



**European Council**  
The President



**European Commission**  
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Dear Colleagues,

Later this week we will be attending the G20 Summit in Argentina, on behalf of the EU. The outlook ahead of the summit is rather bleak. The rules-based international order is under increasing strain and global trade tensions remain unresolved, thereby negatively affecting the global economic outlook. We, therefore, want to focus our attention on convincing our partners that there is no better alternative than a coordinated multilateral cooperation, which should be aimed at security and prosperity of our People, ensuring a fair level playing field among all Nations in order to shape a globalised interconnected world in line with our shared interests and values.

We want to seek solutions for the defining struggles of our times: climate change, trade tensions, irregular migration, poverty and terrorism. In short, to make sure that our People will be safe in the ever more globalised world. In this light, we would like to inform you about the key issues that we will discuss at the G20 Summit in Buenos Aires on 30 November – 1 December.

### **1. *Global confidence***

The global economy continues to grow at a healthy rate, with the European Union making a robust contribution. However, trade tensions and financial instability in a number of emerging economies are among the signs that the economic expansion is increasingly under threat. It is important to boost global confidence, building on the collective efforts that were instrumental to overcome financial crises over the last decade.

This tenth anniversary of the G20 Summits should also be an occasion to reflect on the future of the G20 as the premier forum for international economic cooperation. Our objective is to keep the G20 as an efficient, relevant and credible forum, which delivers on its word and on tackling new challenges. When the value of international cooperation is questioned, the G20 should provide impetus to ensure that the global economy works, and that its members are equipped to make best use of the opportunities that technology brings to businesses and citizens. G20 Leaders will discuss policy measures to make growth more inclusive, and to ensure it addresses global imbalances, enables workers to thrive in the labour markets of the future and takes further steps to achieve gender equality.

### **2. *Fair globalisation and trade***

The rules-based multilateral trading system is facing a deep crisis. The collective failure to update the World Trade Organisation rulebook and adapting it to the new global challenges, such as industrial subsidies, forced technology transfer and other market-distorting policies; the blockage of appointments to the Appellate Body and the escalation of unilateral measures and countermeasures, are putting the entire system at risk. The longstanding G20 commitments to keep markets open, to fight protectionism and support the multilateral trading system, risk becoming empty words. Therefore, the Union will promote a positive trade agenda, including the reform of the three functions of the World Trade Organisation (negotiating, monitoring and dispute settlement functions), which aims at matching our previous commitments with concrete actions that effectively

tackle the root causes of the tensions. The G20's support can be instrumental in providing political impetus to the trade discussions in Geneva aiming to achieve concrete progress by the next G20 Summit in Osaka in June 2019.

Further progress in the Global Forum on Steel Excess Capacity is critical, if multilateralism is to provide solutions to complex problems of overcapacity. We will therefore support the full implementation of all commitments to further reduce excess capacity and eliminate the subsidies that cause it. A level playing field for trade and investment also requires accelerated work on the development of a new set of guidelines for publicly-supported export finance. Without the real change in these fields we cannot speak about fair globalisation.

### **3. *Stepping up our commitment to ambitious climate action***

The report by the Intergovernmental Panel on Climate Change of October 2018 provides new evidence of the negative impacts of climate change and highlights the urgency of strengthening the global response. The European Union leads by example, by stepping up its efforts to reduce emissions and to redirect resources towards our climate goals. We are also in the process of developing the EU's long-term climate strategy with a comprehensive vision of how to reduce emissions in line with the Paris Agreement, while making our economy more modern, competitive, resilient and fair.

We will send a strong support to the United Nations Climate Change Conference in Katowice (COP24) which will take place immediately after the Summit. COP24 is due to conclude negotiations on the operating rules of the Paris Agreement and to hold a political dialogue on the adequacy of emission reduction efforts. In this context, we want to reaffirm the Union's commitment to the full and effective implementation of the Paris Agreement. We will also renew our commitment to the implementation of the G20 Marine Litter Action Plan to prevent and reduce marine litter and encourage the G20 Resource Efficiency Dialogue to continue its work.

### **4. *Promoting the 2030 Agenda and a new Africa-Europe Alliance for Sustainable Investment and Jobs***

We will insist on the need to further align the G20 work in support of the full implementation of the 2030 Agenda and its Sustainable Development Goals. We want to implement the G20 Action Plan on the 2030 Agenda, including through the Buenos Aires Update that outlines current collective and concrete actions. In this context, we will support the role of triangular cooperation as an important tool to implement the 2030 Agenda and to reach out to developing countries and other stakeholders. We will also call the G20 to promote sustainable agriculture and to reaffirm the commitment to food security to achieve a world free of hunger and malnutrition.

As the Union is putting the new Africa-Europe Alliance for Sustainable Investment and Jobs into practice, we would like to reaffirm our commitment to working in partnership with the region. We welcome the encouraging reform progress made by member countries of the G20 Compact with Africa. It is an example of how to ensure policy coherence in our efforts to boost private investment in developing countries.

### **5. *Harnessing the future of work***

Following the focus of the Canadian G7 Presidency on the Future of Work, we want to support the similar focus of the Argentine G20 Presidency, which calls for coordinated policy responses and strengthened international cooperation to ensure that the benefits of globalisation and technology are shared by all. On the basis of the EU Pillar of Social Rights, we will promote greater inclusiveness, reduced inequalities, decent work, social dialogue, gender equality and women empowerment, as well as investment in human capital, education and skills.

As the digital transformation of the economy accelerates, ensuring fair and effective taxation, has become a global challenge. We will promote the EU proposals with a view to establishing a global

solution by 2020, at the latest, and expect the Organisation for Economic Co-operation and Development (OECD) to present an update report ahead of the next June's G20 Summit.

The European Union has become a standard-setter in the digital era following our efforts to complete the Digital Single Market, spread digital skills, improve data protection and respond to artificial intelligence challenges. In Buenos Aires we will therefore call for stronger commitments towards tangible G20 deliverables in this regard, including the implementation of the agreed G20 digital government principles and the guidelines for reducing the digital gender divide.

#### **6. *Building a more resilient international monetary and financial system***

Over the last decade, the G20 played a crucial role in promoting and coordinating reforms of financial regulation. These reforms have significantly improved the resilience of the global financial system. We support the work of the Financial Stability Board to evaluate the effects of the regulatory reforms and monitor emerging financial risks and vulnerabilities, including levels of indebtedness in some economic sectors and shifting risk towards non-bank financial intermediaries. We will also encourage further reflection and international cooperation to ensure the financial system's cyber-resilience and that finance is conducive to a green economy, at the service of our societies.

We will also call for a discussion on the proposals presented by the G20 Eminent Persons Group on Global Financial Governance. In order to increase international debt transparency, we will push for implementing the Hamburg G20 operational guidelines on sustainable financing and encouraging the private sector to develop similar guidelines in order to promote responsible infrastructure investments.

#### **7. *Delivering on G20 commitments on counter-terrorism***

Last year, G20 Leaders adopted a comprehensive Statement on Countering Terrorism that included clear commitments for stronger international cooperation, actions to implement the standards of the Financial Action Task Force (FATF) against terrorist financing and measures to countering radicalisation and the use of the Internet for terrorist purposes. We will reaffirm our strong condemnation of all forms of terrorism and support the full implementation of the Hamburg Leaders' Statement by the next Summit. We want to step up our efforts in fighting terrorist financing and money laundering and continue to implement of restrictive measures against proliferation financing, under the relevant United Nations Security Council Resolutions and international treaties. We will also continue to address radicalisation and foreign terrorist fighters, as well as clamping down on terrorist use of Internet.

#### **8. *Promoting global responsibility on migration and displacement***

While European efforts aimed at preventing irregular migration have helped ease the migration crisis in our region, only collective responsibility can offer effective solutions to improve migration management. The migratory crises in different parts of the world confirm that global efforts are needed. We will renew our call for international efforts to improve the governance of migration and to provide a comprehensive response to the displacement of refugees, in particular by promoting partnerships among countries of origin, transit and destination, international organisations and other stakeholders. The discussion at United Nations level can contribute to these efforts. We will also step up efforts to counter migrant smuggling and trafficking in human beings and continue to take action against people smugglers and traffickers.

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