



Communiqué
G20 Finance Ministers and Central Bank Governors Meeting
4-5 September 2015, Ankara, Turkey

1. We met in Ankara to review ongoing economic developments, our respective growth prospects, and recent volatility in financial markets and its underlying economic conditions. We welcome the strengthening economic activity in some economies, but global growth falls short of our expectations. We have pledged to take decisive action to keep the economic recovery on track and we are confident the global economic recovery will gain speed. We will continue to monitor developments, assess spillovers and address emerging risks as needed to foster confidence and financial stability.
2. We reaffirm the role of macroeconomic and structural policies to support our efforts to achieve strong, sustainable and balanced growth. Monetary policies will continue to support economic activity consistent with central banks' mandates, but monetary policy alone cannot lead to balanced growth. We note that in line with the improving economic outlook, monetary policy tightening is more likely in some advanced economies. We reiterate our commitment to move toward more market-determined exchange rate systems and exchange rate flexibility to reflect underlying fundamentals, and avoid persistent exchange rate misalignments. We will refrain from competitive devaluations, and resist all forms of protectionism. We will implement fiscal policies flexibly to take into account near-term economic conditions, so as to support growth and job creation, while putting debt as a share of GDP on a sustainable path. To this end, we will also continue to consider the composition of our budget expenditures and revenues to support productivity, inclusiveness and growth.
3. We will carefully calibrate and clearly communicate our actions, especially against the backdrop of major monetary and other policy decisions, to minimize negative spillovers, mitigate uncertainty and promote transparency.
4. The need to boost actual and potential output growth is a key challenge for the global economy. We remain committed to timely and effective implementation of our growth strategies that include measures to support demand and lift potential growth. As we implement these strategies, we will take steps to promote greater inclusiveness, including to reduce income inequality. This year we developed a robust framework to monitor the implementation of these measures and prepared detailed implementation schedules. Based on this, we will present our first accountability report on progress against our growth strategy commitments at the Antalya Summit. Preliminary analysis by the international organizations shows that we are making progress towards our commitments and that more effort is needed for implementation. We are also reviewing our growth strategies, including through peer review, to make sure that they remain consistent with our collective growth ambition.
5. Boosting investment is a top priority for us. To this end, we have prepared country-specific investment strategies that present concrete actions in order to improve the investment ecosystem, foster efficient infrastructure investment and support financing opportunities for SMEs. We welcome the progress note by the OECD that provides a preliminary review of our investment strategies and contributes to knowledge sharing. We look forward to further qualitative and quantitative assessments of our strategies and based on these assessments, we will finalize them for the Antalya Summit. We also welcome the recommendations and assessment frameworks developed by the IMF, WBG, and OECD to help countries strengthen their public investment management processes and enhance the quality of investment. We also reiterate the importance of mobilizing multilateral and national development bank resources and technical expertise. In this respect, we welcome the progress in the Multilateral Development Banks' (MDBs) action plan for balance sheet optimization.

6. In order to encourage private sector engagement, we acknowledge the consolidation of best practices in public private partnership (PPP) models, which can address commonly-encountered challenges. We welcome the WBG PPP Guidelines and the OECD/WBG PPP Project Checklist which provide guidance on international best practices for preparation and implementation of PPPs. Moreover, we also endorse the business plan of the Global Infrastructure Hub, which will address data gaps, lower barriers to investment and move engagement with the private sector beyond business as usual. We look forward to regular updates on its operations.

7. In recognition of major financing needs for long term investments, we also focused on examining possible alternative capital market instruments. As such, we take note of the policy recommendations by the IMF and WBG on systematically integrating the features of asset-based financing practices into global finance. To help ensure a strong corporate and public governance framework that will promote private investment, we also endorse the G20/OECD Principles on Corporate Governance. We recognize the potential to facilitate financial intermediation for SMEs including by improving systems for credit reporting, lending against movable collateral, and insolvency reforms. We welcome the progress on the G20/OECD High Level Principles on SME financing and the establishment of the private sector-led World SME Forum, a new initiative to serve as a global body to drive the contributions of SMEs to growth and employment.

8. We remain deeply disappointed with the continued delay in progressing the 2010 IMF Quota and Governance Reforms. We reaffirm that their earliest implementation is essential for the credibility, legitimacy and effectiveness of the Fund and remains our highest priority. We strongly urge the United States to ratify the 2010 reforms as soon as possible. We reaffirm our commitment to maintaining a strong, well-resourced and quota-based IMF. In reference to our call in Istanbul, we look forward to progress on the SDR Basket Review in November. We welcome the progress achieved on the implementation of strengthened collective action and *pari passu* clauses in international sovereign bond contracts, and stress the importance of accelerating their implementation. Regarding debt sustainability, we acknowledge the existing initiatives aimed at improving sustainable financing practices, as stressed in the Addis Ababa Action Agenda. We also take note of the Paris Forum initiative, which contributes to further the inclusiveness by fostering dialogue between sovereign debtors and creditors.

9. We reaffirm our resolve to finalize the remaining core elements of the global financial reform agenda this year. We welcome the work by the FSB, BIS and BCBS on rigorous and comprehensive quantitative impact assessments on a total-loss-absorbing-capacity standard (TLAC) for global systemically important banks and by the BCBS and IOSCO on criteria for identifying simple, transparent and comparable securitizations. We look forward to the finalization of the common international standard on the TLAC for global systemically important banks and robust higher loss absorbency requirements for global systemically important insurers by the Antalya Summit, and completion of the previously agreed work on the extension of the contractual recognition of temporary stays on early termination rights for OTC derivatives contracts to include other instruments and firms, excessive variability in risk-weighted asset calculations for bank capital ratios and implementation of the G20 shadow banking roadmap. We also look forward to progress this year on the agreed work plans regarding central counterparties' resilience, recovery planning and resolvability, misconduct risk and withdrawal from correspondent banking and remittances services. We will work to address legal barriers to the reporting of OTC derivatives contracts to trade repositories and to the cross-border access of authorities to trade repository data, as well as to improve the usability of that data. We continue to closely monitor financial stability challenges, including those associated with asset management activities and will ensure that related risks are fully addressed. We look forward to the FSB's first annual report on the implementation and the effects of all reforms, including any material unintended consequences, particularly for EMDEs. We recognize potential risks to financial stability arising from liability structure distortions in corporate balance sheets and ask the FSB, in

coordination with other international organizations, to continue to explore any systemic risks and consider policy options.

10. The fight against terrorism is a major priority for all of our countries and thus, we reiterate our resolve to tackle its financing channels. We reaffirm our commitment to deepen our cooperation concerning the exchange of information and freezing of terrorist assets, in particular to facilitate cross-border freezing requests, and we will work on modalities to promote further transparency of financial flows. Criminalization of terrorist financing and the existence of robust targeted financial sanctions regimes related to terrorism and terrorist financing are fundamental requirements to actively curb terrorist financial flows.

11. In line with our commitments to reach to a globally fair and modern international tax system, we are in the final phase of delivering the G20/OECD Base Erosion and Profit Shifting (BEPS) Action Plan. The final package of all 15 action items is expected by October, and at our next meeting in Lima, we will review this package to submit it to our Leaders in Antalya. The effectiveness of the project will be determined by its widespread and consistent implementation. We will continue to work on an equal footing as we monitor the implementation of the BEPS project outcomes at the global level, in particular, the exchange of information on cross-border tax rulings. We call on the OECD to prepare a framework by early 2016 with the involvement of interested non-G20 countries and jurisdictions, particularly developing economies, on an equal footing. We welcome the efforts by the IMF, WBG, UN and OECD to provide appropriate technical assistance to interested developing economies in tackling the domestic resource mobilization challenges they face, including from BEPS. We continue to work to enhance the transparency of our tax systems, and reaffirm our previously agreed timelines for the implementation of automatic exchange of information. We reiterate our commitment to implement the G20 High-Level Principles on Beneficial Ownership Transparency and look forward to further progress on country implementation. We support the efforts made for strengthening non-G20 economies' engagement in the international tax area and welcome the decisions taken under the Addis Ababa Action Agenda on international cooperation on tax matters.

12. We reaffirm our commitment to promote an enabling global economic environment for developing countries as they pursue their sustainable development agendas, including by strengthening our policy dialogue. We welcome the positive outcomes of the Addis Ababa Conference on Financing for Development (FFD) and in support of them, we aim to scale up our technical assistance efforts to help developing countries build necessary institutional capacity, particularly in the areas specified in the Addis Ababa Action Agenda. We also look forward to a successful outcome of the UN Summit in New York for the adoption of the 2030 Agenda for Sustainable Development.

13. To support the climate change agenda of 2015, we welcome the Climate Finance Study Group (CFSG) report, take note of the inventory on climate funds developed by the OECD, and the toolkit developed by the OECD and the GEF to enhance access to adaptation finance by the low income and developing countries, especially those that are particularly vulnerable to the adverse effects of climate change. We recognize developed countries' ongoing efforts and call on them to continue to scale up climate finance in line with their commitments. We are working together to reach a positive and balanced outcome at the 21st Conference of Parties of the UNFCCC (COP 21). Based on the outcomes and towards the objectives of the COP21, CFSG will continue its work in 2016 by following the principles, provisions and objectives of the UNFCCC.

Annex
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Reports Received

We welcome the delivery of the following reports ahead of the G20 Finance Ministers and Central Bank Governors meeting, September 2015:

IMF Surveillance Note, September 2015

Fiscal Policy and Growth: Why, What and How, IMF/OECD Note, September 2015

G20/OECD Draft Report on G20 Investment Strategies, August 2015

OECD's Progress Note on G20 Country-Specific Investment Strategies, September 2015

IMF Note on Public Investment Efficiency in the G20, August 2015

Note on Action Plan for MDB Balance Sheet Optimization, August 2015

Policy Framework for Investment, OECD's Report to G20 Finance Ministers and Central Bank Governors, September 2015

Summary Report on Effective Approaches to Support Implementation of the G20/OECD High-Level Principles on Long-term Investment Financing by Institutional Investors, OECD's Report to G20 Finance Ministers and Central Bank Governors, September 2015

Regulation of Insurance Company and Pension Fund Investment, OECD's Report to G20 Finance Ministers and Central Bank Governors, September 2015

Mapping of Instruments and Incentives for Infrastructure Financing: A Taxonomy, OECD's Report to G20 Finance Ministers and Central Bank Governors, September 2015

Note on G20/OECD Singapore High-Level Roundtable on Institutional Investors and Long Term Investment, September 2015

Note on G20 – WBG Singapore Workshop on Project Prioritization and Preparation, August 2015

IMF/WBG Note on Integrating Islamic Finance into Global Finance, August 2015

Leveraging Islamic Finance for SMEs, Joint WB-IsDB G20 Islamic Finance Policy Paper, August 2015

Opportunities and Constraints of Market-Based Financing for SMEs, OECD's Report to G20 Finance Ministers and Central bank Governors, September 2015

G20/OECD High Level Principles on SME Financing, OECD Progress Report to G20 Finance Ministers and Central Bank Governors, September 2015

G20/OECD Principles of Corporate Governance, OECD Report to G20 Finance Ministers and Central Bank Governors, September 2015

Growth Companies, Access to Capital Markets and Corporate Governance, OECD Report to G20 Finance Ministers and Central Bank Governors, September 2015

Capital Market Instruments to Mobilize Institutional Investors to Infrastructure and SME Financing in Emerging Market Economies, WBG/IMF/OECD Report to G20 Finance Ministers and Central Bank Governors, August 2015

Global Infrastructure Hub Business Plan 2015-16, Global Infrastructure Hub, September 2015

World SME Forum Business Plan 2015-19, World SME Forum, August 2015

Towards a Framework for the Governance of Public Infrastructure, OECD Report to G20 Finance Ministers and Central Bank Governors, September 2015

PPP Guidelines: World Bank Group Infrastructure Deliverables, (Infrastructure Prioritization Toolkit; Report on Recommended PPP Contractual Provisions; Framework for Disclosure for PPP Projects; Partnering to Build a Better World: MDBs' Common Approaches to Supporting Infrastructure Development) WBG Reports to G20 Finance Ministers and Central Bank Governors, August 2015

WBG/OECD Project Checklist for PPPs, August 2015

Addressing Data Gaps in Long-Term Investment: An Agenda for Research, OECD's Report to G20 Finance Ministers and Central Bank Governors, September 2015

Overcoming Barriers to International Investment in Clean Energy, OECD Report to G20 Finance Ministers and Central Bank Governors, September 2015

Official Development Finance for Infrastructure/Support by Multilateral and Bilateral Development Partners, OECD Report to G20 Finance Ministers and Central Bank Governors, September 2015

PPP Days 2015 Summary, EBRD Report to G20 Finance Ministers and Central Bank Governors, August 2015

FSB's Ninth Progress Report on the Implementation of OTC Derivatives Reforms, July 2015

Comprehensive Progress Report on the CCP Work Plan, the FSB, BCBS, CPMI and IOSCO, September 2015

Report on Corporate Funding Structures and Incentives, the FSB, IMF, BIS, OECD, WBG, and IOSCO, August 2015

Sixth Progress Report on the Implementation of the G20 Data Gaps Initiative, the IMF and FSB, September 2015

Work on Foreign Currency Exposures, the IMF, BIS and FSB, August 2015

Update by the IMF and the OECD on Cooperation on Macro-prudential and Capital Flow Management Measures, September 2015

OECD Secretary-General Report to G20 Finance Ministers with its annexes (Reports on "Possible Tougher Incentives for the countries that fail to comply with the Global Forum standards on exchange of information on request" and "SMEs and Taxation"), September 2015

IMF Note on Inclusion of Enhanced Contractual Provisions in International Sovereign Bond Contracts Briefing for G20 Meeting, September 2015

Toolkit to Enhance Access to Adaptation Finance for Developing Countries that are Vulnerable to the Adverse Effects of Climate Change Including LIDCs, SIDs and African States, OECD in Collaboration with the GEF, August 2015

Climate Funds Inventory, OECD, August 2015

G20 Climate Finance Study Group Annual Report 2015

Issues for Further Action

We look forward to the assessment by the IMF of the global financial safety net architecture by early 2016.

We look forward to the finalization of the Joint Action Plan on SME Financing by the Investment and Infrastructure Working Group and the G20 Global Partnership for Financial Inclusion.

Supporting our endeavor to integrate the asset-based financing models into global finance, we ask the BCBS to collaborate with the relevant stakeholders to develop a proposal on options for modalities to promote a structured consultation mechanism.

Acknowledging the role of closing information gaps in financial stability, we welcome the significant progress through the Data Gaps Initiative and endorse the proposed recommendations for its second phase (DGI-2), and call on the IMF and FSB to report back to us on the progress of DGI-2 in the second half of 2016. We expect the IMF, FSB and BIS to take forward the work on data gaps on foreign currency exposures via the steps outlined in their report as part of the second phase of the Data Gaps Initiative.

In its report to be delivered in November 2015, we expect the FATF to inform us on the progress made on criminalizing terrorist financing and applying targeted financial sanctions related to terrorism and terrorist financing, and proposals to strengthen all counter-terrorism financing tools.

We call on the IMF, in consultation with other relevant parties, to continue to promote and monitor the progress on the implementation of the strengthened collective action and *pari passu* clauses, and to further explore market-based ways to speed up incorporation of such clauses to the outstanding stock of debt. We underline the need to strengthen information-sharing and transparency to ensure that debt sustainability assessments are based on comprehensive, objective and reliable data and call on the IMF and World Bank to address this issue as part of the forthcoming review of their joint Debt Sustainability Framework for Low-Income Countries.