



Research Unit
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G20 Series #49

India's G20 Presidency

2nd Meeting of G20 Finance Ministers and Central Bank Governors (Washington, DC – April 12th-13th, 2023)

(Ministry of Information & Broadcasting)

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“Government's policies related to Financial Inclusion have made crores of people part of the formal financial system.”

- Prime Minister Narendra Modi

The 2nd meeting of G20 Finance Ministers and Central Bank Governors (FMCBG) under the Indian G20 Presidency was held on April 12 – 13, 2023, on the margins of the 2023 Spring Meetings of the International Monetary Fund and the World Bank Group. Finance Minister of India, Smt. Nirmala Sitharaman and the Governor, Reserve Bank of India (RBI), Shri Shaktikanta Das jointly chaired the meeting. The meeting saw the participation of around 350 delegates from G20 members, 13 invitee countries, and various international and regional organizations.

The meeting was organised in three sessions covering the following themes:

1. Global Economy
2. International Financial Architecture
3. Sustainable Finance
4. Financial Sector
5. Financial Inclusion
6. International Taxation.

The goal of this FMCBG meeting was to deliberate on the progress made by the various work streams 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.

Session 1: 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 of fostering a conducive environment for global economic recovery and ensuring that the most vulnerable countries and sections of the population are adequately protected.

Ministers and Governors also discussed the progress of the implementation of recommendations of the Independent Panel of Multilateral Development Banks' 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.



Session 2: 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).

Session 3: International Taxation

Discussions were done on 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.

High-level side events were also held on the margins of the G20 FMCBG sessions. A meeting of the [Global Sovereign Debt Roundtable \(GSDR\)](#) was also held on April 12, 2023, which was co-chaired by Finance Minister Smt Nirmala Sit, IMF Managing Director Kristaline Georgieva and World Bank Group President, David Malpass. The meeting saw discussions on the current global debt landscape and ways to address existing challenges in debt restructuring.

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 Multilateral Development Banks' Capital Adequacy Frameworks (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.

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.

References:

[2nd Meeting of G20 Finance Ministers and Central Bank Governors \(FMCBG\) under the Indian G20 Presidency 12-13 April 2023, Washington, DC](#)

[Global Sovereign Debt Roundtable \(GSDR\)](#)

[G20 FMCBG Chair's Summary and Outcome Document](#)

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