

Dear G20 countries,

## **RE: Call for G20 Leadership on fair and just recovery ahead of 21-22 November Summit**

The unprecedented health and economic crises resulting from the novel coronavirus pandemic continue to affect lives and livelihoods everywhere. The pandemic has compounded several global fragilities - including **economic exclusion, social inequalities and environmental degradation** - that must be addressed in a globally coordinated manner to ensure an inclusive and resilient rebuild from the crisis.

We, a united group of business and labor organizations, welcome efforts from many governments to address both the short- and long-term effects of the pandemic. However, as we move from emergency response to long-term economic recovery, we must ensure a commitment to multilateralism through globally coordinated efforts that squarely address these three fragilities and put us on a path to sustainable and inclusive growth.

Given the environmental and social crises facing our world, it is clear that we cannot afford to return to normal—nor should we want to. We call on governments and financial regulators to renew global cooperation, build sustainability into the backbone of the global recovery effort and take urgent and decisive action to:

1. **Spend, but spend smartly.** To safeguard and augment economic stability, governments should continue to release fiscal stimulus spending to minimize damage and support the nascent recovery as the crisis evolves. Governments should also apply a 'do no harm' principle to all spending, ensuring that spending prioritizes activities with significant environmental and social co-benefits.
2. **Tackle inequality through social protection.** The crisis has greatly exacerbated social and economic inequalities and human rights abuses. Governments must support vulnerable populations, secure jobs and enforce strong labor and human rights standards. Priority should be placed on safety, access to healthcare, job retention schemes and incentives for job creation, income support and worker reskilling and upskilling in high emitting industries.
3. **Mitigate risks to the global economy by bridging the “stimulus gap” in emerging markets.** The economic and public health crisis has severely stretched the public finances of many governments in low- and middle-income countries. Coordinated international assistance and mobilization of private finance is needed to ensure that all countries have the fiscal space needed to mitigate the health and economic implications of the pandemic and other ongoing crises.
4. **Lead the world on climate action.** Publicly recognize the planetary emergency and commit to reducing emissions to limit warming to 1.5°C above pre-industrial levels, in line with the highest ambition of the Paris Agreement. Prioritize policy and investment towards this goal, redirecting financing away from polluting industries and putting G20 economies on track to halve emissions this decade.
5. **Reverse nature loss.** Commit to reversing nature and biodiversity loss by 2030 at the latest. Foster collective efforts to halt and reverse deforestation and safeguard at least 30% of the world's oceans and land by 2030.

We won't achieve a green, fair and inclusive recovery through government action alone. The private sector has a vital role to play. Many businesses recognize this and are already committed to:

- Scaling the mobilization and deployment of private capital for sustainable development.
- Implementing measures for job protection, job creation and prioritization of employee health and safety—especially for vulnerable or marginalized populations.
- Scaling investment in climate innovation and technology, resilience and adaptation as well as efforts to drastically reduce emissions towards a Paris Agreement-aligned, net-zero greenhouse gas emissions global economy by 2050.
- Driving business valuation of biodiversity and ecosystem services while scaling investment in nature protection and restoration.

Yours, the undersigned

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United Nations  
Global Compact



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## **Extended requests of G20 countries**

### **1. Spend, but spend smartly.**

The G20 should:

- Ensure stimulus spending prioritizes activities with significant environmental and social co-benefits, and apply a 'do no harm' principle on all spending. Recovery packages should be subject to conditions that encourage investments in environmentally and socially responsible activities while discouraging practices that result in wide-spread value destruction across social and environmental systems.
- Ensure recovery processes and stimulus packages include multi-stakeholder dialogue between governments, business, workers' organizations and civil society to ensure new systems are inclusive and informed by a diverse set of stakeholders.
- Produce sector-specific stability and investment plans which provide the private sector with the confidence to recover, innovate and invest for the long-term.
- Provide direct and immediate support to small businesses and their workers to ensure their continued operations and safeguard global supply chains.
- Prioritize the design of mechanisms, including through national public finance instruments, to de-risk flows of private capital into investment opportunities that advance environmental, social and equality imperatives, particularly in developing countries.
- Invest in international efforts to ensure that the tools needed to bring the acute phase of the pandemic to an end are available to everyone, everywhere.
- Pursue fair and just revenue-raising policies to finance recovery.

### **2. Tackle inequality through social protection.**

The G20 should:

- Consider and seek to address existing inequalities (along the lines of race, gender, religion, migration status and more) in crisis response and recovery efforts.
- Commit to the creation of new jobs with strong labor standards as well as job retention schemes and income support.
- Continue to recognize the vital role and emergency response efforts of health workers.
- Prioritize safety, access to healthcare, as well as the needs of frontline workers, women and caregivers.
- Guarantee active reskilling and upskilling of workers in high-emitting industries to mitigate jobs losses overall due to automation – a clear threat to jobs in the automotive sector persists in multiple G20 countries.

### **3. Mitigate risks to the global economy by bridging the “stimulus gap” in emerging markets.**

The G20 should:

- Extend and expand the Debt Service Suspension Initiative (DSSI) and ensure full participation of official and private creditors in granting relief to any country in need.
- Establish a robust mechanism to restructure – and, where appropriate, cancel sovereign debt burdens to remove the risk of debt overhangs undermining a future recovery from Covid-19. Full use should be made of readily available financial instruments linked to key social and environmental objectives as part of this process.
- Cooperate, on an international, South-South and triangular basis, to increase the level of development assistance available to developing countries, with a focus on adaptation

finance in order to advance a stronger green, just and resilient global recovery and protect the most vulnerable against future shocks.

- Establish a new mechanism or facility to support the needs of Small Island Developing States given their particular vulnerability to exogenous shocks and natural disasters.
- Achieve clarity and consensus on sustainable finance standards, encouraging alignment with the SDGs, mobilize sustainable finance and incentivize the provision of finance from private creditors to developing countries to bridge the SDG funding gap.

#### 4. **Lead the world on climate action.**

The G20 should:

- Redirect financing away from polluting industries by eliminating fossil fuel subsidies and setting a meaningful price on carbon. Encourage a robust and transparent international framework on the use of market-based approaches, which ensures environmental integrity, avoids double counting and gives markets full information on climate risks and opportunities.
- Prioritize policy and investment in innovation, electrification, renewable energy, carbon removal technologies, zero-carbon transport, and breakthroughs in industrial sectors. Recognize the jobs multiplier associated with green stimulus is higher than that of conventional government spending, with clean energy infrastructure construction generating more than twice as many jobs per dollar of government expenditure as fossil fuel projects ([Garrett-Peltier](#)).
- Make climate-related financial disclosure mandatory across the economy in line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations to fully manage climate change risks and ensure that financial markets act accordingly.
- Put measures in place that accelerate a just, fair and inclusive transition to a net-zero economy, creating decent jobs and allowing all communities to thrive.
- Foster full and effective participation by all stakeholders in climate policy development and implementation, especially recognising the important role of indigenous peoples and local communities in decision-making.

#### 5. **Reverse nature loss.**

The G20 should:

- Publicly recognize the planetary emergency and commit to reversing nature loss by 2030.
- Develop coherent policies that protect and value nature, including driving sustainable agriculture and food systems. Scale nature-based solutions and ensure these are good for climate, nature and people.
- Support the rapid deployment of public and private investment into nature-based solutions and the restoration and regeneration of ecosystem services. Eliminate subsidies for projects that incentivize deforestation, land degradation and over-exploitation of nature.
- Scale up investment for high quality natural climate solutions (NCS) that should also be net positive for nature and biodiversity. Invest in ocean solutions that contribute to long term and sustainable growth, such as offshore wind, sustainable seafood and low-carbon shipping.
- Encourage more sustainable production and consumption patterns through market signals from the use of biodiversity-related economic instruments.