



Achieving the Sustainable Development Goals: The Role for the G20 from China's Perspective

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Abstract

Development became a G20 priority under the Korean presidency in 2010 and has remained central to global summitry ever since. Although the G20 has formally involved itself in the post-2015 process following the St. Petersburg Summit in 2013 and emphasized the Sustainable Development Goals (SDGs) as a core priority under Turkey's presidency in 2015, the UN remains the main channel for global negotiations and discussions of the post-2015 development agenda up to its approval and adoption in September 2015 and will continue to play the leading role in the follow-up implementation and tracking of SDGs. The present paper argues that as the SDGs come to dominate the agenda and action of donors and issues of financing take central stage, the G20 can play an important role in facilitating the implementation of the SDGs due to its various strengths, although it also faces serious challenges. The paper also points out that as the 2016 G20 chair, China can make great contributions in advancing the implementation of the SDGs both domestically and internationally.

Key words: developing countries, development, foreign assistance, G20, knowledge-sharing, sustainable development goals

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I. Introduction

The G20, the world's premier forum for global economic governance, has engaged itself in development issues since its inception. Despite concerns regarding its effectiveness and accountability, the G20 has placed development as a prominent issue on its agenda ever since the Seoul Summit in 2010, largely due to the commitment to global development cooperation by the South Korean Government. Moreover, the G20 has

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developed its own approach to development and has identified priority areas as set out in the Seoul Development Consensus and the Multi-Year Action Plans (MYAP). Although the G20 has formally involved itself in the post-2015 process following the St. Petersburg Summit in 2013 and emphasized the Sustainable Development Goals (SDGs) as a core priority under Turkey's presidency in 2015, the UN remains the main channel for global negotiations and discussions of the post-2015 development agenda up to its approval and adoption in September 2015 and will continue to play the leading role in the follow-up implementation and tracking of the SDGs.

The SDGs set a clear direction for national development and international development cooperation over the next 15 years. Different from the Millennium Development Goals (MDGs), the SDGs are intended to be universal in nature, applicable for both developing countries and developed countries alike and represent a paradigm shift in terms of its goals and approaches to global development. While assistance from high-income countries to the least developed countries should continue, the post-2015 development agenda needs to be implemented by all countries (regardless of the level of development) and requires a transformative and inclusive partnership for international cooperation. Different from the G7's development agenda, which still primarily focuses on aid-recipient relationships as dynamically defined by the OECD through the Development Assistance Committee (DAC), the G20, consisting of major developed countries and emerging economies on a more equal standing, may be better placed to facilitate the implementation of the SDGs. The G20 can especially contribute more in terms of development knowledge-sharing and shifting of global development architecture and paradigm as its members have different development experiences and lessons as well as approaches to international development cooperation. In so doing, however, it also faces mounting challenges.

China's unique position, as a country that has recently experienced rapid and successful development (partly thanks to bilateral and multilateral official development assistance [ODA]), as a long-standing South-South Cooperation provider and as a recent graduate from aid recipient to aid provider, means that it will be subject to considerable attention in implementing the SDGs. As the G20's president in 2016, China has listed "promoting inclusive and interconnected development" among the four priorities and prioritized the implementation of the 2030 development agenda. China is also committed to the implementation of the SDGs domestically by incorporating the goals in its national development plans and internationally by expanding South-South cooperation via platforms such as the Forum on China-Africa Cooperation (FOCAC) and trying new modalities of development cooperation with traditional donors.

What is the role of the G20 in the context of the SDGs? How is China positioning

itself and, more importantly, what steps is it taking towards achieving the SDGs? This paper aims to examine these issues from China's perspective. The following section provides a review of the evolution of the G20 development agenda, reflecting the belief that understanding the role of the G20 in development in general, and in achieving the SDGs in particular, requires a thorough political analysis of the decisions taken in previous summits. We then discuss the strengths and weaknesses that the G20 possesses in addressing the challenges faced in implementing the SDGs. Section IV specifically analyzes China's actions and proposals relating to the SDGs as the 2016 G20 chair and its approach in framing the issues domestically and internationally. The paper concludes with a presentation of the major arguments and a discussion on how the G20 can play a larger and better role in the process of implementing the SDGs.

II. A Critical Assessment of G20 Performance on Development

The genesis of the G20 development agenda can be traced back to before the first leaders' summit (O'Keeffe, 2013). Since its inception, the G20 has been concerned about the adverse effects of global economic instability on low-income countries and has committed to promoting "stable and sustainable world economic growth that benefits all" (G20, 1999). Following the transformation of the G20 into a leaders' summit in 2008 and before the Seoul meeting in 2010, different G20 summits all endorsed development goals. For example, at the London Summit in 2009, leaders explicitly recommitted to meeting the MDGs and to achieving their respective ODA pledges, including commitments on aid for trade and debt relief, especially to sub-Saharan Africa (G20, 2009a). They also agreed to provide US\$50bn to support social protection, and to boost trade to safeguard development in low-income countries (Kharas and Lombardi, 2012). The Pittsburgh Summit in 2009 included "raising living standards in emerging markets and developing countries" among its official objectives (G20, 2009b). The subsequent G20 Toronto summit in June 2010 confirmed and reemphasized the inclusion of development issues on the agenda and took the important step of creating the Development Working Group (DWG), mandated to "elaborate a development agenda and multi-year action plans consistent with the G20's focus on promoting economic growth and resilience" (G20, 2010a).

The Seoul Summit in 2010, however, marked a real watershed, as the Korean presidency made development a priority by adopting the Seoul Development Consensus for Shared Growth and the MYAP. While the former elaborated the overarching goals and principles that the G20 should follow in intervening in development issues,

including economic growth, global development partnerships, global and regional systemic issues, private sector participation, complementarity and outcome orientation, the MYAP identified nine pillars that were deemed to be essential to strong, resilient and inclusive growth (G20, 2010b). These include infrastructure, human resource development, trade, private investment and job creation, financial inclusion, growth with resilience, food security, domestic resource mobilization and knowledge-sharing. These documents adopted by the G20 give clues to the difference between the G20 and other platforms such as the G7: the G20's approach to development is clearly guided by its mandate of promoting international economic and financial cooperation, setting the foundations for strong and balanced growth, and building resilience.

From that point onwards, each subsequent G20 chair has chosen priority pillars with the aim of achieving tangible deliverables and high-impact outcomes in a specific area (see Table 1). For example, the Cannes Summit in 2011 prioritized infrastructure, food security and innovative financing. In 2012, at Los Cabos in Mexico, the G20 focused on food security, infrastructure and financial inclusion and added a tenth pillar, “inclusive green growth.” In 2013 the Russian presidency emphasized five priority areas: food security, financial inclusion and remittances, infrastructure, human resource development, and domestic resource mobilization. The Brisbane Summit in 2014 shifted the direction somewhat by including the development agenda as an extension of the G20's broader growth agenda and emphasized such priorities as investing in infrastructure, domestic resource mobilization, financial inclusion and remittances, food security and human resource development (G20, 2014). The Turkish presidency in 2015 then made “buttressing sustainability” one of its core pillars and placed development and the inclusion of developing countries as a core priority of its G20 agenda. Specific priority development issues included infrastructure development, financial inclusion and remittance, food security, and human resource development (G20, 2015). Despite the different priorities identified at the different summits, it can be summarized from the above discussion that the G20 development agenda has largely been consistent.

Table 1. Priority Development Pillars of G20 Summits from 2011 to 2015

G20 Summits	Priority development pillars
2011 Cannes Summit	Infrastructure, food security and innovative financing
2012 Los Cabos Summit	Infrastructure, food security, financial inclusion and inclusive green growth
2013 St. Petersburg Summit	Infrastructure, food security, financial inclusion and remittances, human resource development, and domestic resource mobilization
2014 Brisbane Summit	Infrastructure, food security, financial inclusion and remittances, human resource development, and domestic resource mobilization
2015 Antalya Summit	Infrastructure development, food security, financial inclusion and remittance and human resource development

However, because the G20 is not a permanent institution with its own secretariat, implementing the development agenda depends on certain conditions being satisfied. These include, first, the ability of member countries to promote such goals within their own bilateral development programs; second, quality coordination with the UN system and the Bretton Woods institutions; and, finally, the ability of the G20 to work with the OECD/DAC. Although the G20 has used different mechanisms to drive the MYAP, such as pilot projects, knowledge-sharing tools and workshops to involve a wide range of partners, there has been persistent criticism and debate regarding the G20's performance in development cooperation. Some have argued that the G20 should focus exclusively on international economic cooperation and ensure that the correct international institutional architecture is in place before tackling peripheral topics (Carin, 2013). As stated by Herman (2011), the G20 is the "wrong international forum for development." Others have described the G20's development agenda as an add-on, too broad, unstructured and disconnected from the rest of the leaders' discussions, with the result of adding little value to the global development debate and undercutting the very premise of the G20 (Kharas and Lombardi, 2012; Davies, 2013; Rimmer, 2013). Velde (2012), among others, suggests that the G20 should focus on areas in which it has a clear comparative advantage, such as improving the development impact of core economic policies by G20 members. In addition, the G20 is considered weak in representativeness and devoid of a mechanism of accountability to those it aims to help (Subacchi and Pickford, 2011; Vestergaard, 2011; Kharas and Lombardi, 2012).

Notwithstanding the above arguments, there are good reasons for the G20 to address development issues. First, for the sake of self-interest, G20 countries need new sources of demand, and promoting growth and development in the developing world is essential for supporting the global recovery from the financial crisis and achieving the objective of sustainable and balanced growth (Davies, 2013). Meanwhile, failing to consider the policy priorities and concerns of the UN member countries outside the G20 would reduce the credibility and legitimacy of the G20 itself. The G20 also has moral responsibilities, especially when it comes to global public goods such as financial stability, health and the environment. Many of the G20's actions to strengthen global economic and financial governance create policy spillovers and developing countries could potentially be the ones most affected (Sakong, 2011). Once again, the G20 has more resources as well as experience with inclusive development than the G7 and is, thus, capable of providing support to developing countries through different development cooperation modalities (i.e. North–South, South–South and triangular cooperation).

The G20 has also made some effort to deal with the criticism it has been subject

to. For example, to address the effectiveness and accountability gaps, each year the G20 president has invited a selection of guest countries to the leaders' summit, with the intention of providing non-members an opportunity to bring their views to the discussion table.¹ The DWG has also produced annual accountability reports since 2013. There has also been progress on some issues, including: the creation of the High-level Panel for Infrastructure Investment (HLP) and the Global Infrastructure Hub to mobilize support for scaling up infrastructure financing and share expertise; the establishment of the Knowledge Sharing Platform (KSP) on skills for employment; the launch of AgResults² and the MDBs' Action Plan for agriculture, food security and nutrition; plus the implementation of initiatives to reduce the cost of remittances and the establishment of the Global Partnership on Financial Inclusion (Hou and Dirk, 2013; O'Keeffe, 2013). In addition, the DWG has had a positive impact in terms of drawing public attention to significant themes and by strengthening mutual trust and joint learning among the state actors involved in development cooperation (Fues and Saltzmann, 2015).

III. The Sustainable Development Goals and the Role of the G20

The 2030 Development Agenda, with 17 goals and 169 targets, is multifaceted, ambitious and challenging. It not only includes traditional livelihood issues, such as poverty alleviation, education, communicable diseases and health, and economic indicators, including finance, infrastructure, trade, energy and industrialization, but also covers environment issues, such as climate change, water scarcity, the depletion of common-pool resources such as fisheries, and disaster relief. Different from the MDGs, the SDGs are universal in nature. They not only require continued and strengthened support for least developed countries, but also for high-income and middle-income countries that could incorporate the goals into domestic implementation. In addition, greater responsibilities are given to the emerging economies as reflected in Goal 17: revitalize the global partnership for sustainable development. Although the SDGs are not mandatory and any follow-up and review will be based on voluntary country-led progress reviews, over the next 15 years they will surely exert a lasting and profound impact on all countries' development and be the Northern Light for global development cooperation.

¹Outreach activities were also introduced by the G8, notably in 2007 with the launch of the Heiligendamm Dialogue Process with the G5 (Brazil, China, India, Mexico and South Africa).

²This is a pull mechanism that seeks to create incentives for private investment in agricultural research and development, as well as product marketing and distribution, for the benefit of poor smallholder communities.

Against this background, what role should the G20 play in the context of the SDGs? The G20 brings together the world's major advanced and emerging economies, representing more than half of the global poor population, the sources of almost all the global ODA and the largest contributors of both historical and current global CO₂ emissions. Arguably, it has the convening power, the legitimacy and the responsibility to assume a leadership role in achieving the SDGs, and, thus, should be the major driving force in implementing them. Indeed, as noted above, the G20 has served as a platform for continuously discussing development issues since 2010 and has actively participated in the process of deliberating the post-2015 development agenda (G20, 2013). On the surface, there are many synergies between the G20 development agenda and the SDGs. For example, their objectives overlap to a considerable degree. The G20 has called for “inclusive and resilient” as well as “strong, sustainable and balanced” economic growth. Similarly, the 2030 agenda contains a set of development goals that are inclusive, transformative and sustainable. Meanwhile, the priorities of the G20 development agenda fit well with SDGs. For instance, the efforts that the G20 has been making to help developing countries prepare and finance infrastructure projects are a good match for SDG 9 on building resilient infrastructure, promoting inclusive and sustainable industrialization, and fostering innovation (Clark, 2015). Other G20 development priorities have corresponding SDGs (see Table 2). As such, given the commitments and the activities already underway, the question is not whether the G20 as a group has a role to play in implementing the SDGs, but rather how this role should play out.

Table 2. Consistency between G20 Development Priorities and SDGs

G20 development priorities	Related SDGs	Ongoing G20 activities
Infrastructure	6,7,9,11	<ul style="list-style-type: none"> • Improve financing and pipeline of infrastructure projects, including through optimizing the balance sheets of multilateral development banks • Agree on common approaches and indicators for investing in infrastructure • Support Global Infrastructure Hub and Global Infrastructure Forum
Food security and nutrition	2,12	<ul style="list-style-type: none"> • Implement the Action Plan on Food Security and Sustainable Food Systems, based on the agreed Food Security and Nutrition Framework • Develop the Agricultural Market Information System • Promote capacity development, agricultural innovation and risk management • Better measure and reduce food loss and waste
Human resources development	4,5,8	<ul style="list-style-type: none"> • Implement the Multi-Year Framework for Policy Coherence and Coordination • Develop knowledge-sharing between G20 and non-G20 members
Financial inclusion and remittances	1,8,10	<ul style="list-style-type: none"> • Implement the Financial Inclusion Action Plan and continue to develop evidence-based policies and practices on financial inclusion for individuals and SMEs, considering a rapidly changing and digital environment • Take national actions towards the goal of reducing remittance costs to 5 percent

Domestic resource mobilization	8,17	<ul style="list-style-type: none"> • Scale up international tax cooperation to increase transparency and substantially reduce illicit financial flows • Improve the fairness, transparency, efficiency and effectiveness of tax systems, including through the use of information technology address base erosion and profit shifting • Support the automatic exchange of information • Build capacities in developing countries to strengthen domestic resource mobilization
Industrialization and inclusive business	1,8,9,10	<ul style="list-style-type: none"> • Call for action on inclusive business • Develop the global platform on inclusive business to improve knowledge and learning towards better enabling environments for inclusive business • Explore new forms of public-private partnerships, promote resilient industry-related service sector, strengthen SMEs and link to digital economy
Energy	7,13	<ul style="list-style-type: none"> • Foster energy collaboration according to agreed principles • Implement the Energy Access Action plan • Implement the Energy Efficiency Action Plan • Phase out fossil fuel subsidies by 2025 • Continue to develop options to accelerate renewable energy deployment, promote efficient energy use
Trade and Investment	8,10,17	<ul style="list-style-type: none"> • Commit to supporting a strong, well-functioning multilateral trading system, and to resisting protectionism • Continue to find ways to strengthen global trade growth, including through reforms aiming at lowering costs • Build on the outcome of the 10th WTO Ministerial Conference including eliminating agricultural export subsidies and advance the multilateral trade negotiations • Support SME integration in global value chains
Anti-corruption	16	<ul style="list-style-type: none"> • Implement the Anti-Corruption Action Plan, including measures on private sector transparency and integrity, integrity of public procurement, beneficial ownership, development of open data principles
Employment	8, 10	<ul style="list-style-type: none"> • Build on agreed Framework on Promoting Quality Jobs, Skills Strategy, Policy Principles for Promoting Better Youth Employment Outcomes as well as Policy Priorities on Labor Income Share and Inequalities • Reduce participation rates between men and women in G20 countries by 25 percent as well as the share of young people who are most at risk of being left behind by 15 percent by 2025
Financial system	10, 17	<ul style="list-style-type: none"> • Maintain systemic global economic and financial stability • Implement agreed financial regulation reforms, such as the quota and governance reforms • Contribute to more adequate management of capital flows • Launch a comprehensive program to increase the resilience of the financial system to strengthen the global safety net, including assessing spill-over effects on developing countries and assisting developing countries in attaining long-term debt sustainability
Growth strategies	1, 8, 10	<ul style="list-style-type: none"> • Foster strong, balanced and sustainable global growth through adjusted national growth strategies, including discussions on macroeconomic and fiscal policies • Lift up G20 GDP by an additional 2 percent by 2018 and boost non-G20 economies, especially low-income and developing countries
Green and climate finance	13, 15	<ul style="list-style-type: none"> • Mobilize climate finance to address the finance gaps, especially in developing countries • Identify and help overcome institutional and market barriers to green finance

Innovation	8, 9, 17	<ul style="list-style-type: none"> • Facilitate open, cooperative and shared innovation to support the new industrial revolution and bridge the digital gap, including in the low-income and developing countries • Facilitate international cooperation for knowledge-sharing and science and technology transfers
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Source: Authors' compilation based on the Draft Template on G20 Members Actions to Implement the 2030 Agenda for Sustainable Development.

We emphasize the G20's strengths in three aspects that will be helpful for achieving the SDGs, including leading by example through domestic implementation, facilitating international collective action and improving knowledge-sharing.

First, given the sheer size of the G20 economies, it will be vital that the G20 members can take the SDGs seriously. Members' commitment to incorporate the SDGs within their own national strategies will send a strong signal that the G20 is serious about the sustainable development agenda and its universality. The G20 can lead by example in domestic implementation of the SDGs by raising public awareness of the 2030 agenda, integrating it into national decision-making based on national contexts, and developing targets and indicators to review and follow up. The G20 can also establish a peer-review process on the member country's implementation of the SDGs and take the review results to the summit level.

Second, the G20 can also play an important role in facilitating international collective action in order to achieve the SDGs. When doing so, the G20 needs to focus on its added value, build on its existing work, and nurture effective and legitimate linkages with the UN system to contribute to global public goods. Among the goals and challenges listed in the SDGs, many are international in nature, requiring international collective action. During the global financial crisis, the G20 demonstrated its usefulness for all countries, developed and developing alike, in coordinating economic policy. Insofar as it has adopted a consensus-based mode of operation, unlike other major international organizations such as the IMF, the G20 is in a much better position to strengthen coordination and action at the international level (Sainsbury, 2015). For example, regarding multilateral development banks which manage the bulk of the resources available for facilitating the achievement of the SDGs, the G20, as an informal board of boards, can instruct them to take joint actions to support infrastructure investment. Implementing these general objectives requires the G20 to build institutional relationships with these new development finance bodies, for example, by signing MOUs or cooperative agreements through the relevant working groups.

Meanwhile, by convening senior officials from different sectors of government, the G20 can identify and foster the "whole-of-government" approach, which is critical for sustainable development (Clark, 2015), and establish a global economic framework that

considers issues impacting developing countries in a more comprehensive manner than international aid-specific organizations. For example, the G20 can take up the issue of developing new norms for the transfer of technology and promoting emerging green technologies in the least developed economies. There have been persistent debates regarding the issue of technology transfer between the inventors or owners, who usually reside in the more developed world, and users of the developing countries, who are often required to pay an unbearable cost, affecting their ability to get rid of poverty and address climate change issues. In the new global context, division like this makes it difficult for developing countries to achieve the SDGs. A G20 that takes a proactive role in development has the chance to become a catalyst of coordinated action for all stakeholders.

In addition, the G20 can capitalize on the presence of “development exemplars,” countries like South Korea and China that have successfully made the journey from aid recipients to development donors, and promote knowledge-sharing and mutual learning for the benefit of the members themselves and low-income countries. Each G20 country has its own experience with development, either as a recipient or as a donor or both, and these experiences are varied. Instead of simply judging the effectiveness of various approaches, the G20 can provide a space for dialogue, reaching a common understanding and sharing experiences. The G20 members have diverse approaches for international development cooperation, not just between traditional and “emerging” donors, but also among the “emerging” donors themselves. As developed countries and emerging economies are involved in an open and collaborative manner, the G20 can also facilitate an understanding regarding how North–South and South–South cooperation can complement one another, including through triangular cooperation, which can lead to mutual reinforcement.

However, the G20 faces serious constraints. To some extent, its strengths are also its weaknesses. First and foremost, unlike the G7 nations, the G20 members do not share the same political and economic systems and values. As such, there is no ideological “glue” binding G20 members that might facilitate multilateral cooperation when specific interests collide (Patrick, 2010). Another divide runs between system preservers and system challengers. Even among the emerging economies, there are lines of demarcation. Some G20 members worry about the effects that the G20 might have on their domestic policy agenda, while others are eager to use the G20 development agenda as an opportunity to showcase their influence on global affairs. Partly because of this, alternate regional architecture has developed and geopolitical blocs and factions have formed in recent years (RDCY, 2014; Sainsbury, 2015), undermining collective action and the implementation of the post-2015 agenda.

Second, there are persistent divergences regarding financing for SDGs, especially on what constitute “burdens” among member states (with diverse issues ranging from ODA commitments to climate change financing) and on how to apply the principle of common but differentiated responsibilities (CBDR). Although there is a general consensus that all countries will be responsible for the implementation of the post-2015 agenda, taking into account different levels of responsibility depending on national capacities and resources, the problem still remains of how to practically apply the CBDR principle. Concerns relate both to historical responsibilities and to the current capacity of developed and developing countries. For example, China, India and other major emerging economies have strongly defended the right to development³ and the guiding principle of CBDR, referring to the specific obligations of different categories of countries based on historical trajectories as indicated by the Rio Principles of 1992. In the discussions on the SDGs, developing countries have highlighted the linkages between CBDR principles, equity⁴ and means of implementation, arguing that developed countries should honor their ODA commitments in a timely and adequate manner, and scale up their support in terms of capital, technology and capacity building. On the other end of the spectrum, the EU, the UK, the USA and Japan have stressed that CBDR only applies to environmental and specifically climate change negotiations and, as such, cannot be seen as a foundation of international development cooperation. The EU has pushed for the principle of “shared responsibility,” where all actors should contribute “their fair share” to implement the goals in accordance with their circumstances (RR, TWN and DAWNE, 2015). The EU argues, therefore, that the global debate should shift away from an “outdated” North–South model, and that implementation of the SDGs goes well beyond aid (Kloke-Lesch, 2015). In the meantime, mobilization of domestic resources and involvement of the private sector in international development, emphasized by the EU, the USA, Australia and Japan, are seen by critics in the Global South as attempts to shirk responsibilities and “deflect” from the historical responsibility to contribute to global development.

In addition, at operational level, the G20's DWG is typically attended by officials from development cooperation departments, which divorces G20 discussions from those

³The Preamble of the Declaration on the Right to Development states that “development is a comprehensive economic, social, cultural and political process, which aims at the constant improvement of the well-being of the entire population and of all individuals on the basis of their active, free and meaningful participation in development and in the fair distribution of benefits resulting therefrom” (<http://www.un.org/en/events/righttodevelopment/declaration.shtml>).

⁴Here it refers to the historical responsibilities developed countries have because of the greenhouse gases they emitted in the process of growing economically. See Camberon (2012).

conducted at major international financial institutions (ministries of finance or Treasuries take the lead) or at the United Nations (Foreign Affairs take the lead). For emerging economies in the G20, which may be both providers and recipients of development cooperation, the institutional split within their own governments makes it difficult to have a coherent position within the DWG. For example, in China, the departments at the Ministry of Commerce responsible for the DWG and development cooperation are different, which sometimes weakens the effectiveness of policy coordination and confuses outsiders. Moreover, in the DWG, development policy experts set the tone, but for other G20 committees, respective departments such as finance, agriculture and employment are responsible. The limited reach of the G20 DWG is manifest in the discussions on infrastructure financing, a key area for economic progress. Here the G20 Investment and Infrastructure Working Group, guided by the finance ministers, takes the central role, while the DWG only plays a minor one. The increasing differentiation and overlapping of work streams in the G20 are proving structural obstacles in the way of greater influence by the DWG.

To really contribute to the SDGs, the G20 will need to find ways to address the above issues by clarifying its position in the global development architecture and building up effective dialogue and cooperation mechanisms within existing fora such as the UN Development Cooperation Forum (UNDCF) and the Global Partnership for Effective Cooperation (GPEDC). Meanwhile, as the DWG does not cover all G20 topics related to the SDGs, mainstreaming development across the G20 agenda and ensuring synergy among different work streams will be critical.

IV. China and the Sustainable Development Goals in the Context of the G20

China's presidency of the G20 in 2016 is a major and special event for both China and the world and opens up an opportunity to strengthen the G20's development agenda. China has caught up quickly and, thanks to its economic transformation, has become the world's second largest economy and the largest trading partner of many countries, especially in the developing world. Between 1990 and 2005, China lifted more people out of poverty, in absolute terms, than any other country in history and this is the principal reason explaining its success in achieving MDG number 1: halving extreme poverty (MOFA, 2013).

Against such a background, there have been strong demands from developing countries for China to share its development experience and contribute towards other

countries' development. Many countries have expressed the willingness to learn from the experiences of China and benefit from its expertise in poverty reduction through agricultural development, industrialization, urbanization and infrastructure. As an emerging economic power with huge foreign exchange reserves, China can promote global growth, trade, investment and finance, and reduce global risks. In fact, China is making financial resources available to support other countries' development and creating the institutional structure (i.e. AIIB and NDB) to support global development in an unique manner. China also understands better the needs of low-income economies and the developing world, including how to safeguard their interests as a whole due to similar history and China's recent industrialization process.

Meanwhile, China is still a developing country in terms of income per capita (i.e. according to definitions of major international institutions). As such, it must also reduce its own vulnerabilities and further improve the domestic standard of living. China's high integration into international trade and investment markets not only exposes it to global risks and disruptions, but also magnifies the spillover effects of China's macroeconomic policies. China also faces increasing pressure from both developed and developing countries to contribute more to global development and international public goods. As such, China's policy decisions are facing increasing scrutiny and China needs to strike a delicate balance between taking on more global responsibilities and not being seen as a challenger to the international order. Such context needs to be taken into consideration when examining China's role in the implementation of the SDGs domestically and internationally, and also as the G20 chair.

At home, China attaches much greater importance to the implementation of the SDGs than it ever did with the MDGs. China issued position papers on the SDGs during the negotiation process. It then released a third paper on its implementation of the 2030 Development Agenda in April 2016, outlining the principles, key areas and priorities, means of implementation, as well as its way forward in facilitating the implementation domestically and internationally. China has also paid attention to the SDGs in various official documents. For example, the Communiqué of the Fifth Plenum of the 18th CPC Central Committee called for "taking the initiative to participate in the 2030 Sustainable Development Agenda." The newly-issued 13th Five-Year plan also declares that China will actively implement the 2030 Development Agenda and link the 2030 agenda with domestic mid-and-long term development strategies. It has established a domestic coordination mechanism for the implementation, consisting of 43 government departments. This shows that achieving the SDGs is being placed high on China's domestic development agenda. In October 2015, President Xi announced at a conference on poverty reduction and development that in the next 5 years China will

lift more than 70 million people out of poverty (by the current national standard). This is China's first step in the process of implementing the SDGs, and will boost global efforts to meet poverty reduction targets and advance the development agenda. The Chinese Government is also working with UN agencies to examine the consistency between the SDGs and the 13th Five-Year plan and setting targets and indicators for monitoring implementation of the SDGs.

In the meantime, as the G20 2016 president, China is conscious of outside expectations and has included implementation of the SDGs and the Paris Climate Change Agreement among the agenda items (Wang, 2016). “Inclusiveness and interconnected development” is one of the major topics and a highlight of the 2016 summit. For the first time, the issue of development is placed in a prominent position in the global macro policy framework. In addition, a systematic action plan on development cooperation will be formulated to implement the 2030 Agenda for Sustainable Development (Li, 2016). Together with other G20 members, China is committed to strengthening development policy coordination among G20 members and incorporating the 2030 agenda with other G20 working groups' agendas to foster synergy in global development cooperation. China also recognizes the need to enhance the policy coordination between DWG and other G20 work streams and is making efforts in this regard by requesting that the DWG works with other groups to reflect on how their existing activities contribute to the SDGs and help design future actions to leverage their technical expertise. China is urging G20 members to jointly draft a collective action plan for aligning domestic implementation work with the global process on the SDGs. In addition, China has placed the SDG-consistent goals such as “eradicating poverty” and “supporting industrialization in Africa and other developing countries” as core issues of the 2016 G20 agenda. As one of the best performers in terms of development over the past three decades, prioritizing development fits well with China's interests (UNDP et al., 2016).

China is also making great efforts to support the implementation of the SDGs in other developing countries. While China holds the view that individual countries should assume primary responsibility for implementing the agenda and the developed world has the primary obligation to fulfill their promise and increase their support for developing countries, China also believes that South–South cooperation can play a big complementary role. In addition to increasing its foreign aid budget, China has also announced a series of measures to advance international development cooperation, most notably by President Xi at the UN Summit in September 2015. Financing measures include a South–South cooperation fund with initial capital of US\$2bn, canceling debt owed by relevant developing countries that matured at the end of 2015, increasing

investment in least developed countries by up to US\$12bn by 2030, and providing US\$2m to the WHO. Other commitments include establishing a center for international knowledge on development, an institute of South–South cooperation and development, and a global energy network. Moreover, 100 practical projects have been announced covering six key areas: poverty alleviation, agro-cooperation, aid for trade, ecological protection and tackling climate change, medical facilities, and education and training.

In addition, China has become more active in its contributions to global governance. China initiated the AIIB, the NDB and the Silk Road Fund, and is re-examining the Belt and Road Initiative (BRI), its overarching foreign economic cooperation policy, against the SDGs, to assess how the two can be combined together to push forward sustainable global development. Through the FOCAC and the most recent Johannesburg Declaration of December 2015, China also elaborated its plans for supporting industrialization and development in the African continent (FOCAC, 2015). On climate change, China has pledged US\$3.1bn to establish the China South–South Climate Cooperation Fund to support initiatives in developing countries, in addition to more than US\$2bn already committed to South–South and climate-related activities (UNDP, 2016).

Another crucial development is that China is also taking a more active attitude in policy coordination with G20 members, for instance through the US–China Joint Announcement on Climate Change and Clean Energy Cooperation. Triangular cooperation, which was taboo several years ago, is now conducted with the USA, the UK, Australia and Germany, among others. These measures not only aim to address the immediate difficulties facing developing countries, but will also help to meet the 2030 sustainable development agenda.

In sum, China has made great efforts to demonstrate that it is a responsible country and actively participating in global efforts to promote sustainable development. The G20 offers a timely opportunity for China to show its determination to be one of the best performers not only in terms of domestic implementation of the SDGs, but also in helping other countries in the process.

V. Conclusion

Despite major efforts to build a coherent world economic order through the integration of existing regimes, fragmentation remains significant. This also applies to global development architecture. In the post-2015 environment, the global obligation to implement the SDGs opens up a unique opportunity for the G20 to make a dent based on its wide representation in global power structures. While the G20 has a relatively

short track record and has been subject to much criticism regarding its effectiveness and accountability, it can develop various mechanisms to reduce the cost and ineffectiveness of global development policy discussions, in particular by involving different policy-making agencies. Although members face challenges in terms of ideological diversity and have different stances on financing and contributions, and there is poor coordination and cooperation among different working streams, the G20 is a natural bridge between the developed countries and developing countries and is more flexible than other institutions like the UN for its limited members. These efforts will only be successful if the G20 develops its own strategy for global development tied to existing global, regional and national initiatives and focuses on domestic implementation and knowledge-sharing.

China, with its unique development trajectory, increasing political and economic clout, and now as the 2016 G20 chair, is making great efforts to support the implementation of the SDGs, not only via the UN and regional mechanisms, but also within the G20. While China faces specific challenges due to dual domestic and international responsibilities, its increasingly inclusive attitude towards North–South cooperation and South–South cooperation could facilitate the G20 debate on the implementation of SDGs. Ultimate success of the SDGs will largely depend on how the G20 perceives development issues as a whole and on the ability of China to develop a coherent strategy.

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