



Y20 PUEBLA AGREEMENT
PUEBLA, MEXICO
MAY 9-11, 2012

1. We, the youth representatives of the G20 countries, met in Puebla on 9-11 May, 2012 to consider actions the international community should take in order to face current challenges and propose actions to better our world.
2. We have therefore agreed today to call the attention of G20 leaders on the following issues, as well as to take in consideration the following actions:

ECONOMIC STABILITY AND FINANCIAL INCLUSION

3. Financial inclusion is critical to developing systems that contribute to sustainable economic growth and reducing poverty.
4. As international relations extend, the stability and growth of one country tangibly impacts the viability of competing nations and regions. Global economic stability will be achieved through financial inclusion practices being incorporated into national agendas which will lead to greater social development, poverty reduction, and transparency.
5. The translation of principals into practice is critical for economic stability and growth. Some challenges include low levels of consumer confidence, protection against predatory practices, and financial education limitations, among others.



6. In overcoming these hurdles, the increased liquidity due to greater financial inclusion will set the stage for greater equitability between developed and emerging economies in international trade. Three additional factors in favor of financial inclusion and economic stability discussed are currency fluctuations, market volatility, and credit reserves.
7. We strongly recommend for a reconnection between finance and real economy in order to set up a healthy cooperation, always keeping in mind that finance should be considered a support of the economic activity.
8. We consider that promoting financial education, enhancing access to appropriate financial services and support for innovative projects are tools for people empowerment, social development, and poverty reduction.

FINANCIAL INCLUSION

FINANCIAL EDUCATION

9. We consider this point critical in order to build a strong awareness, better understanding, and the necessary tools to conduct personal matters on finance and money, which is after all, the key and primary component to growth, development, and poverty reduction. We think this goal may be pursued through different complementary actions: Introduction of financial education starting from primary schools in order to become financially capable citizens.
 - a) Fostering dialogue with the private sector including Non Governmental Organizations (NGOs) and financial institutions;
 - b) Encouraging authorities in Planning, projecting and developing programs of basic financial concepts for financially illiterate people;



- c) Develop financial education materials targeting adapted for particular populations;
- d) Development of practical saving habits as a part of education.

ACCESS TO FINANCIAL SERVICES

10. Increase accessibility to reach the poorest of the poor will be achieved through the following mechanisms:

- a) Use and promote of mobile technology/internet (for basic banking transactions);
- b) Establishing credit practices and tools through Community based financing;
- c) Sharing of best practices through replicating success stories;
- d) Improving the legal framework which inhibit Micro financing banks to be established;
- e) Stimulating the private sector in developing products suiting the needs of youth and poor.

11. Within the context of international strategy for financial inclusion, policy makers should make a dedicated effort for targeting children and youth.

FINANCE SOCIALLY VALUABLE PROJECTS

12. In the current status quo, Small and Medium Enterprises (SMEs) and small loans lack access to finances or treasury to maintain and develop their activity.

13. It is a recommendation that private companies and governments make financial resources more accessible to SMEs in order to guarantee safe and profitable growth including products such as State guaranteed loans, banks and micro-finance. We also think there should be government measures to help develop SMEs. These measures would be applicable to social entrepreneurs and valuable projects.



14. We recommend improving particularly access to finance for Youth and Women entrepreneurship.

ECONOMIC STABILIZATION

FINANCIAL STABILITY AND REGULATION

MODERATING FLUCTUATIONS IN COMMODITY MARKETS

15. We believe that moderating fluctuations in commodities prices will be a necessary measure for ensuring a more balanced economical environment;

CURRENCY

16. We call for a special summit of the G20 concerned with the current global currency exchange and reserves regime at which should be considered the following options:

- a) The possibility of establishing a global "currency swaps" framework between Central Banks which institutionalizes prior experiences on the bilateral level;
- b) Allows for a greater diversification of international reserves.

17. New policies to complement, not substitute, the accumulation of international reserves by developing countries, seeing as how it is these "self-insurance policies" which have led to the economic stabilization of countries which suffered greatly from international speculative capital flows in the nineties and early 2000s;

BANKING AND FINANCIAL MECHANISMS

18. We reiterate the sentiment that the banking crises have been caused by a lack of transparency of many high-technology finance tools or detachment of the financial tool with the real economy and thus being "bad financing practices" as defined in the introductory clauses and regulatory competence (informational dissymmetry) on



national and international level to understand the functioning and risks of these tools.

We therefore recommend that:

- a) All financial banking practices of short-selling should be prohibited as example of “bad banking practices”;
- b) Credit Default Swaps should require strict transparency criteria enforced by national legislation established in a global forum;
- c) Legislation should encourage distribution of small and powerful tools.

RATING AGENCIES

19. We call for the introduction of a sovereign state debt-rating agency under the aegis of International Organizations with the purpose of building a strong, credible, and independent authority, which may act against speculation.

20. Considering the market power of the rating agencies, we recommend to increase competition, regulate them and remove them from regulations as much as possible.

ELIMINATION OF TAX HAVENS

21. Sanctions against tax havens and the elimination of the distinction between "cooperative" and "non-cooperative" jurisdictions, seeing as in the end both allow for privileges of those who are wealthier, as well as playing an important role in depriving mainly developing economies of resources that are direly needed to confront the effects of the current crisis generated in developed countries;

REFORMATION OF INTERNATIONAL FINANCIAL INSTITUTIONS

22. Facilitate for all countries to have the opportunity to govern international financial institutions.



23. Election systems should be reviewed later with quotas.

REGULATION

24. Considering the current situation, we recommend to regulators to take into account their pro-cyclic effect to avoid negative effects. Therefore, they should have a long term vision, and be aware of their impact on the market.

TOBIN TAX

25. An international tax on financial short-term interactions should be reconsidered while the funds could be used to finance international institutions of the International Monetary Fund (IMF) and the International Banks for Reconstruction and Development.

26. We think it is ethically mandatory the introduction of a tax on financial transactions together with a convincing grip on fiscal paradises;

GROWTH AND WEALTH

SOLID STRONG AND SUSTAINABLE GROWTH

27. We consider crucial to develop policies for supporting SME's, which have been demonstrated as one of the most sustainable and replicable business models;

28. We stress the importance of the implementation of structural reforms in order to boost recovery and sustain growth;

29. The importance of anti-cyclical policies and the role of government spending, as opposed to the mere use of austerity measures that do not bear in mind the lives and jobs of those who would be adversely affected by the recessive impact of austerity;



30. We need to raise transparency and implement effective regulations while not excessively infringing the operations of the financial and banking sectors.

GREEN GROWTH

31. Green growth is essential toward the economic stability and development. Funds as GEF (Green Environment Fund) should be used more often.

YOUTH EMPLOYMENT

32. In 2011, 75 million young people aged 15-24 were unemployed, an increase of more than 4 million since 2007. We therefore reaffirm through our decisions today the need to address:

- Creation of quality jobs
- Education and Training
- Social protections

CREATION OF QUALITY JOBS

33. In order to create jobs for unemployed youth, investments should be made in research and development, high-tech industries, the green economy, and development in agricultural and rural areas. Youth entrepreneurship should be encouraged through facilitated access to credit, seed, and venture capital funding for SMEs. Governments should ease bureaucratic barriers to hiring and incentivize new youth employment in the private sector through initiatives such as tax rebates, wage subsidies, and youth wage rates. This will guarantee youth inclusion in employment and ensure acquisition of work experience that will later translate into better job



prospects. We emphasize the importance of providing education for potential future entrepreneurs and creating an entrepreneurial culture.

EDUCATION AND TRAINING

34. We call for investment in career services programs which equip youth with skills most relevant to labor markets and promote in-demand occupations to young students. Civil society, education providers, and entrepreneurs must be consulted at a local level. More scholarships should send students to trade schools and programs in science and engineering; low interest loans should allow institutions in developing nations to improve education in these areas. Young people not in education, employment, or training (NEET) should be encouraged to engage in socially useful jobs, volunteering, and non-formal education funded by local authorities in co-operation with local communities.

35. We urge the creation of a global work-exchange program to provide and encourage first-time international work experiences. The appeal of international learning would result in strong applicants, and employers could pay wages adapted to local economies while providing an attractive opportunity. This institution would improve trade relationships and give youth key skills and initial job experience, thereby improving employment prospects upon return to home countries.

SOCIAL PROTECTIONS

36. We call for the establishment of an equitable healthy living wage for young workers according to each country's economic status. This wage should reflect young people's needs and maintain their dignity. Youth should be protected and supported through education, and a healthy living wage will ensure educational standards are not put at risk through long working hours with low wages.



37. We encourage governments to continue to transition informal workers to the formal economy in order to improve the quality of working conditions for youth. The resources coming from this measure will help cover the costs for many of the aforementioned initiatives. We encourage collaboration amongst the G20, civil society and international organizations and the provision of information to governments in order to improve their respective youth employment programs. We suggest that governments implement policies ensuring equal employment and educational opportunities amongst all young people. The exploitation of employees without formal employment agreements should be addressed through the voluntary implementation of contracts without time guarantees.

INTERNATIONAL TRADE

38. Prior to embarking on the development of international trade solutions that are all encompassing of every nation, we the youth believe that decision makers today need to understand that future generations will be even further inter-twined and connected than we are today. As a result, it is important that we begin thinking in the overall well-being of the human race and less about the interests of our individual nations. Self-reliance is not necessarily a benefit, it is understood that being further integrated will afford extreme benefits and welfare to the global population. We encourage the global community to provide support and cooperation to developing and less developed countries in order to help them reach developed status.

39. Encourage the World Trade Organization (WTO) to establish new criteria in determining what the definition of a developing country is on the basis of economic and social indicators such as trade balance.



40. Urge the WTO and world leaders to allow developing economies and countries in a recession to maintain consistent WTO legal measures to protect important industries for a necessary period of time in order to grow sustainably.
41. Enhance and broaden General Agreement on Trade in Services (GATS) in order to avoid the overlapping of competencies and to make services related to trade more efficient and harmonized.
42. End the quasi impasse in the Doha Round and address the problem between developed and developing nations pertaining to existing trade barriers specifically related to agricultural subsidies.
43. Increase transparency in order to ensure that commitments in trade are adhered to and to fight corruption. In order for this to happen, commitments and results should be published online and youth should remain involved in the process on a regular basis to hold respective governments accountable.
44. Create an international framework underneath the WTO addressing intellectual property rights on the internet in order to protect technological innovations online.
45. Address the duration of international intellectual property rights bearing in mind the interest of the global community about patents regarding social needs such as food or medicine.
46. Reconsider restrictions to the agreement on government procurement (GPA) and to advise emerging economies to sign it thus ensuring less protectionism and fair competition.



PROMOTING SUSTAINABLE DEVELOPMENT, GREEN GROWTH AND THE FIGHT AGAINST CLIMATE CHANGE

47. Given the current global environmental and economic challenges, we as Y20 delegates recognize the importance of engaging youth in issues pertaining to sustainability, green growth, and climate change. Current non-sustainable practices will directly affect the youth of today and generations to come. We therefore urge policy makers to shift our fossil fuel based resources to renewable energy resources in order to keep pace with our current growth rates. It is imperative that the global community participates in promoting awareness of pressing environmental issues. With this in mind, we propose the following recommendations:

- a) Global education
- b) Commitment to G20
- c) Shifting incentives from non-renewable energy corporations to promote green energy
- d) Active proliferation of social enterprise as community-based approach to mitigate climate change.

GLOBAL EDUCATION

48. Every country should define how to implement environmental education in its education system at the national level. However, we highly encourage the integration of environmental awareness into education curricula from an early age. The G20 members should share their experience and knowledge through the creation and expansion of exchange programs between universities in G20 member countries. For example, the European "Erasmus" program is a possible model.



COMMITMENT TO ATTEND CLIMATE CHANGE SUMMITS

49. We want our current leaders understand the impacts their decisions will have on us, beyond their time in office and their lifetimes. It is imperative that young people are recognized and included as key stakeholders in conversations, dialogues and decisions about the environment, climate change and sustainable development. We therefore encourage G20 members to commit to the Rio+20 process by ensuring attendance of heads of states to the conference. We hope that together, we will be able to create substantive agreements and strategies for the future.

50. Shifting incentives from non-renewable energy corporations to promote green energy

The use of renewable natural resources should be promoted by various means, including providing subsidies to companies using green energy. We want to promote green growth in the area of energy in the private sector, but funding is necessary to do so. We therefore suggest countries promote green growth through the method of shifting incentives. Subsidies and tax breaks for non-renewable energy companies will be gradually decreased until totally eliminated. The money saved will then be used to create incentives for renewable energy companies that are expanding.

51. In order to fund green technology research, we suggest the implementation of a tax on polluting activities. This could be achieved through a flexible mechanism of quotas resulting in a reduction of costs and in an increase of efficiency that provides companies with enough time to adapt their sustainability practices. This approach is based on the Emission Trading Scheme (ETS) System.

DIVERSION OF ROYALTIES

52. We suggest that each nation appropriate a specific percentage of existing royalties or revenues for nonrenewable sources towards research and development for providing green energy sources to developing nations.



53. We recognize the necessity of participating G20 members to tax their fossil fuel energy companies according to specific criteria proportional to a percentage of profit in order to fund an international research and development program for green technology.

ACTIVE PROLIFERATION OF SOCIAL ENTERPRISE AS COMMUNITY-BASED APPROACH TO MITIGATE CLIMATE CHANGE.

54. The increasing rate of deforestation and illegal logging in developing countries resulting from low-socioeconomic society's overdependence on natural resources necessitates the creation of social enterprises. This will empower the welfare of the disadvantaged populations, create sustainable employment, and mitigate environmental damages. We therefore suggest achieving this goal by implementing the following steps:

- a) Create platforms under the respective government institution to provide funding for increasing number of social business plans
- b) Introduce Community Development programs in universities to endorse youth initiatives
- c) Increase partnership with NGO and CSO as governmental outreach in engaging more communities

INDUSTRIAL ECOLOGY

55. We suggest the possible shifting to industrial ecology, where industrial wastes are used as input for other companies. This will allow the creation of a new market for those countries which do not have a better waste management system.



STRENGTHENING MULTILATERAL ENVIRONMENTAL GOVERNANCE

56. We encourage upgrading the United Nations Environment Programme (UNEP) into a United Nations Environmental Organization vital, to make the multilateral process of environmental governance more efficient and to avoid costs of coordination between different agreements and agencies.

57. Given the fact that Millennium Development Goals (MDGs) are going to expire by 2015, we strongly support a redefinition of MDGs by including a sustainable development approach through SDGs (Sustainable Development Goals).

58. As agreed in June 2005 by the G8 Finance Ministers for the MDGs, we call for the implementation of a funding process to achieve these goals, control their effectiveness and monitor their application. Such task could be conducted by the UNEO.

59. We therefore suggest :

- a) Promote energy access and efficiency.
- b) Doubling the share of renewable energy in the global mix from 15 per cent to 30 per cent by 2030.
- c) Incentives of public and private sector to support Research and Development (R&D).
- d) Increase energy mix according to local specificities and constraints.
- e) Establishing and distributing expert energy planning tools/framework to coordinate development cooperation efforts and measure improvement, to be universally practiced by 2030.
- f) Creation of open international networks for R&D collaboration should be enhanced.



- g) Promoting clean technology transfer between developed and developing countries but also within the developing countries.
- h) Conduct Environmental Impact Assessment prior any installation.

PROMOTE WATER ACCESS AND CROSS SECTORAL EFFICIENCY:

60. Encourage national plans to measure urban demographic growth in coordination with the United Nations Population Information Network and ensure water access for additional population in urban areas.

61. Develop an international research program focused on water efficiency tackling two issues.

- a) Recycling technologies in urban areas;
- b) Water management in urban areas;
- c) Increase by 50 per cent the current coverage of waste-water treatment before 2030 to reduce the amount of pollution released to rivers and groundwater resulting from industrial and productive activities.

62. *Implement the protection of water resources in national agricultural strategies. Introduction of a youth representative for the future.* A delegation representing future generations should be introduced in the international negotiations. This delegation will represent the voice of youth considering their own future with a long term vision according to a sustainable approach. This delegation will have an amendment right but no vote power.



FOOD SECURITY AND COMMODITY PRICE VOLATILITY

SUSTAINABILITY

63. We believe that by promoting education, sustainable agriculture can be implemented. This will support better nutrition for children, prevention of stunting and enhanced economic potential. Furthermore, it will encourage sustainable practices so as to achieve efficient farming, reduced waste and protection of the environment. This will finally improve access to local markets resulting in a more diverse diet, opportunities for individual investment, and strengthening the position of small holder farmers.

64. We therefore recommend fully endorsing the Scaling Up Nutrition (SUN) framework, the 1000 Days Plus and the Purchase for Progress (P4P) projects by the World Food Program (WFP) to improve the quality of agricultural production.

65. Moreover we recommend that the G20 supports the Global Agriculture and Food Security Program (GAFSP) and the Consultative Group on International Agricultural Research (CGIAR) so as to exchange best practices in enhancing the sustainability of agricultural production. We suggest investments in research and the use of sustainable technologies in agriculture, to improve the efficiency of the food supply chain.

AGROFUELS

66. Some countries call for an increase in agrofuels to foster rural development and reduce national farm program costs. However, other countries manifest a concern to protect price volatility, and land used for food production. We encourage all states to diversify the production of agrofuels in order to guarantee food security. We ask all



states and transnational actors to commit to protect farmers' rights to land, with an emphasis on smallholder farmers. Finally, we ask the G20 to make steps towards agreeing on an international policy about the social and environmental impacts regarding the agrofuel industry, and suggest consequences for those who do not comply with the said policies.

FOOD DISTRIBUTION AND INVESTMENT

67. We recognize the importance of productivity; however we consider food distribution as of higher significance. Thus we call for international organizations (Food and Agricultural Organization (FAO) and WFP) to invest more resources into increasing transparency in the distribution systems and information sharing so as to address corruption and discrepancies in the market.

68. We recommend increasing investments in short, medium and long term agriculture development that directly benefits the most vulnerable communities. We stress the need for multi-sectoral partnerships with adequate emphasis on development of infrastructure aimed at increasing resources for agriculture and improving investment effectiveness. We support investments in small companies because they can be a sustainable model of development in the medium and long term. This will provide tools to farmers so they could be self-sufficient.

IMPROVE FARMER WELFARE

69. We recall governments' initiatives to provide insurance programs and financial assistance, and establish emergency stocks so as to reduce uncertainty in commodity markets. Acknowledging the significance of such safety nets, we propose to implement them on a regional scale through organizations such as the African Union and the MERCOSUR. We call for measures to disseminate local knowledge



as well as environmentally friendly farming technology in order to promote the development of vulnerable groups. To that end, we ask for international cooperation and, depending on the conditions of each country, for multi-sectoral partnerships.

GLOBAL GOVERNANCE AND THE STRENGTHENING OF THE MULTILATERAL ORGANIZATIONS

70. We acknowledge that global problems clearly require global solutions; in today's world, it is more important than ever to ensure that our global institutions are fit for purpose, and coordinate effectively with one another. We have therefore agreed to promote multilateralism as the path towards a common future where global governance is a positive reality.

71. In such regard, the new multilateralism shall maximize the strengths of interconnecting institutions, both public and private, in order to build a stronger sense of shared responsibility on the following global issues: economic and financial governance; environmental governance; multilateral development efforts; multilateral struggle against drug trafficking; and the role of the youth within multilateral organizations.

ECONOMIC AND FINANCIAL GOVERNANCE

72. In order to address risks that threaten global financial stability and to strengthen the global financial markets an enhanced cooperation and integration among a variety of players is needed. These players are national governments, supranational bodies, NGOs, international financial organizations, etc.

73. Global economic and financial governance should include proper crisis management, consolidated multilateral efforts towards common economic growth, urgent resolving



of debt crises and debt management, coordination of the G20 macroeconomic policies (implementation of the Framework Agreement on the sustainable and balanced growth), as well as financial management and improvement of the global financial architecture.

74. Considering that many crises of the past could have been easily avoided or alleviated with the proper administration of the contributions made by members of the IMF, we believe that in order for the IMF to become a truly efficient and representative international financial institution, its credit lines should be more accessible and readily available for all countries to prevent and solve any financial crisis.

75. We suggest that every country should have the same opportunity to govern the World Bank and the IMF in order to achieve tangible and true multilateralism in these organizations.

76. Lastly, we recommend multilateral policies against tax havens as an important measure to fight against money laundering. International institutions have to interact between each other to monitor the violation of such policies.

ENVIRONMENTAL GOVERNANCE

77. G20 countries are responsible for the emission of 80 per cent of global greenhouse gas, but the countries that are the most affected by the effects of global warming are mainly the poorest ones. We call for a better integration between the current environmental programs and the more than one hundred Multilateral Environment Agreements (MEAs).



78. Finally, we propose the updating and expanding of the Kyoto Protocol, given the fact that it is over in 2012. We also ask for more participation of the general international community. In result all countries can compromise to work together to reduce CO² emission and other negative forms of environmental impact.

MULTILATERAL DEVELOPMENT EFFORTS

79. We exhort World leaders to find a rapid, ambitious, comprehensive, and balanced conclusion of the WTO Doha Round.

80. We believe that every country should avoid protectionism in order to strengthen international cooperation and liberalize international trade, while admitting the use of WTO-authorized measures that aid in the development and protection of developing and least-developed countries.

81. We believe that poverty within the 21st century should be intolerable. In such regard, the adoption of the MDGs as a public priority should be compulsory for every country.

82. Finally, we propose the inclusion of social entrepreneurship as a means of achieving the MDG and other government objectives. We believe cooperation between the public and the private sector is crucial to the achievement of social progress.

MULTILATERAL STRUGGLE AGAINST DRUG TRAFFICKING

83. We believe that every country should commit to fight against drug trafficking. This fight should not be targeted exclusively against the suppliers. We consider that there will always be suppliers as long as there is demand. In such regard, G20 countries



should commit to establish stronger campaigns against drug consumption, especially along the lines of prevention and assistance policies.

ROLE OF THE YOUTH WITHIN MULTILATERAL ORGANIZATIONS

84. We suggest encouraging the meaningful engagement and active participation of the youth in multilateral issues by giving them better access to and voice within decision-making processes in international organizations and forums, as we are the present and future of this interconnected World.

85. Our own experience of participation in the Y20 Summit shows that by providing a younger generation an opportunity to voice their thoughts and ideas on international scale, the world will definitely move forward towards better interconnection and a prosperous future. Taking this into account, we decided to establish the Y20 Community, which will make sure that all the decisions made at the Summits are not only words. Such community will be chaired by the youth of the country currently presiding the G20.

FUTURE OF THE G20

86. We are committed to ensuring the G20 remains the premier forum for international cooperation. We are committed in ensuring it remains relevant within the global architectural framework and is able to act in an efficient manner in the following areas.

Y20 CONTINUITY

87. We urge the involvement of youth in the G20 process and propose the continuity of the Y20 as an obligation of the presidency of the G20.



88. We encourage a Troika format to be used in order to provide continuity between the summits. Final communiqués produced by the previous summits, should be made publically available.

INCREASING AGENDA

89. We encourage the involvement of civil engagement, particularly the youth, through avenues such as L-20, B-20 and Think- 20.

90. We would like to bolster G20s relationship with international organizations by increasing information sharing.

SHERPA AND LEADERS MEETINGS

91. In order to increase visibility of the G20 work to the public, we would like to encourage the Leaders of the G20 to formalize an obligatory press conference.

ADDITION OF A MEMBER

92. The current lack of representation within the G20 of the African States must be underlined. We suggest:

93. The African Union and at least two additional African countries should be admitted as permanent observers.

THE INSTITUTIONALIZATION OF THE G20

94. We strongly believe that the G20 should remain as an informal body. This aids in its ability to address current and emerging issues that are part of and effected by the global financial system.



TRANSPARENCY AND ACCOUNTABILITY

95. We encourage the formation of a transparency and accountability mechanism for the G20.

96. We recommend establishing a central online public platform that discloses all G20 output to civil society.