur well for an effective and unbiased participation of WHO in G20 deliberations. In any case, G20 forums do not make decisions. Decisions are made outside the Forum and then at best sanctified in G20 meetings.

**In this context, is there a need for a fresh look at the consistent criticism about the G20's transparency and accountability. For instance, the absence of a formal charter and the fact that the most important G20 meetings are usually held behind closed doors?**

The fact that G20 countries represent almost 90 per cent of global GDP and its Summits are invariably attended by their top leaders, there is quite naturally a lot of interest in what G20 Forums do. G20, however, has no specific international charter entrusting certain areas of international decision making to it and its forums. It also does not have any permanent secretariat. Its leadership and themes get decided year to year with the change of its presidency.

G20 is more of a deliberative body where leaders and ministers try to build common ground on issues of mutual concern. As G20 is not a negotiating and a decision-making body, it is always very difficult to ask for transparent disclosure of all its deliberations. Likewise, you fix accountability when some decision-making authority is formally delegated to a group or individual. The format of closed door meetings is quite understandable considering the nature of G20 engagements.

G20 has been very prolific in disseminating reports of its work. It has also issued long communiques. As subjects which G20 forums have taken up are too many and too diverse, most of the G20 reports and material are read by very few people, mostly working in the specific areas.

# The G20 Requires a Forward-Looking Approach to Address the Challenges Posed by COVID-19

**Nicolas Pinaud***

***Abstract:*** As the global economy is facing the worst economic downturn since the Great Depression of the 1930s, the G20 has turned back to the role of "fire-fighter" that it had assumed, in the first place, during the Great Financial Crisis of 2008 and 2009 – in order to mitigate the unprecedented adverse health and economic impact of the pandemic. The rapid spread of the COVID-19 pandemic has indeed posed an unprecedented collective challenge to our economies and societies, requiring swift, extraordinary, policy interventions to save lives and keep the world economy afloat. However, the current crisis has also underscored the need to address the pre-existing, long-term structural challenges that have been affecting the global economy over the past decades and that have been magnified and/or laid bare by this crisis. Harnessing the potential of digitalisation, reducing inequality, achieving the 2030 Agenda for Sustainable Development, and addressing climate change will be, among others, critical in supporting a strong, sustainable and inclusive global economic recovery and in making our economies more resilient against future shocks. This paper argues that the G20 has the potential and is well equipped to set the policy course at the multilateral level going forward, to provide a political impetus to tackle the above-mentioned systemic challenges and to "build back better" post-crisis.

## Background

At its inception as a leader-level forum in 2008 in the wake of the global financial crisis (GFC), the task of the G20, following its first summit held in Washington, D.C., focussed on restoring economic growth, ensuring global financial stability and promoting resilience. In this initial role as a global fire fighter, the G20's objective, and to a certain extent success, was essentially threefold:

- *Geopolitical*, i.e. building the blocks of a new international architecture that would reflect the rebalancing of the world economy;
- *Economic and financial*, with the necessary enhancement of global coordination as a response to increased and ever complex economic and financial interdependencies;
- *Behavioural,* as the crisis has made the case for enhanced and effective regulations that pave the way for an effective rules-based global economy.

Since then, the G20's agenda has evolved to reflect the need to address the root causes of the crisis and rebalance the world's economy through a broader issues-based, structural agenda. The G20 has thus broadened its core mandate to encompass action on key social and economic challenges with sustainable economic dimensions – from addressing the impact of digitalisation on the global economy to reducing inequalities – contributing to the

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provision of global public goods and the 2030 Agenda for Sustainable Development.

There are many instances illustrating the G20's successful delivery of global solutions. To date, key achievements include a major overhaul of the financial system and prudential regulatory framework which has enabled the banking system, at least thus far, to weather the ongoing COVID-19 crisis; cooperation on tax transparency, resulting in the identification of USD95 billion in additional revenue since 2009; lowering the cost of remittances, projected to generate at least USD25 billion per year by 2030; increasing female participation in the workforce through the Brisbane target to reduce the gender gap by 25 per cent by 2025; promoting dialogue and driving consensus on trade and investment issues, such as with the *standstill* on protectionist measures that was decided at the end of 2008 and remained in place until 2018; enhancing food security through a host of concrete initiatives, including the establishment of the Agricultural Market Information System (AMIS); and addressing the need for a more human-centric approach to new technologies, through the development of the G20 Artificial Intelligence (AI) Principles.

In the wake of the COVID-19 crisis, however, the G20 has abruptly turned back to its role of fire fighter. The COVID-19 pandemic has triggered the most severe economic recession in nearly a century and is causing enormous damage to people's health, jobs, and well-being. While the circumstances facing G20 economies today differ, to a large extent, from the GFC, the G20 still offers an effective venue for coordinating the international response and global policy coordination to curb the alarming socio-economic pressures unleashed by the crisis.

In this context, G20 leaders committed to do "whatever it takes" to combat the pandemic, protect people's lives, and safeguard the global economy. At an extraordinary summit organised by the Kingdom of Saudi Arabia on 26 March, they pledged over USD5 trillion to "counteract the social, economic, and financial impacts of the pandemic." Since then, G20 governments have added to this figure – with a fiscal stimulus in the range of USD12 trillion (as of end of July 2020) as the extent of the economic fallout has become clearer.

In the face of the unprecedented health and economic emergency triggered by the COVID-19 pandemic, the G20's mandate appears today more pertinent than ever and the challenge no less difficult, beginning with the policy actions necessary to address the unabated deterioration of the global economy.

## The COVID-19 Pandemic Struck an Already Fragile World Economy

In the space of a few months, the COVID-19 pandemic has turned from a public health crisis with no parallel in living memory into a major economic crisis which full extent is still unfolding. The global economy is now experiencing the worst peacetime recession since the 1930s Great Depression, with GDP declines of more than 20 per cent and a surge in unemployment in many countries. Reflecting the unusual degree of uncertainty, the June 2020 *OECD Economic Outlook* presented two equally likely scenarios: A "double-hit" scenario, in which global GDP is projected to decline by 7.6 per cent this year and remain well short of its pre-crisis level at the end of 2021; and a "single-hit" scenario, in which world GDP is projected to decline by 6 per cent this year, but will have almost regained the pre-crisis level at the end of 2021.[1]

To understand these deep and predictably long-lasting consequences of the COVID-19 crisis, it is useful to recall the state of the global economy on the eve of the crisis, the cyclical and structural challenges and the underlying fragilities existing before the outbreak of the pandemic. Indeed, the OECD's initial short-term economic projections forecast a global growth decline of 2.9 per cent in 2019 and was set to remain at around 3 per cent in 2020 and 2021; the weakest growth rates since the global financial crisis.[2]

Even before the pandemic, the rise in trade tensions was the principal factor that had increasingly undermined growth, confidence and investment, as the sharp increase in bilateral tariffs between the United States and China over the past two years has depressed the bilateral flow of imports and exports between the two economies. The pandemic has accelerated those trade disruptions and put additional stress on the international trade landscape, as additional trade and investment restrictions have sprung up. Indeed, the world trade is now contracting sharply, with the volume of goods and services estimated to have fallen by 3.75 per cent in the first three months of 2020. Many borders are closed across large regions and will likely remain so, at least in part, as long as sizeable virus outbreaks persist. The challenges from the shortening of global value chains (GVCs) come on top of other threats to international trade. Increased use of trade-restraining measures is damping the cross-border flow of goods and services.

In the same vein, global investment growth was already falling sharply before the crisis - with aggregate investment growth dropping in G20 economies from an annual rate of 5 per cent at the start of 2018 to only 1 per cent in the first half of 2019. The COVID-19 crisis will amplify this trend: Foreign Direct Investment (FDI) is indeed expected to decline sharply as a consequence of the pandemic and the resulting supply disruptions, demand contractions, and pessimistic outlook of economic actors. Even under the most optimistic scenario – in which the economy begins to recover in the second half of 2020 – FDI flows in 2020 are expected to fall by more than 30 per cent compared to 2019.[3] In particular, risk perceptions with respect to emerging market economies and developing countries deteriorated fast as the COVID-19 crisis developed (although they have improved somewhat in some of those economies in recent weeks). Widespread portfolio capital outflows from emerging market economies and developing countries were at a record high, nearing USD100 billion over a period of less than two months,[4] dwarfing the scale of capital outflows during the global financial crisis.

Finally, this crisis risks exacerbating financial vulnerabilities that were pre-existing and already building up from the tensions between slowing growth, high corporate debt and deteriorating credit quality. The level of leverage in the global economy and the financial system was at historical highs before the crisis, with ultra-low interest rates fuelling the appetite for debt from corporations, households and governments and raising challenges for a number of financial markets' operators (banks, pension funds). Emerging markets corporate debt was rising fast while credit quality was deteriorating, with an accumulation of outstanding corporate debt right above the non-investment grade, which is highly vulnerable to economic shocks. There had also been a durable and fast growth of the so-called "shadow banking system" that is characterised by the increasing use of risky instruments such as floating rate and covenant-lite leveraged loans, as well as structured products such as collateralised loan obligations (CLOs) and commercial mortgage-backed securities (CMBS), which are similar to the financial instruments that played a central role in the 2008-2009 financial crisis. The economic impact of the COVID-19 pandemic has heightened risk aversion in financial markets, despite a recent easing of market stress. The strict containment measures enforced by governments across the world triggered substantial drops in the price of financial assets as well as a spike in market volatility. In many countries, equity prices plummeted by 30-50 per cent, at the fastest daily pace since 1987, and equity price volatility soared above the levels in the global financial crisis. The likely rise in corporate insolvencies and bankruptcies may lead to negative feedback effects in corporate bond markets, eventually adding to the challenges for banks, as weaker bank earnings and rising non-performing loans, in the low-growth and low-interest environment, could constrain banks' willingness to lend in spite of monetary policy support.

## Addressing Systemic Challenges, including Rising Inequalities, Rapid Digital Transformation and Climate Change will be Essential to Ensure a Strong and Sustainable Economic Recovery

The powerful measures taken by G20 countries, notably in the areas of health, macro-economic policies – both fiscal and monetary - and employment, have helped contain the spread of the virus and mitigate the immediate impact of the pandemic on the economy and on the most vulnerable households.[5] However, the recovery will not gain steam without increased confidence and global cooperation. Today's recovery policies will shape economic and social prospects in the coming decade. Policy design should also reflect the risk that the current crisis may aggravate many pre-existing challenges related to sluggish economic growth, increasing inequality and historically high levels of public debt. G20 countries will also need to confront the range of interconnected socio-economic, demographic, technological and environmental shifts that have been shaping our societies and economies over the past decades. These include rising inequalities, slowing productivity growth, digitalisation and climate change; challenges that did not appear in a vacuum but that are rather the consequences of policy failures, rooted in imperfect definitions of progress and how we measure it.

### Rising Inequalities

Before the crisis, there was a broad trend towards rising inequality and declining labour income share in the G20 as a whole, although developments varied across countries. In general, income inequality, as measured by the Gini index, has widened significantly in most advanced G20 members over the last two decades.[6] It has reached historical highs in some countries. In many advanced economies, the effect is most dramatic at the top end, with increasing concentration of income at the very top of the distribution. The bottom 40 per cent has fallen significantly behind in many countries: For instance, in the United States, between 1979 and 2007, almost one-half of the total national income gains were captured by the top one per cent.[7]

Across OECD countries, the top 10 per cent of income earners now take home almost ten times more than the bottom 10 per cent, up from seven times 25 years ago.[8] In the G20 emerging economies, the picture is mixed. Income inequality has fallen in Argentina, Brazil, Mexico and Turkey since the mid-2000s (or earlier for some countries), although in Mexico the decline was modest and in Argentina, Brazil and Turkey inequality remains relatively high. In other emerging G20 economies, notably China, India, Indonesia and the Russian Federation, income inequality (notably as measured by disposable income Gini) increased over the same period, albeit at a somewhat slower pace than in advanced G20 economies.[9] Of particular concern is the finding that the G20 emerging economies with growing inequality account for over half of the world's poor.

The COVID-19 crisis threatens to amplify inequality. The pandemic is having a greater impact on some workers than others. Low-paid, often low-educated workers have been particularly affected during the initial phase of the crisis.[10] Young people and women are among those at greatest risk of joblessness and poverty. They generally have less secure, unskilled jobs and are highly represented among workers in industries most affected by the crisis, such as tourism and hospitality. In particular, the crisis risk aggravating gender inequalities are deeply entrenched. There has been indeed only a small reduction in the gender pay gap over the past decade in nearly all G20 countries: the pace at which the gap is closing remains slow in most countries and has even stalled in some countries in recent years. In terms of median fulltime earnings, women earn between 30-35 per cent less than men in Korea, India and Japan, down to a gap of 10 per cent or less in France, Turkey and Italy.[11] A comparatively narrow pay gap in Turkey reflects the small share of women in wage employment who are often more educated than their male peers. Women are also being prevented from pursuing labour market opportunities by taking on a heavy burden of unpaid work in the home. On average in the OECD, women spend over 4 hours a day doing unpaid work, which is double the rate of men. In some G20 countries like India, women spend 5 hours a day in unpaid work, whereas men spend only half an hour, on average.[12] These gaps are present to varying degrees in all G20 countries. Gender inequalities generate vast economic costs by leaving large parts of society's potential untapped. The OECD has estimated that global income loss associated with current levels of gender discrimination could be substantial, up to USD12 trillion, or 16 per cent of current global GDP.[13]

OECD analysis has revealed the adverse consequences of rising inequality on the pace and sustainability of growth. An OECD study found that the rise of income inequality across OECD countries between 1985 and 2005 was estimated to have knocked 4.7 percentage points off cumulative growth between 1990 and 2010.[14] The main mechanism through which inequality affects growth is by undermining educational opportunities for children from poor socio-economic backgrounds, lowering social mobility, and hampering skills development. In some emerging and developing countries, inequality of opportunities such as unequal access to education, health care and finance are pervasive, exacerbating income inequality even further.

Meanwhile, low-income countries (LICs), which often lack the fiscal space to address the pandemic, are hit hard by the crisis - which will make their economic and financial integration into the global economy even more challenging, in a context where their convergence with advanced economies – as measured by GDP per capita – had already slowed since the GFC and where gaps in terms of productivity, extreme poverty and well-being outcomes vis-à-vis advanced economies had remained persistent.[15]

## The Digital Transformation

Over the past months, digital technologies, evolving business models, and work practices, such as remote working arrangements, have helped our economies and societies avoid going into a complete standstill. Artificial intelligence-powered technologies have also played a key role in every aspect of the COVID-19 crisis response, from detecting and diagnosing the virus, and predicting its evolution, to slowing the corona virus' spread through surveillance and contact tracing, and monitoring the recovery and improving early warning tools.

Although the COVID-19 crisis has accelerated the digitalisation trend across countries, the pervasiveness of the digital transformation has already been unfolding over the past two decades. The digital transformation has been bringing about an unprecedented wave of change at high speed, which is testing the capacity of our social, economic, political and environmental systems to adapt. Internet access is almost universal in most OECD countries, while emerging economies, and particularly those in the G20, are catching up. Since 2010, China and India have experienced an estimated 25-fold growth in mobile broadband subscriptions and their technology sectors are experiencing rapid growth.[16] China is responsible for over one-third of information and communications technology (ICT) goods exports worldwide,[17] and India's ICT market is estimated to grow to USD350 billion by 2025.[18]

The digital revolution can bring enormous potential for productivity, growth, and innovation. However, a systemic challenge that all G20 countries will face to varying degrees is increased automation. Estimates for OECD countries with available data suggest that some 14 per cent of workers on average face a high risk that their tasks will be automated in the next 15-20 years.[19] Another 32 per cent face major changes in the tasks required in their job and, consequently, the skills they would need to do their job.[20] This means that across OECD countries, while automation can improve productivity, per capita output and living standards, up to half of jobs are expected to be disrupted by automation, and the low-skilled workers will be worst affected, compounding inequalities and impacting the share of income that goes to labour as opposed to capital. However, middle-income workers will not be spared. A recent study by the OECD found that on average in the OECD one in six middle-income workers are in jobs that are at high-risk of automation, a risk closer to that of low-income (one in five) than that of high-income workers (one in ten).[21] In emerging economies, given lower labour costs, lower levels of skills, technology uptake and, in many cases, younger and expanding labour forces, incentives to replace human labour with technology, at least for the time being, are lower. Nevertheless, average robot density in the BRIICS countries[22] has increased at twice the pace of the average of the top 25 economies globally between 2007 and 2016.[23] The COVID-19 pandemic is likely to foster the adoption of automation technologies, which raises the need for a stronger policy response.

Another risk facet of the digital revolution beyond the disruption brought by automation and specific issues like the proliferation of violent and extremist content online, relates to the potential impact of new technologies in entrenching existing inequalities, for example, gender gaps. Worldwide roughly 327 million fewer women than men have a Smartphone and can access mobile internet.[24] Women are on average 26 per cent less likely than men to have a Smartphone. In South Asia and Africa, these proportions stand at 70 per cent and 34 per cent, respectively.[25] There is also a growing risk that digital technologies themselves discriminate against women, as they translate biases from the human and analogue world into the algorithms, which underpin artificial intelligence (AI). A study found, for example, that men were almost six times more likely than women to be shown advertisements using Google for high-paying executive jobs.[26] Such discrimination will become more widespread if these biases are not addressed through a more human-centric approach to AI.

More generally, we are seeing worrying trends in the productive structure of our economies being reinforced by the COVID-19 pandemic, linked to new technologies and their uneven diffusion, which are conducive to a two-speed economy. A polarisation of firms between, on the one hand, a restricted group of high-productivity global corporations operating at the technology frontier (the so-called "frontier firms") and, on the other hand, a majority of "laggard firms" belonging to the bottom 40 per cent of the productivity distribution.[27] The former are typically larger, more profitable, younger and more likely to patent as well as to be part of a multinational group than the latter (a group where MSMEs are over-represented and which accounts for a significant share of employment). Policy actions – such as fostering competition and promoting a framework for the swift reallocation of resources across firms (e.g. through a robust bankruptcy framework) - are needed to support the diffusion of technologies within economies and to laggard firms, particularly with regard to the digital economy. Indeed, multifactor productivity (MFP) divergence is strongest among ICT services and in those sectors that are digital technology-intensive. These are sectors where increasing concentration is taking place, possibly driven by "winner-takes-most" types of dynamics that are characteristic of digital business models: High-fixed and near-zero marginal costs in those sectors make upscaling a product or service much easier and cheaper, and combined with powerful network effects, can lead to the most successful producers capturing the whole or large parts of a given market.

## Climate Change & Environmental Degradation

The immediate priority for governments has been to tackle the health crisis and contain the spread of the virus. However, the magnitude and urgency of the crisis should not let us lose sight of other long-term challenges, such as climate change. Climate change is an existential threat, posing severe risks to individuals, societies, and to our economies. The world has already warmed by an average of 1° Celsius and is on track to warm by 3-5°, Celsius by 2100.[28] Extreme weather events are already taking their toll across the globe, from floods in South Asia, to wild fires in Australia, to droughts in East Africa. The extent of environmental harm is extreme: Economic losses incurred from weather-related disasters amounted to an estimated USD337 billion in 2017, and these numbers are expected to grow substantially in the near future.[29] Natural forests declined by 6.5 million hectares per year between 2010 and 2015, and natural wetlands declined by 35 per cent between 1970 and 2015. The planet is now facing its sixth mass extinction: It is estimated that 60 per cent of vertebrate populations have disappeared since 1970.[30] These shocking trends are driven by land-use change, over-exploitation of natural resources, pollution, invasive alien species, and climate change. Degradation and climate change are cross-border challenges that are universal by their very nature, although some countries, many of which are among the Least Developed Countries (LDCs) category, are disproportionately affected.

Yet, despite the need for urgent action, carbon monoxide (CO2) emissions continue to rise to unprecedented levels. Indeed, over the period 1990-2017, total CO2 emissions have increased by 60 per cent.[31] Avoiding or postponing the solutions will only lead to increasing costs.[32] In addition, climate change is intertwined with other environmental problems: continuing loss of biodiversity and associated ecosystem services; rising air pollution; waste generation; and increasing risks of too much, too little or too polluted water, with an estimated cost to the global economy in the order of USD500 billion annually.[33]

These systemic challenges of inequality, digitalisation and climate change are interconnected. In developed and developing countries alike the poor and low-skilled tend to pay the heaviest price in terms of climate impacts, in terms of exposure to pollution, and in terms of disruption in the labour market. This further entrenches inequalities and it is contributing to the growing political backlash, which we are witnessing in a variety of forms and in a diverse set of countries against open trade, globalisation, multilateralism and even open societies in general. This is of particular concern, given that the systemic and global nature of these challenges makes coordinated and collective action in multilateral settings essential to ensure a strong and sustainable economic recovery. Countries cannot take effective action to address these systemic challenges in isolation, or even bilaterally. Only by working together on these issues through high-level global fora, like the G20, will countries be able to tackle these systemic challenges in ways that offer lasting solutions.

In this context, the G20's economic recovery strategy should focus around key pillars that bring growth, equity and sustainability together: Restarting the economy and "building back better"; empowering people; protecting the planet; and delivering on sustainable development.

## Challenges Require an Ambitious and Rejuvenated Multilateral Policy Agenda Delivering on Various Fronts

### Restarting the Economy and "Building Back Better"

Governments must turn the COVID-19 crisis into a rationale and an opportunity for engineering a fairer and more sustainable economic model, making competition and regulation smarter, modernising government fiscal structures, and improving social protection. The fiscal and monetary policy response has played a crucial role in mitigating the direct impact of the pandemic on our societies and economies. However, even if another outbreak of the pandemic does not occur, supportive fiscal and monetary policy measures should be maintained in order to foster a durable recovery, with some industries likely to experience lower levels of activity for some time. At the same time, governments need to be much more ambitious in their investments, channelling them towards inclusive and sustainable objectives, addressing climate change, digitalisation as well as poverty, inequality and ensuring that their companies participating in global value chains tackle forced labour, child labour and other forms of modern slavery in their supply-chains. There are considerable investment needs in telecom, digital, education, clean transport and energy, to name just a few. Low or negative yields on long dated government bonds offer a low-risk opportunity for many countries to address serious infrastructure shortages and strengthen longer-term inclusive and sustainable growth.

Rising trade tensions had shed light on the ongoing shift away from the predictable, rules-based trade that has helped underpin global growth and prosperity for many years. Even before the COVID-19 crisis, there was evidence of a decline in fragmentation of production across borders. The seven decades-long trend to more open global trade has been reversed, presenting a serious challenge to the multilateral trading system and multilateralism more generally. Since 2011, the expansion of global value chains (GVCs) has stopped.[34] Rather than erecting new barriers, trade policy should focus on addressing the long-standing issues that impose unnecessary costs on traders and firms, from the lack of progress on some traditional issues, such as distortions on agricultural trade, through to the concern that the trading system has proved unable to keep pace with new concerns, such as forced technology transfers, intellectual property rights, excess capacities, environmental sustainability and, more broadly, the need to adapt trade rules for the digital age. The G20 must also look at pressing new challenges, such as the interplay of trade and the environment and illicit trade and should pursue efforts to promote transparency in international trade, as it has been doing through initiatives such as the reporting by the WTO, UNCTAD and the OECD on trade and investment protectionist measures mandated by G20 leaders in London in 2008. As a non-negotiating, high-level political forum, the G20 has the capacity and the potential to facilitate discussions among major players and provide the political impetus needed to promote progress on key and difficult trade issues - such as the WTO reform - being discussed and negotiated in Geneva. The G20 did so in a most effective way when, in 2013, it facilitated the adoption of the Trade Facilitation Agreement at the WTO Bali Ministerial Conference.

Global cooperation to tackle the virus with a treatment and vaccine and a broader resumption of multilateral dialogue will be key to help end the pandemic more quickly and for reducing uncertainty and unlocking economic momentum. The G20 can indeed play a key role in promoting a level playing field and advancing effective international standards. Since 2008, it has demonstrated its ability to do so in a number of key policy areas. The OECD/G20 work on international taxation is another example of an area where considerable progress has been made to address base erosion and profit shifting, as well as tax evasion – with tangible economic benefits from automatic exchange of information. These initiatives are also advancing towards a consensus solution to the tax challenges arising from the digitalisation of the economy (by end of 2020), which, if left unaddressed, could lead to a proliferation in unilateral measures that could further weaken an already fragile global economy.

## Preparing and Empowering People

Such multilateral measures to improve the strength of the global economy and the effectiveness of international tax cooperation must be accompanied by actions to empower citizens with opportunities to participate in and benefit from economic growth. All countries and global actors need to redefine progress along human-centric lines. The evidence brought to the table from the OECD and other international organisations has helped show how investments in people, their health, well-being, skills and opportunities pays economics dividends in terms of productivity and growth.

This message is, to a degree, being received. The G20 is increasingly placing its focus on people and creating a society that provides inclusive conditions and opportunities for all, for example by empowering women and providing opportunities to youth. Existing G20 leaders' commitments will continue to provide the basis for discussion and driving G20's progress in those areas. These include the 2014 Brisbane Goal to reduce the gender gap in labour force participation by 25 per cent by 2025, thereby bringing 100 million women into the workforce, and the 2015 Antalya Goal to reduce the number of youths at risk of being permanently left behind in the labour market by 15 per cent by 2025.

These agendas remain deeply challenging for countries. The reality is that for many young people, quality jobs remain a distant prospect – and the ongoing crisis will not make the situation any easier in this regard. More than 70 million young people are unemployed – with around 40 per cent of the world's active youth population either unemployed or living in poverty despite being employed. Progress towards meeting the 25x25 Brisbane goal has been mixed: Around half of G20 members are on track to meet the 2025 goal in the sense that the actual decline in the gender gap in these countries has been in line with, or better than, the decline needed each year to achieve the goal, assuming a linear reduction. Particularly large reductions occurred in Japan, Argentina, Brazil and Korea. However, in some countries where the gender gap is particularly large, achieving the goal remains challenging, notably in Mexico and Saudi Arabia.[35] The OECD will be reporting with the ILO on progress towards both of these targets under the current Saudi Arabian Presidency: it is clear that G20 countries should redouble efforts and implement decisive policy commitments to meet the targets in five years' time, especially in a crisis context that will make reaching this objective even more challenging. More efforts are also needed in areas like migrant integration, where policies to empower migrants with the skills and opportunities to contribute equally to society have in many instances fallen short of the mark.

Addressing inclusiveness challenges is also linked to the capacity of countries to harness the benefits of the digital transformation and prepare their citizens for the future of work by strengthening their education, skills and social protection systems. This requires adopting a lifelong learning approach, improving workers' access to training and ensuring that social protection follows the worker and is not tied to the job. Emerging economies still face the challenge of tackling high levels of informality and creating/consolidating social protection systems in the context of largely informal economies. The digital transformation could contribute to these objectives, since new forms of work and platform work offer opportunities to link large pools of informal workers to government benefits and tax systems. In both advanced and emerging economies, investment in skills and education will continue to be key to strengthen access to opportunities and prepare populations for the digital transformation.

The current Saudi Arabian Presidency of the G20 has put this agenda at the centre stage, with a focus on adapting social protections to the future of work and on early childhood education and care, as well as on the role of technology in learning. Digital healthcare is also emerging as a key priority for the G20 with countries like India leading the adoption of digital health technology - 76 per cent of healthcare professionals in the country are already using digital health records, and in the European Union, where over 20 member states are sharing patient data electronically. The inclusion of digital healthcare in the G20 agenda is therefore timely.

At the same time, the G20 must continue to pursue its efforts to address other major issues related to the digital transformation such as competition in the digital age, digital security and data governance in order to ensure that the digital transformation is not a driver of deeper gender and regional divides, economic concentration or privacy breaches, but an engine of greater convergence, solidarity and inclusion. The G20 Blueprint for Innovative Growth launched in Hangzhou, the G20 Roadmap for Digitalisation agreed in Hamburg and the Menu of Policy Options for the Future of Work under the Argentinean Presidency have led to progress in G20's efforts to measure the digital economy, analyse the impact of the digital transformation on labour markets and, more specifically, on gender equality. The OECD has been supporting G20 countries in identifying the policy options that will enable G20 economies to maximise the benefits of an increasingly digitalised global economy. One important element of this agenda is the definition of international principles and standards that promote a common understanding between all G20 countries of the conditions under which an inclusive and human-centric digital economy can and will be developed. In this regard, the G20 leaders' endorsement of the G20 AI Principles, drawn from the OECD AI Principles, at the Osaka Summit in June 2019, constituted a significant achievement with respect to promoting a human-centric, transparent and accountable artificial intelligence.

In the same vein, progress needs to be made with respect to "unpacking" the generic concept of data, which is by definition heterogeneous, and understanding the related policy issues so as to achieve Data Free Flow with Trust, a major objective of the Japanese G20 Presidency in 2019. Put differently, we need "data on data", since personal information shared on a social media platform, for instance, are very different from data supporting the functioning of companies' supply chains. Moreover, the best way to categorise this data will likely depend on the application, policy issue or business model in question. A clearer data typology, as well as a common framework for measuring the digital economy, could help provide a better understanding of the relevant policy issues, paving the way for greater interoperability and even international agreement.

## Preserving the Planet

Climate change is sometimes referred to as the mother of all multilateral issues, because of its inherently cross-border impacts and the scale of the devastation it is already bringing to some countries. The COVID-19 crisis presents an opportunity to rebuild sustainably. The level of international cooperation and coordination required to address climate change is unprecedented. Global net human-caused emissions of carbon dioxide (CO2) would need to fall by about 45 per cent from 2010 levels by 2030, reaching 'net zero' around 2050.[36] In the same period, the size of the global economy is expected to double, calling for a deep rethinking of the growth model. Given that G20 countries produce around 85 per cent of the world's nominal GDP and account for 75 per cent of global trade, the responsibility falls largely on them to lead this effort.

Disentangling the global economy from fossil fuels will not only avert a climate catastrophe but also has a great economic potential. The economic costs of climate change impacts have been estimated to lie in the range of 1 per cent to 3.3 per cent of global GDP by 2060,[37] while OECD analysis shows that that a climate-friendly policy and investment package can actually increase long-run GDP by 2.8 per cent on average across the G20 by 2050,[38] and by nearly 5 per cent if the positive impacts of avoiding climate damage are also factored in. This is not out of reach: For example, making the estimated USD6.3 trillion annual global infrastructure investment,[39] required to meet development needs globally by 2030, compatible with the climate change objectives will "only" cost an additional USD0.6 trillion, or 10 per cent, a year more over the period 2016-2030; a relatively small increase considering the short and long-term gains in terms of growth, productivity and well-being. The G20 Principles on Quality Infrastructure Investment adopted in 2019, which call on G20 countries to entrench environmental considerations in the entire life-cycle of infrastructure projects and on making the environmental impact of infrastructure investment transparent, represent a positive step forward, but efforts must be pursued to support and track the implementation of these commitments.

The G20 must be a platform to catalyse action: Ratcheting up the ambition-level of Nationally Determined Contributions; aligning these decisions with financial planning and budgeting; and making resilient infrastructure the norm rather than the exception are some of the urgent actions that G20 countries can consider. Investing in clean infrastructure will also be crucial if countries want to avoid expensive mistakes that can have lock-in effects. Coal plants being built today may become stranded assets in a low-emission world. There are some signs that this message is translating into action. The number of coal-fired power plants the construction of which has begun each year has fallen by 84 per cent, globally, since 2015, by 39 per cent in 2018 alone, while the number of completed plants has dropped by more than half since 2015. Yet, there are reports of a resurgence of coal consumption and production, as work is being resumed on suspended projects, and data from the International Energy Agency showed that a third of the increase in global emissions in 2018 came from a young fleet of coal plants in Asia.[40] Reversing and preventing any resurgence in coal shall be a priority within the energy track of the G20. Initiatives endorsed by G20 leaders such as those directed at phasing out inefficient fossil fuel subsidies encouraging wasteful consumption should continue. Fossil-fuel subsidies are environmentally harmful, costly, and distortive. After a 3-year downward trend between 2013 and 2016,[41] government support for fossil fuel production and use has risen again, in a threat to efforts to curb greenhouse gas emissions and air pollution, and the transition to cleaner and cheaper energy. Support across 76 countries increased by 5 per cent to USD340 billion in 2017.[42]

Mobilising climate finance is another key component of G20 efforts to preserve the planet. The OECD's most recent estimates show that finance provided and mobilised by developed countries for climate action in developing countries through bilateral and multilateral channels increased by 44 per cent from 2013 to 2017 (USD37.9 billion to USD54.5 billion),[43] but more capital must be mobilised from both public and private sources, supported by a variety of financial instruments tuned for low-emission, climate resilient infrastructure. Innovation will be another fundamental component of the transition towards a cleaner global environment. This includes not only technological innovation but also innovation in economic and social systems and changes in lifestyles. The mix of technologies – renewable energy, energy efficiency and energy storage - used for production and consumption needs to radically change across multiple sectors, and technological breakthroughs may be necessary in some sectors. Institutional and organisational changes, new services and business models, new ways of consuming, living and moving are also needed to drive systemic changes in production and consumption patterns, habits and behaviours.

Finally, the G20 must take decisive action to better manage terrestrial, marine and aquatic ecosystems and preserve biodiversity. The year 2021 will be important for the global agenda on biodiversity, with the possibility for the G20 to support an ambitious outcome at the COP 15 on biodiversity taking place in Kunming, China, in May 2021 - when the framework for action on biodiversity for the next decades will be discussed. The economic and business case for biodiversity is clear and the G20 must take the lead in championing effective policy action, as set out in the OECD Report *Biodiversity: Finance and the Economic and Business Case for Action*.[44] This report presents a preliminary assessment of current biodiversity-related finance flows, and discusses the key data and indicator gaps that need to be addressed to underpin effective monitoring of both the pressures on biodiversity and the actions to be implemented. In this regard, some of the priority areas where governments can focus their efforts to scale up action on biodiversity include: pursuing specific, measurable and ambitious biodiversity targets; getting the economic incentives right; creating the conditions for dramatically scaling up finance for biodiversity from all sources, and for integrating biodiversity in business and financial decisions. These are only some of the policy options for the G20 to lead a transformative process.

## Supporting Sustainable Development

Finally, but critically, as the COVID-19 pandemic threatens to reverse decades of progress on poverty eradication, the G20 must help catalyse global efforts on sustainable development and support the implementation of the 2030 Agenda for Sustainable Development.

The G20 has long recognised the important role of developing countries in the global economy. In 1999, when the G20 was founded as a Finance Ministers' Forum, its Chair Paul Martin said the G20's work "will focus on translating the benefits of globalisation into higher incomes and better opportunities everywhere".[45] Since then, leaders have regularly emphasised the role of emerging and developing economies as the main engines of growth for the global economy. At the same time, as the 2008-09 financial crisis, as well as the concomitant spikes in food and fuel prices showed, developing economies, and in particular, least developed countries, are often the most vulnerable to global economic turbulences. In recognition of these positive and negative spillovers, G20 leaders declared at their 2010 Toronto Summit that "[n] arrowing the development gap and reducing poverty are integral to achieving our broader Framework objectives of strong, sustainable and balanced growth by generating new poles of growth and contributing to global rebalancing".

Framed initially by the Seoul Development Consensus and launched in late 2010, the G20 development agenda was anchored in a core objective, that of enhancing the role of developing countries and low-income countries as "new drivers of aggregate demand and more enduring sources of global growth".[46] To formalise this agenda, G20 leaders created the Development Working Group and endorsed a multi-year action plan focused on the integration of LICs and developing countries into the global economy and on increasing their resilience to risks by a range of actions, including enhancing food security, unblocking infrastructure finance, lowering the cost of remittances or sharing knowledge on the setting up of social protection systems.

Since 2015, with the agreement of the 2030 Agenda for Sustainable Development, this agenda has expanded and changed shape, with other G20 work streams stepping up their engagement on sustainable development in recognition of the critical role the G20 can play in advancing and supporting the implementation of the SDGs, both within and beyond member countries' borders. This collective commitment is outlined in the G20's Action Plan on the 2030 Agenda for Sustainable Development.

As emerging markets and development countries are facing an unprecedented challenge in the context of the COVID-19 pandemic, an ambitious G20 development agenda will be, more than ever, necessary going forward. The Debt Service Suspension Initiative (DSSI), a flagship initiative from the G20, has provided much needed relief for IDA and LDCs to allocate resources to combating the health crisis.[47] However, beyond providing immediate support to countries in need to combat the COVID-19 pandemic, there is further scope for the G20 to look more closely at the impacts of its actions – including of its response to the COVID-19 crisis - on developing countries and to undertake more spillover analysis – from fiscal policy to trade, or from infrastructure finance to financial and prudential regulation. Ultimately, a strong G20 development agenda is a powerful instrument to reinforce the G20's global legitimacy and credibility as the world's Premier Forum for international cooperation vis-à-vis non-G20 developing countries. It is also critical to realising the potential for all developing countries, even the poorest, to be an alternative pole and engine of growth in a world suffering from demographic change, declining productivity and at risk of secular stagnation.[48]

## Conclusion

The COVID-19 pandemic is striking an already fragile global economy – a global economy that was going, even before the crisis, through a soft patch, driven notably by accumulating and heightening international trade and geopolitical tensions. This crisis is thereby bringing to the fore some of the risks and imbalances that have built up in the global economy for several years now - trade tensions indeed, but also very high levels of leverage and a degradation of credit quality in the financial system. It has also underscored, and sometimes even exacerbated, pre-existing, structural issues such as rising inequality and the challenges of the digital transformation - and the related digital divides. At the same time, this crisis could be seen as a turning point and a watershed, an opportunity for policymakers to reflect on prevailing economic models and how the latter can be revisited to be made stronger, more resilient, more inclusive and more sustainable.

In this respect, today's recovery policies will shape economic and social prospects in the coming decade. Besides providing short-term relief to mitigate the immediate challenges posed by COVID-19, G20 governments could adopt a long-term perspective that respond to the above-mentioned challenges. In particular, as the short and medium-term impacts of COVID-19 will be particularly severe for the most disadvantaged and risk compounding existing socio-economic divides, G20 governments may want, in their response to the crisis, to emphasize actions that contribute to the empowerment of people, widen economic participation and reduce inequality. There is also a unique chance for governments to work towards a digitally enabled recovery that strengthens the inclusiveness and resilience of their economies and puts people's well-being at the core, while their massive stimulus packages and investment plans could be a powerful lever to accelerate the transition towards a low-carbon economy. Finally, the G20 has a key role to play in supporting the attainment of the Sustainable Development Goals, the achievement of which already looked challenging before the crisis and now risks being derailed by the latter.

In a number of areas however, this objective of "building back better" can only be achieved through stronger international cooperation. In this regard, we are witnessing a paradox: multilateralism has never been more important to tackle the challenges brought about by rapid global integration, and, at the same time, multilateralism has never been more under attack. This is a reality that the COVID-19 crisis has plainly exposed. As a multilateral organisation, the OECD has already seen this paradox playing out over recent years in many different contexts and settings, from our own work to the one undertaken by the G20, APEC and the G7.

It can be partly explained, at least, in the perceived inability of the international system to respond to cross-border challenges that are growing in magnitude, speed, and intensity: climate change, biodiversity loss, migration, data flows, cybercrime, excess capacity, or water management - to name a few. The multilateral system is criticised for its lack of agility and responsiveness in the face of those fast-evolving global issues.

What can be done to restore the trust of government and citizens, worldwide, in global, coordinated, and collective solutions? There is no miracle recipe in a context of increasing geopolitical and economic tensions, and some major players losing interest in the multilateral system as a platform to solve international problems. Yet, a few building blocks of a rejuvenated multilateral system can be identified:

*Firstly*, the multilateral policy dialogue needs to be - more than ever - based on facts, analysis, and data – in other words, on a robust body of evidences. Evidence is the basis to set the international agendas, to build a common diagnosis, to inform the decisions and actions taken by the international community, and to evaluate whether the latter are having an impact. International organisations such as the OECD have a key role to play in this respect by continuing to inform the international discussion, including in the G20, by documenting the facts and the trends, their drivers and their consequences, in the short, medium and long term. In this respect, it is essential that their analysis be ever more insightful and their suggested policy solutions more innovative.

*Secondly*, a stronger multilateralism needs to support the promotion of a robust level playing field through more solid and "implementable" standards. One of the elements that explains the backlash against globalisation is precisely the perception that rules are not fair, that they are not being respected, or that they simply do not exist. In many cases however, the standards exist, but they need to be re-visited, reframed and updated. The way the OECD Global Forum on Tax Transparency's standards on exchange of tax information have been, since 2009 and in the context of the G20, modernised to reflect the diversity of G20 members' circumstances and economic interests, is an excellent and successful example.

*Finally*, the multilateral system needs to be re-thought and re-engineered. It needs to offer countries more effective tools and flexible platforms. In other words, we do not necessarily need new international institutions to address the global challenges of our time – there is actually very limited political "appetite" for this. But we certainly need a more "qualitative" type of multilateral cooperation that is more agile, nimble and problem-solving oriented. The G20, and the various bodies associated to the latter – such as the OECD/G20 Inclusive Framework on BEPS– are a perfect illustration of a flexible, ad-hoc, an effective way of organising the policy dialogue on global issues. The G20 continues to have the potential to be the "incubator", at a political level, of global solutions that will be implemented in other, more formal, international policy arenas and institutions.

These are only some of the avenues for restoring public interest and faith in the relevance of the multilateral system to solve complex global issues. The COVID-19 crisis is a wake-up call for multilateralism. Global rules and standards must catch up with rapidly changing dynamics and pressing trends at the international level. From this perspective, the way forward lies in more and better common "rules of the road" and standards, not less; in more multilateral dialogue, not less.

## Endnotes

1. See OECD (2020a).
2. See OECD (2019a).
3. See OECD (2020b).
4. See IIF (2020).
5. See G20 (2020).
6. See OECD (2020c).
7. See OECD-ILO-IMF-World Bank (2015).
8. See OECD (2018a).
9. See OECD-ILO-IMF-World Bank (2015).
10. See OECD (2020d).
11. See OECD/ILO (2019), p.10
12. See OECD/ILO (2019), p.8
13. See OECD (2016), p28
14. See OECD (2015a).
15. See OECD (2018b).
16. See OECD (2019b), p.100
17. See OECD (2019b), p.78
18. See India Brand Equity Foundation (2019).
19. See OECD (2019c), p.3
20. *Ibid*.
21. See OECD (2019e), p.28
22. Brazil, the Russian Federation, India, Indonesia, China, and South Africa.
23. See OECD (2019b), p.49
24. See OECD (2018c), p.5
25. See OECD (2018c), p.13
26. See Datta, Tschantz and Datta (2015).
27. See OECD (2020e).
28. World Meteorological Organisation Annual Statement on the state of the climate, 2018
29. See OECD (2020f).

30. See OECD (2019d), p.9
31. CO2 Emissions from fuel combustion only. Emissions are calculated using IEA's energy balances and the 2006 IPCC Guidelines.
32. OECD Work in support of climate action.
33. See OECD (2018d), p.33
34. See OECD (2020g).
35. See OECD/ILO (2019).
36. See IPCC (2018).
37. See OECD (2015b), p. 3.
38. See OECD (2017) p.15.
39. Ibid.
40. See IEA (2018).
41. See OECD/IEA (2019).
42. *Ibid.*
43. See OECD (2018e).
44. See OECD (2019d).
45. See Lowy Institute (2018).
46. See G20 Seoul (2010).
47. See Annex II: Debt Service Suspension Initiative for Poorest Countries – Term Sheet, G20 Finance Ministers and Central Bank Governors' Communiqué, 15 April 2020.
48. For further information, see OECD-UNDP (2019).

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# Global Climate Change: Challenges for India

**Rajani Ranjan Rashmi***

***Abstract:*** The global climate change is a huge existential threat to the world which requires urgent and immediate actions by the entire international community. India as a signatory to the Paris Agreement has an opportunity of influencing the global efforts when it assumes the presidency of G20 in 2022. India will need to respond to global expectations for enhanced actions while building consensus within G20 for low carbon transitions. As India's current NDCs are expressed in terms of emissions intensity of GDP, it has the scope of expanding its actions through a long-term low emission development strategy as mandated by the Paris Agreement and push all other members of G20 to follow and prepare such strategies preferably before the Global stock Take (GST) in 2023. The low emission development strategies can become the basis for assessment of the impact of proposed actions on global goal and, to the extent possible, for revision of future NDC targets.

## Introduction

Amongst the global environmental issues, one that has figured consistently on the agenda of all international political fora in the last decade is climate change. The scale and enormity of the challenge is so high that all countries feel compelled to discuss and collectively explore solutions to arrest further deterioration of the global climate. However, the challenge has proved intractable because it is as much economic and political as environmental. Considering the large implications of climate policies for growth of energy and economic systems across countries, the discussions have always generated strong views on the possible approaches.

Latest international agreement on the subject is embodied in the Paris Agreement of 2015. Although the Agreement represents the widest possible consensus on the subject as on date, there is anxiety in some quarters that the Agreement may prove to be inadequate in meeting the challenge, not only because of its non-ratification by a major emitter like the USA but also because of its inability to push the world towards target-oriented ambitious actions to contain or reverse their emissions.

Given this uncertainty, the question is if India can play any role in advancing international actions to meet the challenge of climate change, and if so, what should be its priorities? Although India is not a major

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emitter from a historical and cumulative emissions perspective, the part that India played in securing international consensus under the Paris Agreement on climate change is well recognised. India was amongst the early countries that committed to a voluntary goal of emissions intensity reduction even before the deliberations for the Paris Agreement had started. It also participated responsibly in the pre-Paris plurilateral formations (e.g. Major Economies Forum (MEF), Petersburg Dialogue, BASIC) to help evolve such a consensus. For India, climate change represents not just an issue of emissions reduction but also that of climate justice and mitigating or managing its adverse impacts on its populace. India will, therefore, have to reckon with the challenge of securing a global consensus on future actions when it assumes the role of Presidency of G20 in 2022.

G20 which is the source of over 80 per cent of the world's total CO2 equivalent emissions is not a monolithic bloc as far as implementation of Paris commitments is concerned. In the G20 meeting in Osaka (2019), USA did not support the G20 statement on climate change.[1] India as a member of the G20 will have the task of defining its position on the matter, even as it seeks to coordinate the diverse approaches of G20 countries and bring them into alignment with the goal of stabilising the climate below 2 or 1.5 degree more that the pre-industrial level.

## Global Climate Challenge: Significance of 2020

The year 2020 is extremely significant for the global efforts to address climate change. It is a year of transition following which a new regime of global actions for addressing climate change will be in place. The new arrangements are universal in nature and brook no distinction in terms of collective responsibility for future actions. While the Paris Agreement mandates that the developed countries have the responsibility to lead, emerging economies like India which are members of G20 have to demonstrate an equal degree of leadership in vision and actions.

Unfortunately, the process under the Paris Agreement has suffered a momentary setback because of postponement of the Conference of Parties (CoP) to the UNFCCC scheduled in Glasgow in 2020 end. The CoP has been deferred to the next year so as to let all countries first fight the global crisis of COVID-19 pandemic. While this may at best imply a technical delay, the world will certainly miss an opportunity of formally commencing the implementation of the Paris commitments (Nationally Determined Contributions) and exploring the possibility of enhancing them, if possible.

Even before the commitment period under the Paris Agreement had begun, there was clamour from several quarters that the aggregate impact of commitments made under the Paris Agreement was woefully short of the emission cuts required to stabilise climate in near term and that the global actions needed to be enhanced. The inadequacy was highlighted in 2018 by the Inter-governmental Panel on Climate Change (IPCC) in its 1.5 degree Special Report, pointing to the trend of increasing global emissions despite the Nationally Determined Contributions (NDCs) put forward by most major economies.[2] Accordingly, the environmental discourse in the last two years has been riveted to the need to go beyond the current NDCs and place further limits on the continuous growth in global emissions. Although this approach in the global discourse is disputed by many, there is widely held scientific and political consensus that the window of time available to the international community to stabilise, if not reverse, the global warming trend is extremely narrow. IPCC has estimated that there should be reduction in global net anthropogenic $CO_2$

emissions by about 45 per cent from 2010 levels by 2030 if the global warming is to be contained at the level of 1.5 degree. [3]

One of the significant recommendations of the Report that is usually lost in the fine-print is that efforts at limiting warming will succeed only if accompanied by unprecedented transitions in energy and land use. The IPCC had concluded that rapid and far-reaching transitions in energy, land, urban, infrastructure (including transport and buildings), and industrial systems are required to arrest the trend of warming expressed by need to urgently limit warming to prevent irreversible damage to environment.[4] According to the Report, the required transitions need deep emissions reductions in all sectors, a wide portfolio of mitigation options and a significant upscaling of investments in those options. More particularly, the climate stabilisation at 1.5 degree requires faster electrification of energy end-use, with the share of renewables in electricity being in the range of 70–85 per cent in 2050, as the share of coal is brought down close to 0-2 per cent of electricity. The energy demand in buildings would need to be halved, while the share of low-emission final energy in the transport sector rises to at least 35–65 per cent in 2050.[5]

This has been the general backdrop of the discussions on global strategies for addressing climate change throughout 2018-19. The UN Secretary General even convened a climate summit of the heads of governments and leaders on the margin of the UN General Assembly in September 2019, to discuss this matter. The Summit was expected to be an occasion for review of actions taken by nations in pursuit of the climate stabilisation goal, and explore ways of enhancing them. Although the Summit did not elicit formal commitments from major economies on enhancement of their emission reduction targets, it agreed to launch initiatives in nine specific tracks[6] with a view to build coalition of global actions and advance national ambitions. Many of them relate to transitions in sectors of energy, industry, cities and local actions, climate finance and carbon pricing, nature-based solutions, resilience & adaptation, youth mobilisation etc,.

Given this background, there is need for India to firm up its response to the emerging challenge. It is expected that India as also other major economies implement a lower carbon strategy in medium or long term such that it includes appropriate policy and investment choices consistent with its economic and social development goals and natural resource constraints. In fact, this expectation is common to all countries. The Paris Agreement does exhort all countries to prepare long term low greenhouse gas emissions development strategy in accordance with their common but differentiated responsibilities and respective capacities and keeping in mind the national circumstances.[7]

## Challenges for India

India has committed, like all countries that have ratified the Paris Agreement, to an internationally verifiable climate plan known as Nationally Determined Contribution. India's climate change strategy was announced in 2015 for a timeframe of 2030. Given the global climate challenge and being a signatory to the Paris Agreement, the question which India has to ask itself is whether it is ready to invest in the required deeper transition now and sacrifice present resources for climate benefits in the long term. Many developed countries like Germany, France, UK and Japan have the advantage of being early movers with access to cleaner energy resources and technologies. Countries like India are not so blessed.

Yet, India is likely to face this question increasingly in future. It is reasonable to assume that India will not be alone and all major economies, particularly those that are members of the G20 will be called upon to demonstrate further leadership in climate actions and indicate their future plans. However, India will clearly need to be prepared and have a convincing narrative to explain its strategy in future.

The challenge emanates also from another quarter. The Paris Agreement requires all ratifying countries to communicate, revise or update their NDCs in 2020, a year before the formal commencement of operations of the Agreement.[8] The process of revision or updation is to be repeated every five years during the NDC time-cycle chosen by a country.[9] Against this backdrop, India has to decide whether it will revise or reaffirm her 2030 targets in order to support the common global ambition.

India may well argue that it is too early to consider such revision, as the first global review or stocktaking of climate actions of all countries is slated not before 2023. Till then, no agreed assessment is available to benchmark the level of ambition or efforts of countries in relation to their capability. Moreover, increase in numerical economy-wide target does not mean much unless a country has the ability to implement specific policies and measures in sectors having the largest potential for change and benefits for climate.

## India's Current Efforts

In fact, independent studies establish that India's current NDC is fairly ambitious. Climate Action Tracker (CAT), a prominent global think tank which publishes 'Brown to Green Report' annually, ranks India as close to being in line with 1.5 degree consistent emissions pathway in its Report for the year 2019.[10] CAT's similar report for 2018 had ranked India's ambition as closest to 2 degree pathway. India's NDC have 3 target-oriented goals: lowering emissions intensity of GDP by 33-35 per cent compared with 2005 level, creating non-fossil fuel-based electricity generation capacity to the extent of 40 per cent, and enhancing carbon sink in forests by 2.5 to 3 billion tonnes of $CO_2$ equivalent. Available evidence suggests that India is on track to achieve at least two of the 2030 targets i.e. emissions intensity and renewable energy generation capacity in full measure. Enhancing carbon sink in forests, the third target may need some extraordinary policy interventions but is still doable. [11]

As per 2018 report of the Government of India on national emissions inventory (Biennial Update Report), the emissions intensity of India's GDP has come down by 21 per cent in 2014 in comparison with 2005.[12] Electricity generation capacity from renewable sources (large & small hydro, solar, nuclear, wind and bio-mass) has reached 35.8 per cent in 2018 (Central Electricity Authority, India). India's performance measured in terms of similar indicators such as energy intensity of GDP, and emissions intensity of industrial GDP, barring the exception of transport sector, is better compared with other G20 nations.

No doubt, positive trends in India's story are attributable to huge investments made in renewables that have facilitated its progress towards decarbonisation of energy system. Energy efficiency programmes initiated through regulatory and market-driven policies have helped reduce the energy intensity of economy as well as emissions from industrial processes. Besides, an ambitious renewable energy program of setting up 175 GWs capacity by 2022 was instrumental in bringing down the incremental cost of solar PV-based power lower than coal-based power.[13] Recent price indications received from auctions of renewables plus storage applications suggest that solar energy with storage batteries may soon become cost-competitive with some sources of peaking and load-following power by mid-2020s. This will help India's efforts towards sustainable energy transition in the near term. Of course, large challenges persist.

India has to overcome the problem of stressed assets in coal and gas sector and carry out substantial distribution sector reforms to be able to incentivise future investments in non-fossil fuel-based power systems.

## A Possible Agenda for Future

India cannot afford to sit on its laurels if it intends to remain on top of the climate agenda. It is clear that India's success in terms of emissions reduction in relation to GDP growth in the long term cannot be sustained with improvements in energy intensity and actions in easy-to-abate sectors like energy efficiency, fuel-switch, and forestry sector alone. India has to have a clear plan to address emissions from the harder-to-abate sectors like industry, transport and building/ infrastructure sectors which are growing fast but emissions may not come down easily. India's energy demand in 2012 is estimated to rise by a factor of 4 from the base level of 420 Mtoe in 2012, to 1725 Mtoe in 2047, as per an estimate prepared in 2015 (ICRIER, 2015).[14] However, another report prepared later in 2017 (NITI Aayog, 2017) estimates that the energy demand will still rise by a factor of 2 in the year 2042 to 1200 mtoe as compared with the base level of 600 mtoe in 2017.[15] In both cases, buildings and industry demand are expected to drive the increase. Huge expansion in energy supply system has to be made, therefore, to keep pace with this growth in demand, particularly for thermal use in industry, cooling in buildings, and fuel for transport. This is likely to come in conflict with the objective of decarbonisation and may, at the same time, put huge strains on country's capacity and performance. Continued progress in the emissions intensity reduction will, thus, depend on measures for technological innovations in fuels, incentives to avoid lock-in investments in hard-to-abate sectors, and respective demand management.[16]

Interestingly, at the climate summit held in 2019, India and Sweden, in their independent national capacities, were encouraged to jointly organise a business leadership group tasked with goals to address the emissions in the industrial sector. The business leadership track is expected to deal with emissions in harder-to abate sectors such as cement, steel, aluminium, petroleum, plastics and transport where alternatives to oil or coal-based energy are either not available at commercial scale or are not technology-ready. In this group, Indian industry can collaborate with Sweden and other domestic and global stakeholders to suggest options and initiatives for growth.

## Future Strategy

India's relative success in energy generation from renewable sources and the falling variable cost of solar energy with battery storage in the medium term gives hope that India may be able to sustain the momentum of energy systems transition, with reasonable economic returns on investment accruing to the investor. The question is: how should India frame its strategy to moderate the carbon intensity of its growth from hard emissions from industries and transport? For an answer, it is useful to look at composition of India's NDC. India's emission intensity target is expressed at economy wide level, while two of its targets are of sectoral nature. A good climate strategy for India may not need revision of its NDCs at this stage as the progress on this score is self-driven and evident. However, it would be worthwhile for India to consider horizontal expansion of ambition through inclusion of larger number of sectors in its current or eventual NDCs. A larger sectoral definition within the NDC will create a level playing field for optimal and commercial scale deployment of available technologies in the respective sectors, even while it will put economy wide progress on a more certain and equitable footing.

India needs to seriously consider mainstreaming climate goals in its development goals in specific sectors, besides renewable energy generation capacity and forestry carbon. Innovative use of financing instruments and creation of an emissions trading market will also be necessary to keep the economic cost of adoption of new technologies low and affordable. The existing scheme of Perform, Achieve & Trade (PAT) currently dedicated to achieving energy efficiency goals under the energy efficiency regulations is a good place to convert the results into CO2 emissions and make a beginning for CO2 trading.

The next stage of climate-related transition in India should seek to cover other sectors of energy use where economic costs outweigh the potential environmental gains in the short and medium term. Essential components of strategy for this phase are mobilisation of financial resources including carbon markets where possible, coalition of industry for scaling up the demand and concerted adoption of advanced technology, and effective use of sectoral or government regulations to induce implicit carbon pricing in various sectors.

Interestingly, there are several sectors of economy where government has already initiated programmes with specific goals and targets; yet, such sectoral goals are currently not part of the declared NDC. Promotional or regulatory policies in the areas of electric mobility, building regulations, thermal cooling, bio-fuels, plastics, and various types of waste etc are some of such examples. In some sectors such as cement, industry has already achieved reasonably high level of efficiency. It will be important for the national ambition to be declassified into more specific sectors to be able to mainstream the climate goal across all carbon-intensive sectors even as they keep growing. This would amount to enhancing the national ambition as substantively as the revision of numerical target of emissions intensity.

The role of international cooperation and a supportive framework of global actions cannot be underestimated. Global coalitions can help in accelerating this process in major economies including India. One can think of three levels of coalitions that may help India move forward and at the same time advance the global ambition. At the bottom, a voluntary coalition of industries in specific sectors across the globe could be formed; all large industries having desire to accelerate to low or zero carbon technologies in the relevant sectors may be encouraged to join. These sectoral coalitions could adopt sector-wide goals based on the best-available technology assessed using life-cycle methods. Second level could consist of coalitions of countries which may be interested in promoting decreased carbon intensity in the industrial sector through specific schemes. At the highest level, coalition of industries and countries could be formed to push for international agreements aimed at promoting technology solutions in harder-to-abate sectors through working groups and partnerships.

However, the essential and important requirement for such an approach to be meaningful and constructive is the existence of a national low carbon growth strategy for the mid-century. Such a strategy is necessary for the costs to be optimised and made predictable even as` the ambition is kept high. Adoption by India of a mid-century growth strategy in the context of climate change will prove to be helpful by acting as envelope to its future NDCs and providing overarching guidance on how to mainstream climate change in sectoral ambition, policies and measures.

Fortunately, G20 meeting in 2022 provides an opportunity to India as well as other member countries of G20 to express and renew their commitment to framing and launching a long-term low carbon strategy. Article 4.19 of the Paris Agreement mandates that "all Parties should strive to formulate and communicate long-term low greenhouse gas emission development strategies, mindful of Article 2 taking into account their common but differentiated responsibilities and respective capabilities, in the light of different national circumstances."[17] Out of 17 countries in the world that have framed and declared their long term emission strategies so far, 8 of them (UK, USA, EU, France, Germany, Japan, Mexico and Canada) belong to G20.[18] It will serve the interest of the member countries of G20 as well as the rest of the signatories of the Paris Agreement if they commit themselves to initiate the process early and put a long term strategy into operation before the Global Stock Take (GST) under the Paris Agreement takes place in 2023. Notably, all the declared strategies have not expressed a clear goal of net zero carbon emissions by 2050 as is projected by several of the climate purists as an unavoidable goal. Whether these long-term strategies should be aimed at achieving zero or near zero carbon emissions in 2050 or around that time is not a matter of autonomous national or global choice. The choice of a zero-carbon strategy as the goal of a long term strategy deserves to be a prerogative of the country concerned, not simply because each nation is differently endowed but also because the rapid technological changes which a zero carbon scenario involves are yet to unfold and become a viable business proposition across all the hard to abate sectors.

## Conclusion

The global climate change presents a huge existential threat to the world and requires that urgent and immediate actions are taken by all members of the international community to arrest global warming. The Paris Agreement represents the latest international consensus on the modalities of this global battle and its obligations come into play from 2021 onwards. India as a signatory to the Paris Agreement and a leader of global south has to reckon with the challenges implicit in implementing the Paris Agreement seriously and meaningfully. India will have unique opportunity of guiding and influencing the global efforts in this regard when it assumes the presidency of G20 in 2022. India's enthusiasm for climate justice and capacity to build international consensus will be put to test in this forum where the interests of members vary and approaches are divided.

Scientific assessments conclude that the NDCs committed as part of the Paris Agreement may be inadequate in meeting the global goal of stabilising the climate. Moreover, huge technological transformations in the energy and other systems are needed to modify the global emissions rend within the short window of time available before the first cycle of NDC finishes in 2030. A country like India which is not well-endowed in terms of material or financial resources has the challenge not only of meeting the current NDC obligations but also enhancing its actions in a technology constrained environment. In the run up to and during its Presidency of G20, it will have the additional task of building coalitions to enhance actions as required by the Paris Agreement and secure consent of members to lay out a roadmap for low carbon transitions in the energy, industry, transport, and infrastructure/building sectors in their national policies.

Given the fact that India's energy demand projections show no signs of the total emissions abating in the medium or even long term despite a flattening energy deficit curve, India must find innovative solutions to spur its momentum for economic growth while remaining committed to the Paris goal of climate stabilisation. As India's current NDCs are expressed in terms of emissions intensity of GDP, there is scope for horizontal expansion of the NDC umbrella to include sectoral actions and to fast-track low carbon development, even as numerical targets for the NDC remain unchanged. This has the advantage of expanding India's domestic low carbon actions in a transparent manner, even as India gains time for NDC review in light of actual performance and global stocktake. A smart way of doing this is for India to come up with a long-term low emission development strategy as mandated by the Paris Agreement and push all other members of G20 to follow and prepare such strategies preferably before the Global Stock Take (GST) in 2023. The low emission development strategies can become the basis, in course of the GST, for assessment of the impact of proposed actions on global goal and, to the extent possible, for revision of future NDC targets.

## Endnotes

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# COVID-19: G20 Response to Education

Ria Bhattacharya*

*Abstract:* This paper examines the impact of COVID-19 pandemic on education. It discusses G20 current status in the education sector and its response to COVID-19 impact on education. The paper highlights the challenges thrust upon the G20 economies concerning education, a crucial sector in any economy. Currently, there are over 23 million confirmed cases globally, with the United States leading the death count at 176000 deaths and counting, due to COVID-19. As the entire world braces itself for a severe recession comparable to the Great Depression which will have long-lasting effects on every sector of the global economy, we examine how G20 nations can provide leadership in provision of education during the current crisis.

## Introduction

The novel coronavirus outbreak which originated in the Wuhan province in China has resulted in a major pandemic outbreak across the globe since the 1918 flu pandemic. COVID-19 is a major economic shock that has affected even the robust economies in the world. The current pandemic is predicted to cause a devastating impact like the Great Depression of the 1920s, if not more.

Most of the G20 nations have introduced strict social distancing measures and quarantine requirements for individuals suspected to have close contact with infected people or have made travels. A bigger challenge is experienced when community spread happens. The worst affected country in the world and G20 is the United States with the highest death toll, surpassing Italy and with a record of most infected cases. Until a vaccine is developed and introduced in the market, we will remain at the mercy of the virus which has already infected over 23 million across the globe. The economic shock due to the virus will have lasting effects. The International Monetary Fund now projects the growth for the year 2020-2021 to contract by 5.8 per cent. The loss due to the pandemic is estimated to be $9 trillion, which is equivalent to the size of economies in Japan and Germany combined. The current pandemic has highlighted the vulnerable health infrastructure of every country irrespective of their status of economic prosperity. Most of them still have to struggle with a severe deficiency in PPE (Personal Protective Equipment), medications, and disinfectant products. The major challenge for nations across the world has been to flatten the curve so as not to overwhelm the health care system. The effort comes in through stay at home orders, use of barriers like face masks, gloves, and maintaining social distance.

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The current global pandemic has affected crucial sectors like agriculture, education, and health. Nations like China and India where the share of the agriculture sector in their respective GDP is over 10 per cent, any negative shock to this sector can have serious consequences on their GDP and economic growth.

In India, there has been a disruption of activities related to agriculture, like harvesting in the north-western part of India due to the absence of migrant workers. The majority of the wheat production comes from this region. There have been also reports of supply chain disruptions due to the sealing of state borders in India which is preventing production to be distributed across different regions in India. Due to the suspension of transportation services, there have been reports of wastage of agricultural produce in areas of production. The prices in areas of production are declining whereas, in other parts of India, there has been a surge in prices of agricultural products. The poultry industry has been hit badly after the pandemic started in the country, due to misinformation regarding the safety of poultry products[1]. Due to the supply chain disruptions, the food and beverage inflation in India stood at 8.6 per cent in April 2020, almost an increase of 0.8 per cent from March 2020, according to the data published by the Ministry of Statistics and Programme Implementation. In the United States, according to the report released by the Bureau of Labor Statistics, the food index was recorded to increase by 1.5 per cent in April 2020. Key food products like eggs registered an increase in their price index by 16.1 per cent.

Unavailability of enough farm workers during the harvest season, supply chain disruptions can eventually lead to a threat of food security if the pandemic is not controlled soon. The impact of the pandemic on the agriculture sector of nations like India can spill over to the nations which rely on the import of food grains from India. Especially in food-deficit nations like in Africa. The current pandemic not only poses a threat to human lives but it also threatens food security especially among the comparatively less prosperous nations in the world. The pandemic has caused huge job losses across the globe which in turn has dramatically reduced the purchasing power of the people. According to the International Monetary Fund, the unemployment rate is expected to rise to 10.4 per cent in 2020. This will further push people towards poverty and hunger. After the pandemic, it will still be a challenge to access food for financially challenged households due to lack of purchasing power. G20 Agricultural Ministers have taken steps to mitigate the problem of supply chain disruptions and has assured to take steps against unstable food prices in the international markets, restrictive trade measures, and wastage of food. G20 nations have also approved for temporary suspension of official bilateral credit on May 1, 2020. The Economic Commission of Africa has expressed that G20 should come in aid of African nations and at least sanction USD100 billion aid in addition to the USD50 billion that has already been approved.

G20 nations are home to prestigious and elite educational institutions that provide one of the highest quality of education and are host to students across the world. G20 promotes the mobility of students across borders through various student exchange programs. It encourages the internationalisation of education and the fostering of inter-country research and development partnerships. Unfortunately, the current pandemic has resulted in an educational crisis all over the world. It has resulted in school closures causing 64.4 per cent[2] of the world's student population to be out of school. It has generated uncertainty over the future of higher education and employment rate among youth from all backgrounds. This section of the paper will discuss the impact of the current pandemic on the digitalisation of education in G20 nations, the disbursement of school meals among children belonging to vulnerable families, and the impact on higher education.

Besides, loss of lives a major impact of the pandemic has been on the economy, resulting in worldwide unemployment and a significant dip in consumption. There have been reports of a cleaner environment and this probably is the only positive effect of the pandemic.

The uncertainty created by the current pandemic has put a question mark on the future career goals of youth across the globe and has threatened the attainment of education among the children. The current paper will highlight the various challenges that the education sector has been experiencing and the various measures undertaken by the G20 nations to mitigate the problem.

## Education in the Time of COVID-19: Current Status and Measures Taken

G20 leaders believe that quality education is a basic human right and it encourages inclusiveness and equitable distribution of education among its people. It also aims to ensure the delivery of learning opportunities to its vulnerable, disadvantaged, and underrepresented population groups. Through their past summits and conferences, it has been clear that emphasis has been on utilising artificial intelligence, improving computer literacy, and encouraging innovative strategies in the education sector. G20 leaders are committed to improving the training received by teachers to cater to the dynamic changes brought about by modern technology in education. They have been constantly encouraging a higher participation rate from women in STEM (Science, Technology, Engineering, and Mathematics) fields and expanding opportunities for female students to pursue higher education. There has been a call for increased investment both at the domestic and the international level to fulfill the G20 objectives of inclusive, equitable, quality education, and lifelong opportunities for learning[3].

## Digitalisation of Education: Some Challenges

With the rapid spread of COVID-19 across the globe, nations across the world have implemented various containment measures. Along with the closure of the non-essential businesses, countries witnessed the suspension of in-class instructions in schools, colleges, and universities. The conventional in-class instruction has been replaced by online instructions. From K-12 to higher education, were exposed to this paradigm change. Remote instruction and virtual lectures for learners being delivered on various web-based platforms as Google meet, Microsoft teams, WebEx, and Zoom. Schools, colleges, universities, and other institutions of learning have ensured to prevent any interruption in classes and learning which is now being held online. According to OECD's Programme in International Student Assessment (PISA) survey in 2018 indicates that most nations of the world are not prepared for the digitalisation of education. Canada, France, Germany, Italy, Japan, Saudi Arabia, the United States, the United Kingdom among the G20 are much better prepared for an online transition for the delivery of lectures. More than 90 per cent of the students residing in these nations have access to an internet connection and more than 80 per cent of them have access to computers for their education, and most importantly have a quiet place to study. However, students belonging to disadvantaged backgrounds complain of a lack of proper ambiance at home to continue their education. Most of the parents from financially constrained backgrounds feel inadequate to provide homeschooling to their children due to their lack of preparedness.

When we compare these numbers with nations like Indonesia, we find that only 34 per cent of the students report having a computer at home for doing their schoolwork. In Mexico, only 27 per cent of 15-year-old students from disadvantaged backgrounds own a computer in comparison to 94 per cent of the students of the same age from privileged backgrounds having access to computers. In a prosperous country like South Korea, one out of five children from economically disadvantaged families does not have a quiet place to study at home. These statistics indicate the division in delivery of education caused by the pandemic. The students belonging to constrained families are now further constrained by the online delivery of education.

In India, there is a glaring digital divide which raises serious concerns about the inequitable distribution of education among children and youth. The students from rural areas suffer the most compared to their urban counterparts. If we go by the 2017-2018 National Sample Survey report on education, we find that only 24 per cent of Indian households have access to an internet connection. Almost 66 per cent of India's population resides in the rural areas and only 15 per cent of them have access to the internet compared to 42 per cent of the urban households having an internet connection[4]. The digital divide is widespread across gender, geographical regions, and financial status in India. This highlights the constraints to start and implement online education.

These constraints can potentially cause a significant proportion of youth from disadvantaged households to drop out of schools and institutions of higher learning. However, despite the constraints discussed in this section, G20 nations are taking steps to ensure the smooth delivery of education in the time of the current global crisis. To begin with, in India, Indira Gandhi Open University (IGNOU) is providing study material to students for various disciplines. It allows students to download the digital version of course materials through its website (e-Gyankosh) and also through the IGNOU e-content app. The other nations in G20 are introducing a wide range of measures for the distribution of study materials while ensuring the safety of children and youth.

Table 1 summarizes the various initiatives undertaken by G20 nations to ensure learning in this environment of uncertainty:

**Table 1: G20's Response to School Closure and Distance Learning**

| Country | Digital Learning Platform |
|---|---|
| Argentina | • Utilizes Biblioteca, a digital platform for students and teachers for all schools in the country to access books and novels, and<br>• Seguimos Educando, which provides video lessons for primary and secondary school education |
| Australia | • School closures have been localized but University education has moved online |
| Brazil | • A government initiative, Banco Internacional de Objetos Educacionais, provides course materials from preschool to higher education |
| Canada | • Each province in the country have announced their respective digital or online learning platforms |
| China | • National Cloud-Platform for Educational Resources and Public Service, provides free educational content for students. |

*Table 1 continued...*

*Table 1 continued...*

| | |
|---|---|
| France | • Provision for distance learning through a virtual classroom system that is accessible through computers and smartphones through its Ma class a la maison program.<br>• A 52-minute long program, Maison Lumni, designed in collaboration with the Ministry of National Education for 8-12 grade students. |
| Germany | • Multiple platforms announced to share instructional videos, databases updated periodically to enhance distance learning<br>• Consultation platforms developed for parents and teachers |
| India | • Ministry of Human Resource and Development has announced various online platforms for distance learning.<br>• An online library, National Digital Library of India has been created to provide useful content for various disciplines. |
| Indonesia | • Online platforms like Rumah Belajar and SPADA catering to the students. |
| Italy | • National Institute for Documentation, Innovation and Educational Research (INDIRE), providing webinars for teachers for transiting to distance learning methods.<br>• Ministry of Education and Higher Education gives guidance to teachers and families regarding the response of the education sector to the pandemic. |
| Japan | • Distance learning platforms like Future classroom, MEXT providing learning materials. |
| Mexico | • Ministry of Public Education has announced various programs for online learning and lessons delivered through television, like Aprende 2.0, Aprende en casa por TV y en Línea.<br>• Has developed digital textbooks for homeschooling through Libros de texto.<br>• Telescundria, a distance learning platform developed previously to cater to the students in rural areas. |
| Russia | • Ministry of Education has announced an open-educational system for students enrolled in grades 1 to 11. |
| Saudi Arabia | • Ministry of Education has launched learning platforms like IeN National e-portal and Vschool.<br>• IeN TV channels providing educational content.<br>• Other online learning platforms have been introduced. |
| South Africa | • Ministry of Education has announced various online learning resources for home learning.<br>• Western Cape government has launched an e-portal for students and teachers, which has learning resources both in English and Afrikaans. |
| South Korea | • Launch of internet and television-based platforms for K12 students. |
| Turkey | • The Ministry of National Education has announced a free “remote educational system” with both online and television-based curriculum. |
| United Kingdom | • The government provides various resources for effective online learning. |
| United States | • School closures have been localized and education has moved online. |

***Source:*** UNESCO, National Learning Platform, 2020.

## Distribution of School Meals to Children during COVID-19

One of the main containment measures taken during the current pandemic was closure of schools and other educational institutions. The challenges involved in the closure of schools was not only the proper delivery of education but also the disruption in access to school meals for children. It is estimated that 352 million children do not have access to school meals all over the world and out of these children 47 per cent are girls.[5] Seventy Two nations including some of the G20 nations have devised alternative ways to ensure accessibility to meals for school children.

We now examine the various policies undertaken by the G20 nations to address the issue of school meals provided to children.[6] These policies have been introduced during the current COVID-19 pandemic to ensure children from disadvantaged backgrounds have access to meals despite school closures:

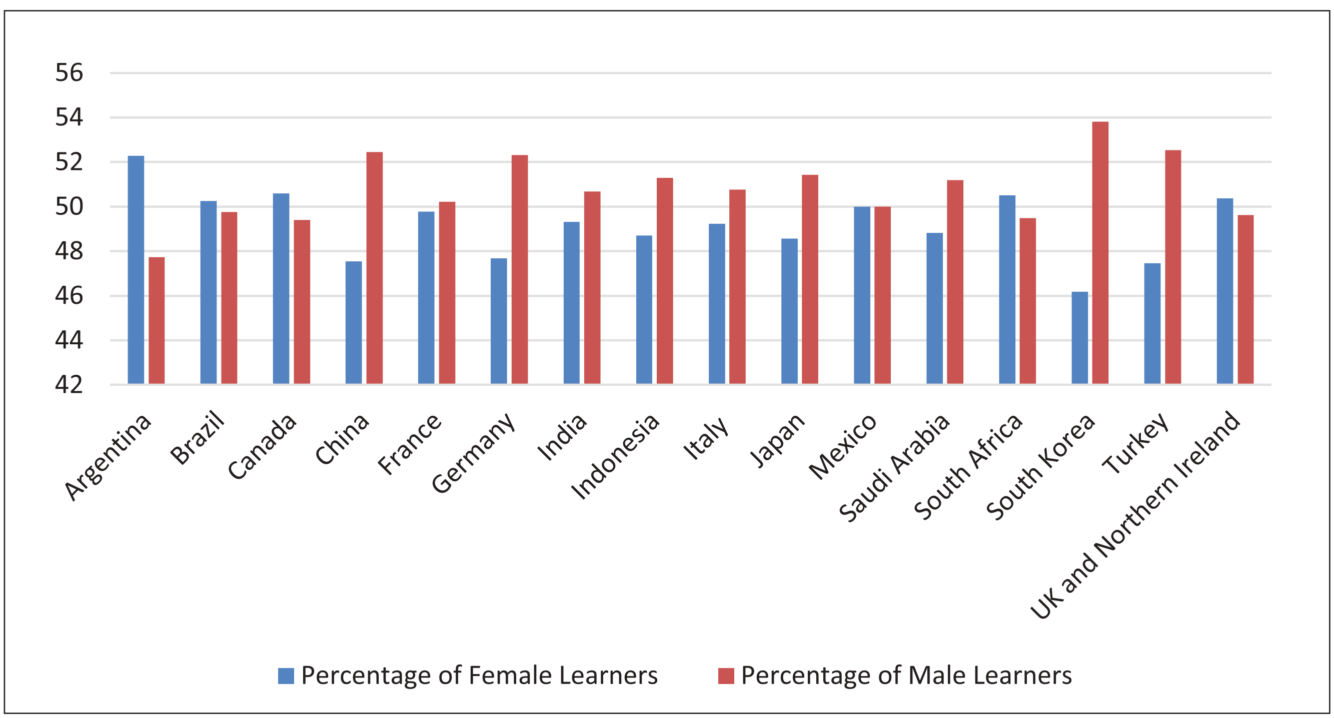
- Nations like Brazil, France, and the United Kingdom have adopted cash-based transfer to vulnerable school children's families. In Brazil due to the closure of both private and public schools, nearly 40 million children, as well as youth, are now no longer receiving school meals. The government of Brazil has allocated $3 billion for the Bolsa Familia program and has added 1 million families to this conditional cash-based transfer program.
- The government of Brazil has also passed a new law that enables the transfer of funds to purchase food through the Brazilian National School Feeding Program (PNAE).
- In France, the government has announced a one-off payment of 100 euros per child to vulnerable families and to compensate for the now unobtainable free school meals. In the United Kingdom, the government has introduced a national voucher scheme to ensure the delivery of school meals for about 1.3 million children who are eligible to attend school. The voucher pays each child 15 pounds every week.
- Argentina, India, Japan, and South Africa have adopted take-home rations to school children's policy. The Government of Argentina in addition to assisting in kind has also introduced a food voucher program that is supposed to cover 1.5 million eligible households. In addition to these measures, Argentina is also providing a lump sum cash transfer worth $155 per household through the Emergency Family Income scheme.
- India has the biggest school meal program in the world. The Government of India has announced to either provide cash-based assistance or delivery of uncooked food to vulnerable families without any need for allocation of additional budgetary resources.
- The Japanese government is ensuring to deliver meals to children who attend public primary and elementary schools. This program aims to reach 165,000 families and to provide the benefit of $470 to $550.
- The South African government has announced take-away meals or take-home food rations. It has allocated $958,000 to fund this program. The schools are responsible for the distribution of meals to families of those children attending schools.
- North American nations like Canada and the US, have undertaken various modalities to address the issue of delivering free meals to school children belonging to vulnerable families. The US has passed the Families First Coronavirus Response Act, which enables the US Department of Agriculture to approve the state government plans to issue emergency food stamps to vulnerable households of school attending children.

The data on the rest of the G20 nations remains unavailable to date.

## Challenges in Higher Education in G20

Among G20 countries[7] Australia, France, the United Kingdom, and the United States have a high percentage of tertiary graduates. Over 30 per cent of their adult population[8] have attained tertiary education which contributes to the skilled labor force. In India, 10 per cent of the adult population has attained tertiary education and in Indonesia and South Africa, the proportion of tertiary graduates is reported to be less than 10 per cent. Turkey has been investing in higher education, and it has about 17 per cent of the adult population who have tertiary education. It aims to produce more tertiary graduates to increase its pool of skilled labor force and has surpassed Brazil, Italy, and Mexico in producing more tertiary graduates. Saudi Arabia is not far behind and is anticipated to catch up with the developed nations in G20 in the coming years. Students from G20 pursue higher education overseas and according to 2015 data, 2 out of every 100 students who are in higher education, have pursued their tertiary education abroad. G20 nations are home to elite and quality educational institutes, and they have received two-thirds of cross-border mobile students in the year 2015. Among G20 nations the United States have received the highest number of foreign students (19 per cent of the global total), followed by the United Kingdom (9.2 per cent), France (5.1 per cent), Germany (4.9 per cent), Russian Federation (4.8 per cent), Canada (3.7 per cent), Japan (2.8 per cent), China (2.6 per cent), and Italy (1.9 per cent). China also sends the highest number of students abroad for higher education (17 per cent of the global total) followed by India,

**Figure 1: Students Affected by School Closures in G20 Countries due to COVID-19.**




***Source:*** UNESCO Institute for Statistics data, 2020. Nations like Australia, Russia, and the United States have localized school closures. Certain countries like China, Japan, Germany, and South Korea are gradually opening their schools.

Germany, the Republic of Korea France, and Saudi Arabia. China, India, the Republic of Korea, Brazil, Mexico, and Saudi Arabia. These countries send more students to pursue higher education abroad than they receive from abroad, hence they are the net senders of students for higher education abroad. The United States, the United Kingdom, the Russian Federation, France, Canada, Germany, Japan, South Africa, Italy, and Turkey are net receivers of international students.

G20 has about 7.3 million researchers, primarily based in China, the United States, and Japan. Female researchers account for 27 per cent in G20, but countries like Argentina and South Africa have 45 per cent to 55 per cent of female researchers. They have managed to narrow down the gender gap. The Republic of Korea, Japan, and India have reported a low percentage of female researchers accounting for 14 per cent to 19 per cent of the total researcher population. G20 nations experiencing gender disparity in higher education should take steps to encourage women to pursue their aspirations and address the issue of discrimination against women in STEM disciplines as stated in G20 Initiative on Human Capital Investment for Sustainable Development.

Despite the promising data in 2015, these destination countries are now anticipating a drop in enrollment of international students due to travel restrictions and economic shocks generated by COVID-19. There have been suspensions on international student exchange programs and study abroad programs in the process hurting unique opportunities for students. According to the Quacquarelli Symonds (QS) survey findings on prospective international students, 47 per cent of the survey respondents have decided to defer their plan for study abroad until 2021. Eight per cent of the respondents have dropped their plans to continue their education overseas. Many educational institutes in G20 nations are trying to retain their international students by offering courses online and ensuring effective distance learning, but there is a layer of uncertainty since online credits may not be recognized by their home country.

The United States is the most desired destination for higher education and research, and due to the current condition and global immobility, it is expected that the inflow of foreign students from India and China is going to be negatively affected. The American Council on Education estimates a decline of 25 per cent for international students in the United States. International students usually pay higher fees compared to the domestic students and hence contribute to an institution's steady revenue. A rapid decline in the international student population will lead colleges and universities to further financial crises. For example, the University of Michigan system expects to lose $400 million to $1 billion this year across its three campuses.[9]

Similar to the United States, countries like the United Kingdom and Canada rely considerably on the tuition fees paid by international students. A drop in international enrollment implies a financial blow to these institutions of higher learning. Whereas other G20 countries like Brazil, China, Italy, and India are unlikely to suffer huge financial blows in higher education since the international student population is comparatively less to the countries mentioned before. China even though it ranks on third in international student enrollment but it receives support from its government making it less reliant on tuition revenue from foreign students. India, may not be suffering a huge financial loss concerning higher eduction now but since it prioritizes on increasing its foreign student enrollment by four times the current amount by 2023,[10] the pandemic may result in a setback in that plan. The solution to offset the problem of student mobility, countries can consider easing immigration barriers. For example, in the United States, the time limit on work permits can be increased. Colleges and Universities can introduce more number of STEM courses. Any student with a STEM major gets a three year OPT (Optional Practical Training) compared to other courses that offer 12 months OPT. International students rely on OPT to search for internships and employment in the United States. Institutes of higher learning can consider developing alternative robust financial plans rather than relying on risky revenue sources like international students. Steady and stable public funding can be a more reliable source to keep these institutes functioning.

The challenge for higher education in destination countries like the United States, the United Kingdom, Canada, France, Germany will be much different than the 2007-2008 financial crisis. At that time most schools in these countries were able to recover due to the international student enrollment. The current crisis generated by the pandemic is restricting international student mobility. Universities and colleges in countries like the United States and Canada are considering budget cuts, lay-offs of non-teaching staff and non-tenure-track faculty, and an increase in school fees.[11] The government in these countries should support the education sector with a concrete and feasible plan, instead of introducing budget cuts in institutes of higher learning.

International students have been a crucial part of higher education in the G20. They not only bring revenue for the institutions they also contribute to new ideas and innovations. They help in creating a network to exchange knowledge and expertise. International students who return to their home countries after completion of their education, contribute to the skill base in their country of origin. Such students usually join as faculty, consultant, or initiate start-ups, thus enriching the knowledge base and the economy in their home country. Students who are pursuing tertiary education abroad are not only an asset to the host country but also for their home country. Hence the growing importance of this group of students.

So far, this section highlighted the status of higher education concerning international students. In G20 nations, domestic students are affected too by the pandemic. The digital divide has been discussed in the previous section which has unleashed new challenges especially for the emerging economies and relatively less prosperous economies. In India, there has been uncertainty among the recent graduates regarding job offers. There have been reports circulated in the media where job offers have been postponed or withdrawn from the selected candidates. The unemployment rate is almost 27.1 percent[12] in India, rendering many households to be unable to pay tuition fees. These will potentially cause a spike in dropout rates. This situation is comparable to the situations of economically constrained and immigrant households in other G20 nations. The current academic crisis caused by the pandemic requires unity and cooperation among G20 nations to be further strengthened.

## Conclusion

The socio-economic impact of COVID-19 is going to be long-term and probably affecting the lives of people around the globe for years. In this context, G20 nations which comprise of the most influential economies across the world need to take effective leadership strategies. Since past data has shown the recurrence of a pandemic from time to time, threatening the lives and livelihood of countless people across the globe. It is time to build up a pandemic plan of action and a fund to deal with huge economic shocks caused by a pandemic of this nature, we need to come up with a contingent fund specifically for a pandemic. COVID-19 has exposed our weaknesses in the form of healthcare facilities, food supply, and delivery of education. The very dynamic nature of the virus is making the development of a vaccine to be a challenging task but G20 and the rest of the world are waiting optimistically for a cure and a possible measure of prevention of the virus.

In the meantime, G20 nations should now come together and implement effective actions to address their weaknesses and turn them into their strengths over time. This paper has focused on education but one must not forget that successful attainment of education is accompanied by access to food and nutrition and good health. Hence more funds should be allocated for research and development in the field of medicine, pharmacy, and virology to name a few as an immediate short-term measure. As a long-term measure, there could be inter-country research partnerships to share data and expertise among the researchers to develop measures to prevent, cure, and prepare for possible future pandemics. Since pandemic also brings a considerable threat to food security globally, it is crucial to develop policy measures to remove any kind of supply chain disruptions in agricultural products within the domestic boundary and across international borders. G20 nations are already taking steps to minimize disruption in the food supply and lifting trade barriers. G20 nations have been encouraged by the Director-General Of FAO to utilize the Agricultural Market Information System, an initiative of G20 hosted by FAO. This will help to monitor the price movements of agricultural products and also to take appropriate policies to mitigate any food and nutrition crisis.

With the onset of COVID-19, almost every country in the world, including G20 nations moved to the digital delivery of education. While some countries in G20 have made a smooth and quick transition, some had to struggle due to internet connectivity issues, electrification hurdles, and lack of preparedness for digital transition. This problem can be addressed by both short-term and long-term policies. Long-term policies include increasing electrification in remote and rural areas, introducing affordable internet connectivity for people from financially challenged backgrounds. This will help to bridge the gap between learners located in rural and urban areas. Short-term policies could be that institutions of learning can introduce training sessions and set up round the clock technical assistance for teachers and educators to prepare them for online instructions. Other measures, for example, Saudi Arabia is currently loaning out devices like computers to students,[13] this policy can be emulated by the rest of the G20 countries to ensure interference-free learning for students, especially from disadvantaged backgrounds. The nations in G20 who have years of expertise in digitalized versions of instruction that can share their knowledge and extend their help to the nations coping up with these challenges. G20 has already committed to building up better communication and exchange of data through secured channels of communication. They also indicated in their Extraordinary G20 Digital Economy Ministerial Meeting, which was held on April 30, 2020, to work with telecommunications providers to address the connectivity constraints and build up better and affordable connectivity in the future. G20 agenda on education emphasizes lifelong learning opportunities,[14] which should be given further importance in current times of unemployment and economic crisis. Since digital education is gaining importance in current times, G20 should invest in training young learners from an early age. It should also consider bringing the mature workforce including women under this scope of training them with new skills. G20 initiative on #eSkills4girls can become an important tool to bridge the gender gap in accessing digital technology for education and employment.

The other potential challenge the education sector can experience is an increase in drop out among young learners. Dropout rates have historically been high among youth from economically constrained backgrounds, and a suitable financial package in the form of tuition waivers or scholarships can go a long way to keep these young learners motivated to stay in school and other institutions of learning. As discussed in "Skills and Innovations in G20 countries"[15], education ministers and labor ministers from G20 should collaborate to link the labor market with education. The cooperation between them has become further important due to job market uncertainty. It is important to arrange for proper placement after these young learners graduate with their degree since the prospect of better career opportunities is one major incentive to encourage them to remain enrolled in schools, colleges, and universities.

As discussed, G20 has already started implementing the suggested solutions and it is becoming more resilient and better prepared for economic shocks generated by a pandemic of this scale.

## Endnotes

1. Compiled from International Food Policy Research Institute
2. Compiled from UNESCO
3. G20 Education Ministers' Declaration, Mendoza, Argentina, 2018
4. Compiled from Ideas for India, Economics Times, and Scroll
5. World Food Program, 2020.
6. Compiled from World Food Program (WFP), Global Monitoring of School Meals During COVID-19 School Closures.
7. Compiled from "Skills and Innovation in G20 Countries", Information paper no.50, June, 2018, UNESCO
8. Adult population here refers to youth who are at least 25years of age.
9. Compiled from University of Michigan report
10. Compiled from Inside Highered
11. Compiled from Inside Highered and Policy Options
12. Center for Monitoring Indian Economy (CMIE)
13. Compiled from World Bank
14. Compiled from G20 insights
15. Information paper no.50, June, 2018, UNESCO

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## G20 Focuses on Digitalisation

The G20 Digital Economy Taskforce (DETF) aims to bring out the relevance of digitisation, particularly for business operations. The recent discussions of the taskforce focused mainly on the rising importance of digitisation in the current COVID-19 crisis. Various initiatives such as data flows, smart cities, digital economy measurement and digital security need to be looked at in a move towards a comprehensive digital policymaking. Support from member countries along with guest countries, international and regional organisations would be crucial in giving it a shape.

***Source:*** "G20 discusses long-term vision for digital economy", Saudi Gazette, 4 June, 2020, available at <https://www.saudigazette.com.sa/article/593868/SAUDI-ARABIA/G20-discusses-long-term-vision-for-digital-economy>

## Women Empowerment Tops the List for Saudi Presidency

Women's employment, financial inclusion and access to opportunities are among the top priority issues for Saudi Presidency. The presidency would focus on creating an enabling environment for people especially women and youth to lead a decent life, work and prosperity. It also stresses on promoting collective efforts to preserve land, enacting economic policies and making use of innovation and technical progress. Working with other G20 members and building on achievements of previous presidencies, Saudi is trying to find a common ground to deal with women issues at global level. The Kingdom's presidency has further decided to hold a meeting with the Private Sector Alliance for the Empowerment and Progression of Women's Economic Representation, which was launched at the Osaka Summit, to empower women and encourage them to participate in the job market including the private sector.

***Source:*** "Saudi Arabia to address women's empowerment, economic representation during G20 presidency", Gulf News, June 25, 2020, available at< https://gulfnews.com/world/gulf/saudi/saudi-arabia-to-address-womens-empowerment-economic-representation-during-g20-presidency-1.72236333 >

## Enhancing Financial Well-being Gains Traction

The G20 Global Partnership for Financial Inclusion (GPFI) aims to identify policies that are supportive and are also effective in dealing with the major issue of bridging the financial inclusion gaps for the youth, women and SMEs through digital financial services. This is of particular importance during the pandemic and will prove to be a valuable resource for governments, the private sector and the international development community.

***Source:*** "G20 GPFI focuses on boosting financial wellbeing for youth, women and SMEs", Saudi Gazette, 28 June, 2020, available at https://saudigazette.com.sa/article/594827/SAUDI-ARABIA/G20-GPFI-focuses-on-boosting-financial-wellbeing-for-youth-women-and-SMEs

## Dealing with National Security Threats from Foreign Investment

A joint study by UNCTAD, OECD and WTO reveals that some G20 nations have begun to suspect national security threats associated with international investments, prompting them to take protective actions. However, the report does not name any specific source of the threats. In the recent past India and Australia have been two of the first countries to modify their FDI policies. They have been closely followed by France, while Canada and EU have focused on increasing their scrutiny of the process. Lastly, the US is also trying to protect its telecommunication and power sectors in a similar fashion.

***Source:*** "G20 nations intensify measures against threats from international investment", Live Mint, 2 July, 2020, available at <https://www.livemint.com/news/world/G20-nations-intensify-measures-against-threats-from-international-investment-unctad-11593692032382.html>

## The B20 Plan to Combat the Pandemic

In a recent discussion, B20, the voice of business to the G20, came forward with a six-point plan. The main aim is to provide a platform to the various governments so that they can meaningfully engage with the private sector, including multinational corporations and Micro, Small and Medium Enterprises (MSMEs). As stated by Yousef Al-Benyan, the Chair of B20 Saudi Arabia, "Private and public sector can cooperate to create an environment that instils safety, integrity and confidence while advancing economic prosperity."

***Source :*** "G20 Chair Saudi Arabia launch action plan to combat Covid through its business platform", Economic Times, 6 July, 2020, available at <https://economictimes.indiatimes.com/news/international/world-news/G20-chair-saudi-arabia-launch-action-plan-to-combat-covid-through-its-business-platform/articleshow/76820171.cms>

## T20 Engagement Group: Key to Economic Growth is Multilateralism

The T20 Engagement Group has discussed the impact of the pandemic on economies around the world. In the virtual meeting, Saudi Arabia's G20 Sherpa, Fahad Al-Mubarak, stressed on the spirit of cooperative efforts among the G20 members to restore sustainable growth. In the virtual gathering it was stressed that multilateralism is required more than ever, and that nations must look beyond their borders to minimize the disruption and cooperate on important issues such as access to global value chains and on legal issues related to digital trade. This has featured in the T20 Task Force recommendations that highlighted the importance of collective action to meet the current health and economic challenges.

***Source:*** "Multilateralism is key to post-COVID recovery, says G20's think tank group", Arab News, 10 July, 2020, available from < https://www.arabnews.com/node/1691461/saudi-arabia >

## Third G20 Finance Ministers and Central Bank Governors Meeting

The 3rd G20 Finance Ministers and Central Bank Governors (FMCBG) meeting was hosted by the Saudi Arabian Presidency through Video Conferencing to discuss the global economic outlook amid the evolving COVID-19 pandemic crisis along with priorities on G20 Finance Track for the year 2020. Two sessions were held. In the first session they discussed the G20 Action Plan in response to COVID-19 which was endorsed by the G20 Finance Ministers and Central Bank Governors. The second session discussed the deliverables for G20 Finance Track for 2020. The Minister for Finance & Corporate Affairs of India, Ms. Nirmala Sitharaman shared India's action plan to balance supply and demand side through credit schemes for greater liquidity, direct benefit transfers, and employment guarantee schemes in response to COVID-19. Further, in her intervention, she emphasised on enhancing access to women, youth and SMEs and the challenges related to digital taxation.

***Source:*** "Finance Minister Smt. Nirmala Sitharaman attends the 3rd G20 Finance Ministers and Central Bank Governors Meeting", 18 July, 2020, available at <https://pib.nic.in/PressReleseDetailm.aspx?PRID=1639707>

## Y20 Calls for Global Citizenship and Empowerment

The youth engagement group of the G20, Y20, affirmed the need for global citizenship to address pressing global challenges during the 3rd virtual Y20 Working Group meeting on 28th July, 2020 in Riyadh.

The meeting aims at establishing global policy interventions as the international issues related to youth have been exacerbated due to the pandemic. Such a situation requires extensive focus on the different perspectives put forward by young people and youth-led solutions. Young leadership needs to come forward to set examples of adapting to changing environments. The main issues remain the uncertainty towards the future of work and entrepreneurship. The Y20 aims to leverage the use of technology to bring out the voice of the youth.

***Source:*** "G20's youth-engagement group calls for global citizenship to address key challenges", Saudi Gazette, 29 July, 2020, available at < https://www.saudigazette.com.sa/article/596100/SAUDI-ARABIA/G20s-youth-engagement-group-calls-for-global-citizenship-to-address-key-challenges- >

***Source:*** "Saudi G20: Youth group discusses empowerment", Arab News, 5 June, 2020, available at < https://www.arabnews.com/node/1685011/saudi-arabia >

## Relief for The World's Poorest Nations Till The End of 2020

As part of G20 action plan to fight the COVID-19 pandemic, G20 finance ministers have agreed on 'a time bound suspension of debt payments for poor nations that request forbearance'. The G20 has brought forward key features and conditions that have to be fulfilled in order to be eligible for the debt relief. Moreover, the ministers also wish to support small and medium enterprises as well as individuals who have been significantly impacted in a negative way. The grouping shall take the support of private creditors and multilateral development banks in order to make the initiative a success.

***Source:*** "G20 suspends debt payments for poor nations till 2020 end", The Economic Times, 16 April, 2020, available at < https://economictimes.indiatimes.com/news/international/world-news/g20-suspends-debt-payments-for-poor-nations-till-2020-end/articleshow/75188862.cms?from=mdr>

## G20 Initiated International Initiative to Accelerate Access to Health Tools to Combat COVID-19

The G20 members launched an international initiative to accelerate access to health tools necessary to fight the novel corona virus. While launching the "Access to COVID-19 Tools (ACT) Accelerator" initiative, the finance minister of Saudi Arabia and the chair, Mohammed al-Jadaan, emphasised on reinforcing global cooperation on all fronts, particularly, on the immediate need for finance in health sector. Also, he called on all countries, non-governmental organisations, philanthropists and the private sector to assistance in minimising the financial gap.

***Source:*** "G20 launches initiative for health tools needed to combat the coronavirus", Reuters, 26 April, 2020 available at < https://in.reuters.com/article/health-coronavirus-g20/g20-launches-initiative-for-health-tools-needed-to-combat-the-coronavirus-idINKCN22801V > s

# About G20 Digest

Since G20 Summits are watched worldwide with interest and suspicion, India's Presidency in 2022 would be important, at least for the developing countries. Unlike the first few summits, Annual leaders' summits of G20 now encapsulate a vast array of issues beyond the financial sector; each has the potential to impact the world in a substantial measure. Each presidency has thrown new issues along with the common ones that bind the grouping together. In view of the diversity of issues taken up in G20 platform, it is imperative to study and assess current functioning of G20 and its future roadmap. RIS plans to begin a journey to this process through this publication in order to gather the views, opinions and scholarly research. In successive issues of 'G20 Digest' we shall bring the thought leaders in various sectors to comment on each of the themes through articles, interviews and commentaries, besides offering a snapshot of current news about the G20 summits and related themes. The Digest will thus hopefully become an essential component of the G20 Delhi Agenda in all its multifarious aspects. Naturally, comments from our readers will be most valuable to guide this publication on its journey.

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# Guidelines for Submissions

- *G20 Digest* is a peer-reviewed journal dedicated to the issues and subject matters relating to G20 and its broader linkages to global governance, functioning of multilateral institutions, role of emerging markets, and larger development interests of the people.
- Scholarly articles on various topics of interest to G20 are invited from academics, policy makers, diplomats, practitioners and students. The articles may cover the whole range of issues including role and effectiveness of G20, functioning of G20, coverage of sectors, G20 and global governance, G20 and global financial stability, and similar topics.
- Original manuscripts not exceeding 4000 words prepared in MS Word using double space with a 100 word abstract and three key words may be sent to pdash@ris.org.in.
- The submitted articles must follow APA referencing style.
- All numbers below 10 should be spelt out in words such as 'five' 'eight', etc.
- Percentage should be marked as 'per cent', not '%'.
- For numeric expressions, use international units such as 'thousands', 'millions', 'billions', not 'lakh' and 'crore'.
- For time periods, use the format '2000-2008', not '2000-08'.
- Mere submission of an article does not guarantee its publication in the journal.

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