

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3298

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G20 Summit

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Will the Minister of FINANCE be pleased to state:

- (a) whether India participated in the G-20 Summit held in Australia recently;
- (b) if so, the details of the discussions held, the agreements signed and the areas identified for further co-operation by the participating countries thereto; and
- (c) the outcome of the deliberations held at the Summit along with the benefits likely to accrue to India as a result thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA)

(a) Yes, Madam.

(b) The G20 Summit was held in Brisbane on 15-16 November 2014. The topics for discussion in the plenary sessions focussed on;

(i) 'Global Economy' with an emphasis on increasing investment in infrastructure and strengthening job creation;

(vi) 'Delivering global economic resilience' with an emphasis on strengthening the international tax system, the financial system and IMF Reforms;

(iii) 'Energy' with an emphasis on strengthening collaboration, energy efficiency and gas markets;

(iv) Trade' with an emphasis on the trade as a driver of growth and strengthening of the global trading system.

On conclusion, the G20 Leaders formally adopted the Leaders' Communique which provides the details of discussions and agreements arrived at by the member countries.

(c) The Brisbane Leaders Communique provides details of all the outcomes of the Summit. The Communique can be accessed at <https://e20.org>. Some of the key selected outcomes, of significance to India, as contained in the Communique are as follows:

1. The Leaders agreed to an ambitious goal of lifting the G20's GDP by at least an additional two per cent by 2018 and creating millions of jobs. India is likely to benefit from higher global growth which can ensure greater economic development of the country.
2. The Leaders endorsed the Global Infrastructure Initiative, a multi-year work programme to lift quality public and private infrastructure investment. To support implementation of the Initiative, G20 agreed to establish a Global Infrastructure Hub with a four-year mandate. The Hub will facilitate knowledge sharing and also promote financing of infrastructure, which are critical for India.
3. The Leaders agreed to continue working on measures to facilitate long-term financing from institutional investors and to encourage market sources of finance, including transparent securitisation, oarticularly for small and medium-sized enterprises which are important sectors for India.
4. The Leaders also endorsed the global Common Reporting Standard (CRS) for the Automatic Exchange of Tax information (AEOI) on a reciprocal basis to prevent cross-border tax evasion. In this regard, G20 member agreed to exchange information automatically with each other and with other countries by 2017 or end-2018, subject to completing necessary legislative procedures. The AEOI based on CRS, when fully implemented, would enable India to receive information from every country in the world including offshore financial centres and tax havens. This would prevent international tax evasion and avoidance and would be instrumental in getting information and repatriation of unaccounted money stashed abroad.
5. India has been insisting that reducing the cost of transferring remittances under a timeline was very crucial for developing countries. Subsequently, the G20 members committed to take strong practical measures to reduce the global average cost of transferring remittances to five per cent and to enhance financial inclusion as a priority.
6. The Leaders also agreed to the collective goal of reducing the gap in labour participation rates between men and women by 25 per

cent by 2025, taking into account national circumstances,

7. The Leaders also urged the United States to ratify implementation of the IMF 2010 reforms. Further, in case this does not happen by year-end, then the G20 has asked the IMF to build on its existing work and stand ready with options for next steps.