

Joint press release by Federal Chancellor Angela Merkel, OECD Secretary-General Angel Gurría, IMF Managing Director Christine Lagarde, World Bank Group President Jim Yong Kim, ILO Director-General Guy Ryder and WTO Director-General Roberto Azevêdo on the occasion of their meeting in Berlin on 10 April 2017.

After growing at 3.1% in 2016, global economic activity is expected to revive this year. The IMF has projected a slight pick-up in global growth to 3.4% this year and 3.6% in 2018. In the euro area, economic recovery is gathering momentum. In the US, envisaged fiscal measures are expected to stimulate growth. Emerging market countries continue to provide the greatest share of global growth, yet face challenging external conditions and need to take actions to increase their resilience. Credible strategies are needed in some countries to secure debt sustainability, and in some others to adjust to lower commodity revenues and to address financial vulnerabilities. The ILO expects global unemployment to rise by 3.4 million in 2017.

In September 2016, the WTO updated its forecast of global trade growth to 1.7% in 2016, while indicating that in 2017 it expected global trade to grow within a range from 1.8% to 3.1%. The disappointing trade growth figures and the danger of increasing protectionist tendencies give us a clear incentive to support the international trading system even more. International trade and open markets are necessary to spread growth impulses globally, to allow for global value chains to operate efficiently, and to create job and consumption opportunities on a broad scale. As noted in the Making Trade an Engine for Growth for All report released earlier today by the WTO, IMF and World Bank Group, effective domestic policies and trade policies are critical to ensure that the gains from trade can be more widely shared.

As highlighted by the recent OECD Going for Growth report, both growth-friendly and inclusiveness-enhancing policies of structural reforms and long-term fiscal sustainability must be reinforced. Greater focus on employment and social policies to make growth more inclusive can help underpin the pace of recovery and ensure that it reaches all social groups.

Our common approach of international economic policy cooperation has turned out to be successful and remains necessary to take up global challenges, set new standards and improve growth prospects. Both institutional and informal links among national governments, international organisations and other stakeholders have been strengthened in the course of this process. The German G20 Presidency in 2017 offers an important opportunity to address urgent issues in economic, financial, climate, trade, health, employment, social and development policy, as well as other current global challenges, and to work together in such a way that the benefits of globalisation and technological change are both enhanced and more widely shared. We aim at working closely together to leverage scarce public resources and mobilize private financing, and to foster sustainable and inclusive economic development.

We welcome the ongoing cooperation between the IMF, the World Bank Group, the ILO, the OECD and the WTO, including their important contributions to the G20, in the following areas in particular:

- Digitization is a promising new secular trend giving rise to huge growth potential as well as challenges. Governments and international organisations are working on strategies to support a smooth transition of our economies. We welcome the ongoing efforts by many countries in this regard. However, in order to spur productivity growth and to reap the gains from digitization, we urgently need to develop product, labour market and social policies to support inclusive innovation-driven growth, including with respect to youth employment, social inclusion, gender equality, and access to digital infrastructure. Improving education and health systems is also key.
- Structural changes in economies constitute a transformation not only of the economy as such but also of the world of work. Labour market and employment policies should include skills development and training of workers throughout the entire working life

as well as innovative and flexible approaches regarding the organization of work. We welcome the development of smart, innovative and flexible policies, that take both employees' and employers' needs into account, while simultaneously boosting employment and inclusion of groups underrepresented in labour markets, such as women and young people. International cooperation and initiatives, such as the ILO The future of work centenary initiative, are fundamental in order to reduce poverty, persistent inequalities, unemployment, and to promote quality jobs.

- Trade policy cooperation and coordination are more than ever of utmost importance. We will work hard to prepare for this year's WTO Ministerial Conference in Buenos Aires, which should lead to concrete outcomes and give a strong signal of the important role of the multilateral trading system in global trade. The WTO is essential in order to create new growth, employment and development opportunities on a global scale. Moreover, we appreciate ongoing efforts to conclude new bilateral and regional free trade agreements as other important tools to spur growth and job opportunities. We are also promoting sustainable supply chains, and we encourage ongoing efforts to strengthen responsible business conduct drawing on instruments such as the OECD Guidelines for Multinational Enterprises and the ILO Multinationals' Declaration.
- Addressing climate change and the protection of limited natural resources remain key topics on our policy agendas. All international organisations are committed to combating climate change and promoting green growth, and to this end are cooperating within their mandates. The German G20 agenda aims at advancing national and institutional efforts with a view to increase climate financing, promote low carbon investments and green growth as well as the transformation of our energy systems. The OECD report on Growth, Investment and the Low-Carbon Transition is very valuable in this regard. We welcome the early ratification of the ambitious Paris Agreement and are committed to supporting its targets and its successful and robust implementation through our activities.
- Global challenges need global attention, global responsibility and global solutions. By adopting the 2030 Agenda for Sustainable Development, world leaders in 2015 clearly affirmed their shared responsibility to improve prospects for present and future generations around the globe. Worldwide, we see encouraging initial steps to implement the 2030 Agenda on all levels. In order to use this new momentum we need strong multilateral institutions, enhanced cooperation of states, civil societies and the business community as well as sustained political commitment for the implementation of the SDGs. The Compact with Africa Initiative to promote private investment flows, sponsored by the German G20 presidency, represents a concrete example of this collective cooperation at work.
- Ongoing large-scale movements of refugees and migrants are a major challenge for the international community. We need to deal with this challenge in a spirit of shared responsibility. We underline the need to address the root causes of recent large-scale migration and to safeguard human rights of refugees and migrants. In order to reap the benefits of human mobility, it is crucial to achieve a better migration management, to replace smuggler-driven illegal border-crossings by legal pathways, and to foster labour market integration of migrants and refugees. To these ends, we welcome the ongoing UN processes to adopt the Global Compact for safe, orderly and regular Migration as well as the Global Compact on Refugees.