



TASK FORCE - 7 —————

**TOWARDS REFORMED
MULTILATERALISM**

TRANSFORMING GLOBAL INSTITUTIONS AND FRAMEWORKS

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WORKSTREAMS

- POLICY COORDINATION BETWEEN MULTILATERAL GROUPINGS
- TOWARDS A MORE EQUITABLE, TRANSPARENT AND EFFECTIVE WTO
- A G20 PROPOSAL FOR UN REFORM FOR A MULTIPOLAR WORLD
- GLOBAL DIGITAL GOVERNANCE AND INSTITUTIONAL FRAMEWORKS

ABOUT THE TASKFORCE

This task force will create a roadmap for ‘Multilateralism 2.0’. What are the successes and failures of the United Nations system amidst many global crises? The task force will consider what can be revived within the complex of global institutions—such as the World Health Organization, World Trade Organization, and the International Labour Organization—and which institutions should be reformed substantially. The task force will attempt to create targeted reform agendas for key multilateral institutions. What mechanisms can like-minded countries and the G20 devise that can serve as solutions to the threats of impending recession, high inflation, and interrupted supply chains? How can multilateralism work in a multipolar world? How can the world work on digital threats and challenges, and what is the appropriate forum to manage our digital future?

ACKNOWLEDGEMENTS

This Task Force Statement collates the primary ideas and recommendations of the Task Force members, shared over the course of the year through meetings, convenings, and working groups. The Task Force comprises 19 members from 18 institutions.

PREAMBLE





Addressing Multilateralism, in accordance with the purposes and principles of the United Nations (UN) Charter, continues to be of great importance to ensuring cooperation, stability, peace, economic growth, and prosperity for the global community. However, the multilateral framework needs to be reformed to better reflect the contemporary world order, tackle emerging challenges, and allow for better coordination among different global institutions while emphasising gender equality as an irreversible guiding principle.

- The current international order is at an inflection point characterised by the rise of non-state actors; the emergence of transnational challenges such as food security, pandemics, and climate change, and their adverse impacts on economies and societies; uncertainties in the trading system; national security concerns; and the breakneck speed of technological advancements. These challenges require inclusive, representative, effective, and accountable governance structures.
- Yet, the UN-led multilateral framework has fallen short of responding to these challenges, while its outdated structures essentially reflect the global order of the post-Second World War era.
- The conflictual interests of major powers, geopolitical rivalries, and the failure to recognise the fundamental norm of state sovereignty have weakened the spirit of international cooperation. At the same time, increasing authoritarianism and unilateralism have ensured that multilateral institutions are more important than ever.
- The composition of the UN Security Council (UNSC) does not reflect contemporary power shifts. Moreover, the functioning of the UNSC has been hampered by deep differences among the permanent members, including over the ongoing war in Ukraine.

- The crisis of multilateralism also extends to the increasingly dysfunctional World Trade Organization (WTO), which needs to be reformed to allow the organisation to contribute to an open, rules-based, and equitable trading order.
- A call for action in the G20 is needed to seek a minimum consensus for global governance to face the interlocking crises.
- As a forum comprising the world's leading economies, the G20 should champion the cause of reformed multilateralism by supporting time-bound reforms of the UN system and the Bretton Woods institutions, advocating a just and fair global economic and trading order, and strengthening mechanisms for better coordination among different international organisations.

ACTION POINTS



Introduction

The world is currently facing an extraordinary crisis of multilateralism; there is less multilateralism, which is also less effective against growing multipolarity.

Most multilateral institutions do not sufficiently reflect the rise of emerging economies in Asia, Africa, Latin America, and the Caribbean. Moreover, the UN-led multilateral framework has often been unable to forge a consensus in tackling grave international issues.

The weakened multilateral system has resulted in issue-based cooperation by like-minded countries. If global institutions fail to reform, they risk being overtaken by plurilateral and minilateral initiatives that undermine a common vision of global cooperation.

In confronting transnational challenges such as climate finance, rules-based trade, and healthcare, the global community needs a proactive transnational approach to find appropriate solutions.

Recent polycrises have accelerated the widespread deployment of digital technologies and artificial intelligence (AI), underlining our structural interdependence and the need to strengthen the multilateral system and build a common digital governance capable of ensuring an open, free, and secure digital future for all.

The G20 has had an important record in tackling economic crises and the consequences of the COVID-19 pandemic. Moreover, the G20 is an ideal forum to convene a formal and regular platform that integrates views from governments, international organisations, NGOs, and the private sector on chosen policy topics. In this regard, it enables crosscutting dialogue, rendering multilateralism more robust and democratic. Therefore, the grouping can exhibit the benefits and gains of multilateral global cooperation versus the costs of inaction, disengagement, and unilateral behaviour.

Initiatives and Platforms for the G20

The G20 should aim to:

1. Welcome the celebration of the UN Summit of the Future on the sidelines of the UN General Assembly (UNGA) in 2024 as an opportunity for member states and participating multilateral institutions to constructively engage on and address the need for a reformed and effective multilateralism.
2. Take note of the final report and recommendations of the High-Level Advisory Board on Effective Multilateralism (HLAB), appointed by the UN Secretary-General in 2022, following the release of his own 'Our Common Agenda' report, to make concrete suggestions for stronger and more effective multilateral arrangements across a range of current and future challenges. The HLAB report, published in April 2023, provides a good basis for discussion among member states in preparation for the Summit of the Future and, eventually, for the 'Special Summit on Reformed Multilateralism'.
3. Examine existing recommendations, such as the UN Secretary-General's Common Agenda, and coordination between multilateral financial organisations and the HLAB on reforming multilateral institutions.
4. Push for coordination between different multilateral groupings to enable progress in dealing with critical challenges, such as climate change, digital inclusion, debt relief, and financing for development, among others. In this regard, we welcome the UN Secretary-General's proposal to convene a Biennial Summit at the heads of state and government level between the G20 countries, members of the UN Economic and Social Council, the Secretary-General, and the heads of the international financial institutions to work towards a more sustainable, inclusive, and resilient global economy.
5. Establish a dedicated G20 engagement group, the M20 (Multilateral Reforms 20), to deliberate on concrete proposals for global governance reform, in particular those related to UNSC membership, the use of veto power, and rules related to and the status of non-permanent members.

6. Permanently include regional associations (especially from underrepresented regions like Africa, such as the African Union), but avoid excessively enlarging the membership as this could reduce its effectiveness.
7. Promote women at the highest levels of decision-making and support efforts to advance the full realisation of women's rights and opportunities. If the UN wishes to regain credibility, recover its action capabilities, and lead by example, UN member states should choose a woman as the next Secretary-General.
8. If the UN remains deadlocked on reforms in areas such as representation and veto, it should, at least, reform inwards. This means taking steps to improve working methods, best practices, assessing checks and balances, and improving the interaction between UN bodies, such as between the UNGA and the UNSC.
9. Use concrete outcomes from plurilaterals, such as the G7 and G20, to extend to wider institutional frameworks, such as the UN, and international organisations, such as the Organisation for Economic Co-operation and Development.
10. Consider the best practices of regional organisations and accommodate them in its actions.
11. Be more receptive to issues affecting non-G20 countries. Strengthen the development track within the G20 vis-a-vis the finance track to coalesce the concerns of developed and developing countries. Work with international financial institutions and multilateral and regional development banks to ensure financial stability and better access to financial markets for developing countries.
12. Promote global public investment to enable the provision of global public goods to address inequality and sustainability. The G20 must also encourage mechanisms and policies that build trust between public and private actors to mobilise greater amounts of private finance for international development.

13. Provide best practices in achieving the UN's 2030 Agenda for Sustainable Development, which covers 17 Sustainable Development Goals (SDGs), each requiring urgent action from the global community.
14. Fulfill the financial obligations outlined in the Paris Agreement for climate finance and allocate resources to expedite the implementation of sustainable food systems and for nutrition purposes.
15. Use climate policy governance as a template for policy coordination among different multilateral groupings. Issues such as the just energy transition, loss and damage, and burden-sharing have repercussions on a vast spectrum of areas, from education and security, to industrial and trade policies.
16. While supporting international efforts for the successful implementation of the agreed goals of the UN Framework Convention on Climate Change, mainstream the proposal of 'Lifestyle for Environment' (LiFE) at the UN and various multilateral forums to garner support to engage individuals worldwide in mitigating the effects of climate change, thus making it a global peoples' movement.
17. Establish a review and follow-up process for commitments, which can raise the G20's credibility as a forum for governance.

On WTO reform, the G20 should aim to:

1. Rethink that the main purpose of the WTO is to facilitate trade across borders and that upgrading its rulebook is vital to governing global trade relations.
2. Re-energise the reform debate on the WTO's dispute settlement mechanism by putting forth meaningful reform proposals, particularly regarding the appellate body, which should include procedural and material aspects, such as the coverage of trade issue areas, timelines, and the selection of appellate body members.

3. Encourage the inclusive development of plurilateral agreements among like-minded countries to advance multilateral trade rules in cases where these could be more pragmatic, but with the idea that such agreements could eventually be multilateralised by becoming open to all, especially developing countries, via capacity-building measures. Thus, plurilateral agreements must be designed to strengthen, not undermine, the multilateral trading system.
4. Address large gaps in the monitoring powers of the WTO and the willingness and capacities of members to report trade policy measures. Ensure transparency in the ongoing plurilateral negotiations within the WTO by mandating the WTO Secretariat to do so, and conducting impact studies on their effects on global trade.
5. Enhance the WTO's coordination with other bodies, such as the International Monetary Fund, the International Labour Organization, UN Conference on Trade and Development, and the World Bank, as well as with regional trading arrangements such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership and the Regional Comprehensive Economic Partnership, to attain consistency in global economic governance, as stipulated in the Marrakesh Agreement of the WTO (Art. III:5). This is particularly important for new issue areas in the context of the WTO, such as current negotiations in the Joint Initiatives.
6. Factor in issues related to gender, micro, small and medium enterprises (MSMEs), and the environment at the WTO since many of these are crosscutting and intertwined with trade.
7. Task the WTO with coordinating an agreement on trade rules reform to a timetable set by the G20 and G7, with these meetings providing a suitable reporting point on progress.

On global digital governance, the G20 should aim to:

1. Utilise and build upon the lessons from previous and ongoing experiences with global governance efforts to inform multilateral consensus-building among states regarding cyber norms. This includes platforms such as the UN's Open-Ended Working Group on ICT security, the G7's Multistakeholder Conference on Artificial Intelligence, and the Council of Europe's Ad Hoc Committee on Artificial Intelligence.
2. Encourage efforts to foster mechanisms for multistakeholder cooperation at the regional and international levels regarding global digital governance. The representation of private sector interests, an example of which is found in the Paris Call for Trust and Security, remains a necessary modality of partnership in this sector to achieve overall goals.
3. Where necessary, draw upon examples of public-private partnership (PPP) models, such as nuclear non-proliferation and space cooperation, through which the private sector can contribute their expertise.
4. Recognise the challenges posed by different levels of digital development globally, and utilise India's experience with digital development as a useful reference point on the possibilities to deepen development in marginalised sectors by expanding digital development through such PPPs.
5. A shared understanding of the political, economic, and social challenges posed by AI and digital transformation is crucial to developing an international accord to enhance the regulation and administration of our digital commons as a global public good.

Recommendations for other international organisations:

1. International organisations with developmental mandates—such as the World Bank, Food and Agricultural Organisation, and development banks—need to review their mandates in a coherent way to further support sustainable development and the SDGs.
2. In line with earlier calls, including the G20 Eminent Persons Group on Global Financial Governance and the G20-sponsored Independent Review of Multilateral Development Banks' Capital Adequacy Frameworks for stronger and more proactive multilateral development banks, multilateral development banks (MDBs) must devote more attention to the SDGs and climate action, improving MDBs' leverage of private finance through innovative ways, and expanding MDB financing.
3. The World Health Organization (WHO) should adapt to current challenges by looking at healthcare more holistically and providing more space for traditional medical systems, such as Ayurveda, alongside allopathic treatments. This can be useful in pandemics and related disruptions in medical supply chains. India must identify certain items of traditional medicine and develop stocks for wider dissemination and consumption, especially in the Global South.
4. Even as the COVID-19 pandemic emergency is behind us, WHO must continue highlighting the inequities that exist in the global distribution of vaccines, with many low- and middle-income countries struggling to secure sufficient doses. WHO should identify

and remove obstacles to increase the coverage levels of vaccination in countries of the Global South.

5. An Intergovernmental Panel on Pandemic Risk and Preparedness, similar to the Intergovernmental Panel on Climate Change, should be created to advance scientific knowledge and ensure these issues remain on the global agenda.

Conclusion

In Multilateralism 2.0, reforms should focus on transforming the existing state-centric multilateral institutions to transnational multilateral frameworks and on an inclusive multistakeholder governance system to adapt to contemporary challenges. The G20 has a strong set of engagement groups representing business, labour, civil society, women, and academia, which can play significant roles in the context of Multilateralism 2.0.

What is needed is not merely statements of intent but actual change. This must be done before the loss of functional effectiveness and trust in global institutions becomes irreversible. The year 2023 must be one of transit—from mere promises and cosmetic changes, to translating objectives to concrete actions whose results are experienced by ordinary citizens around the globe, and particularly in the Global South. Only through the benefits of international cooperation and UN preeminence can we fulfil our ambitions in preventing conflicts and promoting growth and sustainable development.

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