



G20

SOUTH AFRICA 2025



Finance Track Communiqué

3rd Finance Ministers & Central Bank Governors Meeting

Durban, South Africa, 17-18 July 2025

We, the G20 Finance Ministers and Central Bank Governors (FMCBG), met on 17 and 18 July 2025, in Durban, South Africa. Under the G20 South African Presidency's "Solidarity, Equality and Sustainability" theme, we committed to international policy cooperation to further promote global prosperity and address key shared challenges.

Global Economy

The global economy is facing heightened uncertainty and complex challenges, including ongoing wars and conflicts, geopolitical and trade tensions, disruptions to global supply chains, high debt levels, and frequent extreme weather events and natural disasters, which impact economic growth, financial and price stability.

In light of high public debt and fiscal pressures, we recognise the need to raise long-term growth potential by pursuing growth-oriented macroeconomic policies, while building fiscal buffers, ensuring fiscal sustainability, encouraging public and private investments and undertaking productivity-enhancing reforms. Structural reforms are essential for generating strong economic growth and creating more and better jobs. All excessive imbalances should be further analysed by the IMF and, if necessary and, without discrimination, addressed through country-specific reforms and multilateral coordination, in a way that contributes to an open global economy and without compromising sustainable global growth. We reaffirm our April 2021 exchange rate commitment.

Central banks are strongly committed to ensuring price stability, consistent with their respective mandates, and will continue to adjust their policies in a data-dependent manner. Central bank independence is crucial to achieving this goal.

We emphasise the importance of strengthening multilateral cooperation to address existing and emerging risks to the global economy. We will continue to pursue efforts that advance prosperity and recognise the importance of the World Trade Organisation (WTO) to advance trade issues, and acknowledge the agreed upon rules in the WTO as an integral part of the global trading system. We recognise the WTO has challenges and needs meaningful, necessary, and comprehensive reform to improve all its functions, through innovative approaches, to be more relevant and responsive in light of today's realities.

We note the progress on the priorities of the Framework Working Group and look forward to the respective outcomes.

International Financial Architecture

The Multilateral Development Banks (MDBs) are implementing the G20 MDB Roadmap and the recommendations from the Capital Adequacy Framework (CAF) Report. We acknowledge the progress of MDBs and the IFA Working Group in developing the Monitoring and Reporting Framework, and expect to receive the inaugural report in October. We further acknowledge CAF's potential to help MDBs more efficiently utilise existing resources, share more risk with the private sector and utilise new instruments to increase lending capacity over the next decade. We also welcome the collaboration on blended finance among the International Finance Corporation and other MDBs. We look forward to the outcome of the

International Bank for Reconstruction and Development's 2025 Shareholding Review, in line with the Lima Shareholding principles.

We support the 17th replenishment of the African Development Fund. We acknowledge the strategic importance of an enhanced G20 partnership with African economies, including through strengthening the G20 Compact with Africa, and welcome the Presidency's side event on Mobilising G20 Investment for Sustainable Growth in Africa. We welcome the work initiated by the Presidency on the impediments to growth and development in Africa.

We are committed to addressing debt vulnerabilities in low- and middle-income countries in an effective, comprehensive and systematic manner. To this end, we reaffirm our commitment to further strengthen the implementation of the G20 Common Framework (CF) in a predictable, timely, orderly, and coordinated manner. We endorse the G20 note on lessons learned from initial CF cases and the document outlining debt treatment steps. We welcome that the fact sheets on CF cases are now available on the G20 and Paris Club websites to enhance information sharing. We welcome the agreement on the Memorandum of Understanding on a debt treatment between Ethiopia and its Official Creditors Committee. We furthermore call for enhanced debt transparency from all stakeholders, including private creditors.

We urge the international community to support vulnerable countries whose debt is sustainable but are facing liquidity challenges, and encourage the International Monetary Fund (IMF) and the World Bank to continue their work on feasible options to support these countries, which should be country-specific and voluntary.

We acknowledge the G20 note on Special Drawing Rights (SDR) channelling. We note the achievement of exceeding USD 100 billion in voluntary channelling of SDRs or equivalent contributions for countries in need, and the transfer to the Poverty Reduction and Growth Trust and the Resilience and Sustainability Trust. We urge the swift delivery of pending pledges and encourage countries that are willing and legally able to explore channelling SDRs to MDBs while respecting the reserve asset status of the resulting SDR-denominated claims and ensuring their liquidity.

We reaffirm our commitment to a strong, quota-based, and adequately resourced IMF at the centre of the Global Financial Safety Net. We have advanced the domestic approvals for our consent to the quota increase under the 16th General Review of Quotas, and we look forward to finalising this process with no further delay. We acknowledge the importance of realignment in quota shares to better reflect members' relative positions in the world economy while protecting the quota shares of the poorest members. We acknowledge, however, that building consensus among members on quota and governance reforms will require progress in stages. We support the call for the IMF Executive Board to develop a set of principles guiding future discussions on IMF quotas and governance by the 2026 Spring meetings in line with the Diriyah Declaration.

We underscore the need for enhancing the representation and voice of developing countries in decision-making in MDBs and other international economic and financial institutions. In that context, we welcome the creation of a 25th chair at the IMF Executive Board to enhance the voice and representation of Sub-Saharan Africa.

We remain committed to promoting sustainable capital flows to EMDEs and fostering sound policy frameworks, notably central bank independence. We note the growing role of non-bank financial institutions (NBFIs) and ongoing work to understand the impact on capital flows.

Sustainable Finance

We note a commitment to strengthen the global sustainable finance architecture by helping to ensure robust, resilient and effective coordination among stakeholders to foster interoperability among MDBs, Vertical Climate and Environment Funds, and National Development Banks, in support of sustainability goals and national priorities, as appropriate. Scaling up co-financing and mobilising private sector resources by improving efficiency and promoting the use of innovative financial instruments is essential for developing countries' risk-sharing in country-led climate investments.

We acknowledge progress on tailoring key considerations that integrate adaptation and resilience into the voluntary transition plans of financial institutions and corporations. These efforts may support vulnerable sectors in moving towards sustainable and climate-resilient economies. We look forward to continued work related to more effective funding mechanisms for adaptation and promote flexible country-tailored solutions that address natural catastrophe insurance protection gaps by developing practical guidance and tools.

We take note of the potential of high-integrity, voluntary, private-sector led carbon markets, including by promoting interoperability, accessibility, transparency and scalability. We note the efforts by the Climate Data Steering Committee to develop principles aimed towards building a Common Carbon Credit Data Model, as a voluntary tool.

We note the progress made thus far on the multi-year G20 Sustainable Finance Roadmap which is flexible and voluntary in nature.

Infrastructure

Recognising that increasing quality infrastructure investment is critical to support faster and sustainable economic growth and development, we note the progress made in the development of a framework for effective planning and preparation practices, a report on scaling up blended finance de-risking measures, and a toolkit on advancing cross-border infrastructure projects. We also endorse the Practice Guide on Leveraging Project-Level Data and Digitising the Pipeline, and a Note on Improving the Accessibility and Availability of Key Market Data, which are voluntary and non-binding.

Financial Sector Issues & Financial Inclusion

We reaffirm our commitment to addressing vulnerabilities and promoting an open, resilient, and stable financial system, which supports economic growth, and is based on the consistent, full and timely implementation of all agreed upon reforms and international standards, including Basel III. We note the growing role of NBFIs in both EMDEs and AEs, and support the Financial Stability Board's (FSB) work to address NBFI data availability and reporting, quality, use, and information sharing. We endorse the recently finalised FSB recommendations for addressing systemic risks from NBFI leverage and encourage

implementation by jurisdictions. We welcome the appointment of the new FSB Chair, Andrew Bailey, Governor of the Bank of England.

We reaffirm our commitment to the effective implementation of the G20 Roadmap for Enhancing Cross-border Payments (the Roadmap) as well as appropriate further actions as necessary to deliver on the Roadmap's goals. We welcome the initiatives undertaken by the FSB, the Bank for International Settlements' (BIS) Committee on Payments and Market Infrastructures, the Financial Action Task Force (FATF), and other international organisations to advance progress in its implementation. We welcome the launch of the BIS Innovation Hub-G20 TechSprint 2025, which aims to promote innovative solutions that improve trust and integrity in open and scalable finance. We note the update on the FSB Roadmap for addressing climate-related financial risks and the upcoming FSB thematic peer review on the implementation of the high-level crypto assets and stablecoin recommendations.

We reaffirm our commitment to support the FATF and FATF-Style Regional Bodies in overseeing the implementation of the FATF Standards to combat money laundering, terrorist financing and proliferation financing across the Global Network. In particular, we reiterate the importance of stepping up global efforts to combat the misuse of legal entities, to foster increased asset recovery, to enhance payments transparency, and to promote innovation in the virtual assets sector, while mitigating illicit finance involving virtual assets. We also support FATFs ongoing work on emerging technologies and associated risks including from DeFi arrangements, stablecoins, and peer-to-peer transactions.

We reaffirm our commitment to financial inclusion and to promoting access to financial services for individuals and micro, small, and medium-sized enterprises (MSMEs). We welcome insights from the Presidency's Priority Paper on "Moving from Access to Usage," which offers innovative approaches to enhance the use of financial services across payments, savings, credit, insurance, and remittances. We support the ongoing implementation of the G20 Global Partnership for Financial Inclusion Action Plan for MSME Financing. We also welcome the deliverable to explore the role of new and innovative technologies in enhancing the quality of financial inclusion for individuals and MSMEs.

International Taxation

We will continue engaging constructively to address concerns regarding Pillar Two global minimum taxes, with the shared goal of finding a balanced and practical solution that is acceptable for all. Delivery of a solution will need to include a commitment to ensure any substantial risks that may be identified with respect to the level playing field, including a discussion of the fair treatment of substance-based tax incentives, and risks of base erosion and profit shifting, are addressed and will facilitate further progress to stabilise the international tax system, including a constructive dialogue on the tax challenges arising from the digitalisation of the economy. These efforts will be advanced in close cooperation across the membership of the OECD/G20 Inclusive Framework (IF), preserving the tax sovereignty of all countries. We look forward to the OECD and Global Forum stock take report on tax transparency; the IF stock take report on BEPS; the OECD report on the exchange of real estate information on a voluntary basis to combat tax evasion and avoidance; the Platform for Collaboration on Tax (PCT) report on the progress in strengthening capacity-building frameworks to enhance technical assistance; and the IMF report on strengthening revenue administrations to improve domestic revenue mobilisation (DRM). We welcome the announcement of the PCT to hold the Tax and Development Conference, with a focus on DRM, in Tokyo next year.

Recalling the G20 Rio de Janeiro Ministerial declaration on International Tax Cooperation, we welcome the IF's decision to adopt a phased, evidence-based approach to explore global mobility and understand the interaction between tax policy, inequality and growth. We also welcome discussions to enhance the effectiveness and inclusivity of the IF. We note the ongoing negotiations to establish a United Nations Framework Convention on International Tax Cooperation and the participating G20 members reaffirm the objectives to reach broad consensus and build on existing achievements, processes and on the ongoing work of other international organisations, while seeking to avoid unnecessary duplication of efforts.

Joint Finance Health Task Force

The Joint Finance-Health Task Force (JFHTF) remains committed to strengthened finance and health co-ordination in relation to pandemic prevention, preparedness, and response (PPR). We emphasise the importance of efficient and effective health spending and domestic resource mobilisation, given the current reductions in donor assistance, as well as the need for better coordination and alignment of external and domestic funding flows. We note the preliminary insights of the updated versions of the Global Report on the Framework for Economic Vulnerabilities and Risks (FEVR) and of the Operational Playbook for response financing. We also note the Simulation exercises on pandemic response financing undertaken by finance and health officials and look forward to further exercises. We note the independent Joint Finance Health Task Force stocktake report, note the focused reconvening of the High-Level Independent Panel, and will continue to work with the Pandemic Fund and other global health funds that catalyse international and domestic investment actions to strengthen pandemic prevention, preparedness and responses.

We note the outcome of the Fourth International Conference on Financing for Development, held from June 30 to July 3, 2025, in Seville, Spain, and the renewed commitment by participating countries to support developing countries in achieving their development objectives.

We acknowledge the upcoming COP30 in Belém and note participating countries' engagement within the COP30 Circle of Finance Ministers.

We concluded our first cycle of G20 Finance Ministers and Central Bank Governors meetings on the vibrant continent of Africa, joining the people of South Africa in celebrating Nelson Mandela Day. Our discussions over the past two days centred on creating a better world, embodying the spirit of Mandela's values. We look forward to our next meeting in October 2025 in Washington, D.C.