



KLE MUN 2025

# BACKGROUND GUIDE

Group of Twenty (G-20).

Agenda: Coordinating Global Economic  
Stability Amidst Inflation, Trade  
Fragmentation, and Technological Disruptions



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# Letter from the Executive Board

Dear Delegates,

I hope you're doing well! As the G20 Chair for KLE MUN 5.0: CONCORDIA MUN, I'm thrilled to invite you to join us. We'll be focusing on the vital task of Coordinating Global Economic Stability Amidst Inflation, Trade Fragmentation, and Technological Disruptions, and I'm very much looking forward to our discussions and your contributions.

Our discussions will focus on navigating three interconnected pillars of economic instability: understanding global inflation, countering trade fragmentation, and harnessing technological advancements to foster stability and competitiveness.

Prepare for an enriching experience by bringing your ideas, insights, and questions to our discussions. Our committee is committed to fostering an environment of critical thinking, open dialogue, and collaborative problem-solving.

Should you require clarification regarding committee procedures, economic background materials, or substantive aspects of our multifaceted agenda, I remain entirely at your service. My commitment extends to ensuring that your participation in this distinguished simulation proves both intellectually enriching and diplomatically transformative.

Best regards,  
Khushi Shivakumar  
Chair, Group of Twenty (G20).

# Introduction To The Committee

The Group of Twenty (G20) is a leading international forum for economic cooperation, bringing together 19 countries—*Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Republic of Korea, Mexico, Russia, Saudi Arabia, South Africa, Turkey, the United Kingdom, and the United States—along with the European Union.*

These members collectively represent over **80%** of the world's GDP, **75%** of global trade, and **60%** of the global population.

# Introduction To The Agenda

## Agenda : Coordinating Global Economic Stability Amidst Inflation, Trade Fragmentation, and Technological Disruptions

The world's biggest economies are dealing with a perfect storm of economic problems that require teamwork to solve.

The Triple Threat:

- Runaway Inflation: Everything costs more - groceries, rent, gas - making life unaffordable for millions
- Trade Wars: Countries are cutting economic ties and going it alone, making everything more expensive and less efficient
- Tech Chaos: AI and robots are eliminating jobs faster than new ones can be created, while governments struggle to keep up

Real Impact: These aren't just numbers on a chart - they determine whether families can pay bills, businesses can survive, and workers can find jobs.

The Catch: The world's major economies need each other to fix these problems, but they're also fierce competitors. It's like asking rivals to share their playbook while still trying to win the game.

Bottom Line: Can the G20 countries cooperate long enough to prevent these three crises from triggering a global economic collapse? That's what this committee will decide.

# Keywords

- **Global Economic Stability:**

Financial stability, macroeconomic stability, economic resilience, sustainable growth, inclusive growth, global governance, multilateralism, international cooperation, policy coordination, consensus building, common framework.

- **Challenges like:**

Geopolitical tensions, polycrisis, global shocks, vulnerabilities, systemic risks.

- **Inflation:**

Price stability, cost of living crisis, disinflation, core inflation, stagflation (potential).

- **Economic Growth:**

GDP growth, productivity, employment, labor markets, investment, consumption, fiscal policy, debt sustainability.

- **Trade:**

International trade, multilateral trading system, free trade, fair trade, trade barriers, protectionism, trade agreements, trade facilitation, trade policy.

- **Multilateral Frameworks:**

WTO reform, rules-based trading system, dispute settlement, trade liberalization.

- **Economic Security:**

Supply chain security, critical minerals, strategic industries, industrial policy, de-risking.

- **Technological Sovereignty:**

Data localization, digital trade rules, intellectual property rights (IPR), national security implications of technology.

- **Artificial Intelligence (AI):**

AI governance, AI ethics, responsible AI, AI regulation, AI safety, AI impact on labor, AI productivity gains, AI for development.

- **Digital Currencies:**

Central Bank Digital Currencies (CBDCs), cryptocurrencies, stablecoins, digital payments, financial innovation, financial regulation, cross-border payments.

- **Automation:**

Automation impact on jobs, future of work, reskilling, upskilling, social safety nets, productivity, industrial automation.

- **Digital Economy:**

Digital transformation, digital divide, digital infrastructure, cybersecurity, data governance, e-commerce, inclusive digital economy.

- **Economic Competitiveness:**

Innovation, technological leadership, R&D, workforce development, human capital.



# Important Events

## **-- Washington DC, London, Pittsburgh- 2008 & 2009**

The first G20 Summit was held in 2008 in Washington DC (USA). It set the scene for the most dramatic reform of global finance in over 60 years. At the follow-up summit in 2009 in London (UK), the G20 agreed to blacklist states that refused to cooperate on efforts to tackle tax evasion and avoidance. In the wake of the 2008 financial crisis, the G20 resolved to impose stricter controls on hedge funds and rating agencies. Institutional reforms included the expansion of the Financial Stability Forum (FSF) to make it an effective supervisory and watchdog body for the global financial system. It was renamed the Financial Stability Board (FSB). The G20 is credited with helping avert a shift to protectionism in the aftermath of the 2008 financial crisis. It also helped mobilize consensus for tripling the International Monetary Fund's budget and for expanding the mandate and lending remit of multilateral development banks. In 2008, in Washington DC, the G20 had agreed to refrain from imposing new barriers to trade and investment for 12 months. This provision has been extended at every subsequent summit.

The G20 Summit in Pittsburgh (USA) in 2009 established the G20 as a major decision-making body on matters relating to the global economy. This summit decided on stricter regulations for the banking sector, requiring banks to retain a greater proportion of their profits to build capital. These measures helped reduce the financial risk to governments and tax-payers posed by high-risk private- sector activities.

## **-- Toronto, Seoul, Cannes- 2010 & 2011**

At the Toronto Summit (Canada) in 2010, the G20 adopted directives to reduce sovereign debt. The advanced industrial States pledged a reduction in their budget deficits and external borrowing. G20

Leaders met again in 2010 in Seoul (Republic of Korea), where they adopted stricter regulations for banks (Basel III Norms), as well as agreed on the reform of the financial stakes and voting shares in the International Monetary Fund (IMF).

Seoul was also a milestone in the history of the G20. For the first time, development policy issues were on the Summit's Agenda which came to be known as the 'Seoul Consensus'. Development has since been a standard part of the agenda of every subsequent Summit.

At the heart of the work programme of the G20 Summit in Cannes (France), in 2011, was the reform of the international monetary system. G20 Leaders also agreed to establish the Agricultural Market Information System, an inter-agency platform to enhance food market transparency and encourage international policy coordination in times of crisis.

## **-- Los Cabos, St. Petersburg, Brisbane - 2012, 2013 & 2014**

The focus of the Summit in Los Cabos (Mexico) in 2012 was on fighting youth unemployment and creating quality jobs with social security coverage and fair income. The Summit also highlighted the link between the development agenda, agriculture, and green growth. In St. Petersburg (Russia) in 2013, major progress was made on combating tax evasion and avoidance. The G20 agreed on the automatic exchange of tax information and the Action Plan on Base Erosion and Profit Shifting (BEPS). This was intended to help create a regulatory policy to oversee the activities of multinational businesses which were engaging in tax avoidance by minimising profits and shifting profits outside the countries, where the activities deriving those profits are performed.

At the Brisbane Summit (Australia) in 2014, the G20 set itself the ambitious goal of increasing its collective GDP by an additional two percent. Another important step was taken in the field of banking regulation wherein the Finance Ministers and Central Bank Governors endorsed the Common Reporting Standard for Automatic Exchange of Tax Information. The Leaders endorsed the 'Brisbane 25 by 25' goal which aimed at reducing the gender gap in the labour workforce by 25 percent by 2025.

## **-- Antalya and Hangzhou – 2015 & 2016**

At the G20 Summit in Antalya (Turkey), in 2015, the G20 looked for the first time at migration and refugee movement. They also agreed on further financial sector reforms, and resolved to support the global climate agreement. The Leaders also issued a G20 Statement on the Fight against Terrorism.

At the Summit in Hangzhou (China), in 2016, the focus was on strengthening long term inclusive growth of the global economy. The Summit also looked at linking sustainable growth and social welfare. Digital Economy as an important driver of development and growth became part of the G20 agenda for the first time during China's Presidency in 2016. G20 Leaders also adopted the 'G20 Action Plan on 2030 Agenda for Sustainable Development' which has since then become the guiding document for G20's work on the 'sustainable development'.

## **-- Hamburg - 2017**

The G20 under the German Presidency met under the theme- “Shaping an interconnected world” and accorded a special emphasis to addressing the global menace of terrorism. A G20 Leaders’ Retreat on ‘Fighting Terrorism’ was held, ahead of the formal commencement of Summit proceedings. The Hamburg Declaration adopted by the Leaders at the 2017 Summit endorsed the “irreversibility” of the Paris Agreement. It highlighted energy-security as the guiding-principle for the transformation of energy system and called on multilateral development banks (MDBs) to promote universal access to affordable and clean energy. G20 Leaders committed to further aligning their policies with the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda on Financing for Development. The G20 Africa Partnership also known as ‘G20 Compact with Africa’ was launched at the Summit.

## **-- Buenos Aires - 2018**

The overarching theme of the G20 under Argentina's Presidency was 'Building Consensus For Fair And Sustainable Development'. The priority areas for Argentina's Presidency were - Future of work; Fourth Industrial Revolution, Health, Youth, Infrastructure for development; and Sustainable food security. The G20 also sought to build on the legacy of past Presidencies across a broad array of issues including empowering women, fighting corruption, strengthening our financial governance, strong and sustainable financial system, fairness of the global tax system, trade and investment, climate action, flexible and cleaner energy systems.

## **-- Osaka - 2019**

The G20 Summit in 2019 (Japan) focused on key issues such as Trade and Investment; Excess Capacity of Steel; Digitalization; Data Free Flow with Trust; G20/OECD Framework on Base Erosion and Profit Sharing; Quality Infrastructure investment; Anti-Corruption; Climate Change; Energy; Environment; Displacement and Migration.

The G20 leaders released an important statement on 'Preventing Exploitation of the Internet for Terrorism and Violent Extremism Conducive to Terrorism (VECT)'.



## **-- Saudi Arabia - 2020**

The 15th G20 Summit was held under the theme 'Realising Opportunities of the 21st Century for all'. It was the first ever virtual Summit in the history of G20.

At the initiative of Prime Minister Modi, the Saudi Presidency also convened an 'Extraordinary Virtual G20 Leaders' Summit on 25 March 2020 to discuss the challenges posed by the outbreak of the COVID-19 pandemic and to forge a coordinated global response.

Following which the Leaders released a statement on Covid-19 expressing commitment to fight the pandemic; safeguarding the global economy; addressing international trade disruptions and enhancing global cooperation to counter the pandemic's impact. The G20 also committed to injecting over USD 5 trillion into the global economy to counter the social and economic impact of the pandemic.

Under the Saudi Presidency, the leaders endorsed the Common Framework for Debt Treatments beyond the DSSI to provide liquidity relief to debt ridden countries, so as to allow them to concentrate their resources on providing social security and health benefits to their citizens and address the economic impact of the pandemic. Till date, the DSSI has provided relief of over USD 5 billion to more than 45 countries and has been extended till the end

Debt Service Suspension Initiative and the of 2021. Important outcomes of the Saudi P d COVID-19 and convening a join o

significant progress on discussions agreed to establish the Private Sect Women's Economic Representation.



## -- Italy - 2021

The 16th G20 Summit was hosted by Italy on 30-31 October 2021 in Rome. The theme chosen by Italy for their Presidency of the G20 was 'People, Planet, Prosperity' with a focus on four broad thematic areas-

(i) Recovery from the pandemic and global health governance; (ii) Economic recovery and resilience (iii) Climate Change (iv) Sustainable Development and Food Security.

Key Highlights from the G20 Calendar under the Italian Presidency have been the Global Health Summit (in partnership with the EU), the first ever G20 Joint meeting of the Foreign and Development Ministers, a standalone meeting of the Development Ministers focused on food security, the first meeting of G20 Research Ministers, a Ministerial Conference on Women's Empowerment, a joint meeting of the Health and Finance Ministers.

The Rome Declaration was adopted by G20 Leaders at the Global Health Summit in May 2021 which called for promotion of strong multilateral cooperation towards ending the COVID-19 pandemic and supporting recovery, and to continue contributing joint efforts to better prevent, detect and respond to global health risks and emergencies.

The G20 also signed the 'Matera Declaration on Food Security and Nutrition' to address issues of food security, malnutrition, and hunger by focusing on transformation of the agriculture sector.

The G20 Finance Ministers and Central Bank Governors also endorsed the Final Political Agreement on a two pillar solution to address tax challenges, marking the most significant global tax reform in over a century which will mandate multinational companies to pay a minimum tax of 15% in the countries of their operation.

In addition, Italy also convened an Extraordinary Leaders' Summit on Afghanistan, which was preceded by a meeting of Foreign Ministers on Afghanistan, to discuss the G20's role in responding to the crisis in Afghanistan, especially on ensuring humanitarian access; maintaining security and fighting terrorism and issues of mobility and migration. A Chair's statement was issued following the Summit, which spoke about the advocacy role of the G20 within the international community to fully support UN activities and respond to UN appeals on humanitarian assistance, and called on the Taliban to rescind their links with terrorist groups.

# Key G20 Initiatives and Frameworks

- New Delhi Declaration (2023) :

The comprehensive consensus statement from India's G20 presidency addressing multiple global challenges, establishing frameworks for sustainable development, energy cooperation, and regional connectivity through initiatives like IMEC.

- Green Development Pact :

A sustainability framework establishing voluntary guidelines for clean energy transition, including hydrogen development principles and the Chennai Blue Economy framework for sustainable ocean resource management.

- Global Biofuel Alliance :

A trilateral partnership between India, the United States, and Brazil designed to accelerate biofuel adoption worldwide and reduce dependence on fossil fuels through technology sharing and market development.

- India-Middle East-Europe Economic Corridor (IMEC) :

A strategic infrastructure and trade corridor connecting three major economic regions through railways, shipping lanes, and digital connectivity to enhance trade flows and economic integration.

- G20 Financial Inclusion Action Plan (FIAP) :

A targeted initiative to expand access to financial services for underserved populations and micro, small, and medium enterprises (MSMEs), with special focus on vulnerable communities.

- G20 Action Plan on 2030 Agenda for Sustainable Development :

The strategic roadmap aligning G20 economic policies with the UN Sustainable Development Goals, coordinating member nations' efforts toward global development targets.

- G20 Deccan High-Level Principles on Food Security and Nutrition :

A policy framework addressing global hunger and malnutrition through coordinated agricultural policies, supply chain improvements, and nutrition-focused interventions.

# Questions A Resolution Must Answer

- How can G20 nations coordinate monetary policies to combat inflation without triggering recession?
- What mechanisms should be established for sharing inflation data and policy responses?
- How can supply chain disruptions contributing to inflation be collectively addressed?
- What role should central bank cooperation play in global price stability?
- How can multilateral trade frameworks be preserved while addressing national security concerns?
- What measures can prevent further fragmentation of global supply chains?
- How should technology transfer restrictions be balanced with economic cooperation?
- What dispute resolution mechanisms are needed for trade conflicts?
- How can nations coordinate responses to AI-driven job displacement?
- What frameworks are needed for regulating emerging technologies like cryptocurrencies?
- How should benefits of technological advancement be distributed globally?
- What measures can bridge the digital divide between developed and developing nations?
- What institutional mechanisms will ensure ongoing G20 cooperation?
- How can policy spillover effects be minimized during crisis responses?
- What early warning systems should be established for economic instability?