

Infrastructure, financial access, tax reform: Bishop indicates G20 priorities

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Date : November 18, 2013

In a [speech](#) to Commonwealth foreign ministers in Sri Lanka last week, Foreign Minister Julie Bishop outlined priorities for the G20 under Australia's leadership, including some hints on the development agenda.

She primarily discussed the need for the G20 to accelerate global economic growth and investment and to support the private sector to generate jobs by cutting red tape. In specific reference to developing countries, Bishop spoke on three areas: infrastructure, taxation reform and access to financial services.

“The unlocking of growth in developing countries in many instances comes down to infrastructure. The OECD has estimated that something like two trillion dollars a year is required to meet global infrastructure needs and so we are looking at ways where public and private funding can flow into international investments.

Another area that we hope to focus upon is in taxation, reforming taxation systems. It's a fact that some developing countries lose more revenue in tax evasion than they receive in foreign aid and we certainly want to support stronger tax administration and tax reform where necessary and appropriate.

And a third priority - I'm not making everything a priority because if everything is a priority nothing is a priority - access to financial services is also something that we believe is very important. It's fundamental to developing countries, it's fundamental to small and medium enterprises and indeed in women's economic empowerment access to financial services is so important.”

Could this also be an indication of the main development priorities under the government's 'aid for trade' agenda? We already had reason to believe that infrastructure was going to play a big part in the Coalition's approach to aid. And AusAID has in recent years supported quite a bit of work on access to finance, with a 2010-2015 strategy document [outlining priorities](#) [pdf]. However, this is the first time we've heard tax reform put up in lights as a major priority.

The Australian aid program has of course supported work in this area. For example, it is about to embark on a [tax reform project in Kiribati](#) in collaboration with the IMF's Pacific Financial Technical Assistance Centre and has in the past provided important assistance to Indonesia's Large Taxpayers' Office. But this has hardly been the stuff of speeches and media releases.