

B20 Germany Update

No. 1, November 2016

B20 at the World Trade Organisation, the International Monetary Fund and the Basel Institute on Governance

Subsequent to the kick-off of Germany's B20 Presidency in early September 2016, B20 Germany got off to an excellent start. On Sept 27-28 2016, B20 Chair Dr. Jürgen Heraeus and B20 Sherpa Dr. Stormy-Annika Mildner attended the WTO Public Forum. Dr. Heraeus summarized the event: "The Public Forum offered an ideal platform to brainstorm on the B20 Germany trade agenda. Digital trade, protectionism, and investment facilitation were important recurring themes."

October 5-6, B20 Sherpa Mildner and her B20 team colleague Julia Callies participated in the IMF Fall Meeting. "Many participants of our event agreed that we have to make the global economy more resilient", concluded Mildner. "At the same time, they emphasized that our economies needed to be innovative and future-oriented." Dr. Andreas Gruber, Chief Investment Officer Allianz SE and Deputy to Oliver Bäte, CEO of Allianz SE and Chair of B20 Taskforce Financing Growth and Infrastructure, accompanied B20 Germany in Washington. He emphasized: "Expansionary monetary policy is not enough to foster economic growth. Quite the contrary, negative interest rates can be very harmful. We need the right policy framework to spur growth through investment. And we finally need to tackle the large infrastructure deficit."

On October 21, B20, together with the Basel Institute on Governance, organized the first B20 conference on Responsible Business Conduct and Anti-Corruption, discussing one of the key themes of B20 Germany: Responsibility. The chair of the respective Cross-thematic Group, Dr. Klaus Moosmayer, Chief Compliance Officer of Siemens, emphasized that national go-it-alone strategies to fight corruption are destined to fail the threat of globalized corruption. Therefore, the B20 played an important role in developing and implementing joint strategies, Moosmayer underlined.



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B20/BDI Working Session at the WTO Public Forum (Sept. 28): How to Link Regional Trade Agreements and the WTO Process?

At this B20/BDI Working Session of the WTO Public Forum, Mr. Heraeus participated as a panelist and Ms. Mildner acted as moderator. The other distinguished speakers were: Yonov Agah, Deputy Director General, WTO, Professor Thomas Cottier, Senior Research Fellow, World Trade Institute, University of Bern, Gabriel Martínez, Deputy Permanent Representative of the Argentinian Republic to the United Nations Office and other international organizations in Geneva, Lynette Magasa, CEO and founder, Boniswa Corporate Solutions, and Professor Jeffrey J. Schott, Senior Fellow, Peterson Institute for International Economics, Washington. All speakers supported regional trade agreements and plurilateral agreements on specific sectors as a basis for future multilateralization under the umbrella of the WTO, while at the same time underlining the importance of the multi-lateral trading system.



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B20/ICC Session at the WTO Public Forum (Sept. 28): Trade Dialogues – Business Ideas on Inclusive Trade Rules

In a joint event at the WTO Public Forum the Secretary General of the International Chamber of Commerce (ICC) John Danilovich and B20 Sherpa Dr. Stormy-Annika Mildner presented interim reports of the Business Focus Groups (BFGs), which they both are chairing. The BFGs are part of the Trade Dialogue that was initiated by B20 and ICC. The WTO Secretariat supports the Trade Dialogue as part of its outreach activities to stakeholders. WTO Director General Roberto Azevêdo welcomed the interim reports, which contain recommendations for the future WTO agenda in the areas of SMEs, digitalization, market access, trade in services, and facilitation of investment. Mr. Azevêdo noted that those reports, once finalized, would make a positive contribution to the discussions among WTO members because they provided a realistic picture of business needs and therefore added value to the process of finding creative solutions to problem areas. He emphasized that businesses should continue to address controversial issues like tariff reductions in specific sectors and negotiations on investments.

B20 Meets WTO Leadership (Sept. 28): Meeting between Roberto Azevêdo, Director General WTO, B20 Chairman Jürgen Heraeus and B20 Sherpa Stormy-Annika Mildner

The meeting covered the planning process of the G20 and the B20 under the German presidency, as well as the expectations and plans regarding the WTO. Mr. Heraeus emphasized that B20 Germany will focus on topics in which the WTO has an important role, e.g. the implementation of the standstill agreement by the G20 regarding protectionist measures. Mr. Azevêdo thanked the B20 for its work in the framework of the WTO Trade Dialogue. All participants agreed that a close exchange between businesses and the WTO should be continued in the run-up of the next Ministerial Conference (MC11).

B20 at UNCTAD (Sept. 28): Meeting between Dr. Mukhisa Kituyi, Secretary General, B20 Chairman Jürgen Heraeus and B20 Sherpa Stormy-Annika Mildner

The meeting emphasized the importance of topics such as digitalization and support of SMEs because progress in those areas is particularly helpful for the integration of developing economies into the global economy. Both B20 Germany representatives hoped that UNCTAD would support the B20 process with its competence regarding investment/investment facilitation. Dr. Kituyi welcomed the B20 programme. Businesses should push the G20 so that new technologies act as an effective enabler for economic development.



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Meeting between B20 Chairman Jürgen Heraeus and Lynette Magasa, CEO & Founder and Olga Kayayan, Business Development Executive, Boniswa Corporate Solutions (Sept. 27)

Ms. Magasa, the co-chair for the B20 cross-thematic group SMEs, and the B20 representatives exchanged their views and expectations for the B20 work stream of this group. Ms. Magasa remarked that small enterprises could learn from big enterprises how to successfully generate business in international markets. Therefore, she proposed working on a mentoring programme within the B20 framework to improve the integration of SMEs into global value added chains.



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B20/BDI Working Session at the IMF Fall Meeting: Towards a Resilient Global Economy: Is the Next Financial Crisis Just Around the Corner? (October 5)

The G20 has broadly finalized implementation of its financial market regulatory reform agenda set in the aftermath of the financial and economic crisis. Despite massive liquidity injections and macroprudential reforms, much remains to be done to make the global economy more resilient and at the same time more future-oriented. Dr. Andreas Gruber, Chief Investment Officer Allianz SE, Dr. Joerg Stephan, Deputy Director General – G20 policy at the German Ministry of Finance, Hung Tran, Executive Managing Director at the Institute of International Finance, José Manuel González-Páramo, Member of the Board of BBVA, Nigel Jenkinson, Assistant Director in the Monetary and Capital Markets Department at the IMF, and Robert Milliner, Special Advisor to B20 Germany and former B20 Australia Sherpa discussed the state of financial markets and what resilience means. The panelists agreed that an important aspect of resilience was flexibility and the ability of economies to bounce back from internal and external shocks.



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B20 Anti-Corruption and Responsible Business Conduct Meeting (October 21)

Together with the Basel Institute on Governance, B20 organized the first meeting of the B20 Cross-Thematic Group Anti-Corruption and Responsible Business Conduct. The meeting took place in Basel and was guided by the chair of the group, Dr. Klaus Moosmayer, Chief Compliance Officer of Siemens and Chair of the BIAC Working Group on Anti-Corruption. During the first part of the event, Gemma Aiolfi, Basel Institute on Governance, Pedro Rodrigues, World Economic Forum, Dr. Stefan Heissner, Ernst&Young, May Miller-Dawkins, The B-Team for WSI, and Jan Dauman, Chairman of IBLF Global, discussed highlights from the B20 2015 TF Anti-Corruption work streams and B20 China 2016. Jorge Mandelbaum, CIPPEC, Anny Tubbs, Unilever, Andrey Bugrov, Nornik, and Dr Klaus Moosmayer discussed possible focus areas for B20 Germany. These included incentives for compliance, beneficial ownership, and responsible business conduct in infrastructure projects. The participants debated the first draft of the induction paper, which was presented by the Knowledge Partner of the cross-thematic group, KPMG.



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B20 President Jürgen Heraeus Meeting the Family 20 (F20) of the World Economic Forum (October 24)

The F20, an initiative by the WEF, brings together family businesses from around the world. Family businesses can be just as diverse as other businesses. However, they share important commonalities: they are traditionally long-term thinkers with a strong sense of responsibility. The meeting, which took place on October 24 in Berlin, enabled family businesses to engage with key German government officials and provide input to the G20 process. Dimensions which were addressed included: reinforcing the oversight function of boards, promoting ethical business practices, and securing sustainable value for all stakeholders. Jürgen Heraeus took the opportunity to exchange views with Oliver Bäte, CEO of Allianz SE and Chair of the B20 Taskforce Financing Growth and Infrastructure, on the current progress under B20 Germany.

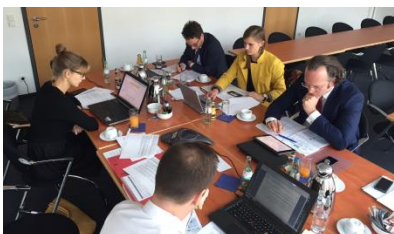


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Inside B20 Germany

The deadline for membership application for the taskforces and cross-thematic groups was October 7, 2016. B20 Germany has sent out confirmations and rejections for membership. The B20 Secretariat looked for regional and sectorial representativeness as well as a fair balance between companies and business associations. Due to the high number of applications, the B20 Secretariat was able to allow just one member per company/business association. We regret that not all applications could be taken into account.

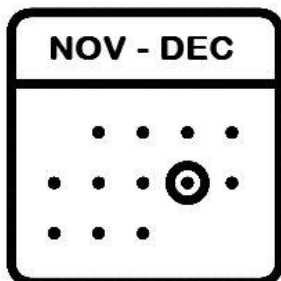
Three new colleagues have joined the B20 team full-time: Sandra Kreidel, Kevin Müller, and Lea Spörcke. B20 is also assisted by our new part-time student assistant Luisa Plasberg. We are delighted to have all four of them on board.



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Trade and Investment Kick-Off Call

On November 3, the Trade and Investment Taskforce had its first Conference Call. Around 90 members of the Taskforce, together with the Chair, Emma Marcegaglia, President BusinessEurope, discussed protectionist trends, digital trade, and the future of the multilateral trading system. The call was facilitated by the B20 Team in Berlin and Knowledge Partner BCG.



Upcoming B20 Events

- 9. November: Taskforce SME Kick-Off Call
- 17. November: [B20 Anti-Corruption Forum](#), Buenos Aires, Argentina
- 1.-2. December: [B20 Conference](#), Berlin, Germany



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