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**DIRECTORATE GENERAL FOR INTERNAL POLICIES
POLICY DEPARTMENT A: ECONOMIC AND SCIENTIFIC POLICY**

**The European Union's Role in
International Economic Fora
Paper 1: The G20**

STUDY

Abstract

This paper forms part of a series of nine studies on the role of the European Union in international economic fora, prepared by Policy Department A at the request of the Committee on Economic and Monetary Affairs of the European Parliament. It provides factual background information about the G20, the EU's role and representation therein, its accountability as well as the coordination and impact thereof. The G20 has played a key role in measures taken to overcome the economic and financial crisis and promoted rules to prevent a repetition of such a crisis. The high compliance rate of the EU in implementing these commitments highlights the importance of the legally non-binding G20 commitments. Yet, the G20 is an informal international body where executives from officials' up to leaders' level meet. As a body G20 lacks meaningful accountability mechanisms. Moreover the EU can hardly be held to account for its action at the G20 level. This study provides a thorough analysis of the G20 and EU's action at the G20 level. It sets out the EU legal framework for the participation of the EU and its Member States in the G20. In applying a two-tier accountability framework it identifies accountability gaps and concludes with policy recommendations.

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LIST OF ABBREVIATIONS

- ASEAN** Association of Southeast Asian Nations
- BCBS** Basel Committee on Banking Supervision
- CFSP** Common Foreign and Security Policy
- ECB** European Central Bank
- ECJ** Court of Justice of the European Union
- EEAS** European External Action Service
- EFC** Economic and Financial Committee
- EP** European Parliament
- EU** European Union
- FSB** Financial Stability Board
- FSF** Financial Stability Forum
- HR** High Representative of the Union for Foreign Affairs and Security
- ILA** International Law Association
- IMF** International Monetary Fund
- IO's** International Organisations
- IOSCO** International Organization of Securities Commissions
- NGO** Non-Governmental Organisation
- OECD** Organisation for Economic Co-operation and Development
- SCIMF** Sub-committee on IMF-related issues
- TEU** Treaty on European Union
- TFEU** Treaty on the Functioning of the European Union
- UN** United Nations
- WB** World Bank
- WTO** World Trade Organisation

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EXECUTIVE SUMMARY

The Group of 20 (G20) was established in 1999 in the aftermath of the East Asian financial crisis as a forum of Finance Ministers and Central Bank Governors. The aim of the newly created platform was to "broaden the dialogue on key economic and financial policy issues among systemically significant economies and promote co-operation to achieve stable and sustainable world economic growth that benefits all". In 2008, the G20 was elevated to the level of Heads of State or Government and invested with an important task to tackle the burgeoning financial crisis. Shortly thereafter in 2009 the G20 self-proclaimed itself as a "premier forum for international economic cooperation" (G20 2009b: para 19).

Organisation of the G20

G20 consists of 20 formal members, who together represent around 90% of global GDP, 80% of global trade and approximately 2/3 of the world's population. For the G20 members, these figures represent a heavy "economic weight" and are considered to warrant the so-called "input" legitimacy.

The membership in the G20 is exclusive, i.e. rules for admitting new members do not exist. However, a practice has been established of inviting selected international organisations and guest countries to participate in meetings as so-called outreach participants. Notwithstanding this, the fact that G20 permanently excludes more than 170 countries causes "representational illegitimacy". The "Illegitimacy" argument is further supported by the fact that G20 agenda-setting and decision-making is largely dominated by the "executives". Involvement of external stakeholders in the process, particularly with regard to domestic institutions (national parliaments) and non-governmental organisations, is rather weak.

From the outset the G20 has operated as an informal forum of states without any legal foundation, stable procedural rules and a permanent secretariat. Yet, despite huge criticism of the informal character of the G20, the member countries positively refer to the "power of informality". Due to the informality, consensus on global issues is allegedly reached "quickly, flexibly and effectively" (Cameron 2011: 14).

The working of the G20 boils down to a series of (closed) meetings, with the leader's summit at the apex of the meetings hierarchy. After the summits, a list of commitments to be followed, along with action plans and other strategic documents, is published. Commitments are approved by consensus, whereby all G20 members are equal in casting a veto. Commitments are of varying nature and precision, apart from prescribing different time horizons to be met. There is also huge heterogeneity in the implementation of the commitments by the G20 member countries.

Due to the lack of in-house expertise, own financial resources and enforcement capacity, the G20 is dependent on the expertise of numerous international organisations and standard-setting bodies to develop and implement G20 commitments. This relationship between the latter and the G20 can be described as complementary, whereby both institutions reinforce each other. On the one hand, the G20 generates political support for the activities of international organisations; on the other hand, these bodies provide expertise, implement and monitor the G20 commitments.

The EU enjoys the status of permanent (formal) member in the G20. For the Leaders' Summits, the President of the European Commission and the European Council form the single delegation to represent the European Union.

Legal framework for EU's participation in the G20

The participation of the EU in the G20 is governed by primary and secondary Union law. The general right for the EU to exercise a formal role in international organisations or bodies such as the G20 follows from its legal personality, as accorded by Article 47 TEU. In order to act at the international level, the EU must have the competence to act conferred upon it by the Lisbon Treaty. These can be an exclusive or shared competence, which is explicitly listed or implied in the Treaties. Whenever an external Union competence is found in the Treaties or implicitly deduced from them, the EU has the right to act at the international level.

The question of the competence to act has to be distinguished from the institution that represents the EU at the international level. In general, the European Commission represents the EU. However, in matters concerning the CFSP it is the High Representative for Foreign Affairs and Security Policy who represents the EU at ministerial level and the President of the European Council who represents the EU at the level of Heads of Governments and States. Furthermore, in matters concerning monetary policy, the EU is represented by the ECB. In particular, the double representation by the two presidents on the G20 leaders' level has been identified as an anomaly that potentially complicates the identification of the adequate representative for the respective G20 topic.

This complexity is increased by the presence of the four permanent G20 EU Member States (France, Germany, Italy and the UK = EU4), which legally speaking have the full capacity to represent their interests in all areas discussed by the G20. The internal division of competences between the EU and its Member States prescribed by the Lisbon Treaty does not limit the capacity of sovereign Member States to act internationally. As a result, EU action in the G20 is generally characterized by a multitude of individual decisions that attempt to project a common position of the EU and its Member States.

This leads to the legal framework set by the Treaties for Member States' action at international level. Under the principle of sincere cooperation, as enshrined in Article 4(3) TEU, Member States still have the capacity to act internationally. They are, however, bound by a standstill obligation in foreign affairs in situations covered by Union competences. Here one has to distinguish in accordance with the nature of the competence. First, where G20 topics fall within the scope of exclusive EU external competences, the EU4 are prevented from taking any individual position in the G20. Second, in areas of shared competences, unilateral action of the EU4 might be pre-empted, if the EU has already exercised its competence. Third, in areas where the EU4 have in fact retained competences, they are precluded from acting in the G20 in a way that compromises EU objectives. Fourth, the EU4 are in any case under an obligation to cooperate closely with the EU in all aspects of their participation in the G20.

Finally, it is important to remember that the ECJ decided that Member States have to abstain from acting internationally where the EU has taken action with a view to adopting a concerted strategy on the matter. The existence of such a strategy is to be assumed where Member States have discussed the particular question in the Council and arrived at a common position. A concerted strategy can be triggered by a Commission proposal to the Council and does not require a formal vote in the Council.

Accountability of the G20 and of EU's participation in the G20

The fact that the G20 in a formal legal sense does not qualify as an international organization and, moreover, does not feature formal decision-making procedures that result in legally binding acts, should not be mistaken as a sign of a lack of authority and influence. By means of committing the member countries and the EU to a particular course of action and through the subsequent compliance by the G20 members, the G20 engages in 'informal international lawmaking' at the international level. In doing so this informal international body fills a gap in global economic and financial governance, as the gradual denationalization of public policy-making has not been matched by adequate formal institutions and decision making structures. This role of the G20, which has become particularly prevailing in the recent global economic and financial crisis, has brought the attention to (an observed lack of) democratic legitimacy and accountability of this body and its participating members for their role therein, including the European Union.

Zooming in on accountability it is argued in this study that accountability essentially boils down to mechanisms ensuring that a body engaging de jure or de facto in the exercise of public power or public policy-making is subject to continuous control and evaluation of its performance, and moreover can face consequences in case of bad performance or undesired behaviour. A systematic study of accountability that avoids clichés requires an analytical framework that allows taking into account all aspects contributing to accountability. To this end the present study introduces a two-tier accountability framework, introducing a basic distinction between aspects that facilitate the exercise of continuous control and to pass a judgment on performance (foundations of accountability), and aspects that allow assigning consequences to this judgment (instrument of accountability). By means of this differentiation it becomes *inter alia* clear that while a high degree of transparency, e.g. through publications, forms an important foundation of accountability, it cannot function as an accountability instrument.

From applying the two-tier accountability it becomes clear that the G20 as a body suffers from a serious accountability deficit on almost all accounts. This can be traced back to its informal nature, lacking a legal basis/statute, as well as a formalized institutional structures and decision making procedures. What is more, it is rather ambiguous which party would be charged with holding the G20 to account. Most importantly, it cannot be seen how any accountability arrangements at the level of the G20 members (national/EU level), even when considered jointly, could amount to a collective accountability of the G20. For the latter to be effectively provided for in the future, it would be necessary to strengthen the G20 as a 'body' essentially by its institutionalization (juridification). Yet, this could come at the expense of the effectiveness and flexibility of today's G20, namely in times of crisis.

Applying the two-tier accountability to the EU's action in the G20 shows that the Union's accountability is precarious. Whilst the objectives defined by primary and secondary EU law constitute a clear yardstick, the access to information for the European Parliament as the forum that holds the EU to account for its activities in the G20 is very limited. There is no permanent exchange of information between the Union institutions and the EP, which is not based on the initiative of single MEPs. Furthermore, as regards instruments of accountability, the strongest means for the EP is to override a Commission proposal for a legal act that aims at implementing the G20 commitments during the legislative procedure. This constitutes an effective *ex post* influence. There is, however, no formal *ex ante* influence of the EP on policy choices made by the Union institutions. Yet, the EU legal framework has room for setting up a mechanism that grants the EP an *ex ante* influence.

1. INTRODUCTION

This study examines the role of the European Union (EU) and its Member States in the Group of Twenty (hereinafter the G20). Particular emphasis is put on the (democratic) accountability of G20 as a collective body and of the Union participating in this body.

Hereafter, section 2 provides concise information on the institutional environment of the G20, highlighting where relevant the representation and the role of the EU. Section 3 turns to the depiction of the EU legal framework governing the role of the EU (participants) and the practice of the coordination of EU's and Member States' action in the G20 and the level and impact of EU participation. Thereafter, section 4 conceptualizes the (democratic) accountability of informal international bodies, mainly by briefly examining the role of informal international bodies in (economic) policy making, by explaining the need for the accountability of such bodies given their de facto exercise of public power, and by developing a two-tier accountability framework that will be applied subsequently to evaluate the G20 and the role of the EU and its Member States therein. Section 5 turns to an analysis of strengths, weaknesses, opportunities, threats ('SWOT') for the EU and the Member States regarding the current situation in G20 and of possible alternative approaches. Finally, section 6 concludes and gives policy recommendations for an improved framework at the G20 and EU level, which *inter alia* could enhance the EU role in the G20, while at the same time ensuring adequate levels of (democratic) accountability.

2. ORGANISATION OF THE G20

Legal status and the history of establishment of the G20

2.1.1. How was the G20 established?

The Mexican peso crisis of 1994 and the East Asian financial crisis of the late 1990s and their later spreads to other emerging economies (Russia and Latin America) proved that the G7 was not able to effectively respond to the challenges of a global economy (G20 2008b: 9; Kirton 2000: 153). As a result, there was a growing understanding that dealing with global implications of the crises requires a more representative forum than G7 (Callaghan 2013a: 4). In September 1999, G7 Finance Ministers and Central Bank Governors proposed therefore "to broaden the dialogue on key economic and financial policy issues among systemically significant economies and promote co-operation to achieve stable and sustainable world economic growth that benefits all" (G20 2008b: 8). They subsequently invited their "counterparts from a number of systemically important countries from regions around the world" to a meeting in Berlin in December 1999 (G20 2008b: 5). As such the Berlin meeting marked the official birth of what became known as the G20 – an informal forum bringing around the table Finance Ministers and Central Bank Governors from important industrialized and emerging economies with the purpose to better coordinate global economic policies (G20 2008b: 5). For some, the establishment of the G20 marked a paradigm or "tectonic" shift from a system of international cooperation based on hegemony of the most advanced economies (G7/G8), to a system of more diverse membership reflecting the increased role of emerging countries in the global economy (G20 2008b: 9; Beeson & Bell 2009: 68).

In the period 1999-2008, the most important gatherings within the G20 were annual meetings of Finance Ministers and Central Bank Governors. While the meetings were deemed useful by participants, they did not attract considerable public attention (Callaghan 2013a: 4) in particular after the sense of urgency related to the crisis in the late 1990s faded away (Debaere et al. 2014: 8). The special meeting of the G20 held in Washington in November 2008 constituted the turning point in the history of the G20. The Washington gathering was for the first time elevated to the level of Heads of State or Government² (the highest level of political representation) and vested with the important task to tackle the burgeoning financial crisis (Kirton 2008). The meeting was officially named the G20 Special Leaders' Summit on Financial Markets and the World Economy³. As the Washington Summit and subsequent London Summit in the view of those involved had proven the G20's added-value as a "crisis committee" or a "crisis beaker" (Cooper 2010: 741), the leaders announced in 2009 that this group would replace the G7/8 as a main global economic governance executive or "premier forum for international economic cooperation" (G20 2009b: para 19). As a result of these amendments, since 2008, the G20 Summits of Heads of State

¹ The G7 comprises Canada, France, Germany, Italy, Japan, the United Kingdom, the United States plus the European Union. If Russia is counted then the group extends to G8. For more information on G7/G8 see <http://www.g8.utoronto.ca/> (accessed on February 25, 2015).

² The idea to launch the G20 meeting at the level of Heads of State or Government in 2008 was not new. Some first suggestions with that respect have already been given in the mid-2000s (Bradford & Linn 2004: 2; Martin 2004). A final impetus to create the G20 Summit with a heavy political weight was given by the financial crisis and political pressure exerted by the EU delegation in Washington in October 2008. The delegation of the French President N. Sarkozy and the European Commission President J. Barroso equipped with a mandate from the European Council was important as it paved the way for the G20 Summit in Washington in November 2008, which forged the basis for a next crucial summit in London in April 2009 (Hodson 2011: 6).

³ The Washington Summit in 2008 was the only summit with a special title (the G20 Special Leaders' Summit on Financial Markets and the World Economy in Washington). All subsequent summits were named after the hosting city.

or Government have been organized in addition to G20 meetings of Finance Ministers and Central Bank Governors. The Finance Ministers and Governors continue to meet mainly in order to prepare the Summits and implement leaders' commitments (Henley & Blokker 2013: 22).

A general observation from this concise historical sketch is that both creation and upgrade of the G20 to the Leaders' Summit was due to the crisis circumstances. Currently, however, the role of the G20 appears to evolve from providing a forum for the immediate international response to the global financial crisis to a forum for international cooperation in multiple policy areas, in other words from a "crisis committee" to a "steering committee" (Cooper 2010).

2.1.2. Legal status of the G20

G20 is not an international organisation in the sense of the definition provided by the International Law Association (ILA). According to the ILA, an international organisation is "created under international law by an international agreement amongst States, possessing a constitution and organs separate from its Member States" (International Law Association 2004: 4).

The G20 is disqualified as an international organisation since it operates as an informal forum of states without any legal foundation and a permanent secretariat (Nasra & Debaere 2012: 4). According to Wouters & Ramopoulos (2012: 14), G20 is better characterized as a "club" or a "network". The reason for this being that the G20 is not governed, or constrained, by a constitutional charter. Neither do predetermined membership criteria or decision-making procedures apply, nor does the G20 feature a dispute resolution mechanism. Decisions (in a non-technical sense) are in principle reached through mutual agreement in what has been described as by diplomatic means in a culture of reciprocity and trust (Wouters & Ramopoulos 2012: 14). Due to the lack of legal anchoring, the G20 has been also characterised as a de facto international forum with a special agenda of discussion (Giovannini et al. 2012: 17).

Despite some criticism of the informal character of the G20 (Vestergaard 2011; Vestergaard & Wade 2012; Der Spiegel 2010, Åslund 2009), the UK Prime Minister – David Cameron – in his report to the G20 Cannes Summit positively referred to the G20's "power of informality". Due to the informality, consensus on global issues is reached "quickly, flexibly and effectively" (Cameron 2011: 14). The G20 Leaders welcomed Cameron's report and mentioned it explicitly in the Cannes Summit Declaration (G20 2011a: para 90). In the same Declaration they subsequently highlighted that G20 is "a Leader-led and informal group and it should remain so" (para 91) thereby, at that time, implicitly rebuffing the proposal to institutionalize the G20 (Wouters & Ramopoulos 2012: 23)⁴. At the same, as will be discussed in section 4 hereafter, this aura of informality arguably constitutes a major challenge for the accountability of the G20 as a body, as well as the individual participants, including namely the EU.

Objectives and mission statements of the G20

The G20 was created with broad and open-ended agenda and namely as "a new mechanism for informal dialogue in the framework of the Bretton Woods institutional system, to broaden the discussions on key economic and financial policy issues among systemically significant economies and promote co-operation to achieve stable and sustainable world

⁴ For proposals of the institutionalization and reform of the G20 see, for instance, Subacchi & Pickford 2011; Vestergaard 2011; Vestergaard & Wade 2012.

economic growth that benefits all" (G20 1999: para 2). The G20's mandate encompasses therefore both financial stability concerns and long-term growth related issues. However, according to Paul Martin – the first chair of G20 – "there is virtually no major aspects of the global economy or international financial system that will be outside of the groups' purview" (G20 2008b: 28).

During the 2009 Pittsburgh gathering leaders upgraded the G20 to the "premier forum for international economic cooperation" (G20 2009b: 19), replacing G7 as a main global governance forum. The ultimate objectives of the premier forum are not well defined, however (Angeloni & Pisani-Ferry 2012: 13; Callaghan 2013b: 3). Put differently, a single authoritative document stating the G20's uniform objectives and/or aims in a clear manner is missing (see also section 4.4.1. on the impact this has on accountability). This is highlighted by the various descriptions of the broad G20 objectives by subsequent presidencies. For instance, according to the Russian presidency in 2013, the G20 broad objectives were as follows: (1) "policy coordination between its members in order to achieve global economic stability, sustainable growth"⁵; (2) "promoting financial regulations that reduce risks and prevent future financial crises"; (3) "modernizing international financial architecture". The Turkish presidency in 2015 lists the following general purpose of the G20: "to strengthen the global economy, reform international financial institutions, improve financial regulation and implement the key economic reforms that are needed in each member economy" (G20 2015a).

If at all, what arguably can be interpreted a common denominator is the promotion of financial stability and sustainable economic growth. This view is confirmed by a study of the priority areas formulated by the G20 in documents issued after the summits. Table 1 summarizes the major priorities for all presidencies from 2008 to 2015. Noticeable is an expansion of the priorities over time and shift from financial regulation reforms to issues concerning balanced economic growth, corruption, climate change, development issues etc.

Table 1. Priorities of all summits (presidencies) between 2008 and 2015

Summit	Date	Major priorities
Washington	November 2008	<ul style="list-style-type: none"> • Financial reform • International financial institutions • Commitment to an open global economy
London	April 2009	<ul style="list-style-type: none"> • Global fiscal and monetary stimulus • Financial reform • International financial institutions (strengthening of the resources available) • Resisting protectionism and promoting global trade • Development issues
Pittsburgh	September 2009	<ul style="list-style-type: none"> • Framework for Strong, Sustainable and

⁵ With respect to the "policy coordination between [the G20] members in order to achieve global economic stability, sustainable growth", it is important to mention the so-called Framework for Strong, Sustainable, and Balanced Growth, which was launched during the Pittsburgh Summit (Callaghan 2013b: 3). The aim of this framework is to reassure that "fiscal, monetary, trade, and structural policies are collectively consistent" with the objectives which are set out to achieve sustainable and balanced growth. At the same time it has been observed that the framework allows for flexibility of objectives, which "should be updated as conditions evolve" (G20 2009b: para 6).

Summit	Date	Major priorities
		<p>Balanced Growth</p> <ul style="list-style-type: none"> • Financial reform • International financial institutions • Trade issues and protectionism • For the first time considerable broadening of the agenda: energy security, climate change, development issues, jobs quality • G20 governance
Toronto	June 2010	<ul style="list-style-type: none"> • Framework for Strong, Sustainable and Balanced Growth • Financial reform • Fighting protectionism and promoting trade • Sustainability of public finance • Fight against corruption, green growth, energy subsidies, development issues
Seoul	November 2010	<ul style="list-style-type: none"> • Framework for Strong, Sustainable and Balanced Growth • Financial reform • Trade issues • Financial safety nets • International financial institutions (reform of IMF governance) • Development issues, tackling corruption, climate change
Cannes	November 2011	<ul style="list-style-type: none"> • Framework for Strong, Sustainable and Balanced Growth/A global strategy for growth and jobs • Financial reform • Reform of international monetary system (management of capital flows, principles for cooperation between the IMF and regional financial arrangements) • Multilateral trading system • Development issues, fight against climate change and corruption, volatility of commodity prices • G20 governance
Los Cabos	June 2012	<ul style="list-style-type: none"> • Framework for Strong, Sustainable and Balanced Growth/Growth and Jobs Action Plan • Financial reform and financial inclusion • International financial architecture • Trade issues • Development issues, infrastructure, food security and commodity price volatility • Green growth, climate change, fight against

Summit	Date	Major priorities
		corruption
St. Petersburg	September 2013	<ul style="list-style-type: none"> • Framework for Strong, Sustainable and Balanced Growth/St Petersburg Action Plan • Growth through quality jobs and investment • Financial reform and financial inclusion • International financial architecture • Multilateral trade • Tackling tax avoidance, evasion • Development issues, food security, infrastructure, green growth, sustainable energy policy, resilience of global commodity markets, fight against climate change and corruption • Accountability assessment
Brisbane	November 2014	<ul style="list-style-type: none"> • Framework for Strong, Sustainable and Balanced Growth/Brisbane Action Plan • Financial reform • International financial architecture • Trade issues • Tax avoidance, evasion • Development issues, infrastructure, remittances • Gender inequality, reducing youth unemployment • Fight against climate change and corruption • Resilient energy markets • Accountability assessment
Antalya	November 2015	<p>Broad priorities for 2015:</p> <ul style="list-style-type: none"> • Strengthening the Global Recovery and Lifting the Potential • Enhancing resilience • Buttressing sustainability

Source: Angeloni & Pisani-Ferry 2012: 13-14; G20 2008a; G20 2009a; G20 2009b; G20 2010a; G20 2010b; G20 2011b; G20 2012; G20 2013; G20 2014c.

Governance structure of the G20

2.1.3. Participation and Membership

On a regular basis G20 gathers Heads of State or Government, Finance Ministers, Central Bank Governors, Deputies Finance Ministers, Senior Central Bank Officials, Sherpas and sous-Sherpas (leaders' personal representatives (Debaere & Orbis 2013: 22)) of the 19 "most significant" countries in the world, plus the European Union. Overall these members represent around 90% of global GDP, 80% of global trade, 84% of all fossil fuel emission and approximately 2/3 of the world's population,⁶ but only 10% of total number of countries (Van Ham 2012: 1).

If the EU Member States represented indirectly by the EU officials are excluded, the G20 accounts for 77% of global GDP, 60% of trade, and 62% of world population (Vestergaard & Wade 2012: 260). According to Nolle (2014: 4), the G20 countries are particularly dominant when it comes to aggregates of the financial markets. In 2012, the G20 members "accounted for 90% of world banking system, 81% of global market capitalization, and 94% of global bond markets" (Noelle 2014: 4). For the G20 members, these figures, which represent a heavy "economic weight", warrant the so-called "input" legitimacy (Vestergaard & Wade 2012: 260) (see also section 4).

When the G7 countries were selecting 20 original members of G20, the following five informal criteria played the most crucial role: (1) "countries had to be systematically important", (2) "they had the ability to contribute to global economic and financial stability", (3) the group was supposed to be "broadly representative of the global economy", (4) the group needed to be "regionally balanced", and (5) the group should be small in order to "foster close working relationship and raise the level of trust among its members" (G20 2008b: 20). Consequently, membership did not depend purely on economic criteria. Geopolitical considerations were also taken into account in order to achieve a "regionally balanced" international forum.

It has been observed that this lack of formal criteria for membership highlights a considerable degree of informality of the G20 (Wouters & Geraets 2012: 6). At the same time this informality has also been described as causing "representational illegitimacy" (Vestergaard 2011: 26). Notice the discrepancy between "representational illegitimacy", on the one hand, and "input" legitimacy stemming from the "economic weight" of the G20 members, on the other hand.

The membership in the G20 is exclusive (Jokela 2011: 8), i.e. membership is fixed and rules for admitting new members do not exist. However, the G20 has established a practice of inviting selected international organisations (IO's) and non-Member States (guest countries) to participate in meetings as so-called outreach participants. According to Henley and Blokker (2013, p.15), a status of outreach participant mirrors "the practice of granting 'observer status' to non-members in international organisations". Invitations to outreach participants are issued by the acting presidency, after consulting and getting consent from the other G20 members (Jin-seo 2010).

Overall, there are three categories of attendees at the G20 meetings:

Formal (permanent) members: 19 original member countries (i.e. Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, South Korea, Mexico, Russia, Saudi Arabia, South Africa, Turkey, the United Kingdom, and the United States) plus the European Union;

⁶ The numbers are extracted from <http://www.oecd.org/g20/> (accessed on March 20, 2015).

IO's and international bodies (consensus seems to emerge to invite chairs/directors/presidents of the following organisations: Financial Stability Board (FSB), International Labour Organization (ILO), International Monetary Fund (IMF), Organisation for Economic Co-operation and Development (OECD), United Nations (UN), World Bank (WB) and World Trade Organization (WTO));

Guest countries (invited on an ad hoc basis, however some standing invitations started to emerge, e.g. Spain⁷ referred to as a "permanent invitee", two African countries chairing the African Union and New Partnership for Africa's Development as well as chairs of Association of Southeast Asian Nations (ASEAN) and Global Governance Group.

Under the Korean chair in 2010, some principles on the outreach participation of guest countries were established. According to the Seoul Summit Document (G20 2010c: para 74), the number of guest countries should not exceed five, of which a minimum two should be African countries. Yet, with the exception of the French presidency, all presidencies have deviated from this rule, as the number of guest countries amounted to six (see table 2). At the same time the principle of inviting at least two African countries has been upheld.

In fact, due to the amendments concerning outreach participation, the G20 comprises 20 formal members, 5-6 guest countries and seven IO's/international bodies. This results in a total number of 32-33 "members". The name of the group "G20" is preserved, however, as a round number is considered to provide a sense of finality and is consistent with the number of formal members (G20 2008b: 22). Table 2 shows the outreach participants to the leaders' summits since their outset in 2008.

Table 2. Outreach participants in the leaders' summits since 2008

Summit	Date	Outreach participants
Washington	November 2008	<ul style="list-style-type: none"> • <i>IOs & bodies:</i> Financial Stability Forum (converted to FSB in 2009), IMF, UN and WB • <i>Guest countries:</i> the Netherlands and Spain
London	April 2009	<ul style="list-style-type: none"> • <i>IOs & bodies:</i> Financial Stability Forum (now FSB), IMF, UN, WB and WTO • <i>Guest countries:</i> Ethiopia, the Netherlands, Spain and Thailand
Pittsburgh	September 2009	<ul style="list-style-type: none"> • <i>IOs & bodies:</i> Asia-Pacific Economic Cooperation, Financial Stability Forum (now FSB), IMF, UN, WB and WTO • <i>Guest countries:</i> Ethiopia, the Netherlands, Spain and Thailand
Toronto	June 2010	<ul style="list-style-type: none"> • <i>IOs & bodies:</i> FSB, ILO, IMF, OECD, UN, WB and WTO • <i>Guest countries:</i> Ethiopia, Malawi, the Netherlands, Spain and Vietnam.
Seoul	November 2010	<ul style="list-style-type: none"> • <i>IOs & bodies:</i> FSB, ILO, IMF, OECD, UN, WB and WTO • <i>Guest countries:</i> Ethiopia, Malawi, Singapore,

⁷ Since Spain is the only guest country to make policy declarations similar to those of formal members, some perceive Spain as a *de facto* member of the G20 (Henley & Blokker 2013: 19).

Summit	Date	Outreach participants
		Spain and Vietnam
Cannes	November 2011	<ul style="list-style-type: none"> • <i>IOs & bodies:</i> Basel Committee on Banking Supervision (BCBS), FSB, ILO, IMF, OECD, UN, WB and WTO • <i>Guest countries:</i> Equatorial Guinea, Ethiopia, Singapore, United Arab Emirates and Spain
Los Cabos	June 2012	<ul style="list-style-type: none"> • <i>IOs & bodies:</i> FSB, Food and Agriculture Organization (FAO), ILO, IMF, OECD, UN, WB and WTO • <i>Guest countries:</i> Benin, Cambodia, Chile, Colombia, Ethiopia and Spain
St. Petersburg	September 2013	<ul style="list-style-type: none"> • <i>IOs & bodies:</i> FSB, ILO, IMF, OECD, UN, WB and WTO • <i>Guest countries:</i> Brunei Darussalam, Ethiopia, Kazakhstan, Senegal, Singapore and Spain
Brisbane	November 2014	<ul style="list-style-type: none"> • <i>IOs & bodies:</i> FSB, ILO, IMF, OECD, UN, WB and WTO • <i>Guest countries:</i> Mauritania, Myanmar, New Zealand, Senegal, Singapore and Spain
Antalya	November 2015	<ul style="list-style-type: none"> • <i>IOs & bodies:</i> FSB, ILO, IMF, OECD, UN, WB and WTO • <i>Guest countries:</i> Azerbaijan, Malaysia, Singapore and Spain + two African countries

Source: G20 Research Group 2008; G20 Research Group 2010; G20 2013b: 11; G20 2014c: 12; G20 2014d; Eun 2013; French Embassy in Canada 2011; Jin-seo 2010; SAFPI 2012.⁸

2.1.4. Governance structure, bodies involved in the decision making process

After two years of chairing the G20 (1999-2001) by Canada, a consensus was reached that the G20's chair/presidency would rotate annually among the members and in accordance with principles, which guide the selection of prospective chairs (G20 2008b: 22). For this purpose the 19 G20 member countries have been divided into five groups (see table 3), whereby the chair/presidency is always held in sequence by one country of a given group (G20 2008b: 22). For instance, in the period 2001-2006, the presidency was held subsequently by Canada (Group one) in 2001, India (Group two) in 2002, Mexico (Group three) in 2003, Germany (Group four) in 2004, China (Group five) in 2005, and Australia (again Group one) in 2006. There were some deviations from this orderly sequence at the height of the global economic and financial crisis, when the United States did not only organised a summit in Washington in 2008, but also in Pittsburgh in 2009, the same year in which a summit was held in London. Moreover, in 2010 both Toronto and Seoul hosted summits. Also countries from Group one – Russia (2013) and Turkey (2015) – have been chairing the

⁸ It should be noted that different to what is suggested in Table 2, in the opinion of the authors of the present study, FSB cannot be formally characterised as an international organisation, but rather constitutes an international body.

G20 more often in a recent period. Currently the broad rule is not to grant the presidency to countries from the same group in two subsequent years. A return to the stringent system of rotating is scheduled for after 2015, when the country from Group five, i.e. China, will be chairing the G20 (G20 2011a: para 94).

It should be stressed in this context that the European Union is the only formal G20 member, which is not included in the chair/presidency rotation.

Table 3. Country groups for rotating presidency

Group One	Group Two	Group Three	Group Four	Group Five
Australia (2014)	India	Argentina	France (2011)	China (2016)
Canada (2010)	Russia (2013)	Brazil	Germany	Indonesia
Saudi Arabia	South Africa	Mexico (2012)	Italy	Japan
United States (2008, 2009)	Turkey (2015)		United Kingdom (2009)	Korea (2010)

Source: G20 2008b: 130.

As to agenda-setting it has to be first of all noticed that G20 operates without a permanent secretariat or staff⁹ (Wouters & Geraets 2012: 9). Moreover, besides the G20 policy manual (G20 2008: 23), an internal document that is not available publicly, an established set of procedural rules does not exist.

In practice, while all G20 members provide input into the development of the annual G20 program, the chairing country takes the lead in the agenda-setting process. The acting chair/presidency establishes a temporary secretariat or steering committee (Çanacki 2013), which coordinates the G20's operations and arranges its meetings (Wouters & Geraets 2012: 10). The acting chair takes part in a "revolving three-member management group of past, present and future chairs", the so called "Troika", which is supposed to "ensure continuity in the G20's work and management across years" (Wouters & Geraets 2012: 10). Nonetheless, it should be noted that there are limits to what extent the agenda can be influenced and shaped by the chairing country. In fact it has been observed that approx. 60-70% of the agenda is somewhat predetermined, relating to macroeconomic issues, international financial institution, regulation and supervision (Se-jeong 2010).

The agenda-setting process starts with two meetings some months in advance of the meeting of the G20 Finance Ministers and Central Bank Governors in February (Wouters & Geraets 2012: 10). During the first meeting, the chairing country hosts the Deputy Finance Ministers and senior central bank officials. In this first meeting the agenda and work program for the G20 "Finance Track" is discussed. The Finance Track provides inputs on (1) framework for strong, sustainable and balanced growth, (2) international financial architecture reform, (3) financial regulation, and (4) financing for long-term investment/international tax items (Çanacki 2013). The second meeting gathers Sherpas who discuss the presidency's priorities, the work program and notably issues from the "Sherpas' Track" such as: (1) employment, (2) energy, (3) development, (4) trade, and (5) anti-corruption (G20 2015d). Although extensive discussions are conducted in these two meet-

⁹ There is a concern that the institutionalisation of a permanent secretariat would lead to the G20 usurpation of the UN (Alexandroff et al. 2010). For that reason, some proposal were made on a cyber or virtual secretariat, where issues would be discussed on-line.

ings, the chairing country will have the final say in the adoption of the agenda (Wouters & Ramopoulos 2012: 16).

After these initial agenda-setting meetings, the work and agenda-setting activities continue to be organised broadly within two aforementioned tracks, i.e. (1) the "Finance Track" and (2) the "Sherpas' Track".

Within the "Finance Track", after the initial meeting of the Deputies¹⁰, the agenda is further influenced during the gatherings of Finance Ministers and Central Bank Governors¹¹ (hereinafter "ministerials") under the leadership of the chairing/presidency country. "Ministerials" are crucial, as they prepare the agenda for the leaders' summits and subsequently implement the agreements reached at previous summits. From 2008, a convention has been developed whereby "ministerials" are subordinated and to some extent directed by the leaders' summit.¹² As far as official documents are concerned, "ministerials" present a "communiqué" or a "declaration" (rarely a "statement"), in which they specify the progress made and the future course of action.

Within the "Sherpas' Track" several meetings are held during the year, in which Sherpas deliberate on political non-financial issues. However, the Sherpas' responsibilities go beyond these meetings. For instance, Sherpas are "tasked by their leaders to negotiate the summits documents on their behalf" (G20 2015b). They are also involved in the testing of ideas for reforms and in forging consensus at the top political level. Yet, no official documents are released after the Sherpas' meeting. This is contrary to the "ministerials", after which "communiqués" or other types of documents are issued.

Both the "Finance" and "Sherpas" tracks benefit from a technical analysis, assistance and recommendations of working groups and task forces, which are held on specific thematic issues (G20 2015c). These working groups and task forces gather officials (from relevant ministries) nominated by their respective governments. Delegates from the guest countries, international organisations and engagement groups also participate in these fora (see section 2.5 for details). These meetings are typically co-chaired by representatives from one advanced and one emerging economy of the G20 (G20 2015c).

Different or additional participants – particularly relevant ministers – attend the more recently-instituted sectorial "ministerials", such as: (1) G20 Meetings of Labour and Employment Ministers, (2) Meetings of G20 Trade Ministers, G20 Meetings of Agriculture Ministers and informal G20 Meetings of Foreign Ministers. Detailed information on the participation in this kind of meetings is scant, however. According to Wouters and Geraets (2012, p. 8), this "proliferation of sectorial ministerial meetings indicates the broadening of the G20 and increases the degree of informality within G20 setting".

It should be noted that Heads of State or Government, ministers, central bankers and other officials representing their country in the G20 gatherings act on behalf of their constituencies (Wouters & Geraets 2012: 22). Therefore, the mandate and instruction of the participating representatives are determined by member countries.

Overall, the annual G20 program boils down to a series of deputies', Finance Ministers and Central Bank Governors, working group/task forces and sectorial "ministerial" meetings¹³

¹⁰ The Finance Deputies meet quite regularly, usually prior to the Finance Ministers and Central Bank Governors' meetings.

¹¹ The Finance Ministers and Central Bank Governors meet bi-annually and, moreover, also during the IMF-World Bank Spring and Annual Meetings.

¹² Note that the "ministerials" were the most important meetings from all gatherings organised within the G20 framework before 2008, when the G20 was upgraded to the leaders' level. See section 2.1.1.

¹³ In 2013, there were 65 gatherings organised under the G20 umbrella. In 2014, there were almost 70 meetings. It amounts to more than one meeting per week. See <http://en.g20russia.ru/> section 'Program' (accessed on February 23, 2015).

that work towards the leader's summit held at the end of each year (usually November).¹⁴ Similar to what has been observed for the "ministerials", after the summits a "communiqué" or "declaration" (or rarely a "statement") is published, comprising a list of commitments to be followed, along with action plans and other strategic documents (see section 2.6).

It has to be noted that the G20 engages in what Eccleston et al. (2015) describe as "network relationships" with "a broad array of international organisations, technical agencies and networks." Due to the lack of in-house expertise and own financial resources, the G20 is "generally highly dependent on the inputs, expertise and capacities of various affiliated organisations and groups to develop and implement technical regulatory programs" (Eccleston et al. 2015). While in particular IO's are not legally obliged to cooperate with G20,¹⁵ they do so voluntarily, as they acknowledge that this provides an opportunity to augment the global influence of IO's. This is achieved by providing the highest political endorsement and commitment to comply with agenda set by IO's, such as for example in the case of the OECD's tax transparency agenda (Eccleston et al. 2015).¹⁶

What further defines this relationship of the G20 with international organisations and standards setting bodies is the absence of an executive body at G20. The G20 must thus rely on peer pressure, national regulators and in particular on international organisations and standard setting bodies to ensure that commitments/declarations are implemented and, moreover, to scrutinize the progress achieved. Some characterize this as a triangular governance structure, i.e. the G20 on top supported notably by the FSB and the IMF (Angeloni & Pisani-Ferry 2012: 15; Van Ham 2012: 5). Others, mainly with reference to the "Finance Track", refer to a hierarchical decision-making structure with the G20 summits and "ministerials" on top and a prominent role for the FSB (Nolle 2014: 8).

The FSB, which was established during the London Summit in 2009 (G20 2009a: para 15) and strengthened during the Cannes Summit in 2011 (G20 2011b: para 16), is vested, inter alia, with the following tasks: (1) "to assess vulnerabilities affecting the global financial system and identify and review on a timely and ongoing basis the regulatory, supervisory and related actions needed to address them, and their outcomes"; (2) "to promote coordination and information exchange among authorities responsible for financial stability"; (3) "to undertake joint strategic reviews of the policy development work of the international standard setting bodies to ensure their work is timely, coordinated, focused on priorities and addressing gaps"; (4) "to help coordinate the alignment of the activities of the SSBs [standard setting bodies] to address any overlaps or gaps and clarify demarcations in light of changes in national and regional regulatory structures relating to prudential and systemic risk, market integrity and investor and consumer protection, infrastructure, as well as accounting and auditing" (Article 2 of the FSB Charter). Therefore, in particular with respect to the standard setting bodies, the FSB functions as a catalyst of G20 commitments that thereafter translate into more concrete policies. The relationship between the FSB and some international organisations is more subtle. However, according to Nolle (2014: 9-10), there is an implicit understanding within the G20 that international organisation – notably the IMF – defer and report to the FSB.

By some the relationship between the G20 and international organisations and standard setting bodies is described as complementary, where both institutions reinforce each other

¹⁴ Note that in 2009 and 2010 two summits were held in a single year.

¹⁵ The G20 directly requests actions from IO's thereby bypassing formal decision-making procedure of these organisations (Wouters & Geraets 2012: 13). Non-G20 members often flag their concern regarding the fact that a large portion of work of IO's is now produced by requested by the G20 without the non-G20 members' consent (Wouters & Geraets 2012: 13).

¹⁶ For the relationship between the G20 and the OECD, see Wouters & Van Kerckhoven 2011a.

(Martinez-Diaz & Woods 2009: 2). On the one hand, the G20 generates political support for the activities of international organisations and standard setting bodies, and therefore enhances their role in the global economic governance. On the other hand, these institutions provide expertise, implement and monitor the G20 commitments, without which the G20 would be a toothless talking shop (Vestergaard 2011: 29).

Table 4 demonstrates how encompassing the interactions between the G20, FSB, international organisations and standard setting bodies are. It summarizes the G20 requests from the "ministerial" communiqué published on September 21, 2014. The G20 refers to this process of requesting actions as "tasking" (see, for instance, G20 2010a: para 20).

Table 4. Interactions between G20, FSB, other international organisations and standard setting bodies

Who is requested?	What is requested?
IMF/OECD	"to analyse the implications of the tax policy mix and composition of government expenditure for growth outcomes."
OECD	"to deliver the rest of the effective approaches to implement the G20/OECD High-Level Principles on Long Term Investment Financing by Institutional Investors by the 2015 Summit".
IMF/OECD/ World Bank Group	"to work with other relevant international organisations to identify where advances can be made with financing instruments which could further promote financing for SMEs and infrastructure".
BCBS/IOSCO	"to identify the factors that may be hindering the development of sustainable securitisation markets".
IMF/FSB	"to [receive] a report on the Data Gaps Initiative highlighting the progress made and including a proposal for a second phase of the initiative".
IMF/FSB/BIS	"to take forward the work on data gaps on foreign currency exposures described in their respective submissions, building as far as possible on existing statistical and data initiatives, and report back to us in one year".
FSB/IOSCO	"to [receive] consultative document jointly prepared with IOSCO on the proposed assessment methodologies for non-bank non-insurer global systemically important financial institutions".
OECD/IMF/UN/ World Bank Group	"to build on its current engagement with developing countries and develop a new structured dialogue process, with clear avenues for developing countries to work together and directly input in the G20/OECD Base Erosion and Profit Shifting project by the Leaders' Summit in November [2014]".
OECD/IMF//UN/ World Bank Group	"to work together to develop toolkits to assist developing economies implement Base Erosion and Profit Shifting action items".
IMF/OECD/UN/	"to prepare in 2015 options on efficient and effective use of tax

Who is requested?	What is requested?
World Bank Group	incentives in low income countries".
OECD/World Bank Group	"to explore ways to support ongoing efforts to improve the availability of quality transfer pricing comparability data for developing economies".
Global Forum on Transparency and the Exchange of Information for Tax Purposes	"to [receive] the report (...), which will include: progress made by jurisdictions in relation to the exchange of information on request; how the Financial Action Task Force's work on beneficial ownership has been incorporated into the Global Forum's standards; and a detailed report on the status of commitments by Global Forum members to implement the Common Reporting Standard for automatic exchange of information for tax purposes.
Global Forum on Transparency and the Exchange of Information for Tax Purposes	"to report back by the second half of 2015 on progress made by its members in signing the Multilateral Convention on Mutual Administrative Assistance in Tax Matters". "to implement the proposed Automatic Exchange of Information roadmap pilot".
OECD	"to work with all G20 members to propose possible tougher incentives and implementation processes, to deal with those countries which fail to respect Global Forum standards on exchange of tax information on request".

Source: G20 2014c.

2.1.5. Stakeholders' involvement

Stakeholders may be defined as "any group or individual who is affected by or can affect the achievement of an organisation's objectives" (Freeman 1984: 5). Based on this definition, the Global Accountability Report identifies two groups of stakeholders: internal and external stakeholders (Kovach et al. 2003: 3). The former constitute a part of an organisation and, in the context of G20, these are the "executives" of the 19 Member States and European Union. The external stakeholders encompass individuals and groups that are affected by the G20's decision-making, but are not officially part thereof. The focus of this section is on external stakeholders.

There are three vehicles that serve to engage external stakeholders in the G20 agenda-setting and/or decision-making process.

The first vehicle is the practice of inviting outreach participants (guest countries and international organisations) to the G20 meetings (see section 3.3.1). Background of this practice is that the decisions made by the G20 do not impact exclusively the G20 members, but serve to set global standards, which influence a broad array of countries and international organisations.¹⁷ The admission of outreach participants is thus a way to recognise that the

¹⁷ The G20's chair organises also occasional meetings with Low Income Developing Countries to develop an international understanding of the G20, to seek views and input the 2015 agenda and promote international economic governance". See <https://g20.org/about-g20/g20-members/g20-world/> (accessed on February 25, 2015).

G20 decisions have global effects and that non-G20 members should be given the opportunity to voice their considerations and concerns.¹⁸

The second vehicle is a series of official engagement groups' meetings, which are held in conjunction with the G20 meetings. Those engagement groups are: (1) Business 20 (B20, business forum)¹⁹, (2) Labour 20 (L20, labour and union forum)²⁰, (3) Civil 20 (C20, NGOs and civil society)²¹, (4) Youth 20 (Y20, youth forum)²², and (5) Think 20 (T20, a forum of leading think tanks)²³. The principal task of engagement groups is to facilitate exchanges between sectorial communities from different countries, to develop consensuses around critical sectorial issues, to influence the agenda-setting process of the G20 and to serve as a source for ideas for G20. The representatives of these engagement groups are occasionally invited for a consultative meeting with G20 officials (G20 2014e), to the working groups²⁴ and conferences²⁵ organised under the G20 framework. Little is known however, to what extent the recommendations of "X20" affect the G20 agenda. Although recently contribution of the "X20" to the G20 work has been explicitly acknowledged in the leaders' communiqué issued after the Brisbane Summit in 2014 (G20 2014a).

The third vehicle serving to involve external stakeholders are so-called speakers' conferences/consultations taking place alongside the G20. These consultations gather representatives from the G20 members' national parliaments and the European Parliament (EP). The aim is to address global issues at parliamentary level (Szczepański & Bassot 2015: 10). Different to the engagement groups' meetings, speakers' consultations are not integrated into the official G20 activities. The first meeting of the speakers of the parliaments of the G20 countries was organised by Canada in September 2010 (Ottawa), after the Toronto Summit in June 2010. At the time of writing of this report, four speakers' conferences had been organised. Besides Canada, also Korea (2011), Saudi Arabia (2012) and Mexico (2013) launched the consultations. France, Russia and Australia did not organise any parliamentary level meetings (Szczepański & Bassot 2015: 10).

Little is known about how these speakers' consultations influence the agenda-setting and decision-making process at the G20, as there is no formal link between them. One could infer, however, that this influence is rather minuscule as the speakers' consultations are held after the summits, the consultations' agendas in most parts deviate from the summits' outlines,²⁶ and not all member states' parliaments are represented during the consulta-

¹⁸ See for instance See <https://g20.org/about-g20/g20-members/> (accessed on February 25, 2015).

¹⁹ The first official B20 summit took place during the Korean presidency in 2010, and was convened during subsequent French, Mexican, Russian, and Australian G20 presidencies. Since the first B20 summit, more than 400 recommendations relating to business were presented to G20 leaders. See <http://b20turkey.org/the-b20/about-the-b20/> (accessed on February 24, 2015).

²⁰ L20 was established in 2011 during the French presidency (Wouters and Geraets 2012, p. 13).

²¹ Officially, C20 was first established during the Russian presidency in 2013. See <http://www.g20civil.com/g20civil-society/> (accessed February 24, 2015).

²² Y20 has a relatively long history. As a 'Junior 8' forum was held in parallel to the G8 gatherings in 2006 (Hendley & Blokker 2013: 30).

²³ The T20 was initiated by the Mexican presidency in 2012. See <http://www.t20turkey.org/eng/pages/t20studies.html> (accessed on February 24, 2015).

²⁴ See for instance, the G20 Anti-Corruption Working Group meeting in Istanbul on March 4-5, 2015 <https://g20.org/first-g20-anti-corruption-working-group-meeting-held-in-istanbul/> (accessed on March 21, 2015).

²⁵ See for instance, the G20-OECD Conference on Promoting Quality Apprenticeships held in Antalya on February 25, 2015 <https://g20.org/g20-oecd-conference-on-promoting-quality-apprenticeships-held-in-antalya/> (accessed on March 21, 2015).

²⁶ For instance, while the Seoul Summit was devoted to issues such as the Framework for Strong, Sustainable and Balanced Growth, financial reform, trade, financial safety nets, reform of IMF governance, development, corruption and climate change, the G20 Speakers' Consultation in Seoul, held roughly half a year after the Seoul Summit, was mainly concerned with disaster prevention, nuclear safety standards, climate change, global peace and stability, and development gap (G20 Speakers' Consultation 2011).

tions. For instance, Australia and Germany have never sent their representatives to the speakers' consultations.

Table 5 shows participation in the speakers' consultation meetings since their inception in 2010. Table 5 also highlights various statuses of the representatives from the G20 Member States. These positions vary from President of the Parliament to Member of Parliament and Ambassador.

Table 5. Participation in the speakers' consultations since their inception

	ARG	AUS	BRA	CAN	PRC	EU	FRA	GER	IND	INA	ITA	JAP	MEX	RUS	SAU	RSA	KOR	TUR	UK	USA
Ottawa 2010	A	-	M	P	VP	VP	VP	-	VP	M	VP	VP	VP	VP	P	P	P	P	M	A
Seoul 2011	VP	-	P	P	VP	VP	VP	-	P	P	VP	VP	P	P	P	-	P	P	M	M
Riyadh 2012	P	-	P	P	VP	VP	-	-	VP	P	VP	-	A	VP	P	-	P	P	-	-
Mexico 2013	P	-	P	P	VP	VP	M	-	-	VP	-	M	P	VP	P	P	P	VP	P	-

P=President of the Parliament, VP=Vice-president of the parliament, M=Member of Parliament, A=Ambassador.

Source: Szczepański & Bassot 2015: 10.

Despite the existence of these vehicles aimed at enhancing involvement of external stakeholders, agenda-setting at the G20 is still largely dominated by the "executives" and assumes a rather weak involvement of external stakeholders in the process, particularly with regard to domestic institutions and non-governmental organisations. Likewise, external stakeholders do not participate in the negotiations of decisions incorporated in communiqués/declarations, however their opinion may be asked occasionally by the G20 presidency (Wouters & Ramopoulos 2012: 20). Overall, the G20 has been largely criticized for the lack of an institutional obligation to involve stakeholders (Subacchi & Pickford 2011: 6; Herwaman 2010).

2.1.6. Voting modalities

The G20 decisions/commitments are incorporated in a leaders' "communiqué" or a "declaration" (or rarely a "statement"). Decisions in the G20 are taken by consensus (Bertoldi et al. 2013: 7), whereby all G20 members are equal in casting the veto (G20 2011b: para 31; Debaere & Orbie 2013: 318). Some assert that the G20 decision-making process represents a "definitive departure from the post-WWII model of global economic governance dominated by few industrialized western nations" (Giovannini et al. 2012: 16).

2.1.7. Financing of activities of the G20

The logistics and organisation of the G20 meetings are coordinated and planned by the presiding country, which also bears the costs of the G20 meetings, such as the renting facilities, security arrangements and impact on infrastructure (Henley & Blokker 2013: 49). However, each participant pays its own expenses in relation to attending and participating in meetings. In the last two years, the estimated cost for the hosting country of all G20 events was between \$200-400 million (Interfax 2013; Callaghan 2014: 112). As compared to these costs, the spending of \$860 million born by the Canadian presidency in 2010 should be considered as exceptionally high (CTV 2010).

"Tasking" allows the G20 to obtain relevant expertise and know-how namely from IO's and standard setting bodies (see section 3.3.1). The G20 does not pay for these services and, consequently, IO's must bear all costs associated with the preparation of the relevant materials requested by the G20 (Henley & Blokker 2013: 28; Wouters & Van Kerckhoven 2011a: 359).

Current Membership of the G20

2.1.8. Participating entities

In 2015, the G20 participation is, as previously outlined (see section 2.3.1.), as follows:

Permanent (formal) members: (1) nine advanced economies (based on the IMF classification): Australia, Canada, France, Germany, Italy, Japan, South Korea, the United Kingdom, and the United States; plus the European Union; (2) 10 emerging and developing markets (based on the IMF classification): Argentina, Brazil, China, India, Indonesia, Mexico, Russia, Saudi Arabia, South Africa and Turkey.

The G20's guests include Spain (a permanent invitee); the Chair of ASEAN (Malaysia); Global Governance Group (Singapore); two African countries (the chair of the African Union and a representative of the New Partnership for Africa's Development) and a country invited by the presidency, Azerbaijan. This amounts to a total of six guest countries, exceeding by one the agreed number of countries to be invited (see section 3.3.1).

Officials from international organisations are invited to relevant G20 meetings, including Summits, "ministerials", Deputies', Sherpas' meetings, working groups and task forces. The invited organisations for 2015 include (1) FSB, (2) ILO, (3) IMF, (4) OECD, (5) UN, (6) WB, and (7) WTO.

2.1.9. Status of membership of ESAs, ECB, Commission

The EU enjoys status of the permanent (formal) member in the G20 (the only formal member being a "regional organisation" (Wouters et al. 2012: 3) (see also section 3).

In the G20 Leaders' Summits, the President of the European Commission and the European Council form the single delegation of the European Union (Nasra & Debaere 2012: 5). While the President of the Commission represent the EU in the economic and financial matters, the President of the European Council speaks on behalf of the EU in matters of foreign policy and security (Pop 2010).

In the "ministerials", the European Union is represented by the European Commissioner for Economic and Financial Affairs, Taxation and Customs (previously by the European Commissioner for Economic and Monetary Affairs), the Minister of Finance of the country holding the rotating Council presidency and the President of the European Central Bank (Nasra & Debaere 2012: 5).

At the Sherpa level, the European Union is represented by the Sherpa nominated by the President of the European Commission (a person from President's cabinet) (Debaere & Orbis 2013). A representative from the European Commission, occasionally accompanied by the relevant minister from the rotating Council presidency, is present in other ministerial meetings, such as G20 Labour and Employment "ministerial" or G20 Agriculture "ministerial".

At the working groups/task forces level, a European Commission official and an official from rotating Council Presidency represent the European Union. The European Supervisory Authorities (ESAs) do not (directly) participate in the G20 gatherings.

Table 6 summarizes the European Union representation in the G20.

Table 6. The European Union representation in the G20

Type of meeting	Official occupation	Person (nationality)
Heads of State or Government (summits)	President of the European Council President of the European Commission	Donald Tusk (Poland) Jean-Claude Juncker (Luxemburg)
Finance Ministers and Central Bank Governors ("ministerials")	Commissioner for Economic and Financial Affairs, Taxation and Customs Finance Minister from rotating Council presidency President of the European Central Bank	Pierre Moscovici (France) Jānis Reirs (Latvia) Mario Draghi (Italy)
Sherpas	Sherpa: a person the President of the European Commission's cabinet Sous-Sherpa: European Commission official	Richard Szostak (the United Kingdom)
Other ministerial meetings	G20 Labour & Employment Ministers: European Commission official G20 Agriculture Ministers: European Commissioner and Minister from rotating Council presidency	
Working groups/ task forces	European Commission official and official from rotating Council presidency depending on resources, commitment and the topic	

Source: Debaere & Orbis 2013.

Membership in internal bodies

Besides leaders' summits, "ministerials", deputies', and Sherpas' meetings, the G20 often establishes working groups and task forces to "provide G20 members with analysis and insights to inform their consideration of specific policy challenges and options" (Henley & Blokker 2013: 27). During the 2013 Russian G20 presidency five types of working groups were established, including (1) Framework for Strong Sustainable and Balanced Growth Working Group (three meetings), (2) International Financial Architecture Working Group (four meetings), (3) Energy Sustainability Working Group (two meetings), (4) Anti-Corruption Working Group (three meetings), and (5) Development Working Group (four

meetings).²⁷ In 2013, also four meetings of the Taskforce on Employment were organised. In 2014, during the Australian G20 presidency similar pattern of working groups' meetings was upheld. Some minor differences concerned the number of meetings. Also the International Financial Architecture Working Group was replaced by Investment and Infrastructure Working Group.

Little is known, however, about who exactly participate in the working groups. Information on the official website does not go beyond the general description such as: "representatives of the G20 Finance Ministries and Central Banks, as well as experts from International Organisations attended the G20 Framework Working Group", (2) "senior officials from each G20 member country" attended Anti-Corruption Working Group meeting, (3) "Representatives of G20 members, invited countries and international organisations attended" G20 Development Working Group or (4) "G20 members, invited countries and international organisations attended the meeting. Representatives of the B20 and Transparency International also attended certain sessions held on the 2nd day of the Anti-Corruption Working Group meeting".²⁸

Within the G20 framework, various conferences, workshops, symposia and roundtables have been also organised. Besides representatives of G20 Member States, guest countries and international organisations, these additional G20 gatherings host invited representatives of national and international business, civil society, academics and members of the media. Conferences, workshops, symposia and roundtables often follow working group gatherings. For instance, the Fifth Annual High Level Conference on Anti-Corruption held on March 6, 2015 followed the G20 Anti-Corruption Working Group meeting organised on March 4-5, 2015.²⁹ The goal of these additional G20 gatherings is to provide a platform for exchange of information and ideas on a given topic and to reinforce cooperation between governments, private sector and civil society.

Description of the 'products' and process

2.1.10. Type of 'products' developed by the G20

The main document produced during the G20 leaders' summit is a leaders' communiqué or a declaration (or rarely a statement), which summarises the G20 members' commitments/decisions, i.e. to set out the policies, to reach targets, to follow action plans and principles, to support and endorse initiatives and to develop rules and guidelines. Commitments can be of different nature and precision as well as prescribe different time horizon to be achieved. To illustrate this point, table 7 lists selected commitments from the leaders' communiqué after the Brisbane Summit held on November 15-16, 2014.

Table 7. Selected commitments from the leaders' communiqué after the Brisbane Summit in November 2014

1.	Commitment to work in partnership to lift growth, boost economic resilience and strengthen global institutions. The year ambitious goal is to lift the G20's GDP by at least an additional 2% by 2018. Actions to reassure compliance with this target are set out in the Brisbane Action Plan.
2.	Commitment to establish a Global Infrastructure Hub (knowledge-sharing platform) to support implementation of the Global Infrastructure Initiative.

²⁷ Own calculations based on <http://en.g20russia.ru/events/> (accessed on February 24, 2015).

²⁸ <https://g20.org/first-g20-anti-corruption-working-group-meeting-held-in-istanbul/> (accessed March 21, 2015).

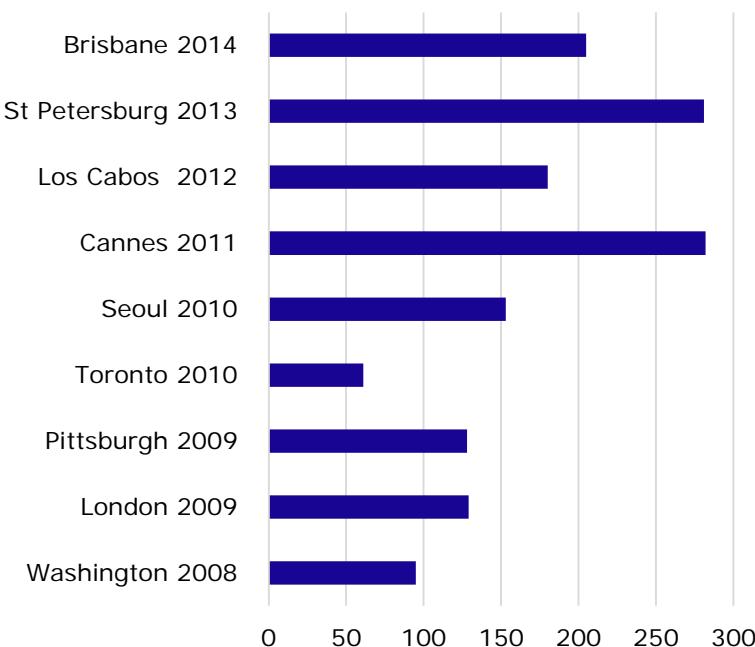
²⁹ <https://g20.org/fifth-annual-high-level-conference-on-anti-corruption-organized-in-istanbul/> (accessed on March 21, 2015).

3.	Commitments to facilitate trade by lowering costs, reducing regulatory burdens and strengthening trade-enabling services. Commitments to promote competition, entrepreneurship and innovation including lowering barriers to new business entrants and investment.
4.	Commitment to reduce the gap in labour participation rates between men and women by 25% by 2025. Commitment to bring more than 100 million women into the labour force in order to strengthen growth, reduce poverty and inequality.
5.	Commitment to reduce youth unemployment. Employment Plans include investments in apprenticeships, education and training, and incentives for hiring young people and encouraging entrepreneurship.
6.	Commitment to poverty eradication and development. Commitment to take strong practical measures to reduce the global cost of transferring remittances to 5%. Commitment to comply with G20 Food Security and Nutrition Framework in order to strengthen growth by lifting investment in food systems and expand food supply.
7.	Commitment to progress with G20/OECD Base Erosion and Profit Shifting Action Plan.
8.	Commitment to implement the G20 High Level Principles on Beneficial Ownership Transparency and to reach Agreement on Action Plan for Voluntary Collaboration on Energy Efficiency. On top of that, the G20 endorses Financial Stability Board proposal requiring global systematically important banks to hold additional loss absorbing capacity that would further protect taxpayers if these banks fail. The G20 also endorses the G20 Anti-Corruption Action and the G20 Principles on Energy Collaboration.

Source: G20 2014a.

The G20 Research Group at the University of Toronto has attempted to aggregate and classify all G20 commitments announced via the leaders' communiqués since 2008. In the course of six years, more than 1.5 thousands commitments were "produced" in various categories ranging from macroeconomic policy to crime and corruption. By far, the largest amount of commitments was announced in the category "macroeconomic policy" (354 commitments). The second most popular category is the "financial regulation" (246 commitments). Over 100 commitments were also issued in the category "reform of international financial institutions" and "development". Moderately popular are commitments related to "trade" (97 commitments), "energy" (95 commitments) and "employment and labour" (82 commitments). The number of commitments in these areas corresponds well with the priority objectives listed in table 1 in section 2.2. See appendix 1 for a detailed division of all identified commitments into categories.

Since the outset of the leaders' summits, the Cannes (2011) and St Petersburg (2013) Summits have "produced" the largest amount of commitments, slightly less than 300 (see figure 1). The Brisbane (2014) and Los Cabos (2012) Summits follow with around 200 commitments. The lowest number of commitments has been produced during the Washington (2008) and Toronto (2010) Summits. As seen in figure 1, the general trend is a growing number of commitments.

Figure 1. Number of commitments “produced” during the Summits

Source: own figure based on G20 Research Group 2015a.

The number of commitments by no means should be interpreted as a proxy for the effectiveness of the G20. What counts and what proxies the effectiveness is the compliance with the stated commitments. The effectiveness, i.e. the compliance with the G20 commitments, is addressed in section 2.7.

2.1.11. Mandate for the development of ‘products’ and process of development

The leaders’ communiqés (declarations, statements), which comprise the most important G20 commitments, are developed gradually throughout a series of meetings of Deputies, Sherpas, Finance Ministers and Central Bank Governors and working groups (see section 2.3.2). Sectorial “ministerials” and engagement groups may also contribute to the development of commitments, although only if requested (see section 2.3.3). The leading figures in drafting leaders’ communiqés and, hence, commitments are Sherpas (G20 2015b). Usually the commitments are drafted before the leaders’ summit, after Sherpas’ negotiations. Whenever there is a disagreement regarding the wording of the commitments, the practice is to borrow the exact wording from a previous communique (Callaghan 2013a: 6). Consequently, the leaders’ summit is a culmination of the process, within which commitments are gradually developed. One may argue therefore that the leaders’ summit is held in order to assign a political heavyweight to the commitments, which are developed beforehand. Nevertheless, the most controversial issues on which there is no consensus are frequently left for the leaders to resolve (Callaghan 2013a: 6).

Since the G20 constitutes a self-appointed forum, (Vestergaard 2011: 18; Szczepański & Bassot 2015: 7), the mandate to develop the G20 commitments is in a way self-assigned by the participating countries, more specifically by their “executives”. Sherpas, who are responsible for drafting the final leaders’ communique comprising commitments, get mandate to develop commitments directly from the leaders’ as they act on leaders’ behalf (G20 2015b). The Sherpas have been described as the leaders’ personal representatives at the G20 meetings (Debaere & Orbis 2013: 22).

Some of the G20 commitments³⁰ assume an explicit delegation of tasks and development of the “products” to IO’s and international standard setting bodies, such as for instance the FSB, IMF, OECD and/or other bodies. Hence, G20 members give an explicit mandate to develop the “products” to such bodies. These “products”, such rules, recommendations, codes of conduct, are typically endorsed during the subsequent summit. As has been observed in section 2.3.2, “tasking” is a frequent practice, as the G20 lacks in-house expertise, knowledge of best practices, as well as executive capacity. Selected examples of delegation of “product” development are shown in table 8.

Table 8. Delegation of product development to international organisations (selection of tasks)

When and by whom a mandate was given?	Responsible international organisation	Developed product
G20 Washington Summit/ November 2008	IMF/FSF (converted to FSB in 2009)	FSF Principles for Sound Compensation Practices
G20 Washington Summit/ November 2008	International standard setters	BCBS International regulatory framework for banks (Basel III)
G20 Seoul Summit/ November 2010	Implicitly FSB	FSB High-level principles for monitoring the shadow banking system
G20 Cannes Summit/ September 2011	FSB	FSB Principles on loss absorbing and recapitalization capacity of G-SIBs in resolution
G20 Cannes Summit/ November 2011	IOSCO	IOSCO Report on the Credit Default Swap Market
G20 Cannes Summit/ November 2011	IOSCO	IOSCO Report on Risk Mitigation Standards for Non-centrally Cleared Over-the-counter Derivatives
G20 Finance Ministers and Central Bank Governors/ February 2011	OECD/FSB	High-Level Principles on Financial Consumer Protection
G20 Finance Ministers and Central Bank Governors/ February 2013	OECD	High-Level Principles of Long-Term Investment Financing by Institutional Investors

Source: G20 2008a; G20 2009b; G20 2010b; G20 2011a; BCBS 2010; FSF 2009; FSB 2011; FSB 2014; IOSCO 2012; IOSCO 2015; OECD 2011; OECD 2014.

³⁰ In some cases the development of products is delegated by the leaders to « ministerials », which subsequently delegate the task to the IO’s or standard setting bodies

2.1.12. Transparency and timeline for the development of 'products'

Negotiations over the commitments are pursued during closed G20 meetings. Selective documents are made public after the G20 meetings, namely the leaders' communiqués/declarations/statements,³¹ as well as Finance Ministers and Central Bank Governors' communiqués/declarations/statements. The documents after the Deputies' and Sherpas' meetings are not disclosed, however. Some documents, such as communiqués, statements, reports, are also disclosed after other sectorial "ministerials". However, there is only a rather unsystematic account of these publications (see also section 4.4.1.).

An interesting query is what the "average time to agree on the products" is. There are, however, two ways to tackle this question, depending on what precisely is meant by the "average time to agree on the products". First, one could think of the "average time to agree" on certain commitments during the summit, whereby all commitments were drafted beforehand and the agreement on them was unofficially tested by Sherpas. If this is the interpretation given to "average time to agree", then this is approximately two days (the length of the summit). If, on the other hand, the whole process of reaching consensus (i.e. from a first agenda-setting meeting, through the development of the commitments by "ministerials" and Sherpas' meeting, until the decision is reached during the summit) is to be considered, then this "average time to agree" amounts to one year, often even longer. However, it is difficult, if not impossible, to estimate the average time to agree on the specific commitments. It depends on the urgency of issue. "Crisis" summits were much more effective and faster in reaching consensus. They imposed harsh deadlines for the "immediate actions" (G20 2008: para 10). "Crisis" summits were held semi-annually³², which also facilitated reaching consensus in timely manner. Whereas the initial "emergency" period (Washington and London summits) was marked by swift action on financial reform and crisis mode, the transition is now observed to the second stage, which is marked by economic normalization, renewed asymmetry between advanced and emerging countries, political fatigue and slower progress (Angeloni & Pisani-Ferry 2012: 25). There is hence a noticeable difference in "speed" of reaching agreements between a crisis management mode (period of 2008-2010) and long-term governance mode of G20 prevailing nowadays.

Likewise, the development of "products" that are requested by the G20 from the international institutions vary in time. However, the most standard procedure is that during one summit the G20 leaders task international organisations to develop certain "products", which are typically endorsed during the subsequent leaders' summit. It takes therefore one year from the point when the "product" is requested to the point when it is approved.

Functional analysis of the effectiveness of the G20

Ideally, effectiveness of the G20 should be assessed against explicitly stated objectives. As demonstrated in section 2.2, however, the universal and ultimate G20 objectives are not clearly defined (see also section 4.4.1.), and the policy priorities evolve and are driven by subsequent chairing countries and timely urgencies (Angeloni & Pisani-Ferry 2012: 13). Against this backdrop, the most reasonable way to evaluate the G20 effectiveness is by studying the G20 member states compliance with stated commitments (see section 2.6.1). The G20 Research Group verified a compliance with 130 high priority commitments³³, which were comprised in the leaders' communiqués from 2008 to 2013. These commit-

³¹ An immediate disclosure of leaders' communiqué/declaration/statement was not a practice in the past. For instance, the Toronto leaders' declaration was made public after it was leaked.

³² The Washington Summit (November 14-15, 2008), the London Summit (April 1-2, 2009), the Pittsburgh Summit (September 24-25, 2009), the Toronto Summit (June 26-27, 2010), the Seoul Summit (November 11-12, 2010).

³³ This is roughly 10% of all the commitments announced in years 2008-2013.

ments encompass all most important policy areas, such as macroeconomic policy, financial reform, development issues, etc. The following system of coding the compliance was conceptualised: 1 was assigned for full or nearly full compliance with a commitment; 0 was assigned for "inability to commit" or a "work in progress"; and -1 indicated complete or nearly complete failure to implement a commitment (Kirton et al. 2014: 17). Since commitments in the leaders' communiqués are made on an annual basis, they are assessed from the conclusion of one summit to the beginning of the next, which is currently approximately one year (Kirton et al. 2014: 17). This coding enables constructing compliance scores, averages values, for each G20 Member State, summit and policy area. A positive compliance score means that on average there was some degree of compliance with commitments, whereas a negative score suggests that non-compliance prevailed (Angeloni & Pisani-Ferry 2012: 26).

Table 9 demonstrates the compliance scores divided by summits for the whole G20 as well as for sub-groups of countries, such as the G20 advanced and emerging economies, G7 and European representatives, i.e. EU4 (France, Germany, Italy and the United Kingdom) plus the EU. The average compliance score for the whole G20 in years 2008-2013 equals to 0.42 indicating a moderate "effectiveness", proxied as the compliance with the stated commitments. However, the compliance scores, and therefore effectiveness, varied between the summits. The highest scores are found for the Washington, Cannes and Los Cabos Summits, whereas the lowest scores are observed in case of the London, Toronto and Seoul Summits. These results stand in a slight contradiction to the common perception regarding the summits' outcomes. For instance, the G20 Summit in London in 2009 was announced as a huge success (Jokela 2011: 6). The analysis presented here questions this common perception. It could be that the commitments of that particular Summit were indeed crucial but too ambitious and their implementation appeared to be difficult in practice. There is also noticeable difference in effectiveness between the advanced and emerging economies of G20, with advanced economies systematically outperforming the emerging countries. Importantly, the European members score above the average for the advanced economies, with an exception of the Pittsburgh Summit in case of the EU and the Los Cabos Summit in case of EU4. That means that collectively the European representatives were the most effective in complying with the summits' commitments. The highest standard deviation, which informs on the variation in compliance scores between the G20 members, is found for the London Summit suggesting that the compliance with commitments was largely unbalanced after that Summit.

Table 9. Compliance scores by summit, 2008–2013 (N = 130)

	G20	G20 Advanced	G20 Emerging	G7	Europe	EU4	European Union	St. deviation
Washington 2008	0.66	0.82	0.50	0.84	0.90	0.88	1.00	0.25
London 2009	0.17	0.43	-0.10	0.46	0.57	0.54	0.67	0.40
Pittsburgh 2009	0.33	0.57	0.10	0.59	0.55	0.59	0.38	0.35
Toronto 2010	0.38	0.61	0.14	0.61	0.65	0.63	0.73	0.29
Seoul 2010	0.36	0.54	0.19	0.54	0.60	0.59	0.63	0.22
Cannes 2011	0.52	0.64	0.40	0.63	0.69	0.66	0.79	0.23
Los Cabos 2012	0.52	0.60	0.44	0.55	0.52	0.49	0.65	0.20
St Petersburg 2013	0.47	0.60	0.34	0.61	0.64	0.64	0.63	0.20
G20 Average	0.42	0.59	0.25	0.58	0.62	0.61	0.65	0.20

Source: G20 Research Group 2015b, authors' calculations.

Compliance scores, and hence effectiveness, by policy areas are presented in table 10. Besides the category "other", which combines commitments in areas such as for instance labour, employment, food security and agriculture, the highest compliance scores are found for "macroeconomic policy" and "energy" issues. The lowest scores, on the other hand, are observed for "corruption" and "trade". The G20 advanced economies are the most effective in area such as "financial institutions reforms", "financial regulation" and "macroeconomic policy". The emerging economies are effective in "macroeconomic policy", "energy" and "financial regulation" policy areas. As for the European representatives, EU4 features the highest compliance scores for "financial institutions reforms" and "financial regulations", whereas the EU is highly effective in "macroeconomic policy" and financial regulation". Standard deviation suggests that the compliance in the "trade" policy area was largely unbalanced. It is apparent after comparing the advanced economies, which cast moderate compliance (effectiveness) in "trade" policy area, with emerging economies, which mostly do not comply.

Table 10. Compliance scores by policy areas, 2008–2013 (N = 130)

	G20	G20 Advanced	G20 Emerging	G7	Europe	EU4	European Union	St. deviation
Macroeconomic policy	0.59	0.67	0.51	0.64	0.67	0.65	0.75	0.20
Financial regulation	0.46	0.68	0.24	0.69	0.71	0.70	0.75	0.27
International financial institutions	0.48	0.77	0.20	0.75	0.73	0.75	0.67	0.43
Development issues	0.34	0.57	0.11	0.58	0.63	0.63	0.63	0.27
Trade	0.17	0.51	-0.17	0.47	0.53	0.50	0.63	0.46
Energy	0.50	0.59	0.41	0.54	0.61	0.68	0.30	0.29
Climate change	0.27	0.50	0.03	0.49	0.52	0.48	0.67	0.39
Corruption	0.13	0.14	0.12	0.13	0.16	0.10	0.40	0.36
Other	0.60	0.64	0.56	0.65	0.65	0.65	0.74	0.20
Average	0.42	0.59	0.25	0.58	0.62	0.61	0.65	0.20

Source: G20 Research Group 2015b, authors' calculations.

Table 11 exclusively focuses on the effectiveness of the European representatives. Among them, the highest compliance scores are achieved by the United Kingdom (0.75), and *ex aequo* by Germany and the EU (0.65). France with a score of 0.61 casts only slightly weaker effectiveness. Comparing to these countries, Italy with a score of only 0.41 should be classified as an outlier. Italy is also characterised by a relatively unbalanced compliance. On the one hand, Italy performed very weakly in 2009, which was reflected by low compliance scores after the London and Pittsburgh Summits. On the other hand, Italy was quite effective in complying with commitments after the Washington and Cannes Summits. Comparing EU4 and the EU to other G20 members, it appears that the United Kingdom is the most effective in complying with commitments among all G20 members. Germany and the EU perform marginally weaker than the second most effective country: Australia (0.66). France performs similarly to Canada (0.61). Italy is further outperformed by the United States (0.55) and South Korea (0.53). See appendix 2 for a detailed classification of the G20 members.

Table 11. Compliance scores by summits for EU4 and the EU, 2008–2013 (N = 130)

	Washington 2008	London 2009	Pittsburgh 2009	Toronto 2010	Seoul 2010	Cannes 2011	Los Cabos 2012	St Petersburg 2013	Overall Compliance
France	0.75	0.67	0.73	0.54	0.56	0.56	0.65	0.63	0.61
Germany	1.00	0.67	0.69	0.54	0.63	0.69	0.53	0.74	0.65

Italy	0.75	0.00	0.08	0.69	0.44	0.75	0.06	0.53	0.42
United Kingdom	1.00	0.83	0.87	0.77	0.74	0.75	0.71	0.68	0.76
European Union	1.00	0.67	0.38	0.73	0.63	0.79	0.65	0.63	0.65
G20 Average	0.66	0.17	0.33	0.38	0.36	0.52	0.52	0.47	0.42

Source: G20 Research Group 2015b, authors' calculations.

3. LEGAL FRAMEWORK, COORDINATION, LEVEL AND IMPACT OF EU PARTICIPATION

Rules framing the role of the EU and its Member States in the G20

3.1.1. EU participation in the G20: legal framework

The role of the EU and its Member States in the G20 is determined by a set of (highly) interrelated legal rules and principles, which define the outer limits of the EU's capacity to act internationally. This section will first describe the legal framework governing EU participation in the G20. Section 3.1.2. will then focus on the EU law obligations of Member States when participating in the G20 context.

The starting point for the legal framework for EU participation is the principle of conferral. According to this principle, now enshrined in Article 5(2) TEU, "the Union shall act only within the limits of the competences conferred upon it by the Member States in the Treaties to attain the objectives set out therein." It also applies in the sphere of EU external action such as participation in the G20 (De Baere 2008). Powers not conferred upon the EU remain with the Member States. It is pivotal, therefore, that all action of the EU has a legal basis in the Treaties, is objectively founded and amenable to judicial review (Case 45/86, para. 11; Case C-300/89, para. 10; Case C-440/05, para. 61), as an incorrect legal basis invalidates the EU legal act (Opinion 2/00). Moreover, it is pertinent to distinguish between (1) the existence of EU external competence, which the EU derives under the Treaty either expressly or impliedly; and (2) the nature of such competence, which can be exclusive or shared.

As to the existence and nature of express EU competences the Treaty of Lisbon has significantly simplified matters by essentially cataloguing them and indicating which competences are exclusive and which are shared. Article 3 defines the EU's exclusive competences, and Article 4 TFEU the EU's shared competences. Article 5 TFEU, which provides for the coordination of economic, employment and social policies and Article 6 TFEU, which defines the areas where the EU is empowered to support, co-ordinate, or supplement Member State action, may also be of relevance for EU external action (Eeckhout 2011: 122).

The category of implied competences was largely developed through the case law of the Court of Justice of the European Union (ECJ). Three forms of implied power may be distinguished. Firstly, in its landmark ERTA ruling the Court explained that EU competences may "flow from other provisions of the Treaty and from measures adopted, within the framework of those provisions, by the Community institutions." The Court then remarked that in the implementation of the Treaty the sphere of internal action shall not be severed from that of external relations (Case 22/70, paras. 16 and 19; Opinion 1/03, para. 115). The Court thereby linked competences in the sphere of EU external action to the existence of internal competence.

Secondly, the ECJ held that implied external competence also exists in cases where EU law provides EU institutions with the power to act internally for the attainment of a specific objective that necessitates external action (Opinion 1/76, para. 3; Opinion 1/03, para. 115). This might be the case where the EU has the authority to devise internal rules in an area of

the internal market that has an inherently international aspect.³⁴ The Lisbon Treaty codified these two forms of implied powers in Article 216(1) TFEU (Eeckhout 2011: 112).

Thirdly, and lastly, Article 352 TFEU provides the EU with a residual competence where EU action proves necessary, including through external action, for the attainment of one of the Treaty objectives but the requisite competence cannot be derived expressly or impliedly from the Treaty (Case 22/70, para 95). The article is designed to fill a gap and may therefore formally not be used to extend the general framework of the Treaty or extend existing EU competences (Eeckhout 2011: 98-100).

The formal participation of the EU in IO's and international bodies, such as the G20, constitutes a legal act that requires EU competences. Formal participation becomes particularly relevant where the objectives and functions of the international organization cover areas in which the EU has already extensively exercised its competence internally. Moreover, the Lisbon Treaty underscores the aspirations of the EU to further extend its role as a global actor, which may require formal participation in international fora (Wessel 2013; Wessel and Blockmans 2013). Yet, the Treaties do not provide the EU with an express competence to exercise a formal role in international bodies, such as the G20. The requisite competence can, however, be implied from Article 47 TEU, which endows the EU with legal personality (Wessel 2011: 624-625).

It is generally accepted that primary Union law does not prevent the EU from acceding to IO's and bodies that cover subject areas within its competences (Eeckhout 2011: 222). The case law of the ECJ suggests, for instance, that the creation of new international organizations is well within the scope of EU external competence (Opinion 1/76; Opinion 1/91). That EU competence for the accession to international organizations can be established on the basis of implied powers is furthermore corroborated by Articles 216(1) and 217 TFEU which provide the EU with the general competence to conclude agreements, including accession agreements, with international organizations, covering all policy fields and extending to CFSP (Van Elsuwege 2010: 989 and 993; Wessel 2011: 226). With regards to the first draft accession agreement of the European Community to the European Convention of Human Rights the Court of Justice furthermore confirmed that Article 352 TFEU (ex Article 235 EC), could, in principle, serve as the legal basis for the conclusion of an accession agreement as long as it does not extent the legal framework of the Treaties (Eeckhout 2011: 98-100).

Article 220 TFEU furthermore requires that the EU establishes "all appropriate forms of co-operation with the organs of the United Nations and its specialized agencies, the Council of Europe, the Organisation for Security and Cooperation in Europe and the Organisation for Economic Cooperation and Development" and "maintain[s] such relations as are appropriate with other international organisations." In addition to full membership, the EU can therefore participate either as observer in IO's, a role of varying influence and privileges; or through treaty-making in international treaty regimes (Eeckhout 2011: 222-223; Wouters, Odermatt and Ramopoulos 2013: 2). Implied external competence even allows the EU to participate in the G20 (Wessel 2011).

Lastly, the ECJ has held on several occasions that EU accession to an international organization or EU participation in an international treaty regime may not affect the autonomy of the EU legal order (see e.g. Opinion 1/91, Opinion 1/09). The implications of this principle are best illustrated by the recent negative opinion of the Court on the draft treaty of accession of the EU to the European Convention of Human Rights (Opinion 2/13). The principle

³⁴ In the case of Opinion 1/76 the EU was charged with regulating transport on the river Rhine. Because of the regular participation of Swiss vessels in this area the regulatory objective could only be achieved by international action.

of autonomy, however, is not of imminent concern to EU participation in the G20, given the lack of formal institutions and the non-binding nature of G20 decisions (see section 2.1.).

In order to understand to what extent the described legal framework shapes EU participation in the G20, it is first necessary to recall a few of the G20's fundamental characteristics (see section 2.1. and 2.3.). The G20 does not have a support of a permanent Secretariat. The organization of summits and events as well as the agenda setting is the sole responsibility of the rotating presidency although it is recognized that all members have a distinct way of influencing the agenda (Henley and Blokker 2013; Wouters, Van Kerckhoven and Odermatt 2013). The 2015 agenda that is set by Turkey reveals the wide range of topics under discussion within the G20, i. e. financial crisis and reforms, promotion of growth and jobs, development, trade and investment, taxation and anti-corruption (Wouters, Odermatt and Ramopoulos 2013). Because IO's are often active over a range of policy fields EU participation, if this is formalized through the conclusion of an international agreement, is often based on 'mixed' agreements, meaning that the agreement is concluded jointly by the EU and its Member States (Hillion and Koutrakos 2010). However, this logic is equally applicable to informal bodies such as the G20 that lack an underlying EU agreement. EU participation in the G20, therefore, requires a determination of respective competences of the EU and its Member States in accordance with every individual G20 topic.

The above has set out the legal framework for EU accession to an international organization or body. After joining a body like the G20, however, the next question becomes how EU law controls the actions of the EU and its institutions within that body. This requires a determination of the EU institutions that are allowed or required to represent the EU internationally in their respective field of competences. Consequently, the fluctuation in EU competences affects also the aspect of representation of the EU and its Member States in G20 conferences. The question of who is representing the EU in the G20 is, therefore, equally characterized by high subject-dependency.

With the exception of the Common Foreign and Security Policy (CFSP) and 'other cases provided for in the Treaties', it is generally the European Commission that guarantees the external representation of the EU (Article 17(1) TEU). In practice this generally means that on ministerial level the Directorate General responsible for the policy area covered by the international organization or treaty regime represents the Commission. The High Representative of the Union for Foreign Affairs and Security (HR), who is also Vice-President of the European Commission, is charged qua HR with the role of representing the EU's position in international organizations in the area of CFSP (Article 27(3) TEU).

Since the initiation of the summit-level G20 in 2008 the EU is represented on the leaders' level by both the President of the European Council in the area of CFSP (in accordance with Article 15(5) TEU) and the President of the Commission in other policy areas falling under exclusive EU competence (Emerson et. al. 2011: 106). In overlapping policy fields, the representation is decided between the Presidents on a case-by-case basis (Van Elsuwege 2010: 992). In the meetings of finance ministers and bank governors, for instance, the EU delegation comprises the Commissioner for Economic and Monetary Affairs, Taxation and Customs, the President of the European Central Bank (ECB) and the rotating presidency of the Council (Wouters, Van Kerckhoven and Odermatt 2013: 260). The involvement of the ECB in the G20 is based on Article 138(1) TFEU; the ECB participates actively in a number of international frameworks, first on foremost with the aim of exchange of information on pertinent question concerning international monetary and financial policy.

Whilst the HR represented the EU on ministerial level on topics pertaining to CFSP in the G8, she is not part of the EU delegation to the G20 (Debaere and Orbis 2012: 313). The role of the European External Action Service (EEAS) in the context of the G20, which operates under the control of the HR, is limited to providing administrative support to the EU

delegation; it furthermore ensures coherence between CFSP and other policy areas (Van Elsuwege 2010: 992).

The lack of precise rules governing EU participation in the G20 produces two idiosyncrasies. The double representation by two presidents on the G20 leaders' level in particular has been identified as an anomaly that potentially complicates the identification of the adequate representative for the respective G20 topic. Additionally, unlike participation of the ECB, which is provided for in Article 138(1) TFEU, nothing in the Treaty stipulates an active role of the rotating Council presidency in EU external representation. However, given the flexibility that the Council enjoys in designating a representative for the Member States in areas where they retain competences, the Council has decided to maintain the current composition of its delegation (Emerson et. al. 2011: 107).

Moreover, EU Member States generally retain an interest in their individual representation internationally. They are particularly reluctant to relinquish individual influence where the informality of the treaty regime complicates a clear delimitation of competences between Member States and the EU (Debaere and Orbis 2012: 312; Wessel 2011: 624; De Baere 2008). After all, where the issues discussed in a body differ each meeting, the competence of the EU and the willingness of Member States to cede the floor to the EU also differs from meeting to meeting. This is precisely the case with the G20, where EU Member States retain the competence to be represented individually, alongside the EU. As has been observed in section 2.4., four EU Member States enjoy permanent membership in the G20, e.g. Germany, France, the UK and Italy (EU4). Spain and the Netherlands have regularly been invited to summits in the past. Hence the EU is represented directly as a full G20 member as well as indirectly through the EU4. As a result, EU action in this regime is generally characterized by a multitude of individual decisions that attempt to project a common position of the EU and its Member States (Wessel 2011).

In sum, although the EU is in principle competent to participate in the G20 regime, the establishment of its authority, based on implied competences, and the representation of the EU in the G20 conferences varies according to the individual G20 topic. This inevitably creates a situation of 'mixity' that allows for the EU and its Member States to participate in the G20 jointly. The next section explores to what extent EU Member State action in the G20 participation is determined by EU law.

3.1.2. EU obligations for Member States when participating in G20

Not unlike the EU, the role of Member States in the G20 is in large parts determined by the existence and nature of EU competence. In general, obligations of Member States under EU law that govern their responsibilities in international regimes depend on (1) whether the issue covered in the international regime falls under a corresponding EU (external) exclusive competence, (2) shared competence, or (3) altogether outside the scope of the EU competence.

Where the topic under discussion falls under the exclusive external competence Member States are generally not allowed to act internationally without authorization from the EU. In IO's and regimes where the EU is represented on behalf of its Member States this requires Member States at all times to act in the interest of the EU rather than defending their individual national interests (Wouters, Odermatt and Ramopoulos 2013). Implied EU external competences can become exclusive either through pre-emption or by necessity (Article 3(2) TFEU). Where an EU measure provides for the adoption of international action the EU Member States are pre-empted from taking unilateral action. In the case of necessity, implied competence becomes exclusive where EU external action alone can guarantee the attainment of the envisaged objective. (Wessel and Van Vooren 2014: 101). For EU repre-

sentation in the G20 this means that the EU4 are required to represent the EU position on all topics falling within the EU's exclusive competence.

The situation is more complex with regards to topics covered by shared external competence. With the exception of competences under Articles 5 and 6 TFEU, shared competences are generally pre-emptive (Wessel et. al. 2014: 103), thus preventing EU Member States from acting unilaterally if, and only to the extent that, the EU has already exercised its own competence (Article 2(2) TFEU). The principle of pre-emption applies to both, express shared competences under Article 4 TFEU and implied shared competences alike. But even if the EU has not yet exercised its competence in a particular area, EU Member States are nonetheless constrained in their capacity to act internationally (Wouters, Odermatt and Ramopoulos 2013). Under the principle of sincere cooperation, which is now enshrined in Article 4(3) TEU, EU Member States are precluded from taking unilateral action that is liable to adversely affect the achievement of a Treaty objective (Eeckhout 2011: 247).

In its judgment in the PFOS case, the ECJ provided important clarification on the implication of the principle of sincere cooperation for EU Member States in their international representation. The Court held that Member States have to abstain from acting internationally where the EU has taken action with a view to adopting a concerted strategy on the matter (Case C-246/07; Eeckhout 2011: 249-255; Repasi 2013: 60). This is important where the Member States have discussed the particular question in the Council and arrived at a common position. The Court emphasized that a concerted action can be assumed, for instance, when a proposal for an EU agreement has been submitted to the Council, even though the Council has not yet acted upon it (para. 74). The Court unambiguously stated that the specific form of a common position is generally irrelevant for it to result in a concerted EU action (para. 77). What is relevant is that the discussion in Council forms a common position that constitutes the point of departure for EU external action. Hence, it is not necessary for the Council to have voted on the issue or otherwise adopted a formal decision reflecting that position (Repassi 2013: 60). Member States will nonetheless be under the special duty to abstain from taking unilateral action internationally.

Furthermore, the ECJ has stated on earlier occasions that the duty of cooperation extends to the exercise of shared competence in areas where respective competences are liable to be closely related (Case C-459/03, paras. 175 and 176), and exists in any case irrespective of the nature of EU competences (Case C-266/03, para. 58; Case C-433/03, para. 64). The duty of cooperation, to which the Court also referred in PFOS, emanates directly from the principle of sincere cooperation and underscores that the EU Member States may not compromise the effectiveness of EU provisions when exercising their retained competences (Van Elsuwege 2010: 1014). Consequently, irrespective of whether EU competence in a particular area is exclusive or shared, EU Member States are always constrained in their international actions by the obligation to safeguard the effective attainment of EU objectives.

The EU Treaties lack an explicit and overarching duty for the EU and Member States to coordinate external action. Nevertheless, the Treaty provides in Article 21(3) TEU that the EU shall "ensure consistency between different areas of its external action and between these and other policies." It has been argued that this includes a positive obligation for enhanced coherence across all areas of EU external action (Hillion 2008: 12-16; Van Elsuwege 2010: 1012-1014). Additionally, in the area of CFSP Article 34(1) TEU explicitly requires the EU and Member States to coordinate their positions at international organizations and conferences.

As a result of the above framework, EU obligations for the EU4 depend on the specific topics being discussed in the G20. In areas of shared competence the EU4 are pre-empted from acting unilaterally in a way that potentially compromises EU objectives. This is par-

ticularly the case where the EU has already exercised its competence; where the Member States and the EU have agreed on taking a general strategy on the question; or where the European Commission has commenced negotiation of an international agreement in that field. Although there is no explicit obligation requiring Member States to coordinate their positions in IO's with the EU for policy areas falling outside the scope of CFSP, coordination between the EU and its Member States is relatively advanced in the context of their participation in the G20 (Debaere and Orbis 2012: 319). More importantly, if a common strategy on G20 topics that fall under shared competence is set through a process of internal coordination between the EU and its Member States, the EU4 would be prevented under the PFOS-rationale from acting unilaterally in the G20.

In any case, and irrespective of the nature of EU competence, the EU4 are subject to the duty of cooperation, which is particularly strong in fields where respective competences are liable to be closely interrelated (Case C-459/03; Case C-266/03; Case C-433/03). Even though this does not always result in the EU4 losing the capacity to act individually in the G20, they are required to inform and consult with EU institutions at all times. Hence, whilst there remains a theoretical risk that Member States can represent national interests instead of EU interests in their role as permanent members in the G20, this possibility is significantly limited by (1) legal obligations on EU Member States under the duty of cooperation and (2) the de facto process of coordination between the EU and its Member States prior to G20 meetings (Wouters, Van Kerckhoven and Odermatt 2013: 270; Debaere and Orbis 2012: 318).

In sum, EU law governs the participation of the EU4 in the G20 in four ways. First, where G20 topics fall within the scope of exclusive EU external competences the EU4 are prevented from taking any individual position in the G20. Second, in areas of shared competences unilateral action of the EU4 might be pre-empted if the EU has already exercised its competence. Third, in areas where the EU4 have in fact retained competences, they are precluded from acting in the G20 in a way that compromises EU objectives. Fourth, the EU4 are in any case under an obligation to cooperate closely with the EU in all aspects of their participation in the G20.

3.1.3. EU obligations based on G20 decisions

G20 decisions – the formal *communiqué* – are essentially non-binding political commitments (Debaere and Orbis 2012: 312) (see also section 2.6.). This is largely due to the absence of a legal and institutional framework and the generally informal character of the G20. Nevertheless, the EU has demonstrated strong commitment to G20 actions and has shown clear intention to fully implement all G20 decision (Wouters and Odermatt 2013: 62; Wouters, Van Kerckhoven and Odermatt 2013). This part will explain the reasons underlying EU's strong commitment to the implementation of G20 decisions. First, however, it will briefly identify some EU legislation that was adopted as a response to the global financial crisis, and which is explicitly based on G20 decisions.

Thus, Directive 2010/76/EU on credit institutions refers in its preamble to the position of the G20. Directive 2009/111/EC revising rules applicable in the banking sector lays out that: "in accordance with [...] international initiatives such as the Group of Twenty (G-20) summit on 2 April 2009, this Directive represents a first important step to address shortcomings revealed by the financial crisis." Other examples include the establishment of the European Systemic Risk Board or the regulation of over-the-counter derivatives, which in its Commission proposal expressly refers to the "implementation of the reporting, clearing and trading obligations agreed at the G20 level" (COM (2010) 484/5, p. 4), or the EU

framework addressing Systemically Important Financial Institutions, amongst others (Wouters and Odermatt 2013; Wouters, Van Kerckhoven and Odermatt 2013: 266-270).

Reasons for the EU's consistent reference to G20 commitments in the preambles of its legislation are manifold. Most importantly perhaps, the EU acknowledged that many of the issues tackled in the G20 require a globally coordinated and consistent implementation of policies (Wouters and Odermatt 2013: 65). Additionally, by references to G20 decisions the EU is not relating to entirely external political processes but instead reconnects to policy commitments that the EU itself has participated in formulating. More importantly, the EU's rapid and effective implementation of financial reforms has strengthened its position in the G20, elevating the influence it exerts, together with the EU4, in the shaping of global policy. This position, however, can only be maintained if the EU continues its effective implementation of G20 decisions (Wouters, Van Kerckhoven and Odermatt 2013: 270; Wouters and Odermatt 2013: 66).

Consequently, reference to G20 commitments in its internal legislation improves legitimacy for its role in the G20 both, internally and externally. Internally, the process of implementation through the enactment of EU legislation involves all Member States and the European Parliament, and establishes a link between internal and external commitments. Externally, it reflects commitment to G20 outputs, facilitating the process of global rulemaking in the G20 by effective implementation in a broad territorial scope. The establishment of a procedural framework allowing for increased internal coordination involving all EU Member States could further strengthen that position (Debaere and Orbis 2010: 320).

Practice of coordination

3.1.4. Determination of positions of EU participants, mandate and coordination processes

Before 2008, the Union and EU Member States have not been coordinating their positions at the G20 (Debaere et al. 2014). The upgrade of the G20 to the leaders' level constituted the turning point, which triggered the process of aligning the EU position in the G20. There are two main arguments explaining why the decision was made to create an informal mechanism coordinating the EU position³⁵ at that particular moment. First, it was believed that an uncoordinated EU position could decrease the EU influence in the G20, which in 2009 was uplifted to the "premier forum of global cooperation". A warning signal was sent by the Copenhagen climate change conference in 2009, before which Europeans could not agree on a coherent position. A lack of the common EU position resulted eventually in the US and emerging economies' leadership in negotiating a climate agreement (Debaere et al. 2014; Jokela 2011: 7). Second, the establishment of a coordination mechanism was demanded by the non-G20 EU Member States. These countries became aware that it is to the best of their interest to exert some influence on the G20, of which commitments started having global dimension and impact. The participation of the non-G20 EU Member States in the process of coordinating a common EU position secure at least some influence of these countries on the G20 agenda. While initially the coordination of the positions in the G20 was taking place mainly within the EU4, since 2010 more structural inclusion of non-G20 EU Member States have become a practice.

Similarly to the G20 agenda-setting and consensus-building processes, which are organised within two tracks, "Finance" and "Sherpas" (see section 2.3.2), so is organised the coordination of the positions of EU participants in the G20. Whereas the "Finance" track is mostly devoted to macroeconomic policy, reforms of financial regulation and international financial

³⁵ The Lisbon Treaty, which has been effective since 2009, does not provide for any formal mechanism for coordinating the EU position at the G20.

institutions, the "Sherpas" track deals with nonfinancial issues such as employment, energy, trade, development and anti-corruption (see section 2.3.2).

The coordination of the EU position within the "Finance" track begins in the Council for Economic and Financial Affairs' (ECOFIN) preparatory body – the Economic and Financial Committee (EFC) and its two subcommittees, i.e. Financial Services Committee (FSC) and the Sub-committee on IMF-related issues (SCIMF) (Debaere & Orbis 2013: 319). While the negotiations in the EFC mainly concern the macroeconomic issues and exchange rates, meetings of FSC and SCIMF are devoted to reforms of financial regulations and international financial institutions (Nasra & Debaere, 2012: 6). The negotiations in the EFC, FSC and SCIMF are based on the documents drafted by the European Commission, which work closely on that issue with the rotating Council presidency (Debaere et al. 2014: 319). The negotiations and deliberations of these three bodies lead to the publication of so-called "terms of reference", which represent nonbinding policy references for the EU representatives and those Member States that participate in the G20 (see, for instance, Council of the European Union 2015: 5). It is important to note that the final approval and endorsement of the "terms of reference" is given by the ECOFIN (Debaere & Orbis 2013: 319).

A very different process of coordinating the EU position is pursued in case of the "Sherpas" track. The first striking difference, as compared to the "Finance" track, is a limited involvement of the Member States since the common EU position within the "Sherpas" track is forged by the European Commission (Debaere & Orbis 2013: 320). Note that in the "Finance" track, a final approval of "terms of reference" is given by the ECOFIN and, hence, the Finance Ministers of the EU Member States. The only channel, through which the EU Member States could influence the position for the "Sherpas" track, if any, is during the COREPER meeting (Committee of Permanent Representatives) (Nasra & Debaere 2012: 6). During this meeting, the EU Sherpa – a European Commission official – presents to the Member States the common EU position and, hence, the meeting's main purpose is information-sharing. The second peculiarity stems from the fact that for the sectorial "ministerials", sherpas delegate a coordination to the relevant Council committees, where common positions are worked out based on the documents drafted by the European Commission and the rotating Council presidency (Debaere et al. 2014: 22). The policy lines to be promoted at the sectorial "ministerials", such as for instance G20 Labour and Employment "ministerial", are enclosed in "guidelines for the EU participation" (Debaere et al. 2014: 22). This document is usually shorter and includes much broader and less detailed statements than "terms of reference" produced for the "Finance Track" (Debaere et al. 2014: 22).

The heterogeneity of the coordination mechanisms within the "Finance" and "Sherpas" tracks as well as the involvement of several bodies, such as numerous directorate-generals of the Commission and Council entities, requires some sort of supervision over the EU's preparation for the G20. This supervisory role is played by the Secretariat-General of the European Commission. According to Debaere et al. (2014: 24), the Secretariat-General "acts as a hub through which the separate issues are funnelled".

It needs to be mentioned that some *ad hoc* coordination of the EU position takes place also in the margin of G20 meetings (Debaere 2014: 15). This coordination is the most intensive in situations of strong opposition from other G20 Member States, when new unforeseen issues emerge and during the drafting of the communiqué (Debaere 2014: 15). Given that this coordination takes place "on the spot", the non-G20 EU Member States are entirely excluded from the negotiations.

As already mentioned, the coordination of the EU position within two tracks and more structured involvement of both the Council and the Commission were introduced in 2010. In the earlier stage of the G20 summity, in years 2008-2009, the European Council was much more active in securing a coherent EU position by issuing so-called "agreed language"

for the G20 summits³⁶ (Wouters et al. 2012: 7). "Agreed language" comprised a detailed list of policy lines to be promoted by the Union representatives and the EU Member States at G20 summits. Both the Commission and the Council were invited to provide their inputs in drafting the "agreed language" (Wouters et al. 2011: 15-16). The publication of the "agreed language" occurred, for instance, before the London and Pittsburgh Summits in 2009 (Council of the European Union 2009: Annex 1; Informal Meeting of EU Heads of State or Government 2009). Some assert that due to the "agreed language" of the European Council, the EU "maintained a surprisingly coherent stance" during the 2008 and 2009 Summits (Hodson 2011: 21). More recently, the European Council has been publishing a shorter and less detailed list of priorities to be pursued during the summits (see, for instance, European Council 2012: 9). In addition, before the Brisbane Summit in 2014, presidents of the European Council and the Commission issued the joint letter on the EU participation and policy references ahead of the Brisbane Summit (Barroso & van Rompuy 2014). Time will show whether the publication of the joint letter becomes a practice.

3.1.5. Conflicts of interest between participants from the EU

The contentious relations, or in other words internal coordination problems, might exist (1) between all EU participants at the G20 level and non-G20 EU Member States, (2) between EU4 (France, Germany, Italy and the UK), and (3) between the Union representation and EU4.

First of all, a conflict of interest might exist between the EU participants at the G20 level and non-G20 EU Member States. For non-G20 EU Member States, the EU's participation in the G20 constitutes a particular challenge as they may be confronted with decisions which affect them, but over which they have no say (Nasra & Debaere 2012: 1). There were several instances in the past where the non-G20 EU Member States were negatively influenced by the G20 commitments leading to a diplomatic struggle between the EU participants at the G20 and non-G20 Member States. For instance, at the 2009 London Summit, Austria, Belgium and Luxemburg were classified by the G20 as tax havens despite an internal agreement at the preceding European Council meeting that no EU Member States would be included in such a list (Nasra & Debaere 2012: 14-16). Shortly after the London Summit, those three countries reacted fiercely against this "betrayal" by their European partners (Nasra et al. 2009: 8). In 2009, the G20 was also involved in the reform of IMF quota. The "deal" was made to shift 5% of the IMF quota from over-represented countries to under-represented emerging economies (Debaere 2014: 13-14). Some non-G20 EU Member States, which were negatively influenced by the reform, acknowledged that they were faced with a "fait accompli" imposed by the G20, and hence by EU4 and EU representation. These instances led to the establishment of a more structured mechanism for coordinating position in 2010. However, given a non-binding nature of the coordination and the EU policy references, one cannot exclude the possibility that in the future EU4 may still try to push through their preferred policies at the G20 level independently, leading to conflicting outcomes.

A conflict of interest might also arise between the EU Member States, especially when national interests are not fully aligned. An illustration of these conflicting interactions might be the G20 discussions over the bankers' remuneration reforms. Whereas France was supporting harsh measures against the culture of excessive bonuses, the UK (accompanied by

³⁶ The European Council meetings were usually preceded by the informal meetings of the EU4 representatives and EU officials participating in the G20. They served as a first step towards coordinating the EU actions for the upcoming G20 meetings (Brown et al. 2009; Wouters et al. 2012: 7). Those informal meetings were raising severe concerns from the EU23 as they could suggest that the EU4 attempts to dominate the coordination of the EU position for G20.

the US) took much more lenient position fearing that too tight rules might hurt London's financial industry (Nasra and Debaere 2012: 11). Hence, for the UK, the French proposal of mandatory caps on bonuses was unacceptable and declined. It should be noted, however, that conflicting national interests arise much more frequently between the EU G20 Members and non-EU G20 Members than between EU4.

A problematic relation might also arise due to the "parallel membership" of the EU Member States and the EU. The problem emerging from this "parallel membership" is particularly visible in G20-like fora, which are state-centric and heavily biased towards participation by states (Wouters et al. 2013: 1). According to Nasra & Debaere (2012: 15) and Jokela (2011: 7), the EU position in the G20 – the only non-state actor – is quite delicate and diluted, particularly given the fact it is accompanied by four largest and most powerful EU Member States, i.e. the EU4. This results in a situation where it is very unlikely that the Union representatives go against and veto a G20 decision that is endorsed by the EU4. One could argue that the room for a manoeuvre of the Union representatives is effectively restrained by the preferences of EU4 (Nasra & Debaere 2012: 15), and thus, that in practice the EU position is mostly forged by the EU4.

In order to avoid contentious relations between the EU participants at the G20 and between those participants and non-G20 EU Member States, a more uniform and binding coordination mechanism of the EU positions prior to the G20 meetings would be called for. As widely recognised by the EU officials, a strongly coordinated EU position could strengthen the influence of the EU in international fora, such as G20 (Dee 2012). The coordinated position of the Union and EU4 in the G20 would give the EU a huge leverage to push for its preferred policies at the global level. Moreover, efforts to include more systematically non-G20 EU Member States in the coordination process would increase inclusiveness of the G20 remarkably and enhance the "ownership" of the decisions reached at the G20 (Debaere & Orbis 2013; Buti 2013: 133). This sense of "ownership" may further improve the implementation of the commitments in the EU as the non-G20 EU Member States might be less opposing the G20 decisions. As a result, if the EU4 wish to implement G20 commitments effectively, they should secure the support for commitments from all EU Member States (Nasra et al. 2009: 9).

An improvement of the coordination between the Union and the EU Member States has its cost however. First, reaching a consensus over the binding "terms of reference" would induce high transaction (decision) costs. Second, if the Europeans agree on binding "terms of reference", the repetition of the same position by all EU participants might irritate other G20 Members (Wouters et al. 2012: 6) and could renew the criticisms and protests against the European over-representation in the G20 (Jokela 2011: 6).

Affection of the European Economic Governance and the Global Economic Governance by the G20

For the purpose of this and subsequent section 'economic governance' is defined as a set of rules which guide a decision-making in the area of macroeconomic and financial markets policies. In this context it is important to recall that the G20 is rarely involved directly in setting the standards (see section 2.6.2.). They are usually developed by the IO's and standard setting bodies. At the same time standards are typically endorsed and approved by the G20 through the commitments. Given the limited space available, this section, first, briefly discusses the impact of the G20 commitments on the global economic governance and, second, it zooms in on the G20 effects on the European Economic Governance more specifically.

The impact of G20 commitments implies a causal link from the existence and functioning of the G20 to outcomes, here reforms in economic governance. The inference of causality, in a rigorous fashion, would require comparing the state of the world with the G20 to the "counterfactual" state of the world without the G20. This, in principle, is impossible. For that reason, the assessment of the impact of the G20 commitments is pursued in a more suggestive manner.

The impact of the G20 on global economic governance can be assessed, for instance, by looking at the number and implementation of the G20 commitments in the area of macroeconomic policy and financial market reforms. Two pieces of evidence are apparent from table 12, which present figures on amounts of the G20 commitments and on their implementation (see section 2.7 for the methodological details on measuring implementation). First, commitments in the area of macroeconomic policy and financial regulation constitute a great deal of all commitments, i.e. roughly 40% of the total number of commitments (see appendix in for a full list of commitments). Therefore, as it was already shortly mentioned in section 2.7, the G20 agenda is heavily devoted to economic governance.

The translation of the G20 agenda into an actual implementation is proxied by the compliance with the G20 high priority commitments on economic governance. In this regard, the second piece of evidence stemming from table 12 is that this compliance is fairly satisfactory, as in both policy areas compliance scores are close to 0.5. For both policy areas the compliance scores are above the average measure of compliance for all high priority commitments (0.42). A huge disparity in the implementation of commitments between the advanced and emerging economies in the area of financial regulation can be noted. The implementation of commitments in the area of macroeconomic policy is much more aligned between the advanced and emerging economies, although by margin this implementation is higher in the advanced countries. A preliminary conclusion is therefore that the G20 effects on economic governance in G20 advanced economies are "balanced" as implementation is satisfactory for both macroeconomic policy and financial reforms. More incoherent effects of the G20 are found for the emerging economies, where satisfactory implementation of "macro" policies is combined with rather low compliance with commitments on financial regulation.

Table 12. The number and compliance scores for macroeconomic policy and financial regulation reform, average for the period 2008–2013

	Number of commitments	G20	G20 Advanced	G20 Emerging	Europe	EU4	European Union
Macroeconomic policy	354	0.59	0.67	0.51	0.67	0.65	0.75
Financial regulation	246	0.46	0.68	0.24	0.71	0.70	0.75
All	1,514	0.42	0.59	0.25	0.62	0.61	0.65

Source: G20 Research Group 2015a and 2015b, authors' calculations.

The G20 effects on the economic governance, as measured by the compliance scores, are particularly large for the European members of the G20, i.e. for both EU4 and the Union. The compliance scores are not only high, suggesting that the vast majority of high priority commitments are implemented, but they are also balanced, indicating that the economic governance reforms induced by the G20 are pursued equally in "macro" and financial regulation domain.

The high compliance scores for the G20 EU Members (EU4 and the Union) reflects that they take the commitments made at G20 summits serious and recognise the need for a global coordinated response to the financial and economic crisis. A belief among the European G20 members is that by aligning EU policies with the policies of other systematically important countries makes the EU's response to the crisis more effective (by mitigating negative spill-over effects from the beggar-thy-neighbour policies) (Wouters et al. 2012: 14). Moreover it is believed that by high compliance with the G20 commitments they can strengthen overall EU's position in the G20 and EU influence on the G20 decision-making (see section 3.4).

What is more, specifically the Union uses the commitments agreed at the G20 as leverage to move faster with reforms internally. When a regulatory issue is discussed and agreed at the G20 level, the opposition from the EU Member States, particularly those not present at the G20 table, is somewhat weaker (Wouters et al. 2012: 4). For that reason, in the legislative proposals, as well as in media declarations, the Union frequently refers to the G20 commitments and other G20 policy documents (Wouters et al. 2012: 19).

An example of the EU regulatory reform, which was induced by the G20 commitment, includes a regulation on over-the-counter (OTC) derivatives from September 15, 2010. This regulation was inspired by the G20 leader's commitment to improve transparency and regulatory oversight of the OTC derivatives (Wouters et al. 2012: 15-16). Another example is the implementation of Basel III. Following intensive work in the FSB, the G20 and the Basel Committee, amendments to the Capital Requirements Directive were made, which improved the quality and quantity of capital held by banks, introduced capital buffers and ensured the counter-cyclical build-up of capital in good times (European Commission 2010: 6). In the proposal the European Commission stated that this regulation translates into European governance international standards on bank capital agreed at the G20 level (Wouters et al. 2012: 16). In addition, the Directive on Alternative Investment Funds Managers took into account IOSCO Hedge Funds Oversight report requested by the G20 in 2009. At the occasion of this "hedge fund" directive, the President of the European Commission claimed that this directive is another example of how the EU is leading the way in implementing the G20 commitments (Wouters et al. 2012: 18).

By largely complying with the G20 commitments, and by being a forerunner in certain areas of economic governance, the EU's position within the G20 is strengthened, enabling the European representatives to have possibly a greater impact on future G20 gatherings. This impact of the EU on the G20 commitments is addressed in the next section. The last anecdotal piece of evidence reflecting the important of the G20 for the Europeans is the statement by the current Eurogroup's President Jeroen Dijsselbloem. He asserted that the more adequate forum to discuss the value of the euro in the G20 rather than the Eurogroup (Stamatoukou, 2013).

Influence of the EU on shaping international standards via the G20

Assessing the influence of the EU on shaping international standards via the G20 is, yet again, a nontrivial task. A rigorous methodological approach would require comparing two states of the world the actual one (with the EU influence) and the “counterfactual” one (without the EU influence). As this sort of “experiment” is not available, the evaluation presented in this section is rather suggestive.

At the general level, one should note that the G20 is less Eurocentric than other international fora, such as for instance the G7/G8. In the G20, the “Europeans” occupy merely 25% of seats, whereas in the G7/G8 roughly half of the seats. At least theoretically, this should translate into a lesser influence of the EU on the international standard setting via the G20 as compared to the G7/G8. However, if the positions of the Union and EU4 are coordinated so the whole EU represents a united front, the EU influence could be still considerable, particularly as compared to other country blocks.

According to Kern (2011), both the EU and the US have an adequate economic and financial weight to be a driving force of the G20 commitments, particularly in the area of financial regulation. Despite the financial crises, the EU and US financial centres remained strong, and provide approximately ¾ of global financial services (Kern 2011: 5). The G20 EU Member States and the European Commission’s know-how and competences in the areas of financial market regulation as well as the US experience with financial market and supervisory reforms set their unique positions to promote global standard in line with their own interests (Kern 2011: 6). For that reason, particularly in the financial markets reforms, the EU together with the US belongs to the G2, which is able to drive the negotiations in the G20 regarding the financial regulation reforms.

In the EU circles, the G20 is often perceived as an important venue where the EU can try to influence other countries and commit them to follow the EU agenda (Commission of the European Communities 2008: 7-8). For instance, it was acknowledged that “the European Commission and its president played a crucial but behind-the-scenes role in G20 agreement” for the 2011 London Summit (Michaels 2009) and, consequently, the G20 statement incorporated many of the Commission’s suggestions on the financial reforms. The overall perception, particularly between the EU officials, was that the EU was very much able to promote its own agenda at the global level during the financial crisis (Wouters et al. 2011: 15). Moreover, the view has been taken that high compliance with the G20 commitments could strengthen the EU’s voice and overall influence over the G20 (European Commission 2010: 2). For that reason, the agreement between the EP and the Council on the financial supervision package and the completion of the reform on the regulatory framework was welcomed as it could reinforce the EU position for the upcoming 2011 Cannes Summit. There were huge expectations that during this Summit a strong momentum in the area of financial reform would be maintained and that the EU, given successful adoption of financial supervisory and regulatory framework, would play a key role in developing commitments (Wouters et al. 2012: 10).

According to Wouters et al. (2012) and Hodson (2011), the EU indeed has been able to influence the G20 agenda and commitments in a fairly satisfactory way. This positive assessment emerges from comparing the G20 commitments with the EU priorities and objectives for upcoming summits, which were listed in the “agreed language” (see section 3.2.2). However, Wouters et al. (2012: 13) underscore the EU also regularly failed to get specific objectives adopted, such as for instance “tax on financial institutions” and the “Everything but Arms” initiative. Likewise, the EU has also witnessed some issues being included in the agenda which were not part of the European agenda, such as currency wars and global financial safety nets (Wouters et al. 2012: 13-14). It is of note that this crude com-

parison of commitments with the EU objectives might tell a little bit too optimistic story as some of the EU objectives, for which there is no global political support, might be simply not mentioned among the EU priorities for the G20. One should also bear in mind that the adoption of the G20 commitments does not equal to their implementation, since the commitments are no legally binding. As shown in section 2.7, the compliance with the G20 commitments, and therefore standards, differ a lot among the G20 members. Consequently, even though to a certain extent the EU is able to shape global standards through the G20 commitments, the EU is not able to secure the implementation of these standards.

As to concrete issues, the EU Members States and Union have managed to influence the measures on, *inter alia*, stronger oversight of credit rating agencies, more rigid regulation on bankers' bonuses and an increase in the resources available to the IMF (Hodson 2011: 8-11). In the future, the EU position might be particularly influential in developing the G20 global standards in two policy areas. First, the EU could provide useful insights on the multilevel and cross-border approach to the global economic governance. This is especially with regard to dealing with cross-border disputes between the national supervisory authorities, and introducing mechanism to override national supervisory authorities by the supranational bodies (Amtenbrink 2013: 255). Second, the EU could have an important input on strategies tackling the interactions between macroeconomic policies and other public policies that affect financial stability (Amtenbrink 2013: 255-256).

4. CONCEPTUALISING AND OPERATIONALISING (DEMOCRATIC) ACCOUNTABILITY FOR INFORMAL INTERNATIONAL BODIES

In order to adequately address the question whether and to what extent the G20 (section 4.4.) as a body, as well as the Union institutions (section 4.5.) are (democratically) accountable, first of all it has to be established that accountability mechanisms are indeed called for in the case of the G20 (section 4.1. and 4.2.). Moreover, an analytical framework has to be developed that allows for a systematic evaluation of the existing legal and practical arrangements (section 4.3.).

The rise of informal international bodies in economic and financial market regulation

4.1.1. Trend towards depolitisation and denationalisation of public policy making

Generally speaking two trends can be observed for some time that have a decisive influence on the ways in which public power is exercised today.

The first such trend is the rise of independent bodies or agencies that exercise public power on behalf of the democratically elected governments. Majone (1996) refers in this context to 'non-majoritarian' bodies. In the national context examples from the area economic and financial market regulation include independent central banks (Amtenbrink 1999) and financial market supervisory agencies (Hüpkes 2006). The rise of such independent agencies has also been observed in a more general context for the EU (e.g. Scholten 2014, 47, with further references). The reasons for the 'outsourcing' of government tasks differ from case to case, but at a more elevated level a pattern can be observed to vest tasks onto independent bodies (see e.g. Heine and Mause 2013) that are thought to be particularly vulnerable to the political business cycle (such as e.g. in the case of monetary policy) and/or require a high degree of expert knowledge (such as in the case of the supervision of financial institutions or the evaluation and supervision of medicinal products for human and veterinary use).

The second trend concerns a denationalisation not only of public power in the formal sense, but also of public policy making. In this context public policy making refers to the process of deciding on the scope of public policies, whereas the exercise of public power may be understood to be geared towards the implementation of these policies. To be sure, in the EU context the foundations for this shift from the national to the supranational were already laid with the signing of the Treaty establishing the European Coal and Steel Community and, thereafter, the Treaty establishing the European Economic Community (e.g. Amtenbrink and Vedder 2013, chapter 12). Beyond this specific form of regional economic integration that is *inter alia* propelled by bilateral trade agreements, the liberalization of (financial) markets and capital mobility have as a consequence that public policy pertaining to economic and financial market regulation already for some time cannot be based on domestic considerations only. This development also curtails the potential of any one jurisdiction, including for that matter the EU, to effectively regulate in an autonomous fashion in this field. Yet, in the absence of global rules or at least coordination, countries are potentially exposed to regulatory arbitrage and crisis contagion. Moreover this also results in the depolitisation of economic and financial market regulation, a development that can be observed independently from the first trend described above (see section 4.1.2.).

4.1.2. The function of informal international bodies

The gap that has emerged from the denationalization of policy making, at least beyond the EU context, has not been bridged by formal institutions and decision making structures at the international/global level. Indeed, as has *inter alia* been observed in the de Larosière Report (2009, 59), a coherent global system of financial governance is missing. What has become painstakingly clear in the recent global financial and economic crisis is that the absence of such a structure may not only contribute to the emergence of a crisis, but also contribute to its perseverance, as crisis mechanisms are absent. As has been observed in section 2.1.1. above, it was in such a situation that the previously established G20 has developed into the ad hoc crisis management and financial markets reform forum that it represents today. G20 has thus filled a vacuum in global economic and financial governance.

That fact that, as has been observed in section 2.1.2., G20 does not qualify as an international organisation and moreover does not exercise public power in the formal sense should not be mistaken for evidence that this forum by definition cannot engage in public policy making. Instead the activities of G20 may best be described as 'informal international law-making', a phrase coined by Pauwelyn, Wessel and Wouters (2012). Applying the systematic definition of this phrase by Pauwelyn (2012), the informality derives first of all both from the output of the G20, which does not come in the shape of 'formal treaty or any traditional source of international law', but instead 'guideline, standard, declaration, or even more informal policy coordination or exchange' (Pauwelyn 2012, 15)³⁷. The informality of the G20 moreover derives from the fact that its output comes about outside the framework of an international organisation. Pauwelyn (2012, 17) refers in this context to "process informality" in the shape of "a loosely organized networks or forum".

While the main output of the G20 consists of declarations and statements (see section 2.6.), it nevertheless arguably engages in public policy making. First of all, as has become clear, these statements and declarations on particular policy issues are considered as a commitment by each member country and the EU to a particular course of action, such as the regulation of particular financial market actors. Moreover, the *de facto* public policy making character of G20 output derives from the compliance of the member countries and the EU with such commitments. As has also been observed in section 3.1.3., the latter are effectuated in formal legal instruments in the national/EU legal order, such as in the case of the adoption of Regulation 1060/2009 on credit rating agencies.³⁸ In fact, as has been observed in section 2.7., collectively the European representatives in the G20 are the most effective in complying with the summits' commitments. Self-commitment and peer pressure rather than formal enforcement mechanisms are characteristic for this form of informal public policy making by the G20. In the EU context evidence for this can also be found in the fact that parts of G20 declarations find their way into preambles of secondary Union acts, as is e.g. the case in Regulation 575/2013 on prudential requirements for credit institutions and investment firms and amending Regulation 648/2012 (Preamble No. 1).³⁹

³⁷ Footnote omitted.

³⁸ O.J. 2009, L 302/1. The original Directive borrowed substantially from the 2008 revised Code of Conduct Fundamentals for Credit Rating Agencies of the technical committee of the International Organization for Securities Commissions (IOSCO), see Amtenbrink and De Haan (2009).

³⁹ O.J. 2013, L 176/1.

The case for the democratic legitimacy and accountability of informal international bodies

If and to the extent that informal international bodies engage in public policy making the question arises whether such activities are legitimate in a broad sense.

4.1.3. The function of accountability in the democratic legitimization of public power and policy making

As has been observed elsewhere, "the most fundamental presumption of Western liberal democratic thinking rests on the presumption that the exercise of public power must be linked to and legitimized by the people (the electorate) on behalf of which public power is exercised." (Amtenbrink 2012, 344). In the national context the "constitutional codification of public power" (Dellavalle 2010, 91) is arguably the most important organisational function of written and unwritten constitutions, as they define the scope of public power, the conditions under which it may be exercised and by whom (separation of powers), as well as a system of checks and balances, such as the answerability of the executive government to parliament and judicial review.

Democratic elections and other direct forms of citizen's involvement are just one, albeit important source of legitimization (input legitimacy). "[P]olicies adopted [that] will generally represent effective solutions to common problems of the governed" (Scharpf, 2003, 4, brackets added, with reference to Scharpf 1997) or the "effective delivery of outcomes" (De Búrca 2014, 31), as what output legitimacy has been described, is another source of legitimization. In fact some commentators even suggest that input and output legitimacy are substitutable in the sense that the absence or weakness of one may be compensated by the presence by the other. This is in particular discussed in the case for the exercise of public power beyond the state. Exemplary in this regard in the EU context is the justification of the somewhat frail input legitimacy at the Union level by output legitimacy in terms of the actual deliverables of the Union (see e.g. Moravcsik 2002).

Beyond the comparably sophisticated quasi-constitutional supranational legal order of the European Union, the even bigger challenges that denationalisation and the activities of IO's, but also informal international bodies and even NGOs', pose for the legitimacy have been widely recognised in the relevant legal and political science literature (see e.g. for the G20: Slaughter 2013; Eccleston et al. 2015). Indeed a democratization of the global institutional structures, compensating for the loss of public power at the state level and the increasing exercise of, if not public power in a formal sense, than at least public policy making by with IO's, informal international bodies and NGO's has been demanded (for an overview see Amtenbrink 2009, section 2.2.). The G20 forms no exception in this regard, as it has been criticised for being "selective and self-appointed" and having "representative deficits" (Slaughter 2013, 44 and 46).

The challenges associated with these developments are arguably even more apparent when employing a somewhat broader meaning to the concept of legitimacy as "... a quality that society ascribes to an actor's identity, interests, or practices, or to an institution's norms, rules, and principles. When society ordains this quality, such things are said to enjoy or command legitimacy". From this perspective legitimacy is viewed as "a social concept in the deepest sense" (Reus-Smit 2007, 159).

Embracing elements central to such a broader concept of legitimacy is the notion of throughput legitimacy, a collective term that describes the "efficacy, accountability and transparency of the EU's governance processes along with their inclusiveness and openness to consultation with the people." (Schmidt 2013, 2). In the words of Schmidt (2010, 7):

"Throughput legitimacy is a performance criterion centring on what goes on inside the "black box" of the political system, between the input and the output. Legitimacy here is focused on the quality of the processes of EU governance, which means not just their efficiency but also, and most importantly, their accountability...". Viewed from this perspective accountability forms an important element contributing to the legitimisation of public power and policy-making.

4.1.4. A working definition of accountability

Placed in the context of section 4.2.1., accountability can be described as a mechanism by which those in charge of the exercise of public power or public policy making are subject to continuous control and moreover can be sanctioned in case of bad performance or undesired behaviour (Amtenbrink 2012, 344, building on Amtenbrink 1999). Put differently accountability describes "a relationship between an actor and a forum, in which the actor has an obligation to explain and to justify his or her conduct, the forum can pose questions and pass judgment, and the actor may face consequences" (Bovens 2007, 107). As such, following Marshaw (2006, 118), an accountability regime must answer six basic questions, namely "... who, to whom, about what, through what process, by what standards and with what effect". With the chain of delegation of public power and policy making extending to complex domestic, supranational and international governance frameworks, this implies correspondingly multiple principle-agent and thus, accountability (who, to whom) relationships, as becomes apparent already from the example of the EU.

To be sure, the concise definition of accountability offered in this section discounts elements of the broader concept of legitimacy referred to in section 4.2.1., such as citizen's participation, that may also become part of a broader concept of accountability. Indeed, as Bovens (2007, 108) has pointed out rightly, "Responsiveness to the needs and preferences of a broad range of stakeholders and new forms of consultation and deliberation may be very important to enhance the political legitimacy of the EU, but they do not constitute accountability *per se*." At the same time, those in charge of accountability mechanisms may also include this group, e.g. civil society.

The actual extent to which accountability forms a decisive element in legitimising a body arguably depends on the institutional setting of the latter and mainly to what extent input legitimacy is provided for. Relevant determinants in this context are the legal nature of the institutional framework (e.g. international Treaty ratified by parliaments), the organizational structure (e.g. decision-making through democratically elected governments) and the nature of the output (e.g. formal decisions or output that determine the public policy decisions by those in charge of formal public power) (Amtenbrink 2012, 345-346).

A two-tier accountability framework for informal international bodies

In operationalising the working definition of accountability offered in section 4.2.2., a two-tier accountability framework is introduced (building on Amtenbrink 1999, 2012) that can be utilised to assess whether and to what extent informal international bodies, such as the G20, but also the participating entities, namely the EU, are accountable for their action.

4.1.5. Foundations of accountability

Accountability does not only amount to a mechanism to sanction a body in case of bad performance/behaviour, but in the first instance describes a situation in which those that have delegated tasks can exercise continuous control (see section 4.2.2.). The latter can only take place in conditions in which the party charged with passing a judgment has access to information. Moreover, a yardstick is required based on which the performance/behaviour can be judged.

4.1.5.1. Transparency and access to information

While transparency cannot be substituted for accountability, it forms a crucial condition. In line with the IMF's Code of Good Practices on Transparency in Monetary and Financial Policies (IMF 1999), transparency is presently understood as an environment in which measures/policies are formulated and reported in an open process and where information on measures/policies are publicly available. This may include statutory or at least voluntary reporting requirements⁴⁰ and the publication of minutes of meetings, but also the right or at least possibility of the party at the helm of the accountability to request information, e.g. through the submitting of questions or regular institutional contacts that are either prescribed by law or otherwise constitute common practice, such as in the case of the ECB's Monetary Policy Dialogue with the EP⁴¹, and a right of (parliamentary) inquiry.⁴²

4.1.5.2. Yardstick

A yardstick is required in order to effectively judge the performance/behaviour of a body. This does not only facilitate the task of the party at the helm of the accountability mechanism in knowing for what the body has to be judged, but also prevents arbitrariness and abuse of power in the application of the accountability mechanisms. With the application of a clear yardstick the party in charge of the mechanism itself can be held to account for its application of the accountability mechanism. This is particularly relevant in the case of an accountability mechanism that applies to statutorily independent bodies that have been deliberately removed from the political business cycle by the legislator. A yardstick should therefore take the shape of a clear description of the objectives, tasks and duties of the body in question. To the extent existing, legal frameworks (legal basis/statute) are the primary sources for identifying such yardsticks.

The more precise the yardstick, the easier it becomes for the party in charge of the accountability mechanism to operationalise it. Thus, quantified or at least quantifiable objectives, such as e.g. inflation targets, are to be preferred over undefined or imprecise objec-

⁴⁰ While the quality of the information provided may be the same in both instances, the difference essentially relates to the question whether access to information can be legally enforced.

⁴¹ Similar to what has been observed in the previous footnote, the difference essentially lies in the legal enforceability.

⁴² While the right of inquiry is presently considered a condition rather than instrument of accountability, it is presently recognised that 'naming and shaming' may also be considered a form of sanctioning.

tives, such as e.g. the objective 'stability of the financial markets'. The same holds true for multiple objectives that lack a clear prioritization. In principle the body itself may also decide on such a yardstick. A predetermined (statutory) definition of the objective by a democratically legitimised institution does however enhance legitimacy.

4.1.6. Instruments for accountability

Next to providing for conditions in which it becomes possible to pass a judgment on the behaviour, instruments that allow assigning consequences to this judgment are required in order to provide for accountability. Namely transparency and more precisely access to information can thus not be considered to constitute a sufficient accountability mechanism.

Instruments must in principle provide the party in charge of the accountability mechanism with the means to remedy shortcomings that have been ascertained and, namely in case of abuse of power, to sanction undesired behaviour (Achtenbrink 2012, 349). Main categories in this regard include the legal basis or statute of the body in question, dismissal and reappointment procedures, override mechanisms, budget appropriation and judicial review (following Achtenbrink 1999). In deciding on instruments of accountability, similar to what has been observed in section 4.3.2.1., avoiding arbitrariness and abuse of power on parts of the party in charge of the accountability mechanism is a major concern.

4.1.6.1. Legal basis/statute

To be sure, to the extent that a body is *de jure* charged with the exercise of public power or public policy making, the legal basis itself may be a source of democratic legitimisation, if and to the extent that the mandate and institutional setup has been decided upon by democratically elected governments. Yet, even where this is the case, this act of establishment on its own is arguably not sufficient to legitimise the continuous exercise of public power or public policy making. To this end, the legal basis or statute of a body can also form an instrument of accountability in that the party in charge of the accountability mechanism may be in the position to *ex post* amend the legal basis or statute of the body in question thereby changing its objectives or tasks, adjusting any other institutional arrangements in order to enhance the performance of the body, or prevent the identified undesired behaviour in the future. In the most extreme case it could even be decided to abolishing the body altogether.

Whether and to what extent the legal basis or statute can be used in such a way depends on a number of factors, the most important one which is that the body in question has been set up by a legal act or features a statute in the first place and, moreover, that an amendment of this legal basis or statute is a realistic possibility given the (constitutional) legal requirements. The latter may e.g. be questionable when a body is effectively insulated from such amendments to its legal basis or statute as a result of extraordinarily high procedural hurdles (e.g. unanimity requirement).

4.1.6.2. Dismissal and reappointment of officials

If and to the extent that key officials of the body in question can be dismissed for reasons of their performing (or of the body as a whole for which they are responsible), or undesired behaviour, this may amount to an accountability instrument. The same holds true for the possibility (not) to reappoint such officials. This requires however that a performance-based dismissal as well as the possibility of reappointment is indeed foreseen. With regard to the former, namely in the case of independent bodies, dismissal of key officials is regularly limited to cases of serious misconduct or incapacity. What is more, the dismissal of individual

officials may not be an option in case that decisions are taken collectively or by mutual agreement.

The conditions in which namely a performance-based dismissal of key officials is allowed should be predetermined (e.g. laid down in the legal basis or statute governing the body in question) in order to rule out arbitrariness and abuse of power in the application of this accountability instrument.

4.1.6.3. Overriding decisions or policy choices

An instrument with a somewhat less structural impact on the body to be held to account than the amendment of its legal basis/statute or the dismissal of key officials is the possibility for those in charge of holding the body to account to override concrete decisions or policy choices. In such instances the party in charge of the accountability mechanism itself takes charge and thus responsibility. The focus with regard to accountability arrangements then shifts from the body that is overridden to the one that is applying the override (Amtenbrink 2012, 351). Consequently, even more so than what has been observed for other instruments, arrangements have to be in place to prevent arbitrariness or abuse of power (e.g. an independent review of the application of the override mechanism).

4.1.6.4. Budget

To the extent that the body charged with the exercise of public power or (informal) public policy making is subject to a (annual) budgetary appropriation procedure this may also function as an accountability mechanism to review the executing of (annual) programs and projects and to assign consequences to this judgment of performance in terms of the financial appropriation of the following period. It goes without saying that this only applies where the body in question does depend on external funding in the first place. This does not apply, if the body can generate its own funds and thus has its own budget, something often found with statutory independent bodies at the national and EU level (e.g. in the case of central banks). To be sure, if the latter is the case, generated incomes can still be considered public funds the management of which should be subject to external review (e.g. through (independent) Court of Auditors).

4.1.6.5. Judicial review

Access to justice, as what the possibility of judicial review of measures that produce legal effects vis-à-vis third parties may be described, can also be considered as an instrument of accountability. This accountability instrument differs from those identified in the previous sections both with regard to the party formally in charge of the application of the instrument (independent judiciary), as well as the party that can initiate the instrument. Judicial review may be viewed as an important element in the restraint of public power and thus as a key element of democratic legitimization of public power as discussed in section 4.2.1.

To be sure, whether judicial review can function as an accountability mechanism does not only depend on the extent to which a body in question actually generate measures, which in a legal sense can produce legal effects, but also on the existence of judicial bodies that have the power to adjudicate over such measures, as well as procedural rules that effectively allow for such measures to be challenged.

The 'collective' accountability of G20

When referring in the present context to 'collective' accountability this phrase is only employed as shorthand to describe a situation in which the G20 as a body, rather than its constituting parts, i.e. the member countries and the EU, can be held to account. With the use of this terminology it is thus presently not implied that the G20 has to be considered an international organisation or otherwise enjoys legal personality (see section 2.1.2. and Henley and Blokker (2013), 36-37).

Overall it can be noted that the application of the two-tier accountability framework reveals that the G20 as an informal international body suffers from a serious accountability deficit on almost all accounts. Firstly, from the outset it is rather ambiguous which party would be charged with holding the G20 to account (section 4.4.1.). Moreover, the foundations and instruments for accountability are largely absent (sections 4.4.1. and 4.4.2.).

This section operationalizes the two-tier accountability framework developed in section 4.3. in examining to what extent the G20 as a body can be held to account. Consequently the broader issue of the legitimacy of the G20 as such, including namely the elements of input and output legitimacy (see section 4.2.1.) falls outside the scope of this study, as does the question of how G20 can ensure compliance by its members, such as namely in the context of the G20's own 'Accountability Assessment Framework'.⁴³ The accountability of the EU for its role in the G20, is discussed separately in sections 4.5.

4.1.7. Accountable to whom?

Leaving aside for a moment the question whether there are sufficient foundations and instruments of accountability for the G20, the well-observed informality of this body begs the question to whom the G20 as a 'collective' body is or should be accountable?

Similar to what can be observed for any (international) body in which government representatives participate, it may be argued that the G20 essentially derives its (input) legitimacy from the participation of (democratically elected) government representatives and that as far as accountability arrangements are concerned the focus thus has to rest on the accountability of these representatives in the national context (e.g. vis-a-vis parliament). In this view the source of the G20 input and throughput legitimacy and namely accountability are to be found at the level of the member countries and, as far as the EU is concerned, at the European level. Yet it is difficult to see how any individual accountability arrangement at those levels, even when considered jointly, can amount to a collective accountability of a body such as the G20 the 'decisions' (in a non-technical sense) of which are taken in a rather informal setting and are not based on clear procedural rules.

While it has been argued in section 2.1.2 that the G20 'decisions' are de facto reached through mutual consensus, it is questionable whether the signalled practice de facto amounts to a veto right for individual countries and the EU. To the extent that this is considered not to be the case, neither national government representatives nor Union institutions can be held accountable for 'decisions' that they may not have supported. Thus, similar to what can be observed for the Council of the European Union and the role of national parliaments in holding the former to account, the power of those at the helm of any accountability mechanism applied to the G20 would be limited to holding the Union institutions to account for the positions they take in the G20 fora.

⁴³ See in this regard the G20 Development Working Group Accountability Framework of 5 September 2014. Available at < https://g20.org/wp-content/uploads/2014/12/g20_development_working_group_accountability_framework.pdf >

Outside the government sphere, in principle external stakeholders, such as labour and union representatives, NGO's and Think Tanks and civil society, with which the G20 engages in an exchange of ideas through conferences, workshops, symposia and roundtables in the margins of G20 gatherings (see section 2.3.3.) could fulfil a role. Yet, it can already be anticipated here that the only rather blunt weapons at the disposal of such external stakeholders is the influencing of the public opinion and 'naming and shaming'.

In the case of G20 there is thus arguably an accountability gap, as currently no democratically legitimised institution, be it in participating countries or at the EU level, can hold the G20 to account as a 'collective' body.

4.1.8. Foundations of accountability

As has been observed in section 2.1.2., the G20 does not feature a legal basis or formal statute that determines the legal status of this body, its mandate, objectives, tasks and decision-making procedures. Moreover, an established set of procedural rules does not exist either. Consequently there is no formal right vis-à-vis the G20 as a body to request particular information. Moreover, there is no national, European or international forum in which the G20 as a body, e.g. represented by its presidency, has to explain itself. Any arrangements in this regard are thus by definition limited to the national or EU level.⁴⁴

Any existing arrangements relating to transparency and access to information, as well as the applicable yardstick in judging the performance of the G20 have to be sought in the informal sphere. In this context the fact that a reportedly (see section 2.3.2.) existing G20 policy manual has not been published negatively affects the transparency of the G20.

In terms of reporting and the public availability of documents a whole variety of documents are made available on the G20 website (<http://g20.org>), whereby a quick scan reveals a major increase in the volume of published documents from 2010. Categories of documents to be found include *inter alia*:

- G20 Presidency priorities (see also Table 1)
- Communiqués of the G20 Finance Ministers and Central Bank Governors meeting (see also section 2.3.2.)
- The G20 Summit outcomes (including a 'Frequently asked questions') (2014)
- G20 Leaders Declarations
- G20 Action Plans and Strategy Plans, e.g. on Growth and Employment, Anti-Corruption, Food Price Volatility and Agriculture
- G20 (guiding) principles, e.g. 2012 'High-Level Principles on asset disclosure by public officials', 2013 Guiding Principles to Combat Solicitation
- Progress reports and updates/follow ups on different policy fields *inter alia* at the working group level (see section 2.5.), e.g. the 2013 International Financial Architecture Working Group Report on public debt management issues, 2014 Accountability Assessment Report⁴⁵

⁴⁴ With regard to the EU level see section 4.5.

⁴⁵ As noted in section 4.4., this report does not deal with the accountability of G20 as a body.

- Publication of G20 Growth Strategy and Employment Plans (2014) of individual member countries and by the EU⁴⁶
- Policy notes, such as e.g. by Australian Prime Minister Tony Abbott, B20 Summit, Sydney, July 2014 on 'Boosting trade for growth and jobs'
- Policy notes and reports by FSB and other international bodies and organizations (e.g. OECD, WTO, IMF, Basel Committee) addressed to the G20 that bear witness to the interactions of G20 with these bodies, as observed in section 2.3.2., e.g. 2014 EFB progress report on the implementation of the G20 recommendations for strengthening financial stability
- Documents by external stakeholders addressed to the G20, e.g. by Civil 20 (see section 2.3.3.)

Minutes of the agenda setting meetings in advance of the meetings of the G20 Finance Ministers and Central Bank Governors (see section 2.3.2.), of the meetings of the G20 Finance Ministers and Central Bank Governors themselves, and Leader's Summits meetings are not available. G20 Leader's Communiqués are usually stated in general wording, in grammatical terms employing the first-person-plural. Details on the deliberations in these fora and namely the different views expressed and positions taken are not provided. As has been observed in section 2.3.2. no official documents are released after the Sherpas' meetings and neither are the deliberations published (see also section 2.6.3.).

As far as a yardstick is concerned based on which the G20 can be judged, it first can be noted that in the absence of a legal basis or statute it is for the G20 itself to decide on its objectives and goals. What is more, it becomes apparent from their study that addressee of these documents are regularly the G20 members, i.e. participating countries and the EU. This seems to suggest that the G20 as a 'collective' body does not pursue any objectives for which it could be held to account. Yet, this view would contradict the findings of section 4.1.2., namely that the G20 does engage in public policy making. It is therefore presently strongly suggested that the judging of the conduct of the G20 must go beyond the compliance of its members.

A study of the publicly available documents reveals a number of potential sources that may serve as a yardstick to judge the performance of the G20 as a body, rather than the compliance by its members, including inter alia the G20 Presidency Priorities (see also Table 1), G20 principles, such as on development or energy collaboration⁴⁷, as well as G20 action plans, such as the 2014 Energy Efficiency Action Plan or the 2015-16 G20 Anti-Corruption Action Plan.⁴⁸

The Presidency Priorities could in principle function as a yardstick if and to the extent that the G20 commits to a specific course of action. However, in practice this seems questionable. Exemplary in this regard are the Turkish G20 Presidency Priorities for 2015, which states that the Turkish Presidency will continue to focus on the G20 efforts to ensure 'inclusive and robust growth through collective action'. This in the view of the Turkish Presidency 'can be formulated as the three I's of the Turkish Presidency: Inclusiveness, Implementation, and Investment for Growth.' Further on in the same document reference is made to the three pillars of the 2015 agenda being 'Strengthening the Global Recovery and Lifting the Potential', 'Enhancing Resilience' and 'buttressing Sustainability' (G20 2015, 3

⁴⁶ See e.g. Comprehensive Growth Strategy: European Union, October 2014. Available at < https://g20.org/wp-content/uploads/2014/12/g20_comprehensive_growth_strategy_european_union.pdf >

⁴⁷ Available at < https://g20.org/wp-content/uploads/2014/12/g20_principles_energy_collaboration.pdf >

⁴⁸ Available at < https://g20.org/wp-content/uploads/2014/12/2015-16_g20_anti-corruption_action_plan_0.pdf >

and 5). The explanation provided in this context remains rather broad and as such can hardly function as a well-determined yardstick.

Moreover, as has been observed in section 2.2., the descriptions of the broad G20 objectives vary over time as the presidency rotates, making it only feasible to identify a number of rather broad and undefined common denominators, such as the promotion of financial stability and sustainable economic growth.

In focusing on particular policy fields G20 principles and action plans are somewhat more narrow and precise. Despite the fact that they are clearly geared towards committing the participating countries to a particular line of action, they may also be a valuable source for the accountability of the G20 in the sense that specific policy choices are being made (e.g. on energy collaboration) that may not only have implications for its members, but for the G20 itself when formulating policy choices in other fields.

A factor complicating the identification of any yardstick from any of these sources is what Courthaut, Demeyere, Hachez and Wouters (2012, 325), among others with reference to the G20, describe as 'evolving objectives', which may make any yardstick a moving target.

In terms of available fora one could think of the so-called speakers' conferences/consultation that take place alongside the G20. Yet, as has been noted in section 2.3.3., there is no formal link with the G20 and its agenda-setting and 'decision' making. The same holds true for other external stakeholders.

4.1.9. Instruments for accountability

Instruments that would allow assigning consequences to a judgment of the performance/behaviour of the G20 as a body, at the level of the G20 are absent. Any mechanisms that have an impact in this regard are channelled through the national or EU level and as such arguably in some instances only constitute indirect and imperfect forms of accountability of the G20 as a body.

The informal status of G20 excludes any instrument by which the legal basis or statute of the G20 and namely its institutional structure and mandate could be assessed in terms of accountability. This would require a formalisation of the status of the G20, which in itself could be considered as a signal that the current modus operandi of the G20 is no longer acceptable and thus, as the exercise of accountability. Of course the absence of a legal basis does not rule out that the participating countries and the EU themselves decide to amend the informal governance structure and decision making process described in section 2.3.2. As a permanent organisational and decision-making structure is missing, dismissal and reap-appointment procedures also cannot play a role as an accountability instrument.⁴⁹ Given the informal character of the G20 it is up to the member countries and the EU jointly to change the arrangements regarding the rotating presidency.

Considering its legal status and the composition of its members it is hardly surprising that no formal intervention or override mechanism is foreseen at the level of G20. Indeed, different to cases of independent bodies with own staff, government representatives are actually in control, rendering any override in the hands of government superfluous.

As has been observed in section 2.3.4., the G20 does not feature its own budget and does not have own funds. Instead, the financing of the G20 meetings is a responsibility of the presiding member, whereby all other members bear their own costs, not only in relation to attending and participating of meetings, but mainly also in implementing the G20 agenda.

⁴⁹ With regard to the participation of the European Commission in the G20 see section 4.5.

Finally, in the absence of legal personality and legally binding decisions, as an informal inter-national body it cannot be seen how the action by the G20 could currently become subject to court proceedings.

The accountability of the EU for its role in the G20

Having assessed the accountability of the G20 as a body, this section operationalises the two-tier accountability framework developed in section 4.3 with regard to the role of the EU in the G20. In the previous section it was found that there is an accountability gap with regard to the G20 as a body. This section raises the question whether at least the EU's action within the G20 can be considered sufficiently democratically controlled. This is of particular importance seeing EU's high compliance rate with high priority commitments set by the G20 leaders' communiqués (see section 2.7). This leads to the assumption that objectives for subsequent EU legislation are set at the G20 level and thus influence the content of such legislation. By consequence, Union action at the G20 level has to be held to account.

4.1.10. Accountable to whom?

Before reflecting in depth on the foundations and instruments of the accountability of Union action at the G20 level, the question of the forum which holds the actor "EU" to account for its action at the G20 level has to be addressed. Here a distinction can be made between the EU acting within the scope of application of its competences and the EU acting within the scope of CFSP. In the case of the former, Union action is controlled by the EP within its function of political control as enshrined in Article 14(1) TEU. In the case of the latter, the EU acts still in an intergovernmental modus where the EU is mandated to act in the Lisbon Treaty by the Member States and thus primarily accountable to them with a significantly reduced role of the European Parliament that controls the High Representative of the Union for Foreign Affairs and Security Policy as a part of the European Commission (Article 36 TEU).

Finally, the European Parliament has no control over the ECB's action at the G20 level. This follows from the ECB's independence under Article 130 TFEU with regard to its monetary policy, which includes the external dimension of the Union's monetary policy. The only means for the EP to hold the ECB to account for its activities at the G20 level would be within the framework of the "monetary dialogue", which in itself is already a questionable instrument with regard to guaranteeing an effective accountability of the ECB (Achtenbrink & Van Duin 2009: 581). In the following, the focus will be put on the Union's action at the G20 level within the scope of application of Union competences excluding CFSP and monetary policy.

The prominent role of the European Parliament in holding the Union to account for its action at the G20 level within the scope of Union competences is linked to its role as a co-legislator in the ordinary legislative procedure that is foreseen by the internal Union competences. This role is affected by commitments of the EU at the G20 level. As stated above, the high degree of compliance of the EU with high priority commitments set by the G20 leaders' communiqués (see section 2.7) underpins the assumption that subsequent EU legislation amounts to an implementation of objectives set at the G20 level. This *de facto* influence of G20 commitments on the Union's internal legislative procedure has to be mirrored by a *de facto* control of the European Parliament over the Union's external action that leads to those G20 commitments. Otherwise there would be control gap of the objectives of a Union legal act which is based on a Union competence that refers to the ordinary legislative procedure and which is intended to implement G20 commitments.

4.1.11. Foundations of accountability

In order to properly exercise the function of political control as required by Article 14(1) TEU, the European Parliament has to have proper access to information as regards the Union's action at the G20 level. This access to information is in practice, however, limited to the right of single Members of the European Parliament to put questions to the European Commission according to Article 230(2) TFEU. There is no structured dialogue between the European Commission and the European Parliament in matters concerning the G20. As last resort, in accordance with Article 226 TFEU, the European Parliament may, in case Union's action at the G20 level was contravening Union law and its objectives or can be considered as a maladministration in the implementation of Union law, set up a temporary Committee of Inquiry in order to gather the necessary information. Furthermore, as described under 3.2.1, the only documents that are publicly available regarding the Union's action at the G20 level are the so-called "agreed languages" in the conclusions of the European Council preceding G20 meetings and joint letters of the presidents of the European Commission and the European Council on the EU participation in G20.

The yardstick based on which Union's action at the G20 level can be judged is composed by the objectives and aims of the Union as defined by Articles 2 and 3 TEU, the objectives pursued by existing Union legal acts that are affected by G20 communiqués and the "agreed languages" as defined by the conclusions of the European Council preceding G20 summits.

In sum, the information available and accessible for the European Parliament does not form a proper basis for thorough assessments of Union action's at the G20 level against the Union's objectives and aims. In order to assume an adequate degree of accountability of Union action, a permanent exchange of information which is not based on the initiative of the European Parliament or of one of its Members is needed.

4.1.12. Instruments of accountability

As to the possibilities to assign consequences to a judgment of the behaviour of the Union, the European Parliament has some instruments at its disposal. The main instrument is the Parliament's ex post influence on the shaping of a Union legal act that aims at implementing EU's G20 commitments. To the extent that such a legal act is based on a Union competence that refers to the ordinary legislative procedure, the European Parliament may overrule a commitment taken by the EU.

Furthermore, the European Parliament may table a motion of censure on the activities of the Commission, in accordance with Article 234 TFEU, if it considers misbehaviour of the Commission at the G20 level of such a gravity that it justifies such a motion. Besides, the European Parliament may also raise its veto against the Union's annual budget, in accordance with the procedure laid down in Article 314 TFEU, or adopt amendments of the Union's annual budget concerning budget lines relating to the Union's actions at the G20 level such as the budget for the EEAS. Those instruments, even though they are at the disposal of the European Parliament, appear not to be suitable to be considered as proper instruments of accountability. This is because of the high political costs that are in reality attached to the use of those instruments. The veto against the Union's annual budget as well as a motion of censure on the activities of the Commission require severe violations of Union objectives and aims in order to be used.

Besides, the European Parliament has no formal *ex ante* influence on the policy choices made by the European Commission representing the European Union. By that, the European Parliament can also not change the 'legal base' on which the European Commission defines, together with the European Council, the policy choices of the Union at the G20 level. A judicial review initiated by the European Parliament under Article 263(1) TFEU would be inadmissible because the Union's action at G20 level taken by either the European Commission or the European Council are no acts of those institutions in terms of this Article. They are not intended to have legal effects (Case 22/70, para. 42).

In sum, the European Parliament has little instruments of accountability. The fact that the European Parliament may override EU's commitments at the G20 level during the legislative procedure of a Union legal act aiming at implementing those commitments should, however, not be underestimated. As shown above under 3.1.3, the EU's rapid and effective implementation of reforms commonly agreed at the level of G20 has strengthened its position in the G20 and elevated the influence it exerts in the shaping of global policy. Therefore the European Commission and the European Council have a high interest in keeping up the current high level of compliance with G20 commitments. This can only be done if the European Parliament does not override policy choices in subsequent Union legal acts aiming at implementing G20 commitments. The role of the European Parliament as a co-legislator creates therefore some kind of "advance effect" of the internal legislative procedure on the external action of the Union. This is reflected by the possibility for the European Parliament to override *ex post* policy choices at the G20 level. This is, however, not reflected by an *ex ante* involvement of the European Parliament and the intensity of exchange of information with regard to the Union's action at the G20 level.

This observation leads finally to the conclusion that one cannot state a complete lack of accountability with regard to the EU's action at the G20 level. Yet, the Union's accountability has to be considered to be precarious. The lack of information renders a proper judgment of the Union's performance practically impossible. Consequences to a judgment can, in practice, only be assigned during the legislative procedure of a Union act aiming at implementing the Union's commitments at the G20 level. The "advance effect" of the legislative procedure is nowhere reflected.

5. SWOT ANALYSIS

Section 4 discussed separately the collective accountability of the G20 and accountability of the EU institutions for participation in the G20. Strengths, weaknesses, opportunities and threats (SWOT) are likewise evaluated from these two perspectives. This division is crucial for exposing occasionally conflicting interests between the G20 as a collective body and the EU participation in the G20. For instance, the elimination of some weaknesses in the institutional setting of the G20 might actually contribute to undermining the EU position in this international forum.

A SWOT analysis should be performed against clearly defined mission statements of the units under investigation (Kotler & Keller 2012: 48). For that purpose, it is assumed (and necessarily simplified) that the main mission statement of the G20 as a collective body is to act as a “premier forum of global cooperation” (G20 2009b: para 19). The EU mission within the G20 is to influence the G20 agenda-setting and to promote the EU goals at the global level. The analysis that follows, first, evaluates SWOTs for the G20 as a body; and second for the EU participation in this forum. Lastly, an attempt is given to demonstrate how the analysis of strengths, weakness, opportunities and threats is intertwined.

SWOT: G20 as a collective body

5.1.1. Strengths

One of the major strengths of the G20 as a collective body is the fact that it consists of 20 “systematically important” countries, which together represent 90% of global GDP, 80% of global trade and roughly 2/3 of the world’s population (see section 2.3.1). For some this large economic weight signifies the so-called “input” legitimacy (Vestergaard & Wade 2012: 260). It furthermore incorporates countries with various cultural, economic and institutional backgrounds, which broadens the horizons of the G20 and leads to an inclusion of different perspectives on the matters that are discussed.

Besides a large economic weight, the G20 has been also assigned the largest political weight after its upgrade to the level of Heads of States and Governments in 2008. From that time onwards, the commitments have been explicitly backed-up by the leaders of executives of the G20 countries through communiqués. This is crucial forasmuch as the leaders’ support might facilitate the implementation of the commitments into the national frameworks of the G20 countries.

Another strength of the G20 stems from its exclusive membership and institutional informality (see section 2.1.2 and section 2.3.1). The limited membership and informal setting of the G20 facilitates reaching consensus on global issues “quickly, flexibly and effectively” (Cameron 2011: 14).

5.1.2. Weaknesses

However, the institutional features of the G20 listed above could well be translated into the G20 weaknesses. Firstly, the exclusiveness of membership means that more than 170 countries of the world have no (direct) voice in the negotiation process at the G20 level (Vestergaard 2011: 24). For that reason, some describe this exclusion as “input” illegitimacy of G20 (Vestergaard 2011: 26), or the term “minilateralism” may apply.

Secondly, another weakness relates to the overrepresentation of some regions in the G20 (namely the EU) and underrepresentation of others (for instance, Africa and Asia). This

regional bias might lead to a situation in which countries from underrepresented regions do not have a sense of "ownership" over the made commitments and might be left with a feeling that commitments were imposed on them. This might have some negative implications for the compliance with the commitments by underrepresented regions. Having said this, one should nevertheless refer to the fact that the G20 aims at representing the economically leading areas in the world. From this perspective, the EU4 representing their respective countries as well as the EU representing the internal market constitute individually and collectively important economic powers.

Thirdly, the so much praised "informality" of the G20 might also have some negative effects. For instance, due to the prevailing informality, the negotiations are largely non-transparent (closed meetings, poor documents accessibility) and formal enforcement mechanism is entirely missing. As formal sanctions for non-compliance do not exist, the enforcement mechanism relies on peer pressure as well as on naming and shaming methods. In the international setting these methods are of limited effectiveness however.

Fourthly, due to its informal setting, the G20 escapes any meaningful accountability as a body e.g. vis-à-vis the EP and/or national parliaments. Any existing accountability mechanisms at the EU level, or at the national level for that matter, cannot substitute for this lacuna.

Fifthly, a further weakness of the G20 stems from the fact that it combines countries with various cultural, economic and institutional backgrounds. Those differences often cannot be resolved and hence lead to negotiation deadlocks or result in the drafting of very broad and ineffective commitments (see, for instance, Angeloni & Pisani-Ferry 2012: 14-15, 20 for a controversial discussion on global imbalances). Even though a process of further institutionalization of the G20 may overcome this problem, this may not coincide with a parallel process of constitutionalisation, neither in the G20 body nor in the G20 countries ("institutionalisation without constitutionalisation"). This makes it unlikely that the problem of accountability and legitimacy of G20 can be solved satisfactorily.

Sixthly, at first glance, the G20 agenda expansion could be considered as strength as it allows G20 to influence and align global policies in a growing number of areas. However, the expansion and lack of agenda stability can also be evaluated negatively as a weakness as it might signify the absence of focus, specialisation and clear follow-up strategy.

Seventhly, the lack of a detailed monitoring for compliance with the legally non-binding commitments, which relates to the above-mentioned lack of any enforcement mechanism, and the lack of a systematic mechanism of policy evaluation constitute another weakness of G20. Although some attempt are made to evaluate G20 policies through Accountability Assessment Reports, those reports are rather general and do not review the compliance of particular G20 members.

5.1.3. Opportunities

One of the major opportunities for the G20 is the reform of its institutional setup. This includes a broad range of possible formalisations. There could be the installation of a permanent secretariat or the adoption of a common charter outlining the objectives of G20 and of a statute of G20.

If the global economy becomes more resilient, the G20 could consider pursuing such reforms aiming at further institutionalisation or, in other words, at reducing the degree of informality. A higher degree of institutionalisation could enhance the legitimacy and ac-

countability of the G20 also from the point of view of non-G20 members, as well as from the perspective of the citizens of the G20 member countries.

The G20 could reconsider its too fix and too static membership system which leads to an unequal representation of certain continents. It may consequently be opened to accession for other countries in order to outbalance the just mentioned geographical underrepresentation. One could think about installing a system of temporary memberships following the model of the UN Security Council.

Furthermore, by creating clear and binding rules of the game for the G20, more countries and citizens might be willing to accept its leadership at the international level. Aiming at an increase of global acceptance of G20's leadership requires an enhanced transparency of its meetings and discussions.

Finally, one may think about broadening the scope matters covered by the G20. This contains, however, the danger of slowing down the overall decision-making process of the G20.

5.1.4. Threats

One immediate threat which relates to the argument on institutionalisation is that further institutionalisation might endanger the G20 effectiveness, which materialises in the quick and flexible process of reaching consensus. This threat is valid, provided that the trade-off between institutionalisation and effectiveness indeed exists. However, in order to verify whether this trade-off indeed occurs and how severe it is, one would need to pursue further empirical research on the G20.

As the G20 agenda becomes more expanded, the more non-G20 countries are affected without having access to the G20 decision-making. Under these circumstances, there is a growing demand for direct participation in the G20 of the yet excluded countries. However, under the current institutional setting granting formal membership to new countries is not possible. If those rules remain unchanged and exclusiveness remains tight, a consequence might be the creation of a competitive forum for global economic cooperation, which could threaten and undermine the central role of the G20 (for instance, Russia joined recently the Chinese led Asian Infrastructure Investment Bank (AIIB), which can be understood as a sort of competitor to the IMF and World Bank).

Another threat is that G20 seems to be effective only when it is faced with crisis circumstances, i.e. when there is a political momentum and need for global solutions to stave off the crisis. In calm times, the G20 tends to return to the "politics as normal" (Angeloni & Pisani-Ferry 2012: 41). This threat militates in favour of a formalisation of the G20 in calm times in terms of permanent staff, regular meetings and a secretariat which keeps the G20 running.

5.1.5. Overview

An overview of the SWOT analysis for the G20 as a collective body is presented in table 13.

Table 13. SWOT analysis for the G20 as a collective body

Strengths	Weaknesses
<ul style="list-style-type: none"> • G20 represents 90% of global GDP, 80% of global trade and roughly 2/3 of the world's population; • Strong "political weight" attached to the G20 commitments; • G20 limited membership and informality result in effective negotiations; • G20 expanding agenda. 	<ul style="list-style-type: none"> • More than 170 countries excluded from the participation in the G20 and therefore global decision-making (minilateralism); • Overrepresentation of the EU members and underrepresentation of the African continent; • Informality rules out meaningful (parliamentary) accountability of the G20 as a body; • Informality endangers enforcement capacity of the G20; • Large cultural, economic and institutional differences between the G20 members; • "institutionalisation without constitutionalisation"; • Expanding agenda, no clear strategy of follow-up, attention is given to ad hoc issues; • Lack of detailed monitoring for compliance and comprehensive policy evaluation.
Opportunities	Threats
<ul style="list-style-type: none"> • Further institutionalisation enhancing legitimacy and accountability of the G20; • Opening for more members • Considering a category of temporary full-members • Establishing a Charta of objectives and a statute • Including binding rules • Increasing transparency 	<ul style="list-style-type: none"> • Competitive international fora might emerge; • Institutionalisation as a threat to effectiveness; • Ineffectiveness in the non-crisis periods ("politics as normal" mode).

Source: Authors.

SWOT: EU participation in the G20

The second SWOT analysis is performed from the perspective of the EU as a participant in the G20.

5.1.6. Strengths

Firstly, in terms of strengths, it can first be observed that the EU can use the G20 as a platform to promote its own legal and regulatory framework at the international level and export its institutional design globally.

Secondly, the EU has a huge leverage in pushing forward its own policies by owing 25% of the seats in the G20 (the Union plus EU4). Whereas from the G20 perspective the EU overrepresentation and regional bias might be considered as a weakness, this is clearly an advantage from the EU point of view. However, the precondition for this leverage to materialise is that the EU members speak with one voice.

Thirdly, the EU leadership does not only come from a large EU representation at the G20 but also from the fact that the EU and EU4 are leading in the implementation of the G20 commitments. The fact that the EU representatives comply with commitments might further reinforce their role as agenda-setters.

Fourthly, a strength stems from the fact that the EU can use G20 commitments to push their own reform agenda vis-à-vis the non-G20 Member States which otherwise may have bigger reservations against the reform proposals. According to Wouters et al. (2012: 4), when a regulatory issue is discussed and agreed at the G20 level, the opposition from the non-G20 EU Member States is somewhat weaker.

5.1.7. Weaknesses

Among the main weaknesses of the current situation is, firstly, the lack of a binding coordination mechanism for a common EU position between the EU representatives at the G20 level. Secondly, also the inclusion of the 24 remaining non-G20 EU Member States in the negotiation process is limited (see section 3.2.1), which might result in a situation where certain actions are imposed on the EU24 without their consent. Thirdly and crucially, also the European Parliament has no say in the negotiations of the common EU position for the G20, and the EU participants have no obligation to report to the European Parliament before or after the G20 summits.

Fourthly, given the prominent role of the host country for shaping the G20 agenda (see section 2.3.2), the fact that the European Union is excluded from the chair/presidency rotation constitutes a clear weakness from the European Union point of view. The European Union needs to rely on EU4 to promote its own policies at the G20 level.

5.1.8. Opportunities

Opportunities and threats should be evaluated through the prism of the EU's external environment. As the G20 agenda is steadily expanding, this gives the EU, firstly, an opportunity to influence global policies in more and diverse areas, beyond financial regulation and macroeconomic coordination, such as climate change and energy issues.

Secondly, if over time the G20 becomes more institutionalised, it may better enforce its commitments. Thirdly, one may assume that in the future the EU and the EU4 effectively

coordinate their policy agendas. Then there is a window of opportunity to forcefully proliferate and implement EU policies at the global level.

5.1.9. Threats

Firstly, by the same token, a further institutionalisation of the G20 might also have a negative effect on the EU. Some competences could be permanently transferred to the G20 level. Second, if the commitments become binding and non-EU G20 members create a coalition against the European Union, EU policies could be undermined and/or become largely ineffective. Such a situation would lead to an institutional conflict between the EU and the G20 with regard to the question which organisation has the right to take the ultimate decision in matters covered by the G20 and the EU. It raises the question whether EU policy and/or legal decisions taken at the EU28 level can be turned back or modified by the G20 including the EU4 and the EU.

However, the informality which is now prevailing in the G20 could also have a negative effect on the EU. The more the G20 becomes successful, the more the EU might find it attractive to shift decisions to the G20, thereby substituting its own largely rule-based institutional setup into a more informal setting. As a consequence supranationalism would be crowded out through intergovernmentalism.

5.1.10. Overview

An overview of the SWOT analysis for the EU participation in the G20 is presented in table 14.

Table 14. SWOT analysis for the EU participation in the G20

Strengths	Weaknesses
<ul style="list-style-type: none"> • G20 as a platform for promoting and exporting the EU legal and regulatory framework abroad; • EU representatives have huge leverage of 25% of seats in the G20; • EU representatives are leading in following the G20 commitments; • EU may use the G20 commitments to push through important reforms which otherwise could be objected by the non-G20 EU Member States. 	<ul style="list-style-type: none"> • Lack of binding coordination mechanism between the EU and the Member States; • The European Parliament has no say in coordinating the EU position for the G20; • The Union is excluded from the chair/presidency rotation, which reduces its ability to influence G20 agenda. • Weak accountability mechanisms at EU level.
Opportunities	Threats
<ul style="list-style-type: none"> • An expansion of the G20 agenda allows the EU to influence global policies in a growing number of areas; • A more institutionalised G20 could result in larger and more effective implementation of the EU policies at the global level. 	<ul style="list-style-type: none"> • Potential shift of competences to G20; • Creation of the coalition against the EU; • Institutional conflict between the EU and the G20 on the right to take the ultimate decision in matters covered by both • Conflict between formality and informality, possible trend towards informality and intergovernmentalism in the EU.

Source: Authors.

It should be apparent from the SWOT-analysis that several issues can be evaluated as both strengths and weaknesses, opportunities and threats depending on how one interprets certain institutional aspects of G20. For instance, as it was already stressed, the exclusive and limited membership can be considered as strength or weakness of the G20, depending if one puts more emphasis on the effectiveness or the accountability issue. If the emphasis is put on the latter, then the limitation of membership and the lack of clear membership criteria constitute a weakness of the G20. The same discrepancy applies to the situation when certain issues are evaluated through the prism of G20 as a collective body or the EU participation in the G20. For instance, regional bias and overrepresentation of the EU might endanger the legitimacy of the G20 as a “premier forum for global coordination” (G20 2009: para 19). However, from this institutional feature of the G20 stems a strength from the angle of EU participation. By possessing 25% of seats the EU has a strong position to promote its legal and regulatory frameworks at the global level, provided that the EU representatives coordinate and stick to their positions.

6. POLICY RECOMMENDATIONS

The policy recommendations which follow from the present study can be subdivided into recommendations concerning the G20 (6.1), concerning the strengthening of EU's role and voice in the G20 (6.2), concerning the accountability of the Union's action at the G20 level (6.3) and concerning possibilities for the European Parliament to influence the positions of the EU in the G20 (6.4).

Recommendations concerning the G20

- An institutionalisation including a formalisation of the G20 could be envisaged with a view to strengthen the G20 as a 'body'. Such institutionalisation would allow to establish accountability mechanisms that fill the ascertained 'accountability gap' of the G20 as a body. An institutionalisation risks, however, to be at the expense of the effectiveness of today's G20 which is linked to its informality;
- A 'G20 Charta' could be established which embodies the objectives pursued by the G20 in order to streamline the political agendas of the respective G20 presidencies and reduces policy variability;
- The rules on membership in and the composition of the G20 may be re-evaluated;
- In order to re-equilibrate the geographical imbalance and to include more emerging and developing countries, one may consider the establishment of a temporary full-membership in the G20 following the model of the UN Security Council.

Recommendations concerning the strengthening of EU's role and voice in the G20

- In order to increase clarity on the issues related to the double representation of the EU by the president of the European Commission and the President of the European Council, the two Presidents could *ad hoc*, by way of a common understanding between themselves, determine a single representative, instead;
- With regard to the coherence of the positions taken by the EU, on the one hand, and by the EU4, on the other, at the G20 level, the introduction of single representation of the EU and the EU4 along the distribution of competences between the EU and its Member States (see for this problem section 3.1.2.) could be considered. Such a solution, however, appears unpromising. This follows from the high subject-dependence of EU competence on individual G20 topics and from the fact that the existence and nature of EU competences ultimately determines EU representation in the G20 and defines the obligations of the EU4;
- A procedural solution could be established with a view to improve internal coordination amongst the EU and the EU4 across all G20 topics. Apart from the positive effect that an institutionalized coordination mechanism would yield in the EU's implementation of its obligation for enhanced coherence under the Treaty, it would above all strengthen the EU's role in the G20 whilst increasing legitimacy for G20 decisions internally (Debaere and Orbis 2012: 317 and 320; Wouters and Odermatt 2013: 66). Such a procedural solution should include all 28 EU Member States. This would allow non-G20 EU Member States to take part, via the EU, in the decision-making process of the G20;

- This procedural solution could include:
 - the adoption of a 'mandate' for the EU,
 - an 'agreed language' covering the EU and the EU4 which derives from the mandate,
- Mandatory publication of the 'mandate' and the 'agreed language' as an annex to the European Council conclusions preceding each G20 summit;
- The European Union could be included in the chair/presidency rotation of the G20.

Recommendations concerning the accountability of the Union's action at the G20 level

- A structured dialogue between the European Commission and the European Parliament could be established in the context of which the European Commission informs the European Parliament permanently on the Union's activities at the G20 level;
- One could contemplate the adoption of a formal 'mandate' for Union's action at the G20 level, which would require the prior consent of the European Parliament. This consent could enable an *ex ante* control of Union's action at G20 level;
- The Union's action at the G20 level could be included next to acts in Article 263 TFEU in order to allow a judicial review of the Union's action by the ECJ initiated by the European Parliament.

Recommendation concerning possibilities for the European Parliament to influence the positions of the EU in the G20

Following the model foreseen by No. 16 of the "Framework Agreement on relations between the EP and the European Commission" (OJ 2010 L 304, p. 47) according to which the European Commission is obliged "to report on the concrete follow-up of any request to submit a proposal pursuant to Article 225 TFEU (legislative initiative report) within 3 months following adoption of the corresponding resolution in plenary" and to "come forward with a legislative proposal at the latest after 1 year" or to explain to the Parliament its reasons not to adopt a legislative proposal, the EP could include a mechanism into an interinstitutional agreement with the European Commission which obliges the Commission in same manner as under the "Framework Agreement" to present to the Council a proposal for a uniform Union position with regard to certain G20 topics. Such a proposal forms, according to the case law of the ECJ (see 3.1.2), the point of departure for a so-called "concerted Union strategy" that triggers the special duty for the EU4 to abstain from taking unilateral action internationally under Article 4(3) TEU. By that, the EP can invite the European Commission to start a procedure which is the starting point for an 'agreed language' and a co-ordinated position of the EU and the EU4 in the G20. With regard to the content, the EP could furthermore invite the European Commission to include the Parliament's positions with regard to certain G20 topics in the Commission proposal for the Council.

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Appendix 1.

Table. Summary Table of Commitments by Issue Area, 2008-2014

Issue	Total	2008 Washington	2009 London	2009 Pittsburgh	2010 Toronto	2010 Seoul	2011 Cannes	2012 Los Cabos	2013 St. Petersburg	2014 Brisbane
Macroeconomic Policy	354	6	15	28	14	29	91	71	66	34
Microeconomics	8	0	0	0	0	0	0	0	2	6
Financial Regulation	246	59	45	23	12	24	38	18	20	7
Trade	97	5	14	6	9	17	15	10	12	9
Reform of International Financial Institutions	113	14	29	11	4	16	22	8	5	4
Employment and Labour	82	0	4	3	0	4	8	18	29	16
Social Policy	9	0	1	1	2	1	3	1	0	0
Environment	5	0	0	0	0	1	3	0	1	0
Climate Change	48	0	3	3	3	8	8	5	11	7
Energy	95	0	0	17	1	14	18	10	19	16
Development	155	4	15	9	8	22	17	10	50	20
Infrastructure	28	0	0	0	0	0	0	0	0	28
Food, Agriculture, Nutrition	58	0	0	3	2	2	36	4	11	0
Health	33	0	0	0	0	0	0	0	0	33
Education	4	0	0	3	0	0	1	0	0	0
Gender	6	0	0	0	0	0	0	2	0	4
Crime and Corruption	67	3	0	3	3	9	5	7	33	4
Terrorism	1	0	0	0	0	0	0	0	1	0
Accountability	73	4	3	15	3	4	5	13	9	17
G8/G20 Governance	32	0	0	3	0	2	12	3	12	0
Total	1,514	95	129	128	61	153	282	180	281	205

Source: G20 Research Group 2015a.

Appendix 2.

	Washington 2008	London 2009	Pittsburgh 2009	Toronto 2010	Seoul 2010	Cannes 2011	Los Cabos 2012	St Petersburg 2013	Overall Compliance
Argentina	0.25	-0.67	-0.08	0.27	-0.06	0.00	0.24	0.21	0.04
Australia	0.75	0.50	0.43	0.62	0.64	0.69	0.94	0.68	0.66
Brazil	1.00	0.00	-0.14	0.45	0.31	0.63	0.53	0.42	0.36
Canada	0.75	0.50	0.60	0.69	0.59	0.63	0.71	0.53	0.61
China	0.25	-0.17	0.36	0.50	0.31	0.56	0.41	0.16	0.33
France	0.75	0.67	0.73	0.54	0.56	0.56	0.65	0.63	0.61
Germany	1.00	0.67	0.69	0.54	0.63	0.69	0.53	0.74	0.65
India	0.25	-0.50	-0.14	0.09	0.37	0.63	0.53	0.63	0.34
Indonesia	0.50	-0.33	-0.14	0.00	0.21	0.20	0.50	0.53	0.22
Italy	0.75	0.00	0.08	0.69	0.44	0.75	0.06	0.53	0.42
Japan	0.75	0.17	0.62	0.54	0.31	0.38	0.41	0.42	0.41
Korea	0.67	0.17	0.54	0.62	0.50	0.63	0.65	0.42	0.53
Mexico	0.50	0.00	0.43	-0.09	0.14	0.69	0.65	0.42	0.34
Russia	0.50	0.17	0.13	0.17	0.12	0.56	0.47	0.42	0.29
Saudi Arabia	0.33	0.17	-0.21	-0.10	0.03	0.13	0.38	0.05	0.07
South Africa	0.75	0.33	0.62	0.00	0.21	0.44	0.47	0.32	0.34
Turkey	0.67	0.00	0.14	0.11	0.21	0.19	0.25	0.21	0.20
United Kingdom	1.00	0.83	0.87	0.77	0.74	0.75	0.71	0.68	0.76
United States	0.75	0.17	0.73	0.38	0.39	0.56	0.71	0.74	0.55
European Union	1.00	0.67	0.38	0.73	0.63	0.79	0.65	0.63	0.65
G20 Average	0.66	0.17	0.33	0.38	0.36	0.52	0.52	0.47	0.42

Source: G20 Research Group 2015b, authors' calculations.

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