Is G20 important in the progress of India?

Good morning, today I will be speaking on the topic “Is G20 important in the progress in India?”

To answer this question, I will be answering 3 different questions:

1. What is G20?
2. How does it work?
3. Why is it important, generally?

This will help answer the final question: Is G20 important in the progress of India?

I shall now answer the first question: What is G20?

The G20 or Group of 20 is**an intergovernmental forum comprising 19 countries and the European Union (EU).** It works to address major issues related to the global economy, such as international financial stability, climate change mitigation, and sustainable development. The Group of Twenty (G20) comprises 19 countries (Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Republic of Korea, Mexico, Russia, Saudi Arabia, South Africa, Türkiye, United Kingdom, and United States) and the European Union.

It also comprises most of the world's largest economies’ finance ministries, including industrialised and developing nations. The G20 members account for around 80% of the gross world product (GWP), over 75% of international trade, around 85% of the global GDP, two-thirds of the world population, and 60% of the world's land area.

As of the 2023 G20 summit, India is the G20 president. In addition to the regular International Organisations (UN, IMF, WB, WHO, WTO, ILO, FSB, and OECD) and Chairs of Regional Organisations (AU, AUDA-NEPAD and ASEAN), India, as G20 Presidency, will be inviting ISA, CDRI and ADB as Guest IOs.

The Second question: How does it work?

The G20 Presidency steers the G20 agenda for one year and hosts the Summit. The G20 consists of two parallel tracks: the Finance Track and the Sherpa Track. Finance Ministers and Central Bank Governors lead the Finance Track while Sherpas lead the Sherpa Track after Finance Track.

The G20 process from the Sherpa side is coordinated by the Sherpas of member countries, who are personal emissaries of the Leaders. Finance Track is led by Finance Ministers and Central Bank Governors of the member countries. Within the two tracks, there are thematically oriented working groups in which representatives from the relevant ministries of the members, invited/guest countries, and various international organisations participate.  
The Finance Track is mainly led by the Ministry of Finance. These working groups meet regularly throughout the term of each Presidency. The Sherpas oversee negotiations over the course of the year, discussing agenda items for the Summit and coordinating the substantive work of the G20.

In addition, there are Engagement Groups which bring together civil societies, parliamentarians, think tanks, women, youth, labour, businesses, and researchers of the G20 countries. The Group does not have a permanent secretariat. The Presidency is supported by the Troika – previous, current, and incoming Presidencies. During India’s Presidency, the Troika will comprise Indonesia, India, and Brazil.

And now, the third question: Why is it Important, generally?

As explained by how the G20 works, we can see that the two tracks, namely the Sherpa and Finance tracks, guide the members and guests of the summit on how to go about their respective duties in the year. The G20 summit is the most important forum for**international cooperation**. During the meetings, the main challenges of the world are discussed, and the main policies are coordinated at the global level. In the face of an uncertain international context, international cooperation is key, and thus the G20 acquires even more relevance.

With this, I now come upon our final question: Is G20 important for the progress of India?

Terrorism and wars, according to the G20 communiqué, affect the global economic picture. With terrorism being the most pressing security worry for the Indian establishment, its inclusion in the G20 communiqué demonstrates acknowledgement of Indian concerns. India also praised the G-20 initiative to curb terrorist financing.

The G-20 initiative restated its resolve to desist from competitive devaluation, which leads to volatility and chaotic exchange rate movements. Currency depreciation is averse to the growth of Indian exports.

Innovations will determine future growth, but they will also create new growth drivers. Innovation is critical for propelling India’s economic development, which has not hit the 7% level in recent years. The G-20 communiqué affirmed the G-20 Blueprint for Innovative Growth as a new plan to comply with each nation’s circumstances.

The G-20 resolved to work together to combat base erosion and profit shifting (BEPS). India has aggressively advocated for steps to curb BEPS in non-G-20 nations. BEPS refers to tax avoidance methods that use loopholes and mismatches in tax legislation to move earnings to low or no-tax jurisdictions.

Also, India is known for the motto “One Earth, One Family, One Future” or as it is known in Sanskrit “वसुधैव कुटुम्बकम्.”

This brings me to the end of my speech. Thank you and have a wonderful day!