ANTALYA ACTION PLAN

The Antalya Action Plan sets out the G20’s plan for decisive actions to strengthen the global economic recovery and foster strong, sustainable and balanced growth. We have focused the work of the G20 in 2015 on addressing the shortfall in global demand and structural problems that continue to weigh on actual and potential growth, achieving stronger economic activity, enhancing resilience of the global economy and buttressing its sustainability. Our efforts have been guided by the three I’s of Implementation, Investment and Inclusiveness, this year.

A PLAN FOR STRONGER, SUSTAINABLE AND BALANCED GROWTH

Our ambitious plan we have developed this year is centered on three key components. First, we are determined to fully implement our comprehensive growth strategies in a timely manner, as well as all our past commitments, to move towards our overarching objective of strong, sustainable and balanced growth. Towards this end, we have developed a robust monitoring mechanism to enhance the accountability for, and implementation of our commitments. A key aspect of the monitoring mechanism is our detailed implementation schedules that enable close and transparent monitoring of our progress. We have also made adjustments to our growth strategies with new actions to strengthen the global recovery as presented in our adjusted growth strategies.

Second, against the backdrop of the modest global growth in investment, we have developed country-specific investment strategies that include measures to improve the investment ecosystem, foster efficient infrastructure investment, and support sound long-term financing opportunities for businesses, including SMEs.

Third, we are striving to foster more inclusive global growth to ensure that prosperity is better shared among all segments of society. Our approach to inclusiveness comprised domestic and international facets. Domestically, we focused on income inequalities, and female and youth employment, as well as creating more quality jobs and investing in education and skills. We also emphasized issues pertaining to the small and medium-sized enterprises (SMEs) as a cross-cutting subject.

Internationally, recognizing that the G20 serves as the premier forum for global economic cooperation, we sought to increase outreach efforts towards low income and developing countries (LIDCs) and to improve the ways we support their development efforts.

Building on past efforts, our commitments and actions this year will help ensure stronger global growth, and we stand ready to strengthen our response should the outlook warrant.

IMPLEMENTATION OF OUR COMPREHENSIVE GROWTH STRATEGIES

In Brisbane last year, we pledged significant individual and collective actions set out in our growth strategies, which, if implemented in a full and timely manner, would increase G20 collective GDP by an additional 2 percent by 2018. To ensure the growth strategies deliver the maximum growth dividends, we have strengthened our accountability framework to closely track progress towards full and timely implementation of our commitments in a transparent manner.
We welcome the 2015 Accountability Assessment Report. This year, in addition to taking stock of progress towards strong, sustainable and balanced growth and our efforts in terms of actual GDP growth to-date, the accountability exercise placed a particular focus on the implementation of our growth strategies. We paid close attention to the commitments that are of highest priority or impact, identified as key commitments by our Finance Ministers and Central Bank Governors in April 2015. For the key commitments, we have prepared detailed implementation schedules that will allow us to hold each other to account.

We have also conducted peer reviews of the implementation of our growth strategies and are encouraged by the efforts members are demonstrating to implement their Brisbane commitments. Our monitoring of implementation has been supported by the crucial work of international organizations. In particular, an assessment by the IMF, OECD and World Bank Group indicates that G20 members have implemented half of the multi-year commitments with implementation of the remaining commitments largely in progress. This assessment also indicates that our implementation so far represents more than one third of our collective growth ambition. While this is significant progress, it demonstrates the importance of remaining resolute. We will elevate our efforts to ensure that our growth strategies will be implemented in a full and timely manner, so that our commitments will deliver the support needed by the global economy.

**STRENGTHENING THE RECOVERY AND LIFTING THE POTENTIAL**

We are committed to take decisive actions to boost growth, and continue to take stock of our progress towards strong, sustainable and balanced growth. Building on this and the developments in our economies, we have adjusted our growth strategies to enhance their effectiveness vis-à-vis evolving economic challenges.

**Supporting the Global Economy in the Short-Term**

Global economic growth is uneven and continues to fall short of our expectations, despite the positive outlook in some major economies. We are taking fiscal and monetary policy actions to ensure the global recovery gains speed, while respecting fiscal sustainability and financial stability. We recognize the importance of demand-side measures, including in facilitating the successful implementation of structural reforms. The main measures we have put forward in 2015 include the following:

- Central banks in Australia, Canada, China, India and Korea have cut policy rates in line with their respective mandates.
- The European Central Bank, in line with its mandate, expanded its asset-purchasing program with a target for public and private sector securities of €60 billion per month until at least September 2016.
- In Japan, the UK and the U.S., monetary policy remains very accommodative.
- Argentina has implemented counter-cyclical measures in order to support short-term demand such as Ahora 12 and the Renovate program.
- Brazil, Japan, and South Africa commit to implement credible fiscal plans, including a wide range of tools, to strengthen macroeconomic policy and boost confidence.
India and Indonesia have continued on the path of fiscal consolidation while cutting subsidies and also opening space for public investment to support medium-term growth.

Korea has put forward a fiscal stimulus package of KRW 22 trillion.

Saudi Arabia has implemented an expansionary budget in 2015 amid declining oil prices to provide counter-cyclical fiscal support to domestic demand in the short term while promoting medium-term growth prospects.

In the United States, the federal budget authority will rise by $111 billion over the next two years relative to levels previously specified in law.

**Lifting Growth over the Medium-Term through Structural Reforms**

We have deepened our structural reform agenda to boost productivity and lift potential growth. Our actions will increase consumer and business confidence, and complement our short-term measures that support demand and actual growth.

Seven years after the global financial crisis, unemployment remains too high globally. Creating more and better quality jobs, boosting labor force participation, addressing informality, and ensuring well-functioning labor markets are key priorities of the G20. Members are undertaking a number of important reforms in the area of employment this year.

- Argentina and Mexico have implemented reforms in order to increase employment formalization.
- Australia, Canada, China, Germany, India, Indonesia, Saudi Arabia, Spain, Turkey and the U.S. are expanding training and vocational programs.
- Australia, EU, Germany, Japan, Saudi Arabia, Turkey, the UK and the U.S. are putting forward measures to boost female labor participation including through policies such as expanding access to childcare, further promoting the return to work for women after a family-related break of employment and other policies.
- Canada will launch a new innovation agenda, which will include increased support for business incubators and accelerators, and enhanced funding for industrial research.
- France commits to increase labor market flexibility.
- Italy has completed the labor market reforms, and is implementing reform policies including in education system, public administration and tax system.
- Korea is establishing labor market reforms to promote youth employment and increase labor market flexibility as part of the comprehensive structural reforms in four sectors: public, labor market, financial market, and education.
- Mexico is implementing a number of reforms to ensure better skill formation and matching.
- Russia is providing extra funding to the regions to support sustainability of regional labor markets.
- South Africa, the EU and its members and Korea are putting in place measures such as tax incentive, special financial incentives and labor market reforms, to address youth unemployment challenges.
Spain is implementing a variety of measures to support entrepreneurship, including reducing social security contributions for the self-employed. The UK has developed a number of measures to improve youth employment outcomes and halve the disability gap.

Robust competition policies produce a level playing field between firms and provide an environment where innovative businesses can grow and prosper. Competitive markets foster an efficient allocation of resources, creating an environment favorable to investment, job creation and productivity growth. G20 members are taking important actions to increase competitive forces in the global economy.

- Argentina is implementing measures to protect smaller companies from the predatory strategies of larger firms.
- Australia, China, India and the UK continue to take steps to simplify administrative procedures and reduce red tape.
- The European Union is promoting competition in the services sector and network industries and will further integrate the single market and open sectors to greater competition.
- France commits to modernize further labor and goods and services market regulation to take advantage of the new economic opportunities.
- India has deregulated energy prices, liberalized FDI and has improved tax and other policies to reduce the cost of doing business.
- Italy is implementing a comprehensive simplification agenda, legislative measures to promote competition and strong policy actions to fight against corruption.
- Japan is promoting special economic zones, where among others, procedures for starting up businesses are simplified and foreigners could acquire resident status more easily.
- Korea is promoting innovative businesses by establishing ‘Creative Economy and Innovation Centers’ and reducing the regulatory and administrative burden with comprehensive regulatory reform.
- Mexico is implementing an Anti-Trust Reform and opening key sectors such as energy and telecommunications; it is also committed to implement anti-corruption reforms.
- Russia will take steps to reduce the regulatory burden on SMEs.
- Spain is accelerating the implementation of its market unity law and reforms in energy and transport sectors towards more competitive markets.

Trade is one of the most important drivers of global growth and facilitates the transfer of technological advancements, knowledge and productivity improvements across economies. We also envisage that all G20 members will strive to deliver a successful and balanced Nairobi Ministerial Meeting in December that contributes to strengthening the multilateral trade system and reinforces the central role of WTO in promoting economic growth and development. Members have put forward a number of key trade measures this year.
- Australia, Canada, Japan, Mexico, and the United States and seven non-G20 countries reached an agreement on the Trans-Pacific Partnership, an ambitious pan-regional trade agreement that would create the largest free-trade zone in the world.

- Australia and China commit to achieve entry into force of their free trade agreement as soon as possible.

- China will accelerate the development of trade in services, improve customs procedures, and promote the development of cross-border e-commerce.

- The EU's new trade and investment strategy presents an ambitious agenda for launching, concluding and implementing a range of trade and investment agreements with G20 and non-G20 countries. The EU has also ratified the WTO Trade Facilitation Agreement.

- Korea and the OECD are analyzing services trade restrictiveness to identify regulatory reforms that would reduce trade-related costs in the services sector.

- Saudi Arabia is implementing a regional customs agreement with neighboring Gulf States.

- Russia is taking steps for achieving regulatory harmonization in the Eurasian Economic Union.

## Investing for Future Growth

Boosting quality investment, especially in infrastructure, is a top priority for the G20, in an environment of investment and infrastructure shortfalls. Infrastructure investment helps lift medium-term growth, reduce inequalities and improve productivity, while also having positive near-term impacts on job creation and demand. Actions to channel long-term finance for investment in infrastructure are particularly important. This year, we put forward key measures in our growth strategies to support investment.

- Argentina, Brazil, Canada, Germany, India, Indonesia, and the U.S. commit to undertake substantial additional public infrastructure investment.

- Argentina, India, Indonesia, Russia, Saudi Arabia, South Africa and Turkey are implementing policies that will increase the funding available for SME’s to expand and invest.

- The European Union is implementing the Investment Plan for Europe by mobilizing investment finance, enhancing technical assistance and project pipelines, and removing barriers to investment.

- China is establishing a policy framework to promote public and private partnerships, and will continue to remove market access and exit barriers, streamline the approval process for investment projects, and push forward the reform on business administration system.

- India has reviewed the risk-allocation framework in PPP projects to revitalize private investment in public infrastructure projects.

- Italy is implementing financial and regulatory measures to boost investment, particularly those of SMEs, through the Investment Compact and the “Finance for Growth” initiative.
• Japan will improve the corporate climate by changing governance systems, promoting constructive dialogue between investors and companies, and continuing pro-growth tax reform.

• Korea introduced new co-financing policies to promote private investment in infrastructure.

• Mexico is boosting investment through the establishment of Special Economic Zones and has launched three new financial instruments to foster institutional investors’ participation in infrastructure financing.

• Russia has committed to increase firms’ access to financing through loan and public guarantees facilities.

• Spain has adopted a number of measures to enhance business access to financing, notably through capital markets.

• The UK’s Productivity Plan set out key steps to increase productivity growth.

Launching Our New Country-Specific Investment Strategies

As a complementary step to our growth strategies, we have developed country-specific investment strategies which bring together more than 300 concrete policy commitments to improve the investment ecosystem, foster efficient infrastructure investment and support sound long term financing opportunities for businesses, including SMEs. These policy actions will help increase private sector investment, and improve the efficiency of public sector capital expenditures. The strategies provide a valuable knowledge sharing tool for countries in identifying practical ways to increase investment.

The strategic actions under the investment strategies act as facilitators for investment and safeguards to ensure the effectiveness and efficiency of investment decisions. Facilitator policies aim to create an appropriate investment environment, support long term financial intermediation, and enable strong coordination of national and multilateral infrastructure agencies. Safeguard policies include creating appropriate legal and institutional settings, improving the entire project spectrum, including planning and preparation procedures, and disseminating information and data.

Analysis by the OECD indicates that these strategies would contribute to lifting the aggregate G20 investment to GDP ratio, by an estimated 1 percentage point by 2018. Together with raising the overall level of investment, our priority is ensuring quality investment, with a special focus on infrastructure.

As such, a substantial number of G20 members are implementing policies aimed at:

• attracting foreign investors, including through easing foreign direct investment regulations,

• improving policy and regulatory frameworks, providing certainty and predictability for long-term projects, and increasing transparency of regulatory processes to reduce administrative burdens,

• strengthening public infrastructure investment with a greater focus on the quality to improve efficiency, including through multi-year investment plans and rigorous use of cost benefit analysis,
• fostering the role of the private sector, including through the development of public private partnership (PPP) models and other incentives,
• promoting capacity building efforts to evaluate technical aspects of investment projects,
• increasingly favoring the development of long-term finance via complementary sources including institutional investors, and promoting the availability of a larger spectrum of instruments,
• strengthening the role of both national and multinational development banks as catalysts of private investment, regional and cross-border investors in infrastructure and providers of technical assistance,
• expanding direct financing channels by introducing specific measures and programs to improve access to finance for SMEs focusing on promotion of venture capital, collaterals, securitization, tax incentives and easing regulation for small and micro enterprises.

Advancing our Collective Multi-Year Investment and Infrastructure Work

Combined with our country-led investment strategies, we have also recorded progress towards the implementation of our collective multi-year investment agenda in the following areas.

• **Supporting the development of bankable projects for long term investment.** Countries face common issues in enhancing project preparation and developing more efficient PPP models. Building on the PPP Guidelines prepared by the WBG and the WBG/OECD Project Checklist for PPPs, we are working together to address commonly-encountered challenges. These include prioritization of investment plans and project portfolios, streamlining the project preparation processes and increasing transparency of existing PPP initiatives. We will continue to work on further improving contract management by analyzing and disseminating common terms of successful PPP projects.

• **Increasing cooperation and involvement of the private sector.** The Global Infrastructure Hub was established with a four year mandate and is now operational. We endorsed the business plan of the Hub. We encourage the Hub to fully implement the business plan for promoting knowledge-sharing, addressing data gaps, and strengthening engagement with the private sector.

• **Mobilization of multilateral development banks’ (MDBs) resources in infrastructure investment.** We encourage further optimizing the balance sheets of MDBs which includes measures to increase lending through better leveraging the balance sheets of the MDBs. MDBs will work within their respective governance structures to evaluate these measures and report back by July 2016 on how they intend to move forward.

• **Supporting the development of alternative capital market instruments and mobilizing institutional investors for long term investment.** We recognize the value of non-traditional sources of lending particularly asset-based financing in infrastructure. We take into account policy recommendations by the IMF and the WBG on systematically integrating the features of asset-based financing practices into global finance.
Fostering More Inclusive Growth

Promoting inclusiveness and reducing inequality of opportunities and income are important to achieving our objective of strong, sustainable and balanced growth. At the domestic level, our task is to ensure that the benefits of growth and prosperity are shared among all segments of society. This requires wide-ranging efforts, including policies to promote creation of quality jobs, expand access to skills and training education, and maximize employment opportunities for all citizens. At the international level, we are committed to facilitate the sustainable development of LIDCs and to enhance their integration with the global economy.

Tackling Inequality and Boosting Growth in Our Economies

Analyses of international organizations point to measures that simultaneously support growth and reduce inequality as an effective means to foster inclusive growth. Some of these measures have been introduced in the growth strategies we unveiled last year. Building on our work, we have introduced new measures in this area in our adjusted growth strategies and employment plans:

- Argentina is implementing a program to improve the entrance of young people into the labor market by helping them complete their studies and/or their professional training with almost 800,000 benefits already granted.
- Australia has put forward “the Families package” to provide more affordable, accessible, and flexible child care services to support female workforce participation, along with a Youth Employment Strategy to prevent long-term unemployment.
- Brazil is putting in place “the Employment Protection Program” to help maintain employment of workers of companies in financial difficulties.
- Canada will provide more support for families and middle-class by reducing taxes for middle-income earners and creating a new benefit for families with children.
- China will improve its mechanism for adjusting minimum wage standards and the social security system and ensure equal access to basic public services, and pledges to build 7.4 million units of government-subsidized housing.
- Germany has launched a program to create employment prospects for long-term unemployed on benefits co-funded by the European Social Fund (ESF) for a total funding of €885 million.
- France will introduce a new scheme to scale up back-to-work incentives.
- India remains committed to foster more inclusive growth through leveraging technology with the launch of Direct Benefit Transfers and subsidy reforms, as well as through the creation of an affordable and universal social security system.
- Indonesia is continuing a number of reforms, including the introduction of “rural direct transfer” to foster SME development and wider participation of stakeholders, and increasing the minimum threshold for taxable personal income.
- Italy has strengthened social safety nets, promoted female employment and active labor market policies, provided financial support for lower-earners, and is committed to improve inclusion particularly by educational attainment.
Korea will undertake measures to address labor market dualism and reinforce social safety nets.

Spain is implementing its National Action Plan for Social Inclusion.

Turkey introduced a new and better-targeted social transfer scheme.

The UK has increased the National Minimum Wage, will introduce a new National Living Wage, and will implement measures to support affordable housing.

The U.S. has put forward regulations to guarantee overtime pay to most salaried workers earning less than $50,440 annually and has supported raising the federal minimum wage by $4.75 per hour by 2020.

**Promoting Employment Opportunities for All**

We are implementing measures to increase labor force participation, especially for under-represented and vulnerable groups, to employ more people and to increase the quality of jobs.

Low female participation rate is an issue in many G20 countries, which is a clear indication of the underutilization of the labor force, hindering our economies to reach their potential. Last year, we set a goal to reduce the gender participation gap by 25 percent by 2025, and this year we established a structured mechanism to monitor our progress. We also commit to take the steps needed to improve opportunities and labor market outcomes for women. To advance our gender related efforts further, we have established a Women-20 outreach group to promote gender inclusiveness and equality.

Through the G20 Skills Strategy, we have placed special emphasis on generating skills to better match the needs of employers especially in light of rapid technological change. We are also determined to support the better integration of our young people into the labor market. Building on our previous commitments and taking into account our national circumstances, we agree to the goal of reducing the share of young people who are most at risk of being permanently left behind in the labor market by 15% by 2025.

The quality of jobs is another vital aspect of the issue as it directly affects the well-being of individuals. Women and youth are among the most vulnerable groups in terms of quality of jobs as they are at risk of informality and low pay. To tackle these problems we agreed on a G20 Framework on Promoting Quality Jobs that includes measures in the areas of promoting the quality of earnings, reducing labor market insecurity and encouraging good working conditions and healthy work places.

**Supporting Small and Medium Sized Enterprises**

SMEs are key engines of growth and investment, job creation, social cohesion and poverty reduction. Therefore, supporting SMEs is critical to achieving our objective of strong, sustainable and balanced growth as well promoting inclusiveness. We have developed a number of deliverables across the G20’s various work streams that can be used to guide future work of the G20 on developing actions to facilitate access to finance of SMEs.

In order to support sound long-term financing opportunities for businesses, including SMEs, capital market development, creating a simple and transparent
securitization market, and developing alternative instruments including asset-based financing will be key policy actions in many member countries. We have welcomed the G20/OECD High Level Principles on SME Financing, which include a comprehensive menu of measures to support improved access to finance for SMEs. We will continue to work on identifying effective approaches to facilitate their implementation. To help ensure a strong corporate governance framework that will support private investment, we endorse the G20/OECD Principles of Corporate Governance. In line with the Joint Action Plan on SME Financing, we are taking collective actions to promote financing for SMEs, especially in emerging economies, by improving systems for credit reporting, lending against movable collateral, and insolvency reforms. To support the implementation of the Global Partnership for Financial Inclusion (GPFI)'s new Private Sector Engagement Strategy, we welcome the launch of the SME Finance Forum's global membership network.

We also welcome the role of the newly established private sector-led World SME Forum in providing advocacy, know-how, and e-knowledge for the SMEs globally.

*Bringing Low Income Developing Countries and the G20 Closer Together*

The integration of low income developing countries into the global economy as a path to their prosperity is essential for sustainable and balanced growth globally. 2015 has been a very critical year for development, as the international community has agreed an ambitious set of Sustainable Development Goals and held a landmark conference in Addis Ababa on development finance. As inclusiveness has been a key theme of G20 this year, we have intensified our efforts on development in several areas and adopted “the G20 and Low Income Developing Countries (LIDCs) Framework” which sets out the steps G20 is taking to support integration of these countries into the global economy.

We have developed G20 National Remittance Plans to help progress our commitment to take strong practical measures to reduce the global average cost of remittances to five percent and enhance financial inclusion. G20-led efforts to reduce the costs of remittance transfers have already contributed to estimated savings for migrants and their families of up to US$43 billion. We have delivered support on domestic resource mobilization through a G20 “Call to Action for Strengthening Tax Capacity in Developing Countries” and work on the review and efficient use of tax incentives for investment in low income developing countries. We welcome the progress made in scaling-up support to SME finance in low income developing countries through new partnerships under the SME Finance Compact.

On tax, the G20 has encouraged the inclusion of developing countries in the G20 international tax reform agenda, and is taking action to enable them to make the most of an international tax environment that is becoming more transparent and fair. Completion of the G20/OECD Base Erosion and Profit Shifting (BEPS) Project has been a significant step towards this end.

We advanced our efforts to unlock the ways and means for developing countries to prepare and finance infrastructure projects, through the development of several toolkits and instruments for low income developing countries such as “the WBG Infrastructure Prioritization Toolkit” and “WBG/OECD Project Checklist for PPPs” to assist governments in the planning and prioritization of infrastructure projects. We have endorsed the G20 Action Plan on Food Security and Sustainable Food Systems,
which underlines our commitment to improve and take practical action on global food security and nutrition.

**Continuing our Efforts to Build a Prosperous Future**

The Antalya Action Plan sets out strategic and important actions to create strong, sustainable and balanced growth. We are committed to use all policy levers to support economic activity over the short and medium term and increase our resilience to shocks.

In addition to the right mix of the fiscal, monetary and structural reform policies, we have also elaborated on the potential benefits of changing the composition of our tax and expenditures to deliver more growth, for example through raising employment, nurturing private investment and boosting productivity. We will continue to consider the composition of our budget expenditures and revenues to support productivity, inclusiveness and growth.

Sustained global rebalancing remains a core priority of the G20. To ensure a stronger and more durable recovery, we will continue to reduce excessive external and internal imbalances and make further progress towards rebalancing of global demand, in addition to focusing more intensively on strengthening the efficiency and symmetry of the global adjustment process. We will continue to undertake an assessment of members every two years against the “Indicative Guidelines” that we endorsed in Cannes to identify large and persistent imbalances. We will continue to discuss Sustainability Updates prepared by the IMF for countries where the guidelines suggest imbalances require further analysis.

We will continue with our risk gauging exercise for the global economy for information and consideration of Finance Ministers and Central Bank Governors. We also look forward to a review by the IMF of the Global Financial Safety Net architecture by early 2016.

We reiterate our commitment to move more rapidly toward more market-determined exchange rate systems and exchange rate flexibility to reflect underlying fundamentals, and avoid persistent exchange rate misalignments. We will refrain from competitive devaluation and will not target our exchange rates for competitive purposes. We will resist all forms of protectionism and keep our markets open.

**Accountability Framework Going Forward**

We will continue to strive towards strong, sustainable and balanced growth. We will implement our policy commitments in a full and timely manner. The enhancement we made this year to our accountability assessment framework will ensure that we can effectively hold ourselves to account on this. The *country-owned and country-led* principle, the *comply or explain* approach, and peer reviews, which will be strengthened, have been and will remain integral parts of our accountability framework.

We will continue to monitor closely the implementation progress of the key commitments in our growth strategies using the new detailed implementation schedules and keep track of actual growth figures for guiding our efforts and assessment. Analytical support by international organizations, led by the IMF and the OECD, and with the support from the WBG, the ILO and UNCTAD, will remain
critical to this process, particularly to help ensure the G20 continues to move towards our collective growth ambition.

We will also continue reviewing and adjusting our growth strategies to ensure that they remain relevant to evolving economic conditions, policy priorities and structural challenges, in particular slow productivity growth, and that they remain consistent with our collective growth ambition.