



The G20 at the Leader's Level

# The L20 and UN Reform

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## ***H.E. Mr. QIN Huasun, L20 is a Call to the Contemporary Time***

### **L20 Project Meeting Briefing Note**

**H.E. Mr. QIN Huasun,  
Ambassador and former Permanent Representative of the  
People's Republic of China to the United Nations**

#### **I. G20 is a multilateral mechanism with unique representation.**

The member states of G20 include the world's major developed and developing countries from five continents. They cover two-thirds of the world's population, 90% of GDP and 80% of trade volume; involve varied types of society, roads of development and patterns of civilization, thus G20 is highly representative as a forum facilitating dialogues in economic policies between the North and South. G20 connects the world's major industrial countries with newly emerged markets and enables constructive and open dialogues to be carried out on such important issues as international currency and financial system. As a result, the fabric of international financial system is consolidated and a platform to share opinions on current global economic issues is provided to countries of varied levels of development. G20 is an unofficial forum, which makes it more flexible for members to freely express their views and consequently benefit from brainstorming. It is fair to say that flexibility, tolerance and efficiency are the winning points of G20.

#### **II. G20 plays an important role in international affairs.**

Ever since its founding in 1999, G20 has proved itself a positive factor in global economic field through its pragmatism and efficiency, as evidenced by a consensus reached by G20 members on further improving international currency and financial system, and by a stimulating mechanism offered to various member states concerning their economic-policy-making and to Bretton Woods system (International Monetary Fund and World Bank) concerning its relevant decisions. In recent years, G20's consensus in some fields has been significantly pushing the world to prevent and overcome financial crises and strives for harmonious development. Meanwhile, G20 is committed to setting up various universally recognized standards, especially those on transparent financial policy, anti-laundersing, anti-financing for terrorism and so on.

#### **III. The development of G20 internally calls for upgrading and widening its scopes of issues for discussion.**

G20 was founded to tackle challenges posed by regional financial crises. However, as the process of globalization goes further, the human beings are confronted with many new challenges, and more problems need to be dealt with jointly. These problems touch upon anti-terrorism, environmental protection, poverty alleviation, public health, narrowing development gap between the south and the North, and last but not the least, perfecting international economic and financial order and so on.

With the strong growth of the developing countries, the North and South require an even better platform for communication and coordination. Under such circumstance, the current grade of G20 is no longer satisfactory. It has become an irreversible trend to upgrade this platform and realize those political commitments and joint support from world leaders. A G20 Summit (L20) will help facilitate candid cooperation in South-North

dialogue, embrace other countries' social types, achieve common prosperity in harmony, complement varied development paths, and promote exchanges and understanding between different civilizations, and improve relations between the North and South, and the East and West. Given full play to its advantages, L20 would bring about reforms to reflect changes in the overall international arena, turn a better ear to voices of developing countries, focus on issues of global development and balance, and make its due contributions to democratization of the international community.

#### **IV. L20 will not replace the United Nations or other international organizations, but rather will facilitate the reform process of the UN.**

This upgrading from a ministerial meeting to a leader's meeting is more than a simple change in the grade. It should be boreed in mind that L20 is a place where people discuss, in the spirit of seeking common ground while shelving away differences and on the basis of mutual understanding and accommodation, how to solve problems in a just and effective manner. This place is a thought-provider for the international community. L20 does not seek legitimacy and authority enjoyed by some international organizations, but rather, its binding power lies in the ethics and sense of responsibility of the member states. L20 is not designed to replace the U.N. and thus the roles of such international organizations as the U.N. and IMF will not be affected.

It is known that the United Nations is playing a central role in the multilateral mechanism of international politics, while WTO, IMF and the World Bank make up the core in the global economical field. Both the mechanisms have undergone the test of history. At the time they play their respective positive roles, they are also confronted with changing world situations: the crackdown of bi-polar regime; ambiguity of the trend of multi-polarization; rise of new market states; threats from terrorism and extremism; gap between varied civilizations; environmental degradation; infectious diseases, etc. Adapting the above organizations to the changing world through necessary reform has been a consensus, but some major differences still exist between developing and developed countries. Thanks to joint efforts of the international community, some reform measures have been carried out. However, the deepening of reform is restrained by the said differences. The balance of interests of all parties, therefore, calls for not only better bilateral understanding and communication but also an effective multilateral mechanism to promote the dialogue. As an unofficial yet streamlined body, L20 enables unimpeded delivery of opinions and heart-to-heart talks. If L20 can enable world leaders to sit together, hear different voices, express their own views and share their wisdom, this meeting will certainly contribute to the reform of important global multilateral mechanisms including U.N.

In today's world, the tide of globalization is irresistible while the economy and society take on a new look with each passing day. On the one hand, mankind enjoys fruitful results of material civilization; one the other hand, they are in the face of the challenge of globalization that has caused a widening gap between the rich and poor. Development is a permanent theme for mankind. But how to achieve development against the backdrop of globalization has become a question that not only bears on our future and destiny but also tests our morality and conscience. Communication and exchanges as well as opening up and cooperation in whatever form are the prerequisites of the time. Thus, Human beings shoulder the responsibility to push for progress of mechanisms that make for dialogues and cooperation.

During the past 20 years, China's economy has been maintaining an average annual growth rate of over 9%. During the Asian Financial Crisis, China's policy of non-depreciation of its currency made contributions to the stability of Asian economy. It has developed to be one of the engines of global economy. After the Crisis, a series of measures have been actively adopted by China to facilitate liberalization of regional trade. China also takes part in Asian financial reform and helps bring into birth an East Asian cooperation system on exchange rate. After its accession into WTO, China honors its commitments, as evidenced by a decline in tariff by a large margin, calling off most non-tariff measures and opening its insurance, banking and many other sectors to the outside world, which have been widely applauded. China's rapid growing economy directly makes for stronger global economy. As the world pays more attention to it, China also makes more active contacts with the international community including candidly speaking out its views. L20 represents a new stage for unofficial consultations between industrial and developing countries. It is a fresh platform on which varied opinions are exchanged, mutual understanding gained and a broad consensus achieved among states. Ever since 1999, China has attended all G20 meetings. I believe it will continue to make due contributions to the construction of international financial system and to global economic development.