

Accountability in G20 governance

Accountability and transparency are important elements in ensuring that the G20 is delivering on its commitments, but few formal mechanisms exist for holding member countries answerable for their decisions and the subsequent effects



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To retain its credibility and legitimacy as the centre of global economic governance, the G20 must demonstrate continued value, leadership and effectiveness. Accountability is a critical component in demonstrating the G20's effectiveness, as implementing commitments ensures that promises made are promises kept.

The question of accountability and effective follow-up is not new to the G20. Meeting for their first summit in Washington in November 2008, the leaders devoted a section of their declaration to 'Strengthening Transparency and Accountability'. In it they emphasised the importance of implementing their commitments through detailed targets and timelines. In establishing an action plan to implement principles for financial and regulatory reform, the G20 tasked their finance ministers with the responsibility of ensuring that the commitments were "fully and vigorously implemented".

In Toronto in 2010, Canadian prime minister Stephen Harper said that accountability would be the "defining feature" of both the G8 and G20 summits that he was hosting. Indeed, the G8's *Muskoka Accountability Report* was the product of the first comprehensive accountability mechanism ever created by the G8 and supported by a senior-level working group, with a consistent methodology for reporting on key commitments.

In delivering the report as promised, the leaders expressed their pledge to implement their decisions and strengthen the effectiveness of their actions. Yet despite the letter in March 2010 by Harper and leaders of the United States, the United Kingdom, Korea and France to other G20 members asserting that "we are all accountable" and "now is the time for the leaders of the G20 to commit themselves and deliver on the ambitious reform objectives and agenda", the G20 summits in Toronto and Seoul failed to produce an accountability mechanism similar to that of the G8.

Much of the criticism of the G20's accountability deficit derives from two sources: the group's lack of formal authorisation and the lack of key accountability components, including standards, sanctions, shared values, norms and information. Nonetheless, the G20 submits to accountability mechanisms insofar as the leaders mandate their ministers, experts and working groups to report on progress made on decisions rendered. In addition, the G20 often requests relevant international organisations to report publicly on G20 compliance with their commitments. There are also actors such as non-governmental organisations (NGOs), academic institutions and international organisations that hold the G20 accountable on the impact of their decisions on economies and societies.

Reports and assessments

Since 2008, there have been 53 publicly available reports on G20 accountability. The two main types are those mandated by the G20 and those initiated by actors seeking to hold the G20 accountable. The authors can be classified

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as G20 structures, international institutions, academic institutions and NGOs. These reports address the four accountability aspects of transparency, consultation, evaluation and correction. Some provide evidence for each G20 member rather than an aggregated assessment. Many provide recommendations that promote consultation, and some offer scores and performance ratings.

Most of these reports (29 in total, or 55 per cent) were produced by international organisations, with 24 mandated by the G20. Five were initiated by the World Trade Organization (WTO), the Organisation for Economic Co-operation and Development (OECD) and the International Labour Organization (ILO), and assessed G20 members' compliance with commitments to fight protectionism, enhance tax transparency, and promote employment and social protection policy.

The first WTO report on compliance with the anti-protectionist commitment made at the G20 Washington Summit, which was published in January 2009, was not requested by the G20. But at the London Summit later that year, the G20 leaders called on the WTO to continue to monitor their adherence to this commitment. Most of the reports (18) by international organisations provided

evidence based on individual G20 members' performances, whereas 11 presented data in aggregated form. None of these reports provided a scoring methodology, and only five offered recommendations for future action. Overall, the number of reports produced by international organisations has been steadily increasing: two at London, six at Toronto and eight at Seoul.

Eight reports have been produced by various G20 institutions at the mandate of the leaders. All reports present aggregated data without an evidence base or a scoring methodology. Furthermore, these reports do not propose recommendations for future action, apart from the two reports by the G20 trade finance experts group.

Seven of the reports (13 per cent) were by academic institutions. Nine reports (17 per cent) were released by NGOs. These 16 reports were self-initiated, provided a distinct evidence base and tracked individual compliance of G20 members, thus contributing to the transparency and credibility of the assessments. The academic institutions assessed G20 compliance using a scoring system and ratings, which were absent from other accountability reports.

It is the quality and not the quantity of G20 accountability that should be addressed. Accountability is being practised in a dispersed, but not shared, fashion. Accountability procedures are indirect. The accountability mechanisms are weak and need to be strengthened, and the technocratic nature of the accountability reports renders them inscrutable to the public. The reports by academic institutions and NGOs lack recommendations. International organisations either do not provide evidence by member or do not offer recommendations, while the G20 structures' reports contain neither evidence base nor assessments nor any recommendations.

The G20's pursuit of its mission thus lacks transparency on delivery. The individual and collective performance of G20 members should be evaluated more rigorously, and there should be more consultation with those affected by G20 decisions. Addressing these shortcomings of the accountability system may improve the G20's performance.

Advancing G20 accountability

Two major steps are required for the G20 to advance its accountability at its 2011 Cannes Summit. First, the G20 should recognise that effective leadership means going beyond simply identifying inputs (such as resources allocated and programmes created) to developing a regular, clear and transparent reporting mechanism.

Such a mechanism would need to acknowledge its own limitations, the most important being that of attribution. On many environment- and development-related initiatives, the G20 must rely on partner organisations, NGOs, private foundations, civil society and the private sector to contribute to the successful outcome of its goals. G20 interventions are therefore influenced by how all these partners and groups come together to deliver results.

As with the G8, an ongoing accountability working group is essential in ensuring that the G20 stays on track. It would make sure that consistent methodologies allow for rigorous assessments, that standard and quantifiable terms are employed, that common benchmarks and baselines exist, and that adequate monitoring systems on the ground provide for the timely and reliable information essential to results-oriented reporting.

This type of self-reporting and accountability has a positive impact. Holding themselves publicly accountable places added pressure on G20 leaders to comply with their global commitments. To stay on track after Cannes to Mexico in 2012 and beyond, the G20 can enhance its credibility as the centre of effective global economic governance by providing candid self-assessment on its collective accomplishments and reporting on them in a clear, transparent and measurable way. ♦