

The G20 London Summit

The London Summit took place at a time when the world confronts the worst economic crisis since the Second World War. The London Summit aims were to bring together leaders of the world's major economies and key international institutions to take the collective action necessary to stabilise the world economy and secure recovery and jobs. Leaders faced an unprecedented range of challenges - of averting an even more severe downturn and restoring growth in the short term, while at the same time reshaping the financial system, preserving the world trading system, and laying the foundations for a sustainable recovery. Real action was agreed at the Summit, with Leaders agreeing on steps to:

- **Restore confidence, growth, and jobs:** Leaders reaffirmed their commitment to work together to restore growth and jobs, while preserving long-term fiscal sustainability. They agreed actions to accelerate the return to trend growth and committed to taking whatever action is necessary to secure that outcome, and called on the IMF to assess regularly the actions taken and the global actions required. They committed to make available an additional \$1.1 trillion programme of support to help the world economy through the crisis and to restore credit, growth and jobs. Most of this will be provided through the international financial institutions (see below) ;
- **Strengthen financial supervision and regulation:** Leaders agreed to strengthen the financial system by putting in place a better and more credible system of surveillance and regulation to take account of macro-prudential risks and prevent excess leveraging, including (for the first time) regulation and oversight of large hedge funds and credit rating agencies. They also agreed actions to tackle non-cooperative jurisdictions and common principles for executive remuneration.
- **Fund and reform our international financial institutions to overcome this crisis and prevent future ones:** Leaders agreed to make an additional \$850 billion in resources available through international financial institutions like the IMF, World Bank, and other multilateral development banks, including a \$500 billion expansion of the IMF's resources, an SDR allocation of \$250 billion, and at least \$100 billion in additional lending from MDBs. The leaders also agreed to ensure to they have the facilities needed to meet the needs of emerging markets and developing countries and speed up reform of international financial institutions to ensure national representation is in line with the changing balance of the world economy.
- **Promote global trade and investment and reject protectionism, to underpin prosperity:** Leaders committed not to resort to protectionism, direct or indirect, and put in place a transparent monitoring mechanism; and to take measures which promote trade, including a commitment to make available \$250 billion to halt the slow-down in trade finance, which facilitates up to 90% of world trade.
- **Build an inclusive, green, and sustainable recovery:** Leaders reaffirmed their commitment to meeting the Millennium Development Goals and to delivering on development aid pledges; made \$50 billion available to low income countries, including through the proceeds of agreed IMF gold sales; agreed that the IMF would further support low income countries; and called on the UN to establish an effective mechanism to monitor the impact of the crisis on the poorest and most vulnerable.