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Civil Society Dialogue with G20 Host Sherpa

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Civil Society Dialogue with the Host Sherpa to the Toronto 2010 G20 Summit

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On Friday June 11 in Ottawa, Canada, twenty civil society leaders from around the world engaged in a dialogue with Mr. Leonard Edwards, the Canadian Host Sherpa for the forthcoming G20 Summit in Toronto, and Finance Sous-Sherpa Mr. Graham Flack. The focus of the dialogue was accountability of the G20 to the citizens of the world. Since the beginning of the financial crisis in 2008, G20 leaders have met three times and have taken a number of important decisions to support the economic recovery and reform the global financial system: Washington (November 2008), London (April 2009), and Pittsburgh (September 2009). The G20 Summit in Toronto (June 26-27, 2010) will follow on the heels of the G8 Summit in Muskoka (June 25-26, 2010).

Organized by FIM Forum for Democratic Global Governance (based in Montreal), this dialogue with the Canadian Sherpa was the first ever structured civil society dialogue with the G20 summit host. As the G20 acquires a growing influence in shaping decisions related to global governance, it is of utmost importance that civil society voices from around the world are heard by G20 leaders such that the G20 and its leaders conduct themselves in ways that deepen democratization of global governance institutions, processes, and decision-making.

Over this past two years, the G20 has focused its attention primarily on issues related to the rescue and repair of the global economy. The Toronto G20 Summit is focusing on implementation of commitments taken at previous summits, including the *Framework for Strong, Sustainable and Balanced Growth*. The engagement of civil society leaders with the Canadian Host Sherpa and Finance Sous-Sherpa thus focused on specific issues related to macroeconomic policies.

During the dialogue it was pointed out that implementation of various bailout and rescue packages in different countries have angered citizens around the world as taxpayers' funds have been seen to be utilized to 'bail out' those institutions (banks and others) which have been responsible for causing the financial crises. Civil society participants asked that the G20 utilize stimuli for the transformation of national and global economies into 'green economies that eradicate poverty'. The design of the future architecture of global economic institutions should be such that its primary support is for food security, employment, and the social economy (which provides livelihoods to more than a billion people around the world). This architecture will require clear and transparent regulation of global financial flows.

One of the major decisions taken by the G20 in its London meeting was reform of the World Bank and the IMF (International Monetary Fund), including greater capital infusion and broader mandates to them to support the global economy. While the World Bank has made incremental improvements in voting



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rights, reforms in the IMF are still being resisted. The G20 had announced that strengthening of the capital base and the new roles of these International Financial Institutions (IFIs) was conditional upon key governance reforms of the IFIs. Civil society participants advocated that G20 leaders ensure that full reform of IFI governance structures and mechanisms is completed by the end of 2010 at the latest. Reforms include implementing open, transparent, global, professional, and competitive procedures for recruitment of heads of these institutions.

Democratic accountability of the G20 as an institution of global governance was at the center of the civil society participants' concerns during this dialogue. The first concern with regard to accountability is to ensure that the G20 does not marginalize and undermine other multilateral institutions like the UN system. G20 leaders should therefore commit themselves to support and energize multilateral institutions and the UN system in order to follow through and deliver on commitments such as the New Partnership for Africa's Development (NEPAD) and the Millennium Development Goals (MDGs). G20 leaders should publicly signal their support for agreements on climate change and human rights, especially the rights of women and of indigenous peoples.

After years of civil society engagement with the G8, various models and forms of effective dialogue and constructive engagement between the G8 and civil society globally have evolved. Civil society leaders asked the Canadian Sherpa to negotiate ways in which such practices can be carried forward to the G20. In particular, the forthcoming *Accountability Report* of the G8 was seen as a mechanism that the G20 could also adopt in reporting the outcomes of its decisions and their consequences to the citizens of the world.

The Canadian Host Sherpa will convey these inputs to his fellow G20 Sherpas and will explore ways in which future G20 dialogues with global civil society can be made a regular part of transparent and accountable functioning of the G20 as an institution of global governance.

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