G20 Chair’s Summary
Fourth G20 Finance Ministers and Central Bank Governors Meeting
Washington DC, 12-13 October 2022

Part I – Summary of Discussion on the Global Economy

1. Members agreed that the recovery of the global economy has further slowed as risks have continued to materialize. Many members strongly condemned Russia’s war against Ukraine and expressed the view that Russia’s illegal, unjustified and unprovoked war of aggression against Ukraine is impairing the global economic recovery. A few of these members noted that the sanctions against Russia do not target food. One G20 member expressed the view that the war in the Ukraine and sanctions have impacted the global economy. One G20 member expressed the view that the sanctions are the main cause of the negative impacts on the global economy. Most members agreed that there are still pressures on fertilizer, food, and energy prices, which have exacerbated existing inflationary pressures, and contributed to the increasing risk of food and energy insecurity. Many members noted the importance of continued action on long-term structural challenges such as climate change, while one member cautioned against the premature halt of investment in fossil fuels and called for balanced and just transitions policies in response to climate change. A number of members emphasized the need to address debt vulnerabilities.

2. Members were concerned about the increasing food and energy insecurity of vulnerable groups across the world as discussed in the High Level Seminar on Strengthening Global Collaboration for Tackling Food Insecurity on 15 July and the G20 Joint Finance and Agriculture Ministers’ meeting on 11 October. Many members noted the temporary and targeted measures they have implemented to support the most vulnerable. Members welcomed the International Monetary Fund (IMF)’s Food Shock Window within its emergency lending instruments.

Part II – Agreement on Concrete Deliverables

3. To support our collective ambition to recover together, recover stronger, we reaffirm our commitment to well-calibrated, well-planned, and well-communicated policies to support sustainable recovery, with due consideration to country-specific circumstances. We confirm our commitment to mitigate scarring effects to support strong, sustainable, balanced and inclusive growth. We will stay agile and flexible in our fiscal policy response, standing ready to adjust to the changing circumstances as needed. Temporary and targeted measures to help sustain the purchasing power of the most vulnerable and cushion the impact of commodity price increases, including energy and food prices, should be well designed to avoid adding to high inflationary pressures. We will continue to enhance macro policy cooperation, preserve financial stability and long-term fiscal sustainability, and safeguard against downside risks and negative spillovers. Macroprudential policies need to remain vigilant to guard against rising systemic risks as financial conditions tighten. We commit to progress the 2030 Agenda for Sustainable Development to achieve stronger, greener and more balanced and inclusive global development. Fiscal policies should reflect the increased investment needed for the green, digital, and sustainable transitions. We reaffirm the importance of the rules-based, non-discriminatory, fair, open, inclusive, sustainable and transparent multilateral trading system with the World Trade Organization (WTO) at its core in restoring growth and job creation, and reiterate our commitment to fight protectionism and encourage concerted efforts for reform of the WTO. Recognizing that many currencies have moved significantly this year with increased volatility, we reaffirm our April 2021 exchange rate commitments. We also reiterate the importance of global cooperation and express our appreciation to the Indonesian G20 Presidency for its efforts to maintain an effective system of multilateralism through the G20.

4. G20 central banks are strongly committed to achieving price stability, in line with their respective mandates. To that end, they are closely monitoring the impact of price pressures on inflation expectations and will continue to appropriately calibrate the pace of monetary policy tightening in a data-dependent and clearly communicated manner, ensuring that inflation expectations remain well anchored, while being mindful to safeguard the recovery and limit cross-country spillovers. Central bank independence is crucial to achieving these goals and buttressing monetary policy credibility.

5. We continue to prioritize collective and coordinated action to get the pandemic under control and be better prepared for future pandemics. We welcome the establishment of the pandemic prevention, preparedness and response financial intermediary fund (PPR FIF) hosted by the World Bank and take note of the constitution of its Governing Board, which has adopted the PPR FIF’s governing documents. We welcome the PPR FIF’s inclusive membership and representation from low- and middle-income countries, civil society organizations and donors, and acknowledge the World Health Organization’s (WHO) technical expertise and central coordination role in this endeavor, which reflects its leadership role in the global health architecture. We look forward to the launch of the PPR FIF’s first call for funding proposals as soon as possible, to deliver investments that strengthen and support pandemic PPR at national, regional and global levels. We commend the financial pledges by founding donors to the
PPR FIF, amounting to over USD 1.4 billion, and we encourage additional pledges, on a voluntary basis. We commit to increase the capacity of developing countries for pandemic PPR through the PPR FIF, and look forward to the stocktaking review of the PPR FIF at the end of its first year to draw on lessons learned and incorporate any changes needed to ensure the PPR FIF is operating in accordance with its governing documents and effective at filling critical PPR gaps and that it continues to have a central coordination role for the WHO, maintains a strong connection to the G20, and is inclusive of the perspectives of low- and middle-income countries and additional non-G20 partners in its decision making. We note the progress of the work of the G20 Joint Finance-Health Task Force (JFHTF) aimed at, among others, developing coordination arrangements between Finance and Health Ministries, possibly including those from non-G20 countries, while ensuring that there is no further duplication and fragmentation of the global health governance system and maintaining the crucial leadership role of the WHO. We look forward to G20 Finance and Health Ministers continuing their discussions, including providing guidance in November, on next year’s JFHTF mandate.

6. We reaffirm our commitment to the swift implementation of the OECD/G20 two-pillar international tax package. We welcome the progress on Pillar One. We also welcome progress on Pillar Two Global Anti-Base Erosion (GloBE) Model Rules, which pave the way for consistent implementation at a global level as a common approach, and we look forward to the completion of the GloBE Implementation Framework. We call on the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) to finalize Pillar One, including remaining issues and by signing the Multilateral Convention in the first half of 2023, and to complete the negotiations of the Subject to Tax Rule (STTR) under Pillar Two that would allow the development of a Multilateral Instrument for its implementation. We reaffirm our objective to strengthen the tax and development agenda in light of the July 2022 G20 Ministerial Symposium on Tax and Development, and we note the G20/OECD Roadmap on Developing Countries and International Tax. We support the progress made on implementing internationally agreed tax transparency standards, including regional efforts and welcome the signing of the Asia Initiative Bali Declaration in July 2022. We also welcome the Crypto-Asset Reporting Framework and the amendments to the Common Reporting Standard, both of which we consider to be integral additions to the global standards for automatic exchange of information. We call on the OECD to conclude the work on implementation packages, including possible timelines, and invite the Global Forum on Transparency and Exchange of Information for Tax Purposes to build on its commitment and monitoring processes to ensure widespread implementation of both packages by relevant jurisdictions.

7. We reiterate our commitment to strengthening the long-term financial resilience of the international financial architecture, including by promoting sustainable capital flows, and developing local currency capital markets. We welcome the IMF’s revised Institutional View on Liberalization and Management of Capital Flows and look forward to continued discussions with international organizations on the coherent implementation of international frameworks for the use of capital flow management measures, while being mindful of their original purpose. We look forward to further progress by the IMF in operationalizing the Integrated Policy Framework and welcome the report by the Bank for International Settlements (BIS) on Macro-financial stability frameworks. We welcome continued exploration of how Central Bank Digital Currencies (CBDCs) could potentially be designed to facilitate cross-border payments, while preserving the stability and integrity of the international monetary and financial system. We welcome the successful completion of the G20 TechSprint 2022, a joint initiative with the BIS Innovation Hub (BISIH), which has contributed to the debate on the most practical and feasible solutions to implement CBDCs. We reiterate our commitment to maintaining a strong and effective Global Financial Safety Net with a strong, quota-based and adequately resourced IMF at its center. We remain committed to revisiting the adequacy of quotas and will continue the process of IMF governance reform under the 16th General Review of Quotas, including a new quota formula as a guide, by 15 December 2023.

8.1 We reiterate our commitment to support all vulnerable countries to recover together, recover stronger. We welcome pledges amounting to USD 81.6 billion through the voluntary channelling of Special Drawing Rights (SDRs) or equivalent contributions, and call for further pledges from all willing and able countries to meet the total global ambition of USD 100 billion of voluntary contributions for countries most in need. We welcome the operationalization of the Resilience and Sustainability Trust (RST) to help eligible low-income countries, small states and vulnerable middle-income countries address longer-term structural challenges that pose macroeconomic risks, including those stemming from pandemics and climate change. We welcome the voluntary contributions to the RST

1 Noting that one member has divergent views on debt issues in paragraph 8, and emphasized the importance of debt treatment by multilateral creditors like MDBs.
and call for additional pledges and timely contributions to it and to the Poverty Reduction and Growth Trust (PRGT), especially for subsidy resources, to ensure a broad pool of contributors to meet funding needs. We remain open to explore viable options for countries to voluntarily channel SDRs through Multilateral Development Banks (MDBs), while respecting national legal frameworks and the need to preserve the reserve assets status of SDRs. We will continue to explore ways, including through balance sheet optimization measures, and other potential avenues, to maximize MDBs’ development impact. We welcome early deliberations and urge MDBs to continue to discuss options for implementing the recommendations of the G20 Independent Review of MDBs’ Capital Adequacy Frameworks within their own governance frameworks, and to deliver an update to us in Spring 2023. This will inform the ongoing development of a roadmap for the implementation of the recommendations, while safeguarding MDBs’ long-term financial sustainability, robust credit ratings and preferred creditor status. We acknowledge the concluding report on the 2020 Shareholding Review of the International Bank for Reconstruction and Development (IBRD) and look forward to the 2025 Shareholding Review. At this challenging juncture, we reiterate our commitment to step up our efforts to implement the Common Framework for Debt Treatment beyond the Debt Service Suspension Initiative (DSSI) in a predictable, timely, orderly and coordinated manner. We welcome progress in this regard, including the provision of financing assurances for Zambia. We welcome progress made by creditor committees so far and encourage the timely conclusion of the debt treatments for Chad and Zambia by early 2023. We also encourage the conclusion of the debt treatment for Ethiopia under an IMF-supported program. We are concerned about the deteriorating debt situation in some vulnerable middle-income countries. This could be addressed by multilateral coordination that involves all official and private bilateral creditors to take swift action to respond to their requests for debt treatments. We stress the importance for private creditors and other official bilateral creditors to commit to providing debt treatments on terms at least as favorable to ensure fair burden sharing in line with the comparability of treatment principle. We affirm the importance of joint efforts by all actors, including private creditors, to continue working toward enhancing debt transparency. We welcome the efforts of private sector lenders who have already contributed data to the joint Institute of International Finance (IIF)/OECD Data Repository Portal, and continue to encourage others to also contribute on a voluntary basis.

9. Revitalizing infrastructure investment in a sustainable, inclusive, accessible, and affordable way will ensure we recover stronger. We endorse the voluntary and non-binding G20/GI Hub Framework on How to Best Leverage Private Sector Participation to Scale Up Sustainable Infrastructure Investment which will consider country circumstances, and which will complement investment from other sources, including public investment and finance provided by MDBs. We note the Outcome Document from the 2022 G20 Infrastructure Investors Dialogue. To enhance social inclusion and address subnational disparities, we endorse the G20-OECD Policy Toolkit on Mobilizing Funding and Financing for Inclusive and Quality Infrastructure Investment in Regions and Cities, prepared with the support of the Asian Development Bank (ADB). We note the Preliminary Findings Report on Gender Inclusive Approaches in Private Participation in Infrastructure in promoting gender considerations during the infrastructure lifecycle and look forward to the final report. We endorse the InfraTracker 2.0 which will enable both the public and private sectors towards transformative infrastructure investment post-COVID-19, by providing insights into long-term infrastructure strategies and plans. To narrow the digital divide, we endorse the G20 Compendium of Case Studies on Digital Infrastructure Finance: Issues, Practices and Innovations. We note the endorsement in July of the Quality Infrastructure Investment (QII) Indicators and associated guidance note, developed for the G20, which are voluntary and non-binding and consider country circumstances, and we look forward to further discussions on how the QII indicators can be applied. We welcome progress made by the Infrastructure Working Group (IWG) towards developing a possible new governance model for the Global Infrastructure Hub (GI Hub) and ask the IWG to finalize principles to guide the process, and report back to us as soon as possible.

10. Our commitment to tackling urgent global challenges such as climate change and environmental degradation, including addressing biodiversity loss, remains critical to achieving greener, more sustainable, more prosperous and inclusive economies and societies. In the context of strengthening global efforts to reach the objective of the United Nations Framework Convention on Climate Change (UNFCCC) and the goals of the Paris Agreement, as well as implementing the COP26 commitments, we reiterate that our policy mix toward carbon neutrality and net zero should include a full range of fiscal, market and regulatory mechanisms including, as appropriate, the use of carbon pricing and non-pricing mechanisms and incentives, and phase out and rationalize, over the medium term, inefficient fossil fuel subsidies that encourage wasteful consumption and commit to achieve this objective, while providing targeted support to the poorest and most vulnerable, and in line with national circumstances. We acknowledge the macro-economic risks stemming from climate change and will continue discussions on the costs.
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and benefits of different transitions. We also recognize the challenges faced by many developing countries in accessing finance and technology for that purpose. In this regard, we urge the fulfillment of the commitment made by developed countries, to the goal of mobilizing jointly USD 100 billion in climate finance per year by 2020 and annually through to 2025 to address the needs of developing countries, in the context of meaningful mitigation actions and transparency on implementation.

11. We remain committed to take actions in support of orderly, just and affordable transitions to achieve the objectives of the 2030 Agenda for Sustainable Development in line with the UNFCCC and the Paris Agreement as well as with the convention on Biological Diversity. We welcome the progress made across the G20, international organizations, other international networks and initiatives, and the private sector in addressing the priorities of the G20 Sustainable Finance Roadmap, which is voluntary and flexible in nature, and call for further efforts to advance the Roadmap’s recommended actions that will scale up sustainability financing. We welcome the establishment of the Sustainable Finance Working Group’s online dashboard and repository of relevant work, to illustrate ongoing and future progress made on the Roadmap, and encourage members to contribute on a voluntary basis, taking country circumstances into consideration. We endorse the 2022 G20 Sustainable Finance Report which articulates practical and voluntary recommendations for jurisdictions and relevant stakeholders in developing transition finance frameworks, improving the credibility of financial institutions’ net zero commitments and scaling up sustainable finance instruments, with a focus on improving accessibility and affordability. We also welcome the valuable discussion during the Presidency’s Forum on policy levers that incentivize financing and investment to support the transition.

12. In the face of a more challenging global economic and financial outlook, we underline the need to reinforce global financial system resilience and ask the Financial Stability Board (FSB) and IMF to continue their monitoring efforts. We commit to sustaining global financial stability, including through continued coordination of policy measures and implementation of international standards. We look forward to the FSB’s final report on financial sector exit strategies and scarring effects of COVID-19 and its conclusions regarding financial stability issues prior to the Leaders’ Summit in November. We strongly support global policy actions to increase resilience, in particular against cross-border spillovers, including by addressing the identified structural vulnerabilities in non-bank financial intermediation (NBFI) from a systemic perspective, and we look forward to the FSB’s NBFI progress report with policy proposals to address systemic risk in NBFI, including in open-ended funds. We welcome the report by the Basel Committee on Banking Supervision (BCBS), the BIS Committee on Payments and Market Infrastructures (CPMI), and the International Organization of Securities Commissions (IOSCO) on the review of margining practices. We support taking forward the implementation of the FSB updated Roadmap for addressing climate-related financial risks which complements the G20 Sustainable Finance Roadmap. Globally consistent data are needed in order to effectively address climate-related financial risks. We look forward to the finalization of standards by the International Sustainability Standards Board (ISSB) in support of globally consistent, comparable and reliable climate-related financial disclosures, and its work beyond climate, and we welcome the efforts to achieve interoperability across disclosure frameworks. We welcome the FSB progress report on achieving consistent and comparable climate-related financial disclosures and the final report on supervisory and regulatory approaches to climate-related risks. We look forward to the report by the FSB and the Network for Greening the Financial System (NGFS) on climate-scenario analysis by jurisdictions in November.

13. We welcome ongoing work by the FSB and international standard setters to ensure that the crypto-assets ecosystem, including so-called stablecoins, is closely monitored and subject to robust regulation, supervision, and oversight to mitigate potential risks to financial stability. We welcome the FSB’s proposed approach for establishing a comprehensive international framework for the regulation of crypto-asset activities based on the principle of ‘same activity, same risk, same regulation’. We welcome the FSB consultative report on the review of its high-level recommendations for the regulation, supervision and oversight of “global stablecoin” arrangements. We also welcome the FSB consultation report on promoting international consistency of regulatory and supervisory approaches to crypto-assets activities and markets. It is critical to build public awareness of risks, to strengthen regulatory outcomes and to support a level playing field, while harnessing the benefits of innovation. We welcome the final guidance by the BIS CPMI and IOSCO which confirms that the Principles for Financial Market Infrastructures apply to systematically important stablecoin arrangements. We support continued implementation of the G20 Roadmap for Enhancing Cross-Border Payments, including the future delivery of the initial estimates for key performance indicators and 2022 Progress Report that sets out priorities for the next stage of work. We encourage central banks, other public authorities and the payments industry to continue to work collaboratively on these
important initiatives to enhance cross-border payments. We welcome the report by the BIS CPMI on interlinking payment systems and the role of Application Programming Interfaces (APIs) that was presented in a joint workshop by the Indonesian G20 Presidency in coordination with the BIS CPMI and the BISIH on cross-border payments and interoperability at the Festival Ekonomi Keuangan Digital Indonesia (FEKDI) 2022. We also welcome the joint report by the BIS CPMI, BISIH, IMF, and World Bank on options for access to and interoperability of CBDCs for cross-border payments. We welcome the FSB consultative report on achieving greater convergence in cyber incidents reporting, and look forward to the final report. We welcome the results of the second phase of the Data Gaps Initiative (DGI-2) and will continue to work with partners in addressing the identified remaining challenges. We welcome the workplan on the new Data Gaps Initiative (DGI) prepared by the IMF, FSB and the Inter-Agency Group on Economic and Financial Statistics (IAG) in collaboration with participating members. We ask the IMF, the FSB and the IAG to begin work on filling these data gaps and report back on progress in the second half of 2023, noting that the targets are ambitious and delivery will need to take into account national statistical capacities, priorities, and country circumstances as well as avoiding overlap and duplication at international level. We welcome the progress of work on the review of the G20/OECD Principles of Corporate Governance, including the second report and the ongoing public consultation, and look forward to further updates on the review.

14. The pandemic has widened inequality for the most financially vulnerable and underserved groups especially women, youth, and Micro, Small, and Medium Enterprises (MSMEs). We endorse the G20 Financial Inclusion Framework on Harnessing the Benefit of Digitalization, with the objective of boosting productivity and fostering a sustainable and inclusive economy for underserved groups guided by the G20 2020 Financial Inclusion Action Plan. The framework builds upon a practical Implementation Guide for the G20 High-Level Principles for Digital Financial Inclusion, a living database related to digital and innovative financial products and services to MSMEs beyond credit, and a preliminary regulatory toolkit for MSMEs access to digital financial services. To address digitalization and sustainable finance developments, and support financial inclusion and well-being, we endorse the updated G20/OECD High-Level Principles on Financial Consumer Protection and welcome the updated G20/OECD High-Level Principles on SME Financing.

15. We recognize the need for the international community to step up their efforts to effectively combat money laundering, terrorism financing, and proliferation financing. We reaffirm our commitment to delivering the strategic priorities of the Financial Action Task Force (FATF) and its FATF Style Regional Bodies (FSRBs) to lead global action to respond to these threats. We welcome the initiative by the FATF to promote implementation of international standards on virtual assets, in particular the “travel rule”, and transparency of beneficial ownership, and acknowledge their role in the fight against systemic corruption and environmental crimes, which gravely impact economies and societies. We welcome the initiative from FATF to promote international standards on transparency of beneficial ownership of legal persons in particular through the requirement to provide efficient access to beneficial ownership information such as through a registry or alternative mechanisms. We support the ongoing work of the FATF to enhance global efforts to seize criminal proceeds and return funds to victims and states in line with domestic frameworks. We encourage all G20 members to strengthen collaboration to adopt and effectively implement the FATF standards.
ANNEX

Additional issues for further action

International Financial Architecture

1. We task the International Financial Architecture Working Group to work in coordination with the MDBs on the recommendations from the Independent Review of MDBs’ Capital Adequacy Frameworks that would need a coordinated approach among MDBs, and to report back in July 2023.
2. We ask the World Bank for a timely update on the progress of the 2025 IBRD Shareholding Review.
3. We look forward to close monitoring by the IMF and World Bank of debt vulnerabilities in low- and middle-income countries.
4. We look forward to the IMF and World Bank debt transparency report in March 2023.

Financial sector

5. We look forward to the FSB final report on financial sector exit strategies and scarring effects of COVID-19 and its policy considerations prior to the Leaders’ Summit in November.
6. We look forward to the FSB-NGFS report on the outputs of climate scenario analysis by jurisdictions in November.
7. We look forward to the progress of the New DGI to be reported in the second half of 2023.
8. We look forward to the final report on achieving greater convergence in reporting cyber incidents to financial authorities.
9. We look forward to the FSB progress report with policy proposals to address systemic risk in NBFI in November.
10. We look forward to the FSB report on key performance indicators to monitor progress towards the quantitative targets for the cross-border payments roadmap in November.

Reports and Documents Received

Global Economy

2. IMF G20 Surveillance Note
3. IMF G20 Background Note on Minimizing Scarring from the Pandemic
4. G20 Report on Strong, Sustainable, Balanced, and Inclusive Growth

International Financial Architecture

6. BIS Macro-financial Stability Frameworks and External Financial Conditions

International taxation

7. OECD Secretary-General Tax Report to G20 Finance Ministers and Central Bank Governors

Infrastructure

8. G20/GI Hub Framework on how to Best Leverage Private Sector Participation to Scale up Sustainable Infrastructure Investment
9. GIF-World Bank Stocktake of Approaches that Leverage Private Sector Investment in Sustainable Infrastructure
10. OECD Report on advancing the environment and data for sustainable infrastructure financing
11. GI Hub Report on infrastructure transition pathways
12. G20-OECD Policy Toolkit on Mobilizing Funding and Financing for Inclusive and Quality Infrastructure Investment in Regions and Cities, prepared with support from ADB
16. G20 Blueprint for Scaling Up InfraTech Financing and Development
17. GI Hub and AIIB stocktake of approaches on scaling up InfraTech
18. GI Hub InfraTracker 2.0 report
19. Compendium of Quality Infrastructure Investment (QII) Indicators and associated guidance note, developed for the G20
20. Outcome Document from the 2022 G20 Infrastructure Investors Dialogue

Sustainable Finance
21. 2022 G20 Sustainable Finance Report

Financial sector
22. FSB Chair’s letter to the G20 Finance Ministers and Central Bank Governors, July 2022
23. FSB Chair’s letter to the G20 Finance Ministers and Central Bank Governors, October 2022
24. FSB Roadmap for Addressing Financial Risks from Climate Change: Progress report
27. G20 Roadmap for Enhancing Cross-border Payments: Consolidated Progress Report for 2022
28. G20 Roadmap for Enhancing Cross-border Payments: Priorities for the next phase of work
29. Report by the Committee on Payments and Market Infrastructures (CPMI) on interlinking payment systems and the role of application programming interface
30. CPMI, BIS IH, IMF, and World Bank Report on Options for access to and interoperability of CBDCs for cross-border payments
32. BCBS, CPMI and IOSCO Review of margining practices
33. FSB progress report on achieving consistent climate-related financial disclosures,
34. FSB final report on supervisory and regulatory approaches to climate-related risks
35. FSB proposed framework on international regulation of crypto-asset activities
36. FSB consultative report on regulatory, supervision, and oversight of crypto-asset activities and market
37. Review of the FSB High-Level Recommendations of the Regulation Supervision and Oversight of “Global Stablecoin” Arrangements
38. BIS CPMI-IOSCO Guidance on Application of the Principles for Financial Market Infrastructures to stablecoin arrangements
39. FSB consultative document on achieving greater convergence in cyber incident reporting
40. The IMF Revised Workplan of New DGI

Financial inclusion
41. Updated G20/OECD High-Level Principles on Financial Consumer Protection
42. Updated G20/OECD High-Level Principles on SME Financing
43. Implementation Guide for the G20 High-Level Principles for Digital Financial Inclusion
44. Digital and Innovative Financial Products and Services for MSMEs Beyond Credit
45. The G20 Financial Inclusion Framework on Harnessing the Benefit of Digitalization, with the objective of boosting productivity and fostering a sustainable and inclusive economy for underserved groups guided by the G20 2020 Financial Inclusion Action Plan

Financial Action Task Force