

Press Statement

2nd meeting of G20 Finance Ministers and Central Bank Governors (FMCBG) under the Indian G20 Presidency

12-13 April 2023, Washington, DC

The second meeting of G20 Finance Ministers and Central Bank Governors (FMCBG) under the Indian G20 Presidency was held on 12-13 April 2023, on the margins of the 2023 Spring Meetings of the International Monetary Fund and the World Bank Group. Finance Minister of India, Nirmala Sitharaman and Governor, Reserve Bank of India (RBI), Shaktikanta Das jointly chaired the meeting. The meeting saw participation of around 350 delegates from G20 members, 13 invitee countries, and various international and regional organizations.

2. The meeting was organised in three sessions covering the Global Economy, International Financial Architecture, Sustainable Finance, Financial Sector, Financial Inclusion, and International Taxation. The goal of this FMCBG meeting was to deliberate on the progress made by the various workstreams of the G20 Finance Track on the deliverables that were tasked to them by the Ministers and Governors in the February G20 FMCBG Chair's Summary and Outcome Document and to seek guidance on the way forward.

3. During the session on Global Economy and International Financial Architecture, members discussed the key challenges to the global economic outlook, including the war in Ukraine, food and energy insecurity, climate change, and recent risks to financial stability. Members agreed that the G20 can contribute to building a common understanding on fostering a conducive

environment for global economic recovery, and ensuring that the most vulnerable countries and sections of the population are adequately protected.

4. Ministers and Governors also discussed the progress of the implementation of recommendations of the Independent Panel of MDBs' Capital Adequacy Frameworks (CAF). They also shared their expectations from the recently constituted G20 Expert Group on "Strengthening Multilateral Development Banks (MDBs)". On the debt agenda, discussions focused on strengthening multilateral coordination towards addressing the increasing debt distress in low-income and vulnerable middle-income countries. Ministers and Governors reiterated the need to swiftly complete the ongoing debt treatments under the Common Framework and beyond. Discussions also covered the impact of climate change-related policies on capital flows, among others.

5. During the second session on Sustainable Finance, Financial Sector, and Financial Inclusion, discussions focussed on the mobilisation of resources for climate change, the role of the multilateral financial institutions in catalysing private finance flows for Sustainable Development Goals and the role of the G20 in scaling up and encouraging wider adoption of social impact investment instruments. Members also deliberated on the macroeconomic and financial challenges posed by the crypto-assets ecosystem and exchanged views on potential global policy responses to crypto-assets, taking into account the risks, especially to Emerging Markets and Developing Economies (EMDEs). On financial inclusion, discussions focused on leveraging Digital Public Infrastructure (DPI) for financial inclusion and productivity gains. Ministers and Governors also shared perspectives on the development of the 2023 Financial Inclusion Action Plan (FIAP).

6. The third session on International Taxation discussed the need for coordinated efforts toward effective implementation and wider adoption of the two-pillar international tax package. Ministers shared suggestions on how best G20 can complement global efforts to enhance tax transparency.

7. On the margins of the G20 FMCBG sessions, high-level side events were also held. A meeting of the Global Sovereign Debt Roundtable (GSDR) was also held on April 12, 2023, which was co-chaired by Hon'ble Finance Minister, IMF MD, and World Bank President. The meeting saw discussions on the current global debt landscape and ways to address existing challenges in debt restructuring. A press statement was released following the meeting and it may be accessed at <https://www.imf.org/en/News/Articles/2023/04/12/pr23117-global-sovereign-debt-roundtable-cochairs-press-stmt>.

8. In the run-up to the G20 FMCBG meeting, the G20 Finance and Central Bank Deputies met with the major MDBs on April 12, 2023 to discuss the status of implementation of recommendations of the G20 Independent Panel of MDBs' CAF. These updates will contribute to the preparation of the G20 Roadmap on CAF which will be one of the key deliverables of the Finance Track under the Indian G20 Presidency.

9. The progress achieved during the 2nd G20 FMCBG meeting will inform the discussions during the 3rd G20 FMCBG meeting which will be held in July 2023 in Gandhinagar, India, and subsequently the Leaders' Summit scheduled to be held in New Delhi on September 8-9, 2023.
