

Press Release

India hosts the Second G20 Framework Working Group (FWG) Meeting under India's G20 Presidency in Chennai from March 24-25, 2023

March 25, 2023

The Second G20 Framework Working Group (FWG) meeting under the Indian G20 Presidency successfully concluded in Chennai on March 25, 2023. The two-day meeting was co-chaired by Dr V Anantha Nageswaran, Chief Economic Adviser, Ministry of Finance, Government of India, and Ms Clare Lombardelli, Chief Economic Adviser, UK Treasury. Around 87 delegates from G20 member countries, invitees, and international organizations attended the meeting.

The Framework Working Group focuses on global macroeconomic issues and deliberates on how policy cooperation can be enhanced to achieve strong, sustainable, balanced, and inclusive growth (SSBIG). The agenda for the meeting involved discussions on the global economic outlook and risks with a particular emphasis placed on inflation, macroeconomic implications of food and energy insecurity, climate change, and transition policies.

During the discussion, members discussed and agreed on the way forward for important deliverables for the year, including those on macroeconomic consequences of food and energy insecurity and climate changes & transition pathways. In addition, several International Organizations, including WBG, IMF, FAO, IEA, NGFS and OECD, made detailed technical presentations on these issues to inform the FWG outcomes.

The discussion on the global economic outlook and risks emphasised on the need to continue efforts to manage global inflation and remain vigilant to emerging financial risks. Members also deliberated on how food and energy prices remain elevated in many economies, disproportionately affecting vulnerable countries. The discussions also highlighted the difficult trade-offs countries face as they balance short-term energy security with long-term structural reforms for the transition to cleaner energy. Ensuring availability and accessibility of critical minerals to facilitate smoother transition as well

as generating domestic savings to meet investment needs and thus boost economic growth for the transition were also issues that came up for discussion.

On the sidelines of this FWG meeting, a panel discussion on the “Macroeconomic Impacts of Climate Change and Transition pathways” was also organized in collaboration with UAE who will be the Presidency of COP28. The session aimed to develop a collective understanding of the challenges facing countries during the climate transition and initiate a discussion on the macroeconomics around climate policy action and transition pathways.

An outreach program with IIT Chennai and Madras School of Economics was also held in the run-up to the meeting. The Chief Economic Adviser interacted with students and researchers on India and the world economy, mainly focusing on India’s 2023 G20 Presidency.

To experience the rich cultural heritage of Tamil Nadu as well as the diverse cuisine of the state, delegates were hosted for ‘இரவு உணவு உரையாடல்’ ‘Ratri Bhoj Par Samvad’ (Conversation over Dinner). The delegates also had the opportunity to experience the rich cultural heritage of Tamil Nadu during an excursion to few landmark places in Chennai.

Reserve Bank of India also conducted a host of ‘Jan Bhagidari Events’, driving home the point of people-centricity in Indian policymaking. These included a financial literacy program in which several farmer-producer organizations, farmers, and self-help groups participated, followed by an awareness program targeted at students, events for promoting digital financial inclusion among street vendors and enhancing inclusive finance by building awareness among the MSMEs entrepreneurs and exporters.