



The  
**G8 Research Group**  
at the Munk Centre for International Studies at Trinity College in the University of Toronto

Presents the

# 2008 Hokkaido Toyako G8 Summit Issue Area Assessment Report

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Prepared by  
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9 July 2008

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# PREFACE

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The G8 Research Group, the world's leading independent research institute on the G8, provides on-site analysis of the performance of the G8 Presidency on the priority issue areas identified by the presidency prior to the summit. This analysis is manifested in the G8 Issue Area Assessment Report, which is released annually at the close of the summit.

Performance is defined for the purposes of this report as the ability of the G8 Presidency to successfully advance its priority objectives as it hosts the summit and to steer the statements that emerge from the G8 to reflect said objectives. This report assesses performance by assigning scores to issue areas based on how well the communiqués that are released by the G8 at the summit reflect the stated objectives of the G8 Presidency in each of the priority issue areas. The objectives in each issue area are identified, ranked and weighted in priority sequence following a rigorous review of government statements, communiqués and speeches as well as domestic and international media coverage. Objectives are codified approximately one month prior to the beginning of the G8 Summit in order to capture the G8 Presidency's objectives before entering into the "expectations management" phase when political rhetoric is adjusted in order to manage public expectations once concessions are made at sherpa meetings and ministerials.

At the summit, issue areas are scored based on pre-established guidelines for evaluating the success or failure of the G8 Presidency to advance its priority objectives in each issue area. If the statements and communiqués emerging from the summit reflect the pre-identified priority objectives of the G8 Presidency, a high score is assigned for the objective.

An aggregate score is assigned to each issue area, which is calculated using a weighted average in which the weight a particular objective receives is relative to its ranking in the sequential priority ordering. These weights were developed with a quadratic function, allowing us to assign decreasing weights to each objective while ensuring that the difference between each weight increases as priorities descend. By this methodology, a country's most important objectives will have the greatest impact on its aggregate score. This same methodology is used to score the summit overall. Issue areas are presented in this report in a priority sequence determined by the frequency with which each issue area appeared in official statements by G8 member states and the G8 Presidency. Relevant weights developed with a quadratic function are then distributed to each issue area.

This report is made possible by the commitment of more than 40 analysts from the G8 Research Group at the University of Toronto, led by Augustine Kwok and Daniel Seleanu, Director and Associate Director of Policy Analysis, respectively. Their collective efforts have culminated in a significant contribution to the study of the G8 and global governance.

Cliff Vanderlinden  
Chair, G8 Research Group

# EXECUTIVE SUMMARY

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The G8 Research has released its 2008 Hokkaido Toyako G8 Summit Issue Area Assessment Report. This report has been prepared per the methodology outlined in the preface.

The overall score for the Hokkaido Toyako G8 Summit 0.68. The individual issue area and objective scores are available in the table of contents and in the body of this report. An updated executive summary will be made available in early August, once historical data has been processed for comparison.

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# CLIMATE CHANGE [0.33]

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Climate change will be a key priority at the upcoming Hokkaido-Toyako Summit. The G8 will aim to provide a clear signal for the UN Climate Conference in Copenhagen in December 2009 to complete the complex negotiations on the post-Kyoto framework. The post-Kyoto framework has emerged as a topic of discussion in international conferences since the 2005 Gleneagles Summit.

In particular, the 2007 Heiligendamm Summit proved to be a critical turning point in response to climate change. At the Heiligendamm Summit, the leaders announced that, “In setting a global goal for emissions reductions [through] the process we have agreed [to] in Heiligendamm involving all major emitters, we will consider seriously the decisions made by the EU, Canada and Japan which include at least a halving of global emissions by 2050.”<sup>1</sup> They failed to set a binding goal of halving green house gas (GHG) emissions, however, because of the difference of opinions within the G8 between developing and developed nations on timetables and targets. Responses to climate change are often delayed, especially in developing countries, due to a lack of financial resources, technologies and expertise, or due to concerns that they may slow economic growth.

Japan will assume a leadership role amongst the G8 member states to develop ambitious targets and timetables that will include all major emitters in the development of a new climate deal. The main objectives on climate change are the constructing a post-Kyoto framework and creating binding climate change controls, including short-term, mid-term and long-term targets. Nevertheless, Japanese Prime Minister Yasuo Fukuda refrained from setting short-term targets for national cuts and conceded that the G8 would not set mid-term targets at the Summit.<sup>2</sup>

Recommendations by Experts’ Panel for Realization of “Cool Earth” pointed out the importance of utilizing the financial resources, technologies and expertise of developed countries to respond to climate change.<sup>3</sup> Mitigation measures in emerging economies, which include a bottom-up sectoral approach from industry, financial mechanisms and carbon dioxide sinks, have been finalised during ministerial meetings since the 2007 Heiligendamm Summit.<sup>4</sup>

Numerous G8 Ministerial meetings have also preceded the Summit which should facilitate easier consensus building. Ministers of the Environment met in Kobe from 24-26 May 2008, Ministers of Energy met in Amori from 7-8 June 2008, and the G20 Environment and Energy Ministers of the Gleneagles Dialogue met in Chiba on 14-16 March 2008.<sup>5</sup> The outcomes of these meetings will encourage the creation of a post-Kyoto climate change framework in conjunction with the input of the outreach five (O5) and other countries, such as Australia, Indonesia and South Korea.<sup>6</sup>

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<sup>1</sup> Chair’s Summary G8 Summit Heiligendamm 2007, Ministry of Foreign Affairs of Japan, (Tokyo). Date of Access: 12 June 2008. <http://www.mofa.go.jp/policy/economy/Summit/2007/summary.pdf>.

<sup>2</sup> Japan vows future emissions cut, BBC News, 9 June 2008, (London). Date of Access: 12 June 2008. <http://news.bbc.co.uk/2/hi/science/nature/7443833.stm>.

<sup>3</sup> Basic Policy on Development Cooperation in the Field of Climate Change, Ministry of Foreign Affairs of Japan, (Tokyo) March 2008. Date of Access: 19 June 2008. <http://www.mofa.go.jp/policy/environment/warm/cop/policy0803.pdf>.

<sup>4</sup> Chair’s Summary G8 Environment Ministers Meeting, Ministry of Environment, (Tokyo), 26 May 2008. Date of Access: 9 June 2008. [www.env.go.jp/earth/g8/en/img/G8EMM%202008%20Chair'sSummary\\_Final\\_.pdf](http://www.env.go.jp/earth/g8/en/img/G8EMM%202008%20Chair'sSummary_Final_.pdf).

<sup>5</sup> Venues, Ministry of Foreign Affairs of Japan, (Tokyo), Date of Access: 12 June 2008. <http://www.g8Summit.go.jp/eng/venue/index.html>.

<sup>6</sup> Japan’s 2008 G8: Plans for the Hokkaido Toyako Summit, G8 Research Group, (Toronto), 15 May 2008. Date of Access: 4 July 2008. <http://www.g8.utoronto.ca/evaluations/2008hokkaido/2008plan/2008plan080515.html>.

Therefore, the G8 will concrete action and measures on climate change and seek agreement on a post-Kyoto framework inclusive of all major emitters.

*Lead Analyst: Soomee Kim*

### **Objective 1: Binding Climate Change Control [0.25]**

The 2005 Gleneagles, 2006 St. Petersburg and 2007 Heiligendamm Summits have established a strong precedent and have raised the profile and urgency of climate change to unparalleled levels. Against this backdrop, the landscape of summity climate politics heading into Hokkaido has raised expectations exponentially with respect to post-Kyoto climate negotiations.

The issue of binding climate controls in particular, has only recently emerged as a major agenda issue. At the 2007 Heiligendamm Summit G8 leaders agreed “to take strong and early action to tackle climate change” and “consider seriously ... at least a halving of global emissions by 2050.”<sup>7</sup> Post-Heiligendamm analysis of the 2006-2007 compliance cycle indicates that G8 members, the EU and the O5 have all registered relatively high compliance with their Heiligendamm commitments on climate change.<sup>8</sup>

The G8 and non-G8 states (O5 and G20) are likely to pressure for the establishment of new climate-related commitments that will set the agenda for future negotiations on a post-Kyoto climate regime under the auspices of the United Nations Framework Convention on Climate Change (UNFCCC) and other multilateral forums. The UNFCCC has hosted a series of international meetings on climate change including the Vienna Climate Change Talks in August 2007 and the Bali Summit in December 2007. The goal of these meetings is to facilitate a process of ongoing negotiations with global emitters to establish a post-Kyoto climate change regime leading up to the 2009 Conference of the Parties on Climate Change (COP-15) in Copenhagen, Denmark.

In advance of the Hokkaido-Toyako Summit, Prime Minister Fukuda has already taken a forceful position on climate change. In January 2008 at the World Economic Forum (WEF) in Davos, Switzerland, Prime Minister Fukuda declared climate change to be a “top priority” on the agenda at Hokkaido-Toyako.<sup>9</sup> Prime Minister Fukuda also announced that he would utilize the Hokkaido-Toyako Summit as an opportunity to build consensus on the achievement of far-reaching and binding commitments that establishes short, medium and long-term climate-related targets based on a new baseline and timetable, and one that involves “all major emitters.”<sup>10</sup> In particular, the Japanese Presidency will attempt to establish country-by-country numeric targets for the reduction of GHG emissions through a bottom-up sectoral approach - one that surveys emitter sectors in industry and other areas including households in binding climate negotiations.<sup>11</sup>

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<sup>7</sup> G8 Summit Declaration: Growth and Responsibility in the World Economy, Press Information Office of the Federal Government, (Berlin), 7 June 2007. Date of Access: 10 June 2008. [http://www.g-8.de/nn\\_220074/Content/EN/Artikel/\\_g8-Summit/anlagen/2007-06-07-gipfeldokumentwirtschaft-eng.html](http://www.g-8.de/nn_220074/Content/EN/Artikel/_g8-Summit/anlagen/2007-06-07-gipfeldokumentwirtschaft-eng.html).

<sup>8</sup> The G8 and Climate Change since Heiligendamm, G8 Oxford Group, (Oxford), 31 March 2008. Date of Access: 4 June 2008. <http://www.g7.utoronto.ca/evaluations/index.html#2007>.

<sup>9</sup> Davos wraps up with warnings for 2008, Agence France Presse, (Paris), 26 January 2008. Date of Access: 12 June 2008. <http://www.g8.utoronto.ca/evaluations/2008hokkaido/2008plan/2008plan.html#climate>.

<sup>10</sup> Davos wraps up with warnings for 2008, Agence France Presse, (Paris), 26 January 2008. Date of Access: 12 June 2008. <http://www.g8.utoronto.ca/evaluations/2008hokkaido/2008plan/2008plan.html#climate>.

<sup>11</sup> Fukuda to tell Davos of energy plans, Daily Yomiuri, (Tokyo), 25 January 2008. Date of Access: 8 June 2008. <http://www.g8.utoronto.ca/evaluations/2008hokkaido/2008plan/2008plan.html#climate>.



Following Prime Minister Fukuda’s announcements in Davos, Switzerland, negotiations among the G8 and non-G8 states on binding controls began and havemost recently manifested at the G8 Environment Ministers’ Meeting held in Kobe between 24-26 May 2008.

In the Chair’s Summary, G8 Environment Ministers and the European Commissioner for the Environment identified the urgent need to “strengthen our (developed and developing countries) efforts” in transitioning to a low-carbon society while noting that there are “differentiated responsibilities and respective capabilities” with regard to each country.<sup>12</sup>

The Chair’s Summary also made note of the requirement for any post-Kyoto binding controls to establish accepted “methodologies” in order to build capacity and implement a “GHG inventories” system that measures, reports and verifies countries’ commitments and actions based on the Bali Action Plan.<sup>13</sup>

It was also agreed that the “continuation of dialogues” between and among major economies would play a pivotal role in “confidence-building” and the establishment of a post-2012 framework of binding climate controls<sup>14</sup> Expanding on the theme of continuous dialogue, Environment Ministers supported a new “Kobe Initiative” that seeks to foster ongoing inter-governmental discussions among Ministers on climate initiatives (i.e.: research networks on low-carbon societies, capacity-building for GHG inventories, and data collection) that would serve to promote the establishment of a new binding post-Kyoto climate regime.

Identifiable and measurable benchmarks for success with respect to binding climate controls will require agreement on a post-Kyoto climate regime that includes binding targets, timetables and baselines that are inclusive and accepted by all major G8 and non-G8 emitters participating in the Summit.

### *Scoring Guidelines*

<b>0</b>	The G8 fails to achieve any measurable results with respect to the binding climate controls including short/mid/long term targets and timelines as evidenced by a deficiency in communiqués and/or policy statements released at the Summit AND no evidence that binding climate controls was discussed during the Leaders’, O5 and G20 meetings, ministerials, and press conferences.
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion on binding climate controls, including short, mid, and long term targets and timelines, but no significant progress or measurable action was achieved as evidenced by the lack of a climate change action plan, communiqué nor statements released specifically on binding climate controls.
<b>0.5</b>	The G8 releases communiqués and/or makes statements committing to an action plan positively related to climate controls, but they are highly-diluted and heavily compromised by the fact that they are non- binding.
<b>0.75</b>	The G8 releases communiqués or makes statements committing to an action plan positively related to binding climate controls, but notable concessions have been made with respect to the

<sup>12</sup> Chair’s Summary G8 Environment Ministers Meeting, Ministry of Environment, (Tokyo), 26 May 2008. Date of Access: 9 June 2008. [www.env.go.jp/earth/g8/en/img/G8EMM%202008%20Chair'sSummary\\_Final\\_.pdf](http://www.env.go.jp/earth/g8/en/img/G8EMM%202008%20Chair'sSummary_Final_.pdf).

<sup>13</sup> Chair’s Summary G8 Environment Ministers Meeting, Ministry of Environment, (Tokyo), 26 May 2008. Date of Access: 9 June 2008. [www.env.go.jp/earth/g8/en/img/G8EMM%202008%20Chair'sSummary\\_Final\\_.pdf](http://www.env.go.jp/earth/g8/en/img/G8EMM%202008%20Chair'sSummary_Final_.pdf).

<sup>14</sup> Chair’s Summary G8 Environment Ministers Meeting, Ministry of Environment, (Tokyo), 26 May 2008. Date of Access: 9 June 2008. [www.env.go.jp/earth/g8/en/img/G8EMM%202008%20Chair'sSummary\\_Final\\_.pdf](http://www.env.go.jp/earth/g8/en/img/G8EMM%202008%20Chair'sSummary_Final_.pdf).

	language relating to targets, timelines, and baselines and they are not inclusive of other non-G8 emitter participants, specifically China and India.
1	The G8 releases communiqués or makes statements committing to an action plan that is highly aligned with post-Kyoto climate negotiations that synchronizes binding climate controls related to targets, timelines, and baselines and which is inclusive of other non-G8 emitter participants, specifically China and India.

### *Prospects*

It is highly probable that the Japanese Presidency will not achieve all its projections for a binding climate control regime, although it has the potential to move post-Kyoto discussions forward and build greater consensus among major emitter nations on particular GHG emission cutting baselines (i.e.: 2000 versus 1990), long-term targets (i.e.: 50% GHG reductions) and timetables (i.e.: 2050). It is expected that nations will re-affirm the Heiligendamm climate-related commitments, specifically in halving GHG emissions by 2050, which will contribute to the formulation of a new post-2012 climate regime.

The areas of contention among the participating players at the Summit within the scope of a post-Kyoto binding agreement will relate specifically to the language (GHG emission intensity cuts versus absolute GHG cuts) of any G8 climate documents produced, as well as the targets and timelines in achieving GHG reductions. Disagreement over absolute targets and timelines will be particularly acute between newly emerging economies such as China and India and G8 developed economies, specifically the US. It is expected that such discord will pertain to issues of GHG emissions output in relation to economic development, and the level of responsibility that is expected of emerging economies in taking affirmative action relative to other G8 economies in reducing and stabilizing emissions.

### *Postscript*

G8 member countries made some statements related to binding climate controls evidenced in the Environment and Climate Change communiqué released on 8 July 2008, and the Declaration of Leaders Meeting of Major Economies on Energy Security and Climate Change on 9 July 2008

In the Environment and Climate Change communiqué, the G8 reconfirmed its commitment to take “strong leadership” in tackling climate change, and welcomed decisions in Bali and the vision of the UNFCCC as the “foundation” for reaching a globally-binding agreement on climate change.<sup>15</sup>

However, G8 members were unable to achieve consensus on an action plan positively related to binding climate controls. The language in the Environment and Climate Change communiqué was highly-diluted and heavily compromised lacking any binding short, mid and long-targets, timelines, and baselines, thus receiving a score of 0.25.

*Analyst: James Meers*

## **Objective 2: Immediate and Short Term Binding Control Targets [0.25]**

The creation of short-term binding control targets is an urgent issue that must be discussed at this year’s Summit. At this time, there has yet to be any substantive discussion short-term binding control targets

<sup>15</sup> Environment and Climate Change. G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

due to the fundamental disagreement between the Chinese-led Group of 77 and the Annex I countries.<sup>16</sup> At the recent G8 Environment ministers meeting in Kobe on 26 May 2008, despite pressure from both the UN and other non-G8 European countries, the ministers failed to reach consensus on creating short-term goals.<sup>17</sup>

In the meantime, G8 leaders will accept the findings of the recent Intergovernmental Panel on Climate Change (IPCC) report and pressure the O5 partners to reach agreement on short-term targets. At the third Major Economies Meeting (MEM) in Paris on 14 April 2008, leaders worked on a “[declaration] to be published at the G8 summit in Japan in July and on a raft of recommendations to be handed to the UNFCCC.”<sup>18</sup> In an effort to facilitate the creation of short term goals, G8 leaders are likely to cooperate with numerous other countries and organizations including the MEM-16, UN,<sup>19</sup> World Meteorological Organisation (WMO), Gleneagles Dialogue, World Bank (WB), and possibly the International Monetary Fund (IMF).

Efforts to create short-term targets have been spurred by recent natural disasters such as the cyclone in Myanmar cyclone and the earthquake in Sichuan, China. Given these shocks, there are expectations that, “the negotiations would produce an ambitious Summit document, and among participating governments, [there will be] renewed political will to translate commitments into concrete policy actions.”<sup>20</sup>

The only identifiable measure of success with regards to this objective is for each G8 country to succeed in setting a short term binding control target, timetable, and baseline that are accepted by the other nations participating in the Summit.

### *Scoring Guidelines*

<b>0</b>	G8 does not make any substantive mention of short term binding target controls for climate change at the Summit and/or no communiqués or policy statements on the objective are released.
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion on the issue objective, but no statement of affirmation or intention is released.
<b>0.5</b>	The G8 releases communiqués or makes statements on the urgency of climate change and affirms the work of various related bodies undertaking work in the climate change field (such as the UNFCCC) but it is a highly-diluted due to the inability of the G8 and O5 member states to reach consensus.
<b>0.75</b>	The G8 reaches consensus on the urgency of climate change and releases communiqués or makes statements committing to an action plan, but notable concessions, such as the lack of inclusion of the intent to create a post 2012 framework or the lack of inclusion of all major emitters, are evident.
<b>1</b>	The G8 releases communiqués or makes statements indicating consensus on the urgency of

<sup>16</sup> Climate change: long-term targets and short-term commitments, Global Environmental Challenge, 1 September 2003. Date of Access: 12 June 2008.

[http://www.vulnerabilitynet.org/OPMS/getfile.php?bn=seiproject\\_hotel&key=1140130064&att\\_id=794](http://www.vulnerabilitynet.org/OPMS/getfile.php?bn=seiproject_hotel&key=1140130064&att_id=794).

<sup>17</sup> G8's Deadline for Setting Climate Targets, EnviroWonk, 26 May 2008. Date of Access: 10 June 2008. <http://www.envirowonk.com/content/view/224/1/-25k>.

<sup>18</sup> Japan's 2008 G8: Plans for the Hokkaido Toyako Summit, G8 Research Group, (Toronto), 14 April 2008. Date of Access: 16 June 2008. <http://www.g7.utoronto.ca/evaluations/2008hokkaido/2008plan/2008plan.html>.

<sup>19</sup> Convention on Biological Diversity, United Nations Environment Programme, (Nairobi), 5 June 1992. Date of Access: 4 July 2008. <http://www.cbd.int/doc/legal/cbd-un-en.pdf>.

<sup>20</sup> The G8 and Climate Change since Heilegendam: Interim compliance report for the G8 and Outreach Five Countries, G8 Research Group- Oxford, 31 March 2008. Date of Access: 15 June 2008. <http://www.g8.utoronto.ca/oxford/g8rg-ox-interim-2007.pdf>.

climate change and pledges to an action plan towards a post 2012 framework and including all major emitters.
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### *Prospects*

A full framework agreement would qualify as success; however, there is considerable concern that some emitters will not agree to specified targets. For instance, developing countries and the O5 may argue that their development is being hindered, while industrialized countries may refuse to participate in an agreement without the participation of all major emitters. Therefore, it is highly probable that the G8 will not reach an agreement on short-term binding targets.

### *Postscript*

G8 member countries made few statements related to short-term targets evidenced in the Environment and Climate Change communiqué released on 8 July 2008 and the Declaration of Leaders Meeting of Major Economies on Energy Security and Climate Change on 9 July 2008.

The G8 mentioned it strongly supports “the launching of 20 large-scale CCS demonstration projects globally by 2010”, as an action plan for short-term targets.<sup>21</sup>

However, G8 members did not provide any numeric short-term targets. In addition, the language of the Environment and Climate Change communiqué was vague and heavily compromised lacking any binding short-term targets, timelines, or an action plan, thus receiving a score of 0.25.

*Analyst: Jen MacDowell*

### **Objective 3: Propagation of an Industry-led Bottom-up Sectoral Approach [0.25]**

The Japanese Presidency has proposed their bottom-up sectoral approach as a key issue for climate change negotiations. That is, in order to establish an effective framework beyond 2012, “[the] participation of all major emitters, including developing countries” and “compatibility between environmental protection and economic growth by utilizing energy conservation and other technologies” are two major issues of concern.<sup>22</sup>

At the UN Climate Change Conference held in Bali, Indonesia on 10 December 2007, Japan’s Ministry of the Environment drafted a proposal that advocated the effectiveness of a sectoral approach, stating that such an approach is “applicable to both developed and developing nations...[will] enable setting quantifiable, measurable, and verifiable targets,” and will “give confidence both to governments and the private sector by showing a tangible path to the targets.”<sup>23</sup> While the bottom-up sectoral approach may be a viable option for wealthier nations, developing nations may not be able to economically afford the costly environmental restrictions. Therefore, funding for clean energy projects in developing nations will be a topic for discussion.

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<sup>21</sup> Environment and Climate Change. G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

<sup>22</sup> Main Themes at Hokkaido Toyako Summit and Japan’s Objectives, Ministry of Foreign Affairs of Japan, (Tokyo). Date of Access: 06 June 2008. <http://www.g8Summit.go.jp/eng/info/theme.html>.

<sup>23</sup> Effectiveness of Sectoral Approach and Reasonable Indicators, Ministry of the Environment, (Tokyo), 10 December 2007. Date of Access: 6 June 2008. <http://www.env.go.jp/earth/cop/cop13/data/side-event/government.pdf>.

Akio Mimura, Vice Chairman of Japan’s powerful business lobby Nippon Keidanren, discussed options for a new Kyoto deal with leaders from the G8. He cautioned that, “in order to get all the major emitters to take part, we need to have a flexible method which enables each to maintain what each thinks is appropriate for the balance of economic growth, energy security and environmental protection.”<sup>24</sup>

All G8 countries have complied with their 2007 Heiligendamm climate change commitments, indicating that consensus has been reached on the significance of these commitments. However, the unequal distribution of burden between developing and developed countries, a component of the bottom up sectoral approach will need to be addressed first and foremost.<sup>25</sup>

### *Scoring Guidelines*

<b>0</b>	The G8 fails to address the Bottom-Up Sectoral Approach as a viable option for combating climate change and no communiqués or policy statements on the objective are released.
<b>0.25</b>	The G8 discusses the Bottom-Up Sectoral Approach as a viable option for combating climate change and is referenced as such in either the communiqués or policy statements released at the Summit.
<b>0.5</b>	The G8 releases a statement that suggests the Bottom-Up Sectoral Approach is a viable option towards combating climate change; however it is unenforceable due to a bias that favours developed countries.
<b>0.75</b>	The G8 collectively recommends the Bottom-Up Sectoral Approach as an appropriate option for combating climate change and they include these recommendations in either the communiqués or policy statements released at the Summit.
<b>1</b>	The G8 sets enforceable standards to which industries must comply and are considered fair amongst all members of the G8.

### *Prospects*

Given Prime Minister Fukuda’s emphatic support for climate change at the 2008 Hokkaido-Toyako Summit and the overall G8 compliance with their 2007 climate change commitments, it is probable that discussions concerning the bottom-up sectoral approach will be a key component of discussions. All G8 member states have agreed that the environmental stakes are high. While some countries may disagree with the Bottom-Up Sectoral Approach as the most effective option for combating climate change, the pressure from member states will likely make it a topic for discussion and consideration.

### *Postscript*

G8 members discussed the bottom-up sectoral approach as a useful measure of the medium-term target. The G8 stated “sectoral approaches can be useful tools to improve energy efficiency and reduce GHG emissions”.<sup>26</sup> G8 leaders also pledged to “ask the IEA to enhance its work on voluntary sectoral

<sup>24</sup> New Kyoto Should Focus on Industry Sectors: Mimura, Reuters, (Tokyo), 17 April 2008. Date of Access: 6 June 2008. <http://www.reuters.com/article/environmentNews/idUST27434320080417>.

<sup>25</sup> 2007 Heiligendamm G8 Summit Final Compliance Report, G8 Research Group, (Toronto), 23 June 2008. Date of Access: 2 July 2008. [http://www.g8.utoronto.ca/evaluations/2007compliance\\_final/index.html](http://www.g8.utoronto.ca/evaluations/2007compliance_final/index.html).

<sup>26</sup> Environment and Climate Change. G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

indicators through improved data collection, complemented by business initiatives”.<sup>27</sup> The G8 states also showed their willingness to continue discussion on sectoral approach.

However, the G8 failed to link the mere recognition that the sectoral approach is a “useful tool” from the official documents to produce any concrete action plan or commitment on its actual implementation, thus receiving a score of 0.25.

*Analyst: Nicole Formosa*

#### **Objective 4: Medium-Term Targets for 2020 [0.25]**

The issue of medium-term targets will be discussed at the Hokkaido-Toyako Summit. Prime Minister Fukuda emphatically supports the construction of an effective climate change framework beyond 2012.<sup>28</sup> In his Keynote Speech, Japan’s Environment Minister, Ichiro Kamoshita, stated that developed countries should set an example to the world by taking “the lead in emissions reductions and identifying their fair and equitable quantified national targets so that the global GHG emissions would peak within the next 10-20 years.”<sup>29</sup> In order to achieve Prime Minister Fukuda’s proposed “Cool Earth 50” Programme,” medium-term targets for 2020 are going to be an important focus of the G8.<sup>30</sup>

On 24 May 2008, Environment Ministers of the G8, as well as other major emitters such as Brazil, China and India, held a meeting to discuss environmental issues of global concern. Four important medium-term targets were produced, calling for an international research network on low-carbon societies, scientific analysis on sectoral mitigation potentials, promotion of a co-benefits approach, and capacity building for developing countries on inventories and data collection (measurability, reportability, and verifiability [MRV]).<sup>31</sup> To ensure these targets are met, it is especially important “to set up GHG inventories in developing countries through capacity building by developed countries including the G8 countries.”<sup>32</sup> Targets must be fair and reasonable to both developed and developing countries, and allow countries to maintain economic competitiveness in the world arena.

The G8 has addressed the environment at the summit level on several occasions. Prior to the annual G8 Summit, the Environment Ministers of each G8 member state met to discuss “central environmental issues.”<sup>33</sup> The aim of these informal meetings was to “coordinate measures and negotiation strategies of the leading industrialised countries and adopt corresponding political resolutions.”<sup>34</sup> Since the 2007

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<sup>27</sup> Environment and Climate Change. G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

<sup>28</sup> Main Themes at Hokkaido Toyako Summit and Japan’s Objectives, Ministry of Foreign Affairs of Japan, (Tokyo). Date of Access: 06 June 2008. <http://www.g8Summit.go.jp/eng/info/theme.html>.

<sup>29</sup> Keynote Speech by Minister of the Environment of Japan Ichiro Kamoshita at the Session on Climate Change, Ministry of Environment, (Tokyo), 10 June 2008. Date of Access: 13 June 2008. <http://www.env.go.jp/en/focus/attach/080610-a7.pdf>.

<sup>30</sup> Main Themes at Hokkaido Toyako Summit and Japan’s Objectives, Ministry of Foreign Affairs of Japan, (Tokyo). Date of Access: 06 June 2008. <http://www.g8Summit.go.jp/eng/info/theme.html>.

<sup>31</sup> Keynote Speech by Minister of the Environment of Japan Ichiro Kamoshita at the Session on Climate Change, Ministry of Environment, (Tokyo), 10 June 2008. Date of Access: 13 June 2008. <http://www.env.go.jp/en/focus/attach/080610-a7.pdf>.

<sup>32</sup> Keynote Speech by Minister of the Environment of Japan Ichiro Kamoshita at the Session on Climate Change, Ministry of Environment, (Tokyo), 10 June 2008. Date of Access: 13 June 2008. <http://www.env.go.jp/en/focus/attach/080610-a7.pdf>.

<sup>33</sup> G8 2007 Environment Ministers’ Meeting, Federal Ministry for the Environment, (Berlin), December 2006. Date of Access: 10 June 2008.

[http://www.bmu.de/english/international\\_environmental\\_policy/g8/general\\_information/doc/38335.php](http://www.bmu.de/english/international_environmental_policy/g8/general_information/doc/38335.php).

<sup>34</sup> G8 2007 Environment Ministers’ Meeting, Federal Ministry for the Environment, (Berlin), December 2006. Date of Access: 10 June 2008.

[http://www.bmu.de/english/international\\_environmental\\_policy/g8/general\\_information/doc/38335.php](http://www.bmu.de/english/international_environmental_policy/g8/general_information/doc/38335.php).

Heiligendamm Summit, Environment Ministers of the G8 have been working towards finding equitable solutions for both developed and developing countries to combat climate change. In order to develop a climate friendly, sustainable energy policy for the near future, the “coherence between international finance, economic and environmental institutions” of member states must be improved.<sup>35</sup>

All G8 countries have complied with their commitments made towards tackling climate change at the 2007 Heiligendamm Summit thus far indicating that consensus has been reached on the significance of these commitments. In order for the long-term targets of 2050 to be reached, policy for medium-term targets for 2020 will inevitably need to be addressed.<sup>36</sup>

### *Scoring Guidelines*

<b>0</b>	The G8 fails to address Medium Term Targets for 2020 such as emission targets or policies towards achieving their previously sought out goals and the objective is not addressed in any of the communiqués or policy statements to emerge from the Summit.
<b>0.25</b>	There is evidence to suggest that the G8 discussed the Medium Term Targets for 2020 and commitments towards achieving their emission targets, but no measureable action was taken by the G8 on this objective.
<b>0.5</b>	The G8 releases communiqués or makes statements regarding Medium Term Targets for 2020, and discuss policies towards achieving their goals, but it is highly diluted and ineffectual version of the G8 Presidency’s objective in this issue area..
<b>0.75</b>	The G8 releases communiqués or makes statements recommending Medium Term Targets for 2020, but notable concessions on the Japanese objectives are evident.
<b>1</b>	The G8 sets Medium Term Targets for 2020 and enforces them through collectively established policies.

### *Prospects*

Given Prime Minister Fukuda’s emphatic support for the environmental issues on the 2008 Hokkaido-Toyako Summit agenda particularly long-term goals, it is highly probable that Medium Term Targets for 2020 will be an issue of great concern and discussion for the G8 member countries. All G8 member states have complied to their previous commitments, indicating that member states have reached consensus on the importance of realistic targets at the Hokkaido-Toyako Summit. While binding midterm-targets are needed from all the major economies, there may be disagreement over the midterm-targets. Prime Minister Fukuda mentioned that the G8 is “not a venue to reach an agreement” for a medium-term target. The negotiations for medium-term emissions reduction targets will take place at the UN, not in the G8 process.<sup>37</sup> In addition, G8 environment ministers endorsed cutting greenhouse gas emissions in half by 2050, but failed to agree on much more contentious mid-term targets. There was a huge gap among the participants. The EU supports UN research that emissions cuts of “between 25% to 40% [are necessary] by 2020,” and had introduced a “cap-and-trade” system, proposing global emission

<sup>35</sup> G8 2007 Environment Ministers’ Meeting, Federal Ministry for the Environment, (Berlin), December 2006. Date of Access: 10 June 2008.

[http://www.bmu.de/english/international\\_environmental\\_policy/g8/general\\_information/doc/38335.php](http://www.bmu.de/english/international_environmental_policy/g8/general_information/doc/38335.php).

<sup>36</sup> 2007 Heiligendamm G8 Summit Final Compliance Report, G8 Research Group, (Toronto), 23 June 2008. Date of Access: 02 July 2008. [http://www.g8.utoronto.ca/evaluations/2007compliance\\_final/index.html](http://www.g8.utoronto.ca/evaluations/2007compliance_final/index.html).

<sup>37</sup> G8 Not Forum for CO2 Cut Goals: Japan PM, The Economic Times, (Tokyo), 17 June 2008. Date of Access: 21 June 2008. [http://economictimes.indiatimes.com/Earth/G8\\_not\\_forum\\_for\\_CO2\\_goals/articleshow/3136936.cms](http://economictimes.indiatimes.com/Earth/G8_not_forum_for_CO2_goals/articleshow/3136936.cms).

reductions of twenty-five to forty percent by 2020 from 1990 levels.<sup>38</sup> The US, however, considers such cuts beyond reach, while Japan says it is premature to specify a midterm target. Developing nations have requested commitments by wealthy countries before they discuss what actions developing countries may take.

### *Postscript*

G8 member countries made few statements related to medium-term targets in official communiqués or in the Declaration of Leaders Meeting of Major Economies on Energy Security and Climate Change released on 9 July 2008.

No numerical targets were set for the more pressing issue of medium-term GHG reduction targets for 2020. Instead, the G8 simply stated the “we acknowledge our leadership role and each of us will implement ambitious economy-wide mid-term goals in order to achieve absolute emissions reductions and, where applicable, first stop the growth of emissions as soon as possible, reflecting comparable efforts among all developed economies, taking into account differences in their national circumstances”.<sup>39</sup>

As the G8 made no agreements on concrete medium-term GHG reduction targets they received a score of 0.25.

*Analyst: Nicole Formosa*

### **Objective 5: Financial Mechanisms [0.5]**

The G8 will establish a new financial mechanism to combat global warming at the Hokkaido-Toyako Summit. Prime Minister Fukuda proposed the five year USD10 billion “Cool Earth Partnership Fund” to assist developing countries at the WEF in Davos, Switzerland in 2008, together with a US pledging of JPY200 billion and a UK pledge of JPY170 billion.<sup>40</sup> As outlined in Davos, this fund will set aside USD8 billion for assistance on climate change mitigation and up to USD2 billion for grants, aid and technical assistance for developing countries making the shift to clean energy.<sup>41</sup>

The Japanese government also plans to introduce measures to train future “environmental leaders” to help developing countries combat global warming, infectious disease, water pollution, and other environmental problems. One focus of the package is joint international environmental conservation studies with developing countries.<sup>42</sup> The technological and educational sharing agreements made at St. Petersburg can also be applied to the climate change agenda.

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<sup>38</sup> Japan seeks to design post-Kyoto emissions-trading program,” Herald Tribune, (London), 11 March 2008. Date of Access: 9 June 2008. <http://www.iht.com/articles/2008/03/11/business/emit.php>.

<sup>39</sup> Environment and Climate Change. G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

<sup>40</sup> Japan's 2008 G8: Plans for the Hokkaido Toyako Summit, G8 Research Group, (Toronto), 16 March 2008. Date of Access: 16 June 2008. <http://www.g7.utoronto.ca/evaluations/2008hokkaido/2008plan/2008plan.html>.

<sup>41</sup> Japan's 2008 G8: Plans for the Hokkaido Toyako Summit, G8 Research Group, (Toronto), 16 March 2008. Date of Access: 16 June 2008. <http://www.g7.utoronto.ca/evaluations/2008hokkaido/2008plan/2008plan.html>.

<sup>42</sup> Japan's 2008 G8: Plans for the Hokkaido Toyako Summit, G8 Research Group, (Toronto), 16 March 2008. Date of Access: 16 June 2008. <http://www.g7.utoronto.ca/evaluations/2008hokkaido/2008plan/2008plan.html>.



The WB responded to the Japanese initiative with plans to raise at least USD5.5 billion.<sup>43</sup> Katherine Sierra, Vice President for Sustainable Development for the World Bank, stated that the Clean Technology Fund (CTF) began with a USD5 billion investment and while the Strategic Climate Fund (SCF) provides USD500 million for climate resilience.”<sup>44</sup>

G8 Finance Ministers welcomed the launch of the new Climate Investment Funds (CIF) and announced that the G8 will complement existing bilateral and multilateral efforts, until a post-2012 framework under the UNFCCC is implemented.<sup>45</sup> It is hoped that these funds will be consistent with national plans proposed by developing countries in order to finance the deployment of clean technologies, the prevention of deforestation, and development of climate resilient economies.

### Scoring Guidelines

<b>0</b>	G8 does not make any substantive mention of financial mechanisms for climate change—specifically the CIF, there is no measureable progress or results with respect to this objective or any other climate change fund proposed at the Summit.
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion on financial mechanisms for climate change, but no commitment of funds to the CIF or any other climate change fund are identified in any of the communiqués or statements released at the summit.
<b>0.5</b>	The G8 releases communiqués or makes statements affirming Japanese, American and British commitments to funds for the CIF or another climate change fund proposed at the Summit BUT no new funds from other G8 nations are discussed or established.
<b>0.75</b>	The G8 releases communiqués or makes statements affirming Japanese, American and British commitments to funds for the CIF or any other climate change fund proposed at the Summit AND new funds are <i>considered</i> .
<b>1</b>	The G8 releases communiqués or makes statements affirming Japanese, American and British commitments to funds for the CIF or any other climate change fund proposed at the Summit AND new funds are <i>committed</i> , an effort highly aligned to the objectives of the Japanese President in this issue area.

### Prospects

Further financial commitment to the new CIF from existing donors (Japan, UK and the US) would qualify as success. If Prime Minister Fukuda is able to seek out and secure additional donors, the Hokkaido-Toyako G8 Summit will qualify as highly successful in terms of this objective. It is uncertain whether other nations will commit to further funding within this framework as there has been an emphasis on fulfilling outstanding commitments in lieu of pursuing new goals or mobilizing the commitment of new funds. This shift was caused by the Organization for Economic Co-operation and Development’s (OECD’s) Development Assistance Committee (DAC) report that concluded there has been an overall decrease in Official Development Assistance (ODA) in 2007. This assumes greater relevance given that Dominique Strauss-Kahn of the IMF has projected that the world’s major

<sup>43</sup> Climate Change since Heiligendamm: Interim Compliance Report for the G8 and Outreach Five Countries, G8 Research Group-Oxford, (Oxford), 31 March 2008. Date of Access: 20 May 2008. <http://www.g8.utoronto.ca/oxford/g8rg-ox-interim-2007.pdf>.

<sup>44</sup> G8 Climate Chiefs Urge Leaders To Agree To 2050 CO2 Cut Target. The World Bank. (Washington D.C.), 26 May 2008. Date of Access: 2 June 2008. <http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,date:2008-05-26~menuPK:34461~pagePK:34392~piPK:64256810~theSitePK:4607,00.html>.

<sup>45</sup> Statement of the G-8 Finance Ministers Meeting, Ministry of Finance of Japan, (Tokyo), 14 June 2008. Date of Access: 4 July 2008. <http://www.mof.go.jp/english/if/su080614.pdf>.

economies will likely grow sluggishly for the remainder of the year.<sup>46</sup> Indeed, Canadian Finance Minister Jim Flaherty said on 13 June 2008 that he had not decided whether to add the CIF to his portfolio. He said, “It’s a question of reviewing these various funds...and then making a determination of what way Canada will participate.”<sup>47</sup> Despite weary economic forecasts, precedent has been set in Heiligendamm where new funds were mobilized after pressure from Non-Governmental Organizations (NGOs).

### *Postscript*

The G8 reaffirmed new financial mechanisms proposed by Prime Minister Fukuda at the World Economic Forum in Davos, Switzerland in 2008.

On 8 July 2008, the communiqué Environment and Climate Change stated that the leaders welcomed and support the Climate Investment Fund (CIF) initiated by the World Bank. However, the leaders expressed the importance of private sector as the main sources of finance rather than public resources. In particular, the communiqué articulated the G8 countries have reconfirmed “an ODA contribution \$ 6 billion USD to the funds and welcome commitments from other donors.”<sup>48</sup>

While the G8 released communiqués concerning funds for the CIF, G8 leaders failed to reach agreement on the creation of new financial mechanisms with other G8 nations. Therefore, a score of 0.5 was awarded.

*Analyst: Jen MacDowell*

### **Objective 6: Carbon Sinks [0.75]**

The carbon dioxide sink, particularly in relation to deforestation and forest management, is likely to be a topic of discussion at the Hokkaido-Toyako Summit. Prime Minister Fukuda has been assertive on the issue of deforestation on numerous occasions. At the Climate Change Forum in Brasilia, he announced that sustainable forest management will be an issue objective of the Japanese G8 Presidency.<sup>49</sup> He continued, “While promoting sustainable forest management, we need to try to halt deforestation and forest degradation.” Participants at this forum mainly discussed the final deliberations on a post-Kyoto framework that was presented to Prime Minister Fukuda, including positions on biofuels, market mechanisms, technology, adaptation, energy efficiency and illegal logging.<sup>50</sup>

In order to mitigate carbon dioxide under the Kyoto protocol, a variety of measures are being discussed at international conferences such as the G8, UNFCCC, Asia-Pacific Economic Cooperation (APEC), and

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<sup>46</sup> Global growth may be sluggish, *Mist News*, 17 June 2008. Date of Access: 17 June 2008. <http://g8live.org/2008/06/17/global-growth-may-be-sluggish>.

<sup>47</sup> Canada under pressure to fund green initiatives: U.S. Treasury Secretary Paulson and allies use G8 finance meeting to promote Clean Technology Fund, *Globe and Mail*, (Toronto), 14 June 2008. Date of Access: 16 June 2008. <http://g8live.org/2008/06/14/canada-under-pressure-to-fund-green-initiative-us-treasury-secretary-paulson-and-allies-use-g8-finance-meeting-to-promote-clean-technology-fund>.

<sup>48</sup> Environment and Climate Change. G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

<sup>49</sup> Japan's 2008 G8: Plans for the Hokkaido Toyako Summit, G8 Research Group, (Toronto), 16 March 2008. Date of Access: 16 June 2008. <http://www.g7.utoronto.ca/evaluations/2008hokkaido/2008plan/2008plan.html>.

<sup>50</sup> Climate Change Tokyo Forum, World Bank, (Washington D.C.), 29 June 2008. Date of Access: 20 June 2008. <http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:21814808~pagePK:64257043~piPK:437376~theSitePK:4607,00.html>.

Asian-Pacific Partnership. At the 2007 Heiligendamm Summit, G8 leaders declared their commitment to assist in reducing emissions from deforestation, especially in developing countries.<sup>51</sup> On 26 May 2008, G8 environment ministers reaffirmed that deforestation leads to the loss of biodiversity and high GHG emissions, and urged the international community to tackle illegal logging—a contributing factor to deforestation.<sup>52</sup>

The Bali Road Map of the UNFCCC has recognised the importance of avoiding deforestation and the value of forests as carbon sinks. Moreover, new financial mechanisms are being considered and tested by the World Bank Forest Carbon Partnership. Nine industrialized countries have already pledged USD155 million to commence the 10-year initiative, including Germany (USD59 million), the UK (USD30 million), the Netherlands (USD22 million), Australia and Japan (USD10 million each), France and Switzerland (USD7 million each), and Denmark and Finland (USD5 million each). US-based Nature Conservancy also pledged USD5 million.<sup>53</sup>

At the Hokkaido-Toyako Summit, the G8 will be expected to discuss deforestation and forest management. Japan will achieve success on the carbon dioxide sink objective if it is able to reach an agreement on the issue of carbon sinks with other G8 and non-G8 countries.

### *Scoring Guidelines*

<b>0</b>	The G8 does not make any substantive mention of the issue and fails to achieve any measurable results with respect to carbon sinks. There is no evidence of carbon sinks being discussed in the communiqués and/or policy statements released at the Summit.
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion on the issue objective, but no measureable action was taken by the G8 in regards to carbon sinks.
<b>0.5</b>	The G8 releases communiqués and/or makes statements committing to an action plan positively related to the Japanese objectives for carbon sinks, but they are highly-diluted and seem rather ineffective.
<b>0.75</b>	The G8 collectively recommends and makes a new action plan for deforestation and forest management but has made notable concessions with respect to the original objectives, namely the G8 fails to encourage cooperation with developing countries such as the African States, Brazil and Indonesia.
<b>1</b>	The G8 releases communiqués or makes statements committing to an action plan that are highly aligned with carbon sinks as part of post-Kyoto climate negotiations and are inclusive of other non-G8 emitters such as the African States, Brazil and Indonesia.

### *Prospects*

Since the issue of carbon dioxide sinks deforestation, and illegal logging have attracted the attention of all G8 member states, it is highly probable that these above issues will be a topic of discussion for the G8 member states at the Hokkaido-Toyako Summit. At the international level, fighting illegal logging

<sup>51</sup> Chair's Summary: Heiligendamm, Ministry of Foreign Affairs of Japan, (Tokyo), 8 June 2008. Date of Access: 12 June 2008. <http://www.mofa.go.jp/policy/economy/Summit/2007/summary.pdf>.

<sup>52</sup> Chair's Summary: G8 Environment Ministers Meeting, Ministry of the Environment of Japan, (Kobe), 26 May 2008. Date of Access: 10 June 2008. <http://www.env.go.jp/en/focus/attach/080610-a2.pdf>.

<sup>53</sup> Forest Carbon Partnership Facility Takes Aim at Deforestation, World Bank, (Washington D.C.), 11 December 2007. Date of Access: 12 June 2008. <http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:21581819~pagePK:64257043~piPK:437376~theSitePK:4607,00.html>.

has been mostly marked by failure especially in the Amazon, Indonesia and Africa's Congo Basin.<sup>54</sup> The main reason for the failure is not enough financial aid or political will to overcome the corruption and poverty in tropical nations.

At G8 Environment Ministers' Meeting, forest experts reported that the G8 is committed to pursuing ways to move forward with a view to curbing illegal logging and its associated trade.<sup>55</sup> According to the WB, thirty countries from Africa, Asia-Pacific and Latin America have requested funding packages from a forest protection program. The form of assistance has also been an issue with Indonesia and Papua New Guinea leading an effort for countries to get carbon credits for conservation – which they could eventually trade on a commodities market for money as emissions are done in Europe.<sup>56</sup> Therefore, it is expected that the G8 will likely seek agreement on illegal logging, expansion of their financial mechanism, and the introduction of the carbon trade system.

### *Postscript*

G8 leaders reconfirmed their commitment to increase removals by sinks in the land use.

With regards to forests, the G8 leaders promoted the development of an international forest monitoring network as part of the actions for Reducing of Emissions from Deforestation and Forest Degradation in Developing Countries (REDD). The leaders also mediated the G8 Forest Experts Report on Illegal Logging and the SCF (Strategic Climate Fund) to prevent deforestation. However, it was lack of a new action plan for deforestation and a fund for deforestation.

Therefore, they only promoted the initiation of dialogue for the development of a post-2010 biodiversity target and other initiatives, as supposed to committing to further negotiations. As such, a score of 0.75 was awarded.

*Analyst: Soomee Kim*

### **Objective 7: Long-Term Targets 2050 [0.5]**

Long term targets will be discussed at the Hokkaido-Toyoko Summit. At the G8 Environment Ministers Meeting in Kobe, held between 24-26 May 2008, the Minister of the Environment Ichiro Kamoshita announced some of the long-term goals that had been set by the Japanese Presidency with regards to climate change. Building on the Heiligendamm target to halve global GHG emissions by 2050, Minister Kamoshita introduced new long-term goals. In his keynote speech to the Environment Ministers of nineteen countries and international organizations including the UNFCCC, OECD and WB, Minister Kamoshita emphasized the importance of “transition to low-carbon societies” of both developed and developing nations as a new major long-term target.<sup>57</sup>

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<sup>54</sup> UN Climate Conference Expected to Embrace Forest Protection as Part of Climate Change, International Herald Tribune, (London), 13 December 2007. Date of Access: 4 July 2008. <http://www.ihrt.com/articles/ap/2007/12/13/asia/AS-GEN-Bali-Saving-Forests.php>.

<sup>55</sup> Elements of the G8 Forest Experts' Report on Illegal Logging, Ministry of Foreign Affairs of Japan, (Tokyo), May 2008. Date of Access: 4 July 2008. <http://www.mofa.go.jp/policy/environment/forest/report0805.pdf>.

<sup>56</sup> UN Climate Conference Expected to Embrace Forest Protection as Part of Climate Change, International Herald Tribune, (London), 13 December 2007. Date of Access: 4 July 2008. <http://www.ihrt.com/articles/ap/2007/12/13/asia/AS-GEN-Bali-Saving-Forests.php>.

<sup>57</sup> Keynote Speech by Minister of the Environment of Japan Ichiro Kamoshita at the Session on Climate Change, Ministry of the Environment of Japan, (Tokyo), 26 May 2008. Date of Access: 10 June 2008. <http://www.env.go.jp/en/focus/attach/080610-a7.pdf>.

In order to achieve this transition, Minister Kamoshita emphasized that societies are required to transform the current “socio-economic structure” through “technological innovations” as well as innovations in “our lifestyle and social infrastructure.” Additionally, Minister Kamoshita reiterated the need for countries to “strengthen their reduction measures” and aspire to set reduction goals that exceed fifty percent by 2050.<sup>58</sup> “a 50 percent reduction by countries including developed nations has been advocated but it is common sense that developed countries aim for deeper cuts.”<sup>59</sup>

Identifiable and measurable benchmarks for success with respect to these long-term targets require an agreement on a post-Kyoto climate control regime that includes binding targets, timetables and baselines that are inclusive and accepted by all major G8 and non-G8 emitters participating in the Summit.

It is expected that all nations will agree on re-affirming Heiligendamm commitments to halve GHG emissions by 2050. Moreover, it is also highly likely that participating players will agree to new long-term targets within the scope of a post-Kyoto agreement, however there may be disagreement over the scale, language and timetable for cutting GHG emissions in relation to these binding targets. These conflicts are more than likely to occur between and among negotiating G8 and non-G8 members, specifically the US and Canada, which have both shown resistance to binding targets at previous multilateral forums and at the 2007 Heiligendamm Summit, as well as non-G8 economies such as China and India which are at different stages of economic development than their G8 counterparts.

### *Scoring Guidelines*

<b>0</b>	The G8 fails to achieve any measurable results with respect to long term targets to stabilize and reduce GHG emissions as evidenced in the communiqués and/or policy statements released at the Summit AND no evidence that long-term targets were discussed at the Leaders’, O5 and G20 meetings, ministerials, and press conferences.
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussions related to long-term targets but no significant progress or measurable action was achieved as evidenced by the lack of an action plan, communiqué and statements related to long-term targets.
<b>0.5</b>	The G8 releases communiqués and/or makes statements committing to an action plan inclusive of long-term targets, but they are highly-diluted and heavily compromised by the fact that they are non-binding.
<b>0.75</b>	The G8 releases communiqués or makes statements committing to an action plan inclusive of long-term targets, but notable concessions have been made with respect to the language relating to targets and timelines, and exclude other non-G8 emitter participants, specifically China and India.
<b>1</b>	The G8 releases communiqués or makes statements committing to an action plan inclusive of long-term targets that is highly aligned with post-Kyoto climate negotiations and establishes a consensus that includes other non-G8 emitter participants, specifically China and India.

### *Prospects*

<sup>58</sup> Keynote Speech by Minister of the Environment of Japan Ichiro Kamoshita at the Session on Climate Change, Ministry of the Environment of Japan, (Tokyo), 26 May 2008. Date of Access: 10 June 2008. <http://www.env.go.jp/en/focus/attach/080610-a7.pdf>.

<sup>59</sup> Minister eyes deeper cuts in greenhouse gas, Agence France Presse, (Paris), 29 January 2008. Date of Access: 7 June 2008. <http://afp.google.com/article/ALeqM5jcQsOX7CyIwSS6iPrFyg003j4xgw>.

It is expected that all states will agree to reaffirm the Heiligendamm long term target commitment of halving GHG emissions by 2050. Moreover, it is highly likely that participating states will agree to new long-term targets within the scope of a post-Kyoto agreement, though, there may be disagreement over the scale, language and timetable for cutting GHG emissions in relation to these targets. These conflicts are more than likely to occur between and among negotiating G8 and non-G8 members, specifically the US and Canada, which have resisted binding targets at previous multilateral forums and at Heiligendamm, as well as non-G8 economies such as China and India which are at different stages of economic development than their G8 counterparts.

### *Postscript*

The G8 reaffirmed the Heiligendamm long-term climate target of achieving “at least 50%” reduction of global emissions by 2050, although G8 members also stipulated that G8 members would strive toward this target under the auspices of the vision and leadership of the UNFCCC, and with the contribution from “all major economies” consistent with the principle of “common but differentiated responsibilities and respective capabilities.” The G8 also pronounced the importance of “development and deployment of low-carbon technologies”.<sup>60</sup>

Unfortunately, the commitment by the G8 on long-term targets were heavily compromised due to the fact that they failed to set a baseline, are non-binding, and failed to obtain the inclusion of other MEM and O5 participating countries at the Summit, thus resulting in a score of 0.5.

*Analyst: James Meers*

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<sup>60</sup> Environment and Climate Change. G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

# FOOD SECURITY [0.82]

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The issue of Food Security has not been identified as a priority issue area for the G8 in the past. Traditionally, the issue of food security has been considered within the context of discussions about development goals. However, the issue has gained prominence since the 2007 Heiligendamm Summit as a result of the recent increases in food prices. The rise in food prices has resulted in a global shortage of rice and other grains, with developing countries most adversely affected. In addition, there are fears that food shortages will lead to social unrest.

The problem has risen to the level of an international crisis, and all G8 member states have called for food security to be a high-level priority objective at the 2008 G8 Summit. The issue was recently discussed at the High-Level Conference on Food Security held by the FAO (Food and Agriculture Organization of the United Nations) on 3-5 June 2008. Food security was also a salient item of discussion at the G8 Development Ministers' Meeting on 5-6 April 2008, the G8 Finance Ministers' Meeting on 13-14 June 2008 and the G8 Science and Technology Ministers' Meeting on 15 June 2008.

Most recently, Prime Minister Fukuda has stated that “the G8 rich nations need to send a message on tackling soaring energy and food prices, but the complex problem will not be solved in the short term.”<sup>61</sup> He continued, “the G8 needs to set the direction by sending a message on soaring oil prices and resultant food prices.”<sup>62</sup>

An IFPRI report released in May 2008 provides some immediate steps that, if taken, could help to relieve the damaging effects of rising food prices. There is a call for expanded humanitarian assistance through greater food distribution and the provision of food vouchers. In addition, bringing about an end to export restrictions and bans in major food-exporting nations would help to remove 30 percent of the recent price spike.<sup>63</sup>

As a result of TICAD IV, Japanese leaders, in conjunction with their African counterparts, called for the doubling of rice output on the continent within a ten year target deadline. To achieve this, “rich countries must help small farmers increase Africa’s irrigated land by 20 percent in five years.”<sup>64</sup> Given Prime Minister Fukuda’s declarations about the urgency of the food crisis, boosting agricultural output will feature as a prominent topic of discussion.

In April 2008, the World Bank endorsed a new global food policy. World Bank President Robert Zoellick identified this as a “twenty-first century food-for-oil crisis.”<sup>65</sup> The new policy would follow a ten-point agenda that would include both short and long term goals to help combat rising food prices. In a letter addressed to Japanese Prime Minister Yasuo Fukuda and copied to the other G8 member states,

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<sup>61</sup> Highlights 3-Japan PM: G8 must send message on oil, food prices, Reuters (Tokyo), 17 June 2008. Date of Access: 17 June 2008. <http://www.reuters.com/article/marketsNews/idUST27957420080617?sp=true>.

<sup>62</sup> Highlights 3-Japan PM: G8 must send message on oil, food prices, Reuters (Tokyo), 17 June 2008. Date of Access: 17 June 2008. <http://www.reuters.com/article/marketsNews/idUST27957420080617?sp=true>.

<sup>63</sup> Immediate, long run fixes needed in food crisis – IFPRI, Reuters (Washington), 25 May 2008. Date of Access: 16 June 2008. <http://g8live.org/2008/05/25/immediate-long-run-fixes-needed-in-food-crisis-ifpri>.

<sup>64</sup> Japan G8 Summit Should Tackle Food, Climate Change, Fukuda Says, Bloomberg, 30 May 2008. Date of Access: 17 June 2008. [http://www.bloomberg.com/apps/news?pid=20601101&sid=ab3K\\_D.sZl04&refer=japan](http://www.bloomberg.com/apps/news?pid=20601101&sid=ab3K_D.sZl04&refer=japan).

<sup>65</sup> Unveiling A 10-point Global Agenda On Food Crisis, Leadership Nigeria (Nigeria). Date of Access: 16 June 2008. [http://www.leadershipnigeria.com/product\\_info.php?products\\_id=29791&osCsid=04ecd9b5cb26744b3bd453e5cf6f330b](http://www.leadershipnigeria.com/product_info.php?products_id=29791&osCsid=04ecd9b5cb26744b3bd453e5cf6f330b).

Zoellick noted that “what we are witnessing is not a natural disaster...it is a man-made catastrophe, and as such must be fixed by people...I urge the Group of Eight countries, in concert with major oil producers, to act now to address this crisis.”<sup>66</sup>

There are many factors thought to have contributed to the increase in food prices, and the issue is multi-faceted. However, there is a clear sense of urgency to reach a consensus on the issue. The impact of food shortages in Africa and other developing areas is a serious concern. Japanese Prime Minister Yasuo Fukuda has recognized that the issue will require short, medium and long-term solutions, and has recognized that food security must be a topic of in-depth discussion at this year’s G8 summit.<sup>67</sup> In the short-term, Japan has identified emergency food aid as an immediate response to food shortages.<sup>68</sup> Medium-term strategies include the removal of controls on food exports.<sup>69</sup> As a net importer of food, removal of export controls is a key objective for Japan.<sup>70</sup> Japan has also identified investment in biofuel research, agricultural technology and GMOs as long-term strategies to improve food security.<sup>71</sup>

*Lead Analyst: Pratima Arapakota*

### **Objective 1: Immediate Aid in Response to Rising Food Prices [0.5]**

The issue of rising food prices has been highlighted as a problem which requires “global and international action...now.”<sup>72</sup> At the end of the recent Tokyo International Aid Conference on African Development in May 2008, Prime Minister Fukuda stated that this year’s G8 Summit should focus on “how to ease food inflation.”<sup>73</sup> He continued, “The international community must urgently tackle rising food costs.”<sup>74</sup> Japan has been a prominent donor of emergency food aid. On 4 July 2008, Japan announced USD50 million of food aid in addition to the USD200 million it has already announced or implemented this year.<sup>75</sup> With such potentially drastic consequences such as plunging further millions of people into hunger and raising doubts about the future of global agriculture, it is expected that the G8

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<sup>66</sup> G8 Must Act Now as ‘World Entering a Danger Zone,’ Zoellick Says, The World Bank (Washington). Date of Access: 5 July 2008. <http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:21827981~pagePK:64257043~piPK:437376~theSitePK:4607,00.html>.

<sup>67</sup> Dispatch of Letters from Prime Minister Yasuo Fukuda on Rising Food Prices, Ministry of Foreign Affairs of Japan, (Japan), 21 April 2008. Date of Access: 2 June 2008. [http://www.mofa.go.jp/announce/announce/2008/4/1179265\\_1000.html](http://www.mofa.go.jp/announce/announce/2008/4/1179265_1000.html).

<sup>68</sup> Dispatch of Letters from Prime Minister Yasuo Fukuda on Rising Food Prices, Ministry of Foreign Affairs of Japan, (Japan), 21 April 2008. Date of Access: 2 June 2008. [http://www.mofa.go.jp/announce/announce/2008/4/1179265\\_1000.html](http://www.mofa.go.jp/announce/announce/2008/4/1179265_1000.html).

<sup>69</sup> Dispatch of Letters from Prime Minister Yasuo Fukuda on Rising Food Prices, Ministry of Foreign Affairs of Japan, (Japan), 21 April 2008. Date of Access: 2 June 2008. [http://www.mofa.go.jp/announce/announce/2008/4/1179265\\_1000.html](http://www.mofa.go.jp/announce/announce/2008/4/1179265_1000.html).

<sup>70</sup> Press Briefing Speaker: Ambassador Koji Tsuruoka, (Japan), 21 April 2008. Date of Access: 2 June 2008. [http://www.mofa.go.jp/announce/others\\_press/2008/4/0425.html](http://www.mofa.go.jp/announce/others_press/2008/4/0425.html).

<sup>71</sup> Dispatch of Letters from Prime Minister Yasuo Fukuda on Rising Food Prices, Ministry of Foreign Affairs of Japan, (Japan), 21 April 2008. Date of Access: 2 June 2008. [http://www.mofa.go.jp/announce/announce/2008/4/1179265\\_1000.html](http://www.mofa.go.jp/announce/announce/2008/4/1179265_1000.html).

<sup>72</sup> Immediate, long run fixes needed in food crisis – IFPRI, Reuters (Washington), 25 May 2008. Date of Access: 16 June 2008. <http://g8live.org/2008/05/25/immediate-long-run-fixes-needed-in-food-crisis-ifpri>.

<sup>73</sup> Japan G8 Summit Should Tackle Food, Climate Change, Fukuda Says, Bloomberg (Japan), 30 May 2008. Date of Access: 16 June 2008. [http://www.bloomberg.com/apps/news?pid=20601101&sid=ab3K\\_D.sZl04&refer=japan](http://www.bloomberg.com/apps/news?pid=20601101&sid=ab3K_D.sZl04&refer=japan).

<sup>74</sup> Japan G8 Summit Should Tackle Food, Climate Change, Fukuda Says, Bloomberg (Japan), 30 May 2008. Date of Access: 16 June 2008. [http://www.bloomberg.com/apps/news?pid=20601101&sid=ab3K\\_D.sZl04&refer=japan](http://www.bloomberg.com/apps/news?pid=20601101&sid=ab3K_D.sZl04&refer=japan).

<sup>75</sup> Japan’s response to rising food prices in developing countries, Ministry of Foreign Affairs of Japan, (Japan), 4 July 2008. Date of Access: 5 July 2008. [http://www.mofa.go.jp/announce/announce/2008/7/1181269\\_1030.html](http://www.mofa.go.jp/announce/announce/2008/7/1181269_1030.html).



will seek to adopt an objective at the upcoming Summit in Hokkaido-Toyako that will deal explicitly with providing immediate aid in response to food shortages. As such, the G8RG has designated this objective with the highest priority for the 2008 Summit.

Meanwhile, other organizations, such as the Africa Progress Panel, have called for the G8 to step in and deal with rising food prices. Kofi Annan, who chairs the Panel, called for “a range of measures...undertaken to increase the quantity of food on international markets and to provide greater financial assistance to international agencies such as the World Food Programme and the governments of affected countries.”<sup>76</sup>

World Bank Chief Robert Zoellick noted, ahead of the G8 summit, that USD10 billion will be required for “emergency food aid and to help countries deal with the double impact of rising food and fuel prices.”<sup>77</sup> He has urged donors to provide aid to meet the USD400 million funding requests to the World Bank from some thirty-one countries.<sup>78</sup> Zoellick has also suggested that the G8 should consider a global reserve system for food emergencies that would be similar to that of the International Energy Agency, which coordinates the release of oil reserves by member countries.<sup>79</sup>

Thus, the G8 objective with regards to an immediate response to rising food prices would be to seek coordinated plans of action that will provide “short term” relief goals through the form of emergency assistance, providing social safety nets for the poor and supporting balance of payments through the IMF.

The issue of rising food prices would have the greatest impact on developing nations and especially Africa. Thus, Summit dialogue that would deal with this issue would probably be closely tied to those regarding African development. Given current levels of development assistance, the G8 will not be able to meet its 2015 commitment levels of aid to Africa and this fact, when coupled with the immediate urgency of dealing with rising food prices will serve to bring this objective to the forefront of the G8 dialogue on Food Security.

### *Scoring Guidelines*

<b>0</b>	G8 does not make any substantive mention of aid in response to increased food prices at the summit; no measurable progress or results with respect to the objective are evident OR the G8 reaches a consensus on the issue that is contrary to the objective of the G8 Presidency.
<b>0.25</b>	The G8 engages in discussions on aid in response to increased food prices, but no measurable action is taken by the G8 in relation to the objective.
<b>0.5</b>	The G8 adopts language that commits to reassign funds for international aid but fails to agree on any additional funding commitments in response to increased food prices.
<b>0.75</b>	The G8 commits to an action plan to provide funding to some, but not all, areas identified as relevant to the increase in food prices.
<b>1</b>	The G8 commits to significant funding for all areas that relate to solving the food crisis.

<sup>76</sup> 100m ‘pushed into poverty’, News24 (South Africa), 16 June 2008. Date of Access: 16 June 2008. [http://www.news24.com/News24/Africa/News/0,,2-11-1447\\_2341440,00.html](http://www.news24.com/News24/Africa/News/0,,2-11-1447_2341440,00.html).

<sup>77</sup> World Bank chief urges swift actions on food by G8, Reuters (Washington), 2 July 2008. Date of Access: 5 July 2008. <http://uk.reuters.com/article/latestCrisis/idUKN0238901920080702?pageNumber=1&virtualBrandChannel=0>.

<sup>78</sup> Japan pledges food aid ahead of G8 summit, AFP (Tokyo), 5 July 2008. Date of Access: 6 July 2008. <http://afp.google.com/article/ALeqM5hsfK6pvIWBZFfHz-MnhUK8uInGSg>.

<sup>79</sup> Japan pledges food aid ahead of G8 summit, AFP (Tokyo), 5 July 2008. Date of Access: 6 July 2008. <http://afp.google.com/article/ALeqM5hsfK6pvIWBZFfHz-MnhUK8uInGSg>.

## *Prospects*

Providing immediate aid to alleviate food price-related humanitarian emergencies will be a singular priority for the G8. Leaders will likely agree to a short-term course of action, including contributions to already established multilateral funds for emergency food relief. Following Prime Minister Fukuda's consistent statements on the severity of the food crisis, in recent interviews and public appearances, it is very unlikely that this issue will be sidelined. Prime Minister Fukuda has demonstrated his intent to have the G8 "send a message" on this issue at the Summit.

## *Postscript*

The G8 Presidency has achieved a score of 0.5 for the objective of Immediate Aid in Response to Rising Food Prices. The G8 Leaders Statement on Global Food Security underlined the importance of "strengthening the effective, timely and needs-based delivery of food assistance."<sup>80</sup> It was noted that over USD10 billion have been committed since January 2008 to "support food aid, nutrition interventions, and social protection activities and measures to increase agricultural output in affected countries."<sup>81</sup> However, the leaders made no new commitments in response to the continued increase of global food prices. Rather, the leaders called on "other donors"<sup>82</sup> to participate with the G8 to make commitments with the WFP to meet remaining humanitarian needs as well as to look for opportunities to promote the local purchasing of food aid.<sup>83</sup> While the possibility of exploring a coordinated approach on food stock management was discussed, a decision on the matter was deferred, pending consideration of the pros and cons of building a "virtual" reserve system.<sup>84</sup>

Thus, for their failure to commit to any new food aid contributions, the Japanese Presidency receives a score of 0.5 for this objective.

*Analyst: Augustine Kwok*

## **Objective 2: Export Controls [1]**

The Japanese Presidency will be seeking a unified message from G8 member states in opposition to export restrictions on food and agricultural products. Specifically, Japan will be seeking a statement requesting the immediate removal of export controls on rice and other food staples, as well as a pledge to support Japan's proposal to the WTO that exporters should consult with potentially affected G8 member states before invoking any restrictions or prohibitions on food items.<sup>85</sup>

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<sup>80</sup> G8 Leaders Statement of Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_182602.html](http://www.mofa.go.jp/u_news/2/20080708_182602.html).

<sup>81</sup> G8 Leaders Statement of Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_182602.html](http://www.mofa.go.jp/u_news/2/20080708_182602.html).

<sup>82</sup> G8 Leaders Statement of Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_182602.html](http://www.mofa.go.jp/u_news/2/20080708_182602.html).

<sup>83</sup> G8 Leaders Statement of Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_182602.html](http://www.mofa.go.jp/u_news/2/20080708_182602.html).

<sup>84</sup> G8 Leaders Statement of Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_182602.html](http://www.mofa.go.jp/u_news/2/20080708_182602.html).

<sup>85</sup> Japan asks WTO to limit restrictions on food exports, Breibart.Com, (Geneva) 30 April 2008. Date of Access: 16 June 2008. [http://www.breitbart.com/article.php?id=D90C8LPO2&show\\_article=1](http://www.breitbart.com/article.php?id=D90C8LPO2&show_article=1)

As the world's largest net importer of food, Japan imports 60% of the calories that it consumes.<sup>86</sup> Recently, several food-exporting countries, including India, Vietnam, Thailand, Indonesia, Argentina, and Cambodia, introduced either prohibitions or restrictions on the export of certain agricultural food goods in attempts to lower domestic prices. Prime Minister Fukuda called on countries to refrain from instituting such restrictions in an address to the FAO's High-Level Conference on Food Security in Rome on 3 June 2008.<sup>87</sup>

There is broad agreement that the current WTO regulations on the export of agriculture have contributed to soaring food prices by choking supply on the international market. Furthermore, pro-cyclical dynamics and self-fulfilling prophecies are likely relevant factors: as prices rise, or as countries expect them to do so, food exporters may have incentives to restrict supply beyond their borders to keep their domestic prices below world market prices, while driving up global prices even further.<sup>88</sup>

Major international leaders and institutions released key statements following their participation at the June 2008 FAO food summit in Rome. United Nations (UN) Secretary-General Ban Ki-moon noted that "some countries have taken action by limiting exports or by imposing price controls, but called on nations to resist such measures as they only distort markets and force prices even higher."<sup>89</sup> World Bank President Robert B. Zoellick declared, "...we must agree on an international call to scrap food export bans and restrictions that globally are driving prices up and hurting the poor."<sup>90</sup> WTO Director General Pascal Lamy asserted that concluding the Doha Round of trade negotiations would "provide a possibility for strengthening WTO rules on export restrictions."<sup>91</sup>

Although there is no direct reference to export controls in the FAO Food Summit declaration,<sup>92</sup> the document reaffirms "...the need to minimise the use of restrictive measures that could increase volatility of international prices."<sup>93</sup>

On 30 April 2008, Japan and Switzerland submitted a proposal to the WTO asking that food exporters be required to consult with potentially affected G8 members before imposing export restrictions or prohibitions.<sup>94</sup> The proposal mandates that advance notice must be issued in writing, and that it include

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<sup>86</sup> Japan, Agri-Food Trade Policy, Agriculture and Agri-Food Canada. Date of Access: 16 June 2008.

[http://www.agr.gc.ca/itpd-dpci/country/japan\\_e.htm](http://www.agr.gc.ca/itpd-dpci/country/japan_e.htm)

<sup>87</sup> Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the High-Level Conference on World Food Security: The Challenges of Climate Change and Bioenergy, Speeches and Statements by the Prime Minister, The Ministry of Foreign Affairs of Japan (Tokyo), 3 June 2008. Date of Access: 16 June 2008.

<http://www.mofa.go.jp/announce/pm/fukuda/address0806.html>

<sup>88</sup> Japan, China and Thailand Can Solve the Rice Crisis—But U.S. Leadership is Needed, Center for Global Development, May 2008. Date of Access: 16 June 2008. <http://www.cgdev.org/content/publications/detail/16028>.

<sup>89</sup> At Rome summit, Ban urges 'bold and urgent' steps to tackle global food crisis, UN News Centre (New York), 3 June 2008. Date of Access: 16 June 2008. <http://www.un.org/apps/news/story.asp?NewsID=26890&Cr=food&Cr1=crisis>

<sup>90</sup> Action, Resources and Results Needed Now for Food Crisis, Zoellick says, World Bank (Washington), 3 June 2008. Date of Access: 16 June 2008. <http://go.worldbank.org/Q7OB7VXAY0>

<sup>91</sup> The Doha Round can be part of the answer to the food crisis — Lamy, World Trade Organization (Geneva), 3 June 2008. Date of Access: 16 June 2008. [http://www.wto.org/english/news\\_e/sppl\\_e/sppl92\\_e.htm](http://www.wto.org/english/news_e/sppl_e/sppl92_e.htm)

<sup>92</sup> UN Food Summit Strikes Compromise Over Food Export Control, World Bank (Washington), 5 June 2008. Date of Access: 16 June 2008. <http://go.worldbank.org/JRCYXGW370>

<sup>93</sup> Declaration on World Food Security, High Level Conference on World Food Security, Food and Agricultural Organization of the United Nations (Rome), 5 June 2008. Date of Access: 16 June 2008. <http://www.fao.org/foodclimate/hlc-home/en/>

<sup>94</sup> Japan asks WTO to limit restrictions on food exports, Breitbart.Com, (Geneva) 30 April 2008. Date of Access: 16 June 2008. [http://www.breitbart.com/article.php?id=D90C8LPO2&show\\_article=1](http://www.breitbart.com/article.php?id=D90C8LPO2&show_article=1)

information on the nature, reason, and duration of the measure.<sup>95</sup> It is suggested that a standing committee of experts adjudicate if the consultations fail to reach a settlement after sixty days.<sup>96</sup>

Japanese Prime Minister Fukuda mentioned this proposal in his statement at the Rome Food Summit:

At the WTO negotiating table, Japan proposed a scheme through which food importing countries would be able to assert their views upon the imposition of export restrictions. This too aims at the improvement of the environment which is necessary for smooth trade in agricultural products. We look forward to the support of the international community toward this proposal.<sup>97</sup>

The Chair of the Agricultural talks in the Doha Round, New Zealand’s Ambassador to the WTO Crawford Falconer, claimed the proposal received “a pretty cool response, particularly from the developing country members, but got some support from some other members...”<sup>98</sup>

The EU has expressed opposition to export restrictions and prohibitions, and stated that the WTO should pressure food-producing countries to maintain exports. EU Trade Commissioner Peter Mandelson stated that “The WTO stands for free trade. It’s also got to stand up against export restrictions, export taxes, which too will stop the free flow of trade in foodstuffs and agricultural produce.”<sup>99</sup>

Japan will achieve success on this objective if the results of the Hokkaido-Toyako summit are: an explicit condemnation of export controls on agricultural food products, an appeal for the removal of export controls, and an expression of support for Japan’s proposed WTO measures or support for concrete, similar WTO measures.

### *Scoring Guidelines*

<b>0</b>	Export controls are not discussed at the Summit.
<b>0.25</b>	A statement, communiqué, or mention in the Chair’s summary vaguely references export controls as a factor in the food crisis.
<b>0.50</b>	A statement, communiqué, or mention in the Chair’s summary provides explicit reference to the impact of export controls on food prices OR the Chair’s Summary otherwise negatively references export controls.
<b>0.75</b>	A statement or communiqué explicitly condemns export controls on agricultural food products and issues an appeal for their removal OR a statement or communiqué explicitly states that a WTO agreement to regulate the use of export controls should be reached.

<sup>95</sup> Japan asks WTO to limit restrictions on food exports, Breitbart.Com, (Geneva) 30 April 2008. Date of Access: 16 June 2008. [http://www.breitbart.com/article.php?id=D90C8LPO2&show\\_article=1](http://www.breitbart.com/article.php?id=D90C8LPO2&show_article=1)

<sup>96</sup> Japan asks WTO to limit restrictions on food exports, Breitbart.Com, (Geneva) 30 April 2008. Date of Access: 16 June 2008. [http://www.breitbart.com/article.php?id=D90C8LPO2&show\\_article=1](http://www.breitbart.com/article.php?id=D90C8LPO2&show_article=1)

<sup>97</sup> Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the High-Level Conference on World Food Security: The Challenges of Climate Change and Bioenergy, Speeches and Statements by the Prime Minister, The Ministry of Foreign Affairs of Japan (Tokyo). Date of Access: 16 June 2008. <http://www.mofa.go.jp/announce/pm/fukuda/address0806.html>

<sup>98</sup> Japan gets cool response on WTO food export move, Reuters, (New York) 30 April 2008. Date of Access: 16 June 2008. <http://www.reuters.com/article/latestCrisis/idUSL30252011>

<sup>99</sup> WTO should pressure food exporters – Mandelson, Reuters (New York), 23 April 2008. Date of Access: 16 June 2008. <http://www.reuters.com/article/latestCrisis/idUSSP322229>

<b>1</b>	A statement or communiqué explicitly condemns export controls on agricultural food products and issues an appeal for their removal AND expresses support for Japan’s proposed WTO measure or support for similar WTO measures to address the use of export controls.
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*Prospects*

G8 member states are a favourable audience for Japan’s appeal that the WTO should regulate countries’ abilities to restrict their exports of food and agricultural products. Of the eight member states, only Canada, the United States, and France are net agricultural exporters. None of these countries, however, are likely institute or to support export controls. The EU, Japan, and Russia are most directly affected by export controls, and will likely lobby Canada and the United States to adopt language against them. It is probable that the EU, Japan and Russia will also argue for explicit WTO measures. A denouncement of export bans and restrictions is a likely result of the summit, despite that such a statement would be received negatively by many developing countries. The prospects for support of concrete WTO measures, however, are less certain.

Japan may also be encouraged by the G8 to release its rice stockpiles for export, now that it has received U.S. permission to do so, or to the World Food Programme. Failure to do so may undermine Japan’s bargaining position on WTO rules against export controls, if it is viewed to be less credibly committed to global food security.

*Postscript*

The G8 made a strong statement against export controls in the G8 Leaders Statement on Global Food Security. It was deemed necessary to work, with some urgency, toward the conclusion of “an ambitious, comprehensive and balanced Doha Round.”<sup>100</sup> In addition, there was a decision to remove export controls and expedite current negotiations with the WTO to introduce strict disciplines on export restrictions that hinder humanitarian purchases of food commodities.<sup>101</sup> The G8 also called on further development of open food markets, and expressed support for the monitoring of the functioning of these markets by relevant agencies.<sup>102</sup>

Thus, for releasing a statement that explicitly condemns export controls on food products, issues an appeal for their removal, and expresses support to expedite WTO measures against export controls, the G8 Presidency has achieved a score of 1 on this objective.

*Analyst: Julie Wilson*

**Objective 3: Biofuels [1]**

Biofuels have become a contentious issue in light of soaring food prices. Many countries have expressed a belief that biofuels, which are sometimes developed from food crops, have promoted food price inflation. The issue is complicated by the fact that biofuels were developed as a renewable source of

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<sup>100</sup> G8 Leaders Statement of Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_182602.html](http://www.mofa.go.jp/u_news/2/20080708_182602.html).

<sup>101</sup> G8 Leaders Statement of Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_182602.html](http://www.mofa.go.jp/u_news/2/20080708_182602.html).

<sup>102</sup> G8 Leaders Statement of Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_182602.html](http://www.mofa.go.jp/u_news/2/20080708_182602.html).

energy. Their use offers a solution to the growing demand for energy, but also creates an incentive for farmers to substitute agricultural activity away from food production.

The EU, hoping to turn away from fossil fuels, ratified a biofuels target in early 2008. The EU hopes to get 10% of its fuel from renewable energy sources like biofuels by 2020.<sup>103</sup> Recently, however, members of the EU have expressed concern over the target. Italy has called for a review of the target in light of the rise in food prices.<sup>104</sup> The UK commissioned a report on the issue and found that there is a distinction between “‘first-generation’ biofuels, which use food crops such as corn, rapeseed, palm, and soya and experimental ‘second-generation’ fuels based on fibrous non-plants which could theoretically be grown without displacing other crops and raising food prices.”<sup>105</sup>

President of the European Commission Jose Manuel Barroso has commented on the recent controversy surrounding biofuels:

...with or without our target in the EU there will be a further increase in worldwide production of biofuels...the question is are we going on...without any kinds of standards of criteria or should we as Europe promote a world wide regime of sustainability for biofuels. We believe...we have to do everything possible to show that a sustainability scheme can work and promote it globally.<sup>106</sup>

Between member states, the current feeling on the issue of biofuels seems to be that further research is required before defending or supporting their use. On 14 June 2008, at the G8 Finance Ministers Meeting in Osaka, the ministers released the following statement: “As bio-fuels pose challenges and opportunities, it is essential to ensure the sustainability of their production and use. In this light, research and development of the second-generation production methods from non-food material should be a priority.”<sup>107</sup> The critical importance of discussion about biofuels was heightened by British Prime Minister Gordon Brown when he wrote to Japanese Prime Minister Yasuo Fukuda and commented on the “growing consensus that we need urgently to examine the impact on food prices of different kinds and production methods of bio-fuels and ensure that their use is responsible and sustainable.”<sup>108</sup>

The official declaration of the High-Level Conference on Food Security held on 5 June 2008 is that “in-depth studies are necessary to ensure that production and use of biofuels is sustainable in accordance with the three pillars of sustainable development.”<sup>109</sup> Prime Minister Fukuda has noted that discussion at the Summit will involve consideration of the output of discussions at the High-Level Conference.<sup>110</sup>

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<sup>103</sup> Brown and Barroso outline EU agenda, 10 Downing Street, (London), 5 June 2008. Date of Access: 18 June 2008. <http://www.number-10.gov.uk/output/Page15675.asp>.

<sup>104</sup> Italy calls for review of biofuels target, Reuters UK, (UK), 6 June 2008. Date of Access: 17 June 2008. <http://uk.reuters.com/article/oilRpt/idUKL0693570620080606>.

<sup>105</sup> New study forces ministers to review climate change policies, The Guardian, (London), 19 June 2008. Date of Access: 19 June 2008. <http://www.guardian.co.uk/environment/2008/jun/19/climatechange.biofuels>.

<sup>106</sup> Press Conference with President of European Commission, 10 Downing Street, (London), 5 June 2008. Date of Access: 18 June 2008. <http://www.number-10.gov.uk/output/Page15696.asp>.

<sup>107</sup> Statement of the G8 Finance Ministers Meeting, (Japan), 14 June 2008. Date of Access: 16 June 2008. <http://www.mof.go.jp/english/if/su080614.pdf>.

<sup>108</sup> PM Writes to Japan Urging Action on Food Scarcity, (Great Britain), 10 April 2008. Date of Access: 16 June 2008. <http://www.guardian.co.uk/environment/2008/apr/10/biofuels.food>

<sup>109</sup> Declaration on World Food Security, High Level Conference on World Food Security, Food and Agricultural Organization of the United Nations (Rome), 5 June 2008. Date of Access: 16 June 2008.

<sup>110</sup> Address by H.E Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the High-Level Conference on World Food Security: The Challenges of Climate Change and Bioenergy, Ministry of Foreign Affairs of Japan, (Rome), 3 June 2008. Date of Access: 16 June 2008. <http://www.mofa.go.jp/announce/pm/fukuda/address0806.html>.

Fukuda has noted that “we need to look at whether we have made the right decisions over time about the production of biofuels at the expense of food.”<sup>111</sup> He has also noted the need to “accelerate research on second-generation biofuels, which do not require food crops as feedstock, in order to bring them into practical production.”<sup>112</sup>

Japan will reach success on this objective if the outcome of the Summit is a decision to increase investment into research of second-generation biofuels and investigate the impact of first-generation biofuel production on food security.

### Scoring

<b>0</b>	G8 does not make any substantive mention of biofuels at the Summit OR the G8 decides that first-generation biofuel production is unrelated to the increase in food prices.
<b>0.25</b>	The G8 engaged in discussion on the correlation between biofuels and food prices, but no measurable action was taken by the G8 to invest in biofuel research.
<b>0.50</b>	The G8 releases communiqués or makes statements committing to an action plan to investigate the impacts of first-generation biofuels on food security without any discussion of second-generation biofuels.
<b>0.75</b>	The G8 releases communiqués or makes statements committing to an action plan to invest in research of second-generation biofuels.
<b>1</b>	The G8 releases communiqués or makes statements committing to an action plan to invest in the research of second-generation biofuels and investigate the impacts of first-generation biofuel production on current food security.

### Prospects

Japan will likely achieve this objective. A majority of member states have expressed concern about the use of food crops in biofuel production in light of the current food crisis. The UK, like Japan, has called for further research in second-generation biofuels.<sup>113</sup> Germany has agreed that the production of biofuels must not be allowed to compete with food production and will therefore also likely agree to look into second-generation biofuels.<sup>114</sup> The EU, which has included increasing biofuel usage in energy targets, has recently been pressured by the UK, Italy and France to review the use of biofuels<sup>115</sup> and will therefore likely also agree to invest in research in second-generation biofuels.

Japan may receive some resistance on the issue of biofuels from the US and Canada. The US is resistant to “a joint statement on the need to review the cultivation of crops for biofuels in light of their impact on the global food supply.”<sup>116</sup> The US has argued that the impact of biofuels on food supply is minimal.<sup>117</sup>

<sup>111</sup> Cut biofuels targets to feed the poor, leaders are urged, The Times, (UK), 3 June 2008. Date of Access: 18 June 2008. <http://www.timesonline.co.uk/tol/news/world/europe/article4053744.ece>.

<sup>112</sup> Address by H.E Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the High-Level Conference on World Food Security: The Challenges of Climate Change and Bioenergy, Ministry of Foreign Affairs of Japan, (Rome), 3 June 2008. Date of Access: 16 June 2008. <http://www.mofa.go.jp/announce/pm/fukuda/address0806.html>.

<sup>113</sup> New study forces ministers to review climate change policies, The Guardian, (London), 19 June 2008. Date of Access: 19 June 2008. <http://www.guardian.co.uk/environment/2008/jun/19/climatechange.biofuels>.

<sup>114</sup> Japan, Germany seek coordination ahead of G8 Summit, China View, (China), 2 June 2008. date of Access: 18 June 2008. [http://news.xinhuanet.com/english/2008-06/02/content\\_8299173.htm](http://news.xinhuanet.com/english/2008-06/02/content_8299173.htm).

<sup>115</sup> France says EU may need to reconsider biofuel goal, Reuters, 30 June 2008. Date of Access: 2 July 2008. <http://www.reuters.com/article/environmentNews/idUSL3027453120080630>.

<sup>116</sup> Summit struggles for consensus on global food crisis, Guardian, (UK), 5 June 2008. Date of Access: 18 June 2008. <http://www.guardian.co.uk/environment/2008/jun/05/food>.

In Canada, a very small fraction of lower-grade crops are being used to meet the current biofuel goals of 5% renewable content in gasoline. The biofuels industry in Canada has a “negligible effect on food and feed prices”.<sup>118</sup> However, given the prominence of discussions surrounding biofuels and their impact on food security in the majority of member states, it is likely that there will be consensus to investigate the impact of first-generation biofuels and invest in research of second-generation biofuels.

### *Postscript*

The G8 Presidency has achieved a score of 1 on this objective. The G8 decided to “ensure the compatibility of policies for the sustainable production and use of biofuels with food security” and pledged to work with stakeholders to develop science-based benchmarks and indicators for biofuel production.<sup>119</sup> In addition, it was pledged to accelerate the development and commercialization of sustainable second-generation biofuels that are produced from non-food plant materials and inedible biomass.<sup>120</sup>

Thus, for making a commitment to investigate policies for current biofuel production and to invest in the development of second-generation biofuels, the G8 Presidency has been awarded a score of 1 on this objective.

*Analysts: Pratima Arapakota and Magda Parniak*

## **Objective 4: Agricultural Technologies [1]**

Japan has consistently supported the development of agricultural technologies to improve food production.

At the High-Level Conference on Food Security that occurred on 3-5 June 2008 in Rome, Prime Minister Yasuo Fukuda identified “infrastructure development such as irrigation, research into breed improvement, and human resource development to disseminate cultivation and other measures” as medium to long-term measures to improve agricultural productivity in Africa.<sup>121</sup>

At the TICAD IV conference, Japan recognized “technology transfer for development of improved seeds” as part of the plan to achieve a doubling of Africa’s rice production in the next ten years.<sup>122</sup> In addition, it was recognized at the G8 Science and Technology Ministers’ Meeting held on 15 June 2008 in Okinawa, Japan that food security would be “improved by increased access to new agricultural technologies including biotechnology and post-harvest technologies”.<sup>123</sup>

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<sup>117</sup> Summit struggles for consensus on global food crisis, Guardian, (UK), 5 June 2008. Date of Access: 18 June 2008. <http://www.guardian.co.uk/environment/2008/jun/05/food>.

<sup>118</sup> Food-Summit draft rejects biofuels control, Globe and Mail, (Toronto), 5 June 2008. Date of Access: 18 June 2008. <http://www.theglobeandmail.com/servlet/story/RTGAM.20080605.wrome0605/BNSStory/International/home>.

<sup>119</sup> G8 Leaders Statement of Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_182602.html](http://www.mofa.go.jp/u_news/2/20080708_182602.html).

<sup>120</sup> G8 Leaders Statement of Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_182602.html](http://www.mofa.go.jp/u_news/2/20080708_182602.html).

<sup>121</sup> Address by H.E Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the High-Level Conference on World Food Security: The Challenges of Climate Change and Bioenergy, Ministry of Foreign Affairs of Japan (Rome), 3 June 2008. Date of Access: 16 June 2008. <http://www.mofa.go.jp/announce/pm/fukuda/address0806.html>.

<sup>122</sup> Summary by the Chair of TICAD IV, Ministry of Foreign Affairs of Japan (Yokohama), 30 May 2008. Date of Access: 16 June 2008. <http://www.mofa.go.jp/region/africa/ticad/ticad4/doc/summary.pdf>.

<sup>123</sup> The G8 Science and Technology Ministers’ Meeting Chair’s Summary, Bureau of Science and Technology Policy, (Japan), 15 June 2008. Date of Access: 17 June 2008. <http://www8.cao.go.jp/cstp/english/others/g8summary-e.pdf>.



The US has expressed support for the development of agricultural technologies as a possible solution to improve food productivity.<sup>124</sup> In addition, the UK is a bilateral donor to AGRA, which implements agricultural technology in Africa.<sup>125</sup> The FAO also put the issue of agricultural technology into light when a declaration was released at the High-Level Conference on Food Security calling on the international community to increase assistance to developing countries affected by high food prices. Investment into technology was recognized as one of the measure to mitigate food security problems.<sup>126</sup>

It is expected that Japan will look for support from other G8 members at the Summit for investment into agricultural technology as a measure to improve food security. The development of irrigation and post-harvest technology to improve food production in underdeveloped areas of Africa will likely be a primary topic of concern.

### *Scoring Guidelines*

<b>0</b>	The G8 fails to address agricultural technologies as a measure to increase food production.
<b>0.25</b>	The G8 issues a statement suggesting that short-term measures to improve food security like immediate food aid are favourable to medium to long-term measures like investing in agricultural technologies.
<b>0.50</b>	The G8 issues a statement that its members will continue to investigate agricultural technologies as a possible measure to increase food production in Africa but makes no commitment to investing in the development and implementation of technologies.
<b>0.75</b>	G8 members agree to invest in the implementation of current agricultural technologies in Africa.
<b>1</b>	G8 members collectively express an immediate intention to invest in the development of new agricultural technologies in addition to the implementation of current technologies in Africa.

### *Prospects*

There have been no distinct objections by G8 member states about investment in agricultural technology. Although agricultural technology has been identified by G8 members as a possible measure to increase food production, it has not been as explicitly discussed as the other food security objectives. However, given the urgency of the current food crisis as a result of shortages and increased food prices, it is likely that G8 members will agree to include investment in agricultural technologies as one the efforts to improve worldwide food security.

### **Agricultural Technology**

#### *Postscript*

<sup>124</sup> Press Gaggle by Dano Perino, National Security Advisor for Regional Affairs Judy Ansley, and Assistant to the President for International Economic Affairs Dane price, Office of the Press Secretary, (En Route to Slovenia), 9 June 2008. Date of Access: 16 June 2008. <http://www.whitehouse.gov/news/releases/2008/06/20080609-11.html>.

<sup>125</sup> UK urges global action on food prices, Douglas Alexander, Department for International Development, (London), 3 June 2008. Date of Access: 16 June 2008. <http://www.dfid.gov.uk/news/files/Speeches/alexander-world-food-speech.asp>.

<sup>126</sup> Food Summit calls for more investment in agriculture, Food and Agriculture Organization, (Rome), 6 June 2008. Date of Access: 16 June 2008. <http://www.fao.org/newsroom/en/news/2008/1000856/index.html>.

The G8 Presidency has achieved a score of 1 for this objective. The G8 Leaders Statement on Global Food Security outlined the intention of the G8 to support the implementation of current agricultural technology. Efforts will include support for the improvement of infrastructure, irrigation, transportation, supply chain, storage and distribution and quality control. In addition, the G8 has expressed goals to develop new agricultural technology to improve agricultural output. The G8 will be working to train a new generation of scientists and experts in developing countries to focus on “the dissemination of improved, locally adapted and sustainable farming technologies”<sup>127</sup> in partnership with the Consultative Group on International Agricultural Research (CGIR) and AGRA. The G8 has also called on a partnership with the UN to coordinate a “global network of high-level experts on food and agriculture”<sup>128</sup> to provide scientific analysis and highlight needs and future risks.

Thus, for the G8’s expression of intention to implement current agricultural technologies in developing nations and to mobilize development of new agricultural technologies, the G8 Presidency has achieved a score of 1.

*Analyst: Pratima Arapakota*

## **Addendum**

There was no substantive discussion on the use biotechnology as a measure to improve food security by the Japanese Presidency. Thus, biotechnology research was not included as an objective for the issue of Food Security at the 2008 Hokkaido Toyako Summit. However, it should be noted that the G8 Leader’s Statement on Global Food Security included a commitment to “promote science-based risk analysis including on the contribution of seed varieties developed through biotechnologies.”<sup>129</sup>

In addition, although the Japanese Presidency did address the necessity of implementing “good governance” protocols in developing countries as a long-term strategy to combat the food crisis, the objective was not included in this issue report because of the limited dialogue that was occurring on the strategy. However, the G8 Leaders Statement on Global Food Security did address the intention of the G8 to promote good governance in developing countries with emphasis on food security and market policies.<sup>130</sup>

G8 also made a commitment for thorough reform of the FAO and for the development of food security early warning systems as long-term solutions to improve food security.<sup>131</sup> These were unexpected commitments, and were thus also not addressed in the issue report.

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<sup>127</sup> G8 Leaders Statement of Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_182602.html](http://www.mofa.go.jp/u_news/2/20080708_182602.html).

<sup>128</sup> G8 Leaders Statement of Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_182602.html](http://www.mofa.go.jp/u_news/2/20080708_182602.html).

<sup>129</sup> G8 Leaders Statement of Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_182602.html](http://www.mofa.go.jp/u_news/2/20080708_182602.html).

<sup>130</sup> G8 Leaders Statement of Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_182602.html](http://www.mofa.go.jp/u_news/2/20080708_182602.html).

<sup>131</sup> G8 Leaders Statement of Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_182602.html](http://www.mofa.go.jp/u_news/2/20080708_182602.html).

# AFRICAN DEVELOPMENT [0.91]

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Japan has indicated that African Development will be a priority theme at the 2008 Hokkaido-Toyako Summit.

In an effort to fulfill commitments made by the G8 towards African development, member states have released numerous statements and action plans. Of these, the most relevant is the AAP adopted by the G8 at the 2002 Kananaskis Summit. It was the G8's response to the New Partnership for Africa's Development, an economic development program the AU adopted at the 37<sup>th</sup> Assembly of Heads of State and Government in 2001. The AAP was designed to lay a solid foundation for future cooperation.<sup>132</sup> The AAP identified eight priorities for Africa, which will all be present in some capacity at the Hokkaido-Toyako Summit.

Expanding on the AAP, the G8 adopted the Joint Africa-G8 Action Plan to Enhance African Capabilities to Undertake Peace and Support Operations at the Evian Summit in 2003.<sup>133</sup> Shortly after at the 2004 Sea Island Summit, the G8 adopted The G8 Action Plan: Expanding Global Capacity for Peace Support Operations, which committed the G8 to aiding in the establishment of the African Stability Force for peacekeeping and stabilization operations.<sup>134</sup>

The G8 also adopted a specific G8 Action Plan on Health at the 2003 Evian Summit. As part of the ongoing effort to achieve the UN Millennium Development Goals (MDGs) by 2015, the G8 committed to: fighting HIV/AIDS, tuberculosis, and malaria; strengthening health systems; improving access to medicines; fighting those diseases that mostly affect developing countries; eradicating polio and confronting SARS.<sup>135</sup>

Also at the Evian Summit, the leaders committed to the G8 Action Plan on Water. In order to achieve the MDGs, the G8 agreed to: promote good governance that prioritizes safe water management, utilize all financial resources available for water management, construct water and sanitation infrastructure, strengthen research, and reinforce engagement with international organizations.<sup>136</sup>

Despite the fact that the MDGs were not agreed to under G8 auspices, G8 members are committed to the MDGs, which have galvanized unprecedented efforts by leading industrial nations "to meet the needs of the world's poorest."<sup>137</sup> Many of the commitments made by the G8 towards African development are linked to the achievement of these MDGs.

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<sup>132</sup> G8 Africa Action Plan, Government of Canada, (Ottawa), 11 February 2003. Date of Access: 16 June 2008. <http://www.g8.gc.ca/2002Kananaskis/kananaskis/afraction-en.asp>.

<sup>133</sup> Implementation Report by Africa Personal Representative to Leaders on the G8 Africa Action Plan, G8 Information Centre, (Toronto), 1 June 2003. Date of Access: 16 June 2008. <http://www.g8.utoronto.ca/Summit/2003evian/apr030601.html>.

<sup>134</sup> G8 Action Plan: Expanding Global Capability for Peace Support Operations, G8 Information Centre, (Toronto), 10 June 2004. 16 June 2008. <http://www.g8.utoronto.ca/Summit/2004seaisland/peace.html>.

<sup>135</sup> Health: A G8 Action Plan, Sommet d'Evian, (Evian), 2003. Date of Access: 16 June 2008. [http://www.g8.fr/evian/english/navigation/2003\\_g8\\_Summit/Summit\\_documents/health\\_-\\_a\\_g8\\_action\\_plan.html](http://www.g8.fr/evian/english/navigation/2003_g8_Summit/Summit_documents/health_-_a_g8_action_plan.html).

<sup>136</sup> Health: A G8 Action Plan, Sommet d'Evian, (Evian), 2003. Date of Access: 16 June 2008. [http://www.g8.fr/evian/english/navigation/2003\\_g8\\_Summit/Summit\\_documents/health\\_-\\_a\\_g8\\_action\\_plan.html](http://www.g8.fr/evian/english/navigation/2003_g8_Summit/Summit_documents/health_-_a_g8_action_plan.html).

<sup>137</sup> UN Millennium Development Goals, United Nations, (New York), 2008. Date of Access: 16 June 2008. <http://www.un.org/millenniumgoals/>.

In addition, the G8 has called for international financial institutions to establish several initiatives to meet African development commitments. Resultant initiatives include the MDRI<sup>138</sup> and the Debt-Sustainability Framework for Low-Income Countries,<sup>139</sup> which aim to provide complete relief of eligible debts from the African Development Bank, World Bank and IMF.

In order to promote and improve access to primary education, the G8 has remained committed to Education for All and launched the FTI,<sup>140</sup> established the Education Task Force<sup>141</sup> and adopted the Dakar Framework for Action.<sup>142</sup>

At the 2001 Genoa Summit, the G8 endorsed and financed the Global Fund to Fight AIDS, Tuberculosis and Malaria, which led to the Global Fund's establishment in 2002.<sup>143</sup> Subsequent commitments were made to replenish the funding mechanism of the Global Fund at the 2003 Evian Summit,<sup>144</sup> 2005 Gleneagles Summit,<sup>145</sup> and 2007 Heiligendamm Summit.<sup>146</sup>

The perception of G8 effectiveness in African development is mixed. Nigerian president Olusegun Obasanjo called the AAP a "good beginning".<sup>147</sup> However, the AAP received criticism because it was developed without consultation and its commitments on education and health are "imprecise, at best."<sup>148</sup>

Despite criticism over the shortcomings in the G8's dealings with African development, the international community continues to call for the wealthy and influential G8 to play a role in African development. At the 2006 St. Petersburg Summit, members of the O5 encouraged the G8 to take specific actions to address trade and education problems.<sup>149</sup>

International pressure for the G8 to play a constructive role in Africa remains high. In light of the continued crisis in Darfur, Sudan, the advocacy group Human Rights First called on the G8 to make a

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<sup>138</sup> G8 Finance Ministers' Conclusions on Development, G8 Information Centre, (Toronto), 11 June 2005. Date of Access: 16 June 2008. [http://www.g8.utoronto.ca/finance/fm050611\\_dev.htm](http://www.g8.utoronto.ca/finance/fm050611_dev.htm).

<sup>139</sup> The Joint World Bank-IMF Debt Sustainability Framework for Low Income Countries, International Monetary Fund, (Washington, D.C.), May 2007. Date of Access: 17 June 2008. [http://www.g8.utoronto.ca/finance/fm050611\\_dev.htm](http://www.g8.utoronto.ca/finance/fm050611_dev.htm).

<sup>140</sup> Growth and Responsibility in Africa, G8 Research Group, (Toronto), 8 June 2007. Date of Access: 15 June 2008. <http://www.g8.utoronto.ca/Summit/2007heiligendamm/g8-2007-africa.html>.

<sup>141</sup> Communiqué, G8 Information Centre, (Toronto), 22 July 2001. Date of Access: 1 July 2008. <http://www.g8.utoronto.ca/Summit/2001genoa/finalcommuniqué.html>.

<sup>142</sup> Communiqué, G8 Information Centre, (Toronto), 22 July 2001. Date of Access: 17 June 2008. <http://www.g8.utoronto.ca/Summit/2001genoa/finalcommuniqué.html>.

<sup>143</sup> The Road to the Fund, The Global Fund to Fight Aids, Tuberculosis and Malaria, (Geneva). Date of Access: 30 June 2008. <http://www.theglobalfund.org/en/about/road>.

<sup>144</sup> Health: A G8 Action Plan, G8 Information Centre, (Toronto), 2 June 2003. Date of Access: 17 June 2008. [http://www.g8.utoronto.ca/Summit/2003evian/health\\_en.html](http://www.g8.utoronto.ca/Summit/2003evian/health_en.html).

<sup>145</sup> Africa, G8 Information Centre, (Toronto), 8 July 2005. Date of Access: 17 June 2008. <http://www.g8.utoronto.ca/Summit/2005gleneagles/africa.html>.

<sup>146</sup> Growth and Responsibility in Africa, G8 Research Group, (Toronto), 8 June 2007. Date of Access: 15 June 2008. <http://www.g8.utoronto.ca/Summit/2007heiligendamm/g8-2007-africa.html>.

<sup>147</sup> The Kananaskis Summit: The Development Agenda, Sir Nicholas Bayne, G8 Research Group, (Toronto), 16 December 2003. Date of Access: 16 June 2008. <http://www.g7.utoronto.ca/g8online/2002/english/2002/23.html>.

<sup>148</sup> The Kananaskis Summit: The Development Agenda, Sir Nicholas Bayne, G8 Research Group, (Toronto), 16 December 2003. Date of Access: 16 June 2008. <http://www.g7.utoronto.ca/g8online/2002/english/2002/23.html>.

<sup>149</sup> Hu: G8 should work closely with developing nations, China Daily, (Beijing), 18 June 2006. Date of Access: 16 June 2008. [http://www.chinadaily.com.cn/china/2006-07/18/content\\_643176.htm](http://www.chinadaily.com.cn/china/2006-07/18/content_643176.htm).

definitive statement of action on the cessation of violence in Darfur at the Hokkaido-Toyako Summit. The group stressed that such action is unlikely without at least one member “championing the cause.”<sup>150</sup>

Health remains a crucial African development issue. As of November 2007, there were 22.5 million persons living with HIV/AIDS in Sub-Saharan Africa.<sup>151</sup> At current rates of progress, Sub-Saharan Africa will not achieve any of the MDGs, particularly in health care.<sup>152</sup> In 2005, reports showed all key health indicators for Africa were much worse than those in any other developing regions and criticized the G8 for not contributing nearly enough to the health MDGs.<sup>153</sup> There have also been urgent calls for renewed commitments to ODA, which come on the heels of a recent OECD/DAC publication that confirmed a continual decrease in global ODA, which was only slightly above USD100 billion in 2007.<sup>154</sup>

The APP called for “G8 leaders to take immediate steps to get their commitments to Africa back on target.”<sup>155</sup> In addition to citing the food crisis, the panel discussed infrastructure as a serious constraint to increasing access to water and sanitation and good governance – a current crisis which requires greater attention from the international community for resolution.<sup>156</sup> In an address at TICAD IV, held in Yokohama from 28-30 May 2008, the Deputy Secretary-General of the UN urged participants to fulfill the MDGs, as 2008 marks the half-way point to the pledged completion. There are concerns that the MDGs will not meet their 2015 deadline without a sustained commitment by the G8 and other international actors.<sup>157</sup>

African development was a topic on the German agenda at the 2007 Heiligendamm Summit. The 2007 Summit declaration, *Growth and Responsibility in Africa*, outlined the commitments made by G8 members towards African development, namely those on debt relief, ODA, African financial markets, education, peace and security, replenishment of the Global Fund, sexual and reproductive education, and health systems.<sup>158</sup>

A commitment to a healthy, prosperous and vibrant Africa was the dominant theme at the G8 Development Ministers’ Meeting, held on 5-6 April 2008 in Tokyo. Development Ministers of the G8

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<sup>150</sup> The G8 Should Make a Definitive Statement on Sudan/Darfur, Human Rights First, (New York), 2 June 2008. Date of Access: 16 June 2008. <http://www.stoparmstosudan.org/china/2008/06/g8-should-make-definitive-statement-on.html>.

<sup>151</sup> HIV/AIDS Regional Update – Africa, World Bank, (Washington), November 2007. Date of Access: 17 June 2008. <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/EXTAFRHEANUTPOP/EXTAFRREGTOPHIVAIDS/0,,contentMDK:20415756~menuPK:1830800~pagePK:34004173~piPK:34003707~theSitePK:717148,00.html>.

<sup>152</sup> Confronting Africa’s health crisis: more of the same will not be enough, BMJ (British Medical Journal), (London), 1 October 2005. Date of Access: 17 June 2008. <http://bmj.bmjournals.com/cgi/content/full/331/7519/755>.

<sup>153</sup> Confronting Africa’s health crisis: more of the same will not be enough, BMJ (British Medical Journal), (London), 1 October 2005. Date of Access: 17 June 2008. <http://bmj.bmjournals.com/cgi/content/full/331/7519/755>.

<sup>154</sup> The G8 Development Ministers’ Meeting 2008, Ministry of Foreign Affairs of Japan, (Tokyo), 6 April 2008. Date of Access: 14 June 2008. [http://www.g8Summit.go.jp/eng/other/g8\\_develop\\_gs.html](http://www.g8Summit.go.jp/eng/other/g8_develop_gs.html).

<sup>155</sup> 100M ‘pushed into poverty’, News 24, (Cape Town), 16 June 2008. Date of Access: 18 June 2008.

[http://www.news24.com/News24/Africa/News/0,,2-11-1447\\_2341440,00.html](http://www.news24.com/News24/Africa/News/0,,2-11-1447_2341440,00.html).

<sup>156</sup> 100M ‘pushed into poverty’, News 24, (Cape Town), 16 June 2008. Date of Access: 18 June 2008.

[http://www.news24.com/News24/Africa/News/0,,2-11-1447\\_2341440,00.html](http://www.news24.com/News24/Africa/News/0,,2-11-1447_2341440,00.html).

<sup>157</sup> Deputy Secretary-General Urges Specific TICAD IV Action Plan, In Line With Summit Theme – “Towards a Vibrant Africa”, Department of Public Information, News and Media Division, United Nations, (New York), 28 May 2008. Date of Access: 16 June 2008. <http://www.un.org/News/Press/docs/2008/dsgsm395.doc.htm>.

<sup>158</sup> Growth and Responsibility in Africa, G8 Research Group, (Toronto), 8 June 2007. Date of Access: 15 June 2008.

<http://www.g8.utoronto.ca/Summit/2007heilgendamm/g8-2007-africa.html>.

and the European Commission, in addition to numerous outreach nations and international organizations, announced a firm recommitment to the 2005 Gleneagles pledge to double aid for Africa by 2010.<sup>159</sup>

The G8 Development Ministers acknowledged the importance of achieving human security in order to halve the proportion of people living in poverty, ensure that growth is inclusive and sustainable, and that individuals are free from the threat of poverty and infectious disease.<sup>160</sup> They stressed the importance of regional integration, developing infrastructure, improving the trade and investment environment, and increasing agricultural productivity.<sup>161</sup>

TICAD IV built on the discussions of the G8 Development Ministers in addition to the input of 51 African states, 75 international and regional organizations and representatives of the private sector, civil society, and academic institutions.<sup>162</sup> Participants underlined the importance for G8 countries to honour their commitments and to work towards a greater coordination of the international partnership with Africa.<sup>163</sup> The Yokohama Declaration outlines the recent trends and challenges in African development, including the MDGs and the political dimensions of human security, and the “way forward.”<sup>164</sup> Japan closed the conference with a commitment to seek active G8 support for African development during the Hokkaido-Toyako Summit.

*Lead Analyst: Christopher VanBerkum*

## **Objective 1: Health [1]**

As Summit President for 2008, Japan aims to promote a comprehensive approach to health care that strikes at the root of Africa’s health crises through the promotion of research, development and strengthening of health systems, including resource development and retention.<sup>165</sup> By stressing ‘human security’, Minister of Foreign Affairs Masahiko Koumura suggests that it is of “vital importance that we not only focus on the health of individuals and protect them, but also strive to empower individuals and communities through health system strengthening.”<sup>166</sup>

A comprehensive approach to healthcare that includes participation of local communities, was suggested by Minister Koumura in a 26 November 2007 address.<sup>167</sup> The Japanese proposals incorporate sanitation

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<sup>159</sup> The G8 Development Ministers’ Meeting 2008, Ministry of Foreign Affairs of Japan, (Tokyo), 6 April 2008. Date of Access: 14 June 2008. [http://www.g8Summit.go.jp/eng/other/g8\\_develop\\_gs.html](http://www.g8Summit.go.jp/eng/other/g8_develop_gs.html).

<sup>160</sup> The G8 Development Ministers’ Meeting 2008, Ministry of Foreign Affairs of Japan, (Tokyo), 6 April 2008. Date of Access: 14 June 2008. [http://www.g8Summit.go.jp/eng/other/g8\\_develop\\_gs.html](http://www.g8Summit.go.jp/eng/other/g8_develop_gs.html).

<sup>161</sup> The G8 Development Ministers’ Meeting 2008, Ministry of Foreign Affairs of Japan, (Tokyo), 6 April 2008. Date of Access: 14 June 2008. [http://www.g8Summit.go.jp/eng/other/g8\\_develop\\_gs.html](http://www.g8Summit.go.jp/eng/other/g8_develop_gs.html).

<sup>162</sup> Yokohama Declaration, Ministry of Foreign Affairs of Japan, (Tokyo), 30 May 2008. Date of Access 14 June 2008. <http://www.mofa.go.jp/region/africa/ticad/ticad4/doc/declaration.pdf>.

<sup>163</sup> Yokohama Declaration, Ministry of Foreign Affairs of Japan, (Tokyo), 30 May 2008. Date of Access 14 June 2008. <http://www.mofa.go.jp/region/africa/ticad/ticad4/doc/declaration.pdf>.

<sup>164</sup> Yokohama Declaration, Ministry of Foreign Affairs of Japan, (Tokyo), 30 May 2008. Date of Access 14 June 2008. <http://www.mofa.go.jp/region/africa/ticad/ticad4/doc/declaration.pdf>.

<sup>165</sup> Address by Mr. Masahiko Koumura, Minister for Foreign Affairs of Japan: Global Health and Japan’s Foreign Policy – From Okinawa to Toyako, Ministry of Foreign Affairs of Japan, (Tokyo), 25 November 2007. Date of Access: 17 June 2007. [http://www.mofa.go.jp/policy/health\\_c/address0711.html](http://www.mofa.go.jp/policy/health_c/address0711.html).

<sup>166</sup> Address by Mr. Masahiko Koumura, Minister for Foreign Affairs of Japan: Global Health and Japan’s Foreign Policy – From Okinawa to Toyako, Ministry of Foreign Affairs of Japan, (Tokyo), 25 November 2007. Date of Access: 17 June 2007. [http://www.mofa.go.jp/policy/health\\_c/address0711.html](http://www.mofa.go.jp/policy/health_c/address0711.html).

<sup>167</sup> Global Health and Japan’s Foreign Policy, Masahiko Koumura, The Lancet, Ministry of Foreign Affairs of Japan, (Tokyo), 26 November 2007. Date of Access: 16 June 2008. [http://www.mofa.go.jp/policy/health\\_c/address0711\\_r.pdf](http://www.mofa.go.jp/policy/health_c/address0711_r.pdf).

and water, development and retention of human resources through education, improving access to care through transportation and communication infrastructure, and addressing the expansion of malaria-affected areas by combating the effects of climate change.<sup>168</sup>

The Japanese will seek the support of the G8, as well as the international collaboration of diverse stakeholders, experts, and the developing countries of Africa,<sup>169</sup> to develop a plan of action that balances a ‘disease-specific approach’ with a ‘comprehensive approach’ to improve health care in Africa.

The Japanese proposed objectives are not based on any past G8 summits, although the 2007 Heiligendamm Summit did include a commitment to address health system personnel and infrastructure.<sup>170</sup> The ‘disease-specific approach’ has appeared on the G8 agenda numerous times, with commitments to combating infectious diseases made at the 2000 Okinawa Summit, 2003 Evian Summit, 2005 Gleneagles Summit, 2006 St. Petersburg Summit and the 2007 Heiligendamm Summit. The establishment of definitive and measureable targets and work through the GPEI and Global Fund institutions has allowed the member states to fulfill their commitments with moderate to high levels of compliance. This approach has traditionally been well received.

During their meeting in Tokyo, G8 Development Ministers acknowledged the “pressing need for reinvigorating [G8] efforts and renewed [G8] commitments to continue to assist the developing world to achieve these [Millennium Development] Goals.”<sup>171</sup> Minister Koumura has already welcomed complementary initiatives by Canada, Germany, and the UK.<sup>172</sup>

The G8 will need to confront the requests for greater funding in those organizations that are built on the disease-specific approach, namely the GPEI and the Global Fund, and to balance those requests with the desire to build a comprehensive health care system for Africa.

The Development Ministers’ Meeting, which included the O5, Australia, Indonesia, South Korea and eight observing international organizations, concluded that the “participatory approach” – in which all key stakeholders, including government, individuals, civil society, private foundations, private corporations and academics – must be utilized to address the MDGs.

### *Scoring Guidelines*

<b>0</b>	G8 does not make any substantive mention of the issue area at the Summit: no measureable progress or results with respect to health care (ie. no commitments or policy statements are released at the Summit, no evidence that the objective was discussed during the leaders’ meeting)
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<sup>168</sup> Address by Mr. Masahiko Koumura, Minister for Foreign Affairs of Japan: Global Health and Japan’s Foreign Policy – From Okinawa to Toyako, Ministry of Foreign Affairs of Japan, (Tokyo), 25 November 2007. Date of Access: 17 June 2007. [http://www.mofa.go.jp/policy/health\\_c/address0711.html](http://www.mofa.go.jp/policy/health_c/address0711.html).

<sup>169</sup> Address by Mr. Masahiko Koumura, Minister for Foreign Affairs of Japan: Global Health and Japan’s Foreign Policy – From Okinawa to Toyako, Ministry of Foreign Affairs of Japan, (Tokyo), 25 November 2007. Date of Access: 17 June 2007. [http://www.mofa.go.jp/policy/health\\_c/address0711.html](http://www.mofa.go.jp/policy/health_c/address0711.html).

<sup>170</sup> Growth and Responsibility in Africa, G8 Research Group, (Toronto), 8 June 2007. Date of Access: 15 June 2008. <http://www.g8.utoronto.ca/Summit/2007heiligendamm/g8-2007-africa.html>.

<sup>171</sup> The G8 Development Ministers’ Meeting 2008, Ministry of Foreign Affairs of Japan, (Tokyo), 6 April 2008. Date of Access: 14 June 2008. [http://www.g8Summit.go.jp/eng/other/g8\\_develop\\_gs.html](http://www.g8Summit.go.jp/eng/other/g8_develop_gs.html).

<sup>172</sup> Address by Mr. Masahiko Koumura, Minister for Foreign Affairs of Japan: Global Health and Japan’s Foreign Policy – From Okinawa to Toyako, Ministry of Foreign Affairs of Japan, (Tokyo), 25 November 2007. Date of Access: 17 June 2007. [http://www.mofa.go.jp/policy/health\\_c/address0711.html](http://www.mofa.go.jp/policy/health_c/address0711.html)[http://www.mofa.go.jp/policy/health\\_c/address0711.html](http://www.mofa.go.jp/policy/health_c/address0711.html).

	or ministerials, no mention of health and African development is made in bilateral or multilateral talks, press conferences, etc.) OR the G8 reaches a consensus on the issue area that is contrary to the Japanese objective of a comprehensive commitment to health systems.
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion on health, but no measureable action was taken by the G8 in relation to the objective (i.e. no action plan on this issue was identified in any statement released at the Summit).
<b>0.5</b>	The G8 releases a statement committing to an action plan on health positively related to the Japanese objectives in African development, but it is a highly-diluted, heavily compromised version of the G8 presidency's objective in this area.
<b>0.75</b>	The G8 releases a statement committing to an action plan on health positively related to the Japanese objectives in African development, but notable concessions with respect to Japan's original priorities for this objective are evident.
<b>1</b>	The G8 releases a statement committing to an action plan that is highly aligned with the G8 Presidency's objective of a comprehensive approach to African health systems.

### *Prospects*

Following the positive reception at the G8 Development Ministers' Meeting and TICAD IV, the Japanese proposal for a more comprehensive approach to African health systems is likely to meet with agreement from other G8 members. The occurrence of an irresolvable policy disagreement at the Hokkaido-Toyako Summit over this issue is not likely. Furthermore, domestic pressure in any of the G8 member states is unlikely to cause leaders to sideline the issue.

### *Postscript*

In view of sustainability, the G8 committed to ensuring that a disease-specific and comprehensive health systems approaches are mutually reinforcing and contribute to achieving all of the health Millennium Development Goals (MDGs).<sup>173</sup> This includes a comprehensive approach to the strengthening of health systems, including the improvement of maternal, newborn, and child health, the scaling-up of programs to counter infectious diseases and access to essential medicines and health-related products.<sup>174</sup>

The G8 welcomed the report submitted by the G8 health experts and adopted the *Toyako Framework for Action*, which includes "the principles for actions to be taken on health, drawing on the expertise of international institutions." Leaders also agreed to establish a follow-up mechanism to monitor the progress of the G8 and the compliance on their commitments. These initiatives are highly aligned with the Japanese objectives for health and African development.

*Analyst: Christopher VanBerkum*

## **Objective 2: Water [1]**

Water, in the context of African development, is incorporated in the Japanese plan for a comprehensive health strategy, and is also a component of its 'human security' focus for the continent.

<sup>173</sup> Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_173847.html](http://www.mofa.go.jp/u_news/2/20080708_173847.html).

<sup>174</sup> Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_173847.html](http://www.mofa.go.jp/u_news/2/20080708_173847.html).



Japan will direct the G8 to promote good water governance for the sustainable use of water resources.<sup>175</sup> Additionally, Foreign Affairs Minister Masahiko Koumura, highlighted the need for capacity and institution building, as well as accumulating and sharing relevant technologies, knowledge, and data for effective water management.<sup>176</sup>

Japan will seek either an plan of action on water, a review or renewal of the Evian Action Plan on Water, or will incorporate the sanitation objectives into a larger Action Plan on African Development. Japan will attempt to incorporate the institutionalization of water management in Africa and the construction of sanitation infrastructure within these plans of action, in addition to a provision for the procurement of water technology by African states.

In an address to TICAD IV, Prime Minister Fukuda announced that Japan will be organizing a new technical assistance corps of water specialists, the W-SAT, which will attempt to provide water access to as many Africans as possible.<sup>177</sup> Japan may seek a similar initiative by the G8 in an effort to institutionalize good water governance, but has yet to articulate and specific policy objectives in addition to the broader plans laid out at the Development Ministers' Meeting or at TICAD IV.

Members of the O5 and the AU participated in the Development Ministers' Meeting in Tokyo and encouraged the G8 to play an active role in the promotion of good water governance and water sustainability.<sup>178</sup> Also during the meeting, UNICEF Deputy Executive Director Saad Yehia Houry reminded delegates that “water, sanitation and hygiene are central to reaching the MDGs and are at the core of the concept of human security.”<sup>179</sup> This was reiterated by the participants of TICAD IV in the Yokohama Declaration. On 7 May 2008, the CEOs of nineteen of the world's largest corporations drafted a letter that called on the G8 to ameliorate the “great suffering in humanitarian, social, environmental and economic terms, [which] seriously undermines development goals,” caused by “lack of access to clean water and sanitation in many parts of the world.”<sup>180</sup>

The G8 has previously called for the sustainable development of water resources and the acceleration of efforts to improve sanitation and access to drinkable water through the AAP<sup>181</sup> and Evian Action Plan. Despite this, the G8 is still unlikely to meet the MDGs for water by the 2015 target without a greater attainable commitment made during the Hokkaido-Toyako Summit.<sup>182</sup>

### *Scoring Guidelines*

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<sup>175</sup> The G8 Development Ministers' Meeting 2008, Ministry of Foreign Affairs of Japan, (Tokyo), 6 April 2008. Date of Access: 14 June 2008. [http://www.g8Summit.go.jp/eng/other/g8\\_develop\\_gs.html](http://www.g8Summit.go.jp/eng/other/g8_develop_gs.html).

<sup>176</sup> The G8 Development Ministers' Meeting 2008, Ministry of Foreign Affairs of Japan, (Tokyo), 6 April 2008. Date of Access: 14 June 2008. [http://www.g8Summit.go.jp/eng/other/g8\\_develop\\_gs.html](http://www.g8Summit.go.jp/eng/other/g8_develop_gs.html).

<sup>177</sup> Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan at the Opening Session of the Fourth Tokyo International Conference on African Development, Ministry of Foreign Affairs of Japan, (Tokyo), 28 May 2008. Date of Access: 16 June 2008. <http://www.mofa.go.jp/region/africa/ticad/ticad4/pm/address.html>.

<sup>178</sup> UNICEF highlights water and sanitation at G8 Development Ministers' Meeting in Tokyo, UNICEF, (Tokyo), 11 April 2008. Date of Access: 17 June 2008. [http://www.unicef.org/infobycountry/japan\\_43532.html](http://www.unicef.org/infobycountry/japan_43532.html).

<sup>179</sup> UNICEF highlights water and sanitation at G8 Development Ministers' Meeting in Tokyo, UNICEF, (Tokyo), 11 April 2008. Date of Access: 17 June 2008. [http://www.unicef.org/infobycountry/japan\\_43532.html](http://www.unicef.org/infobycountry/japan_43532.html).

<sup>180</sup> CEOs Call On G8 To Act On Global Water Crisis, Environmental Leader, (Fort Collins), 7 May 2008. Date of Access: 17 June 2008. <http://www.environmentalleader.com/2008/05/07/ceos-call-on-g8-to-act-on-global-water-crisis>.

<sup>181</sup> G8 Africa Action Plan, Government of Canada, (Ottawa), 11 February 2003. Date of Access: 16 June 2008. <http://www.g8.gc.ca/2002Kananaskis/kananaskis/afraction-en.asp>.

<sup>182</sup> Deputy Secretary-General Urges Specific TICAD IV Action Plan, In Line With Summit Theme – “Towards a Vibrant Africa”, Department of Public Information, News and Media Division, United Nations, (New York), 28 May 2008. Date of Access: 16 June 2008. <http://www.un.org/News/Press/docs/2008/dsgsm395.doc.htm>.

<b>0</b>	G8 does not make any substantive mention of the issue area at the Summit: no measureable progress or results with respect to water and African development (ie. no commitments or policy statements are released at the Summit, no evidence that the objective was discussed during the leaders' meeting or ministerials, no mention of education and African development is made in bilateral or multilateral talks, press conferences, etc.) OR the G8 reaches a consensus on the issue area that is contrary to the Japanese water objectives
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion on water and sanitation, but no measureable action was taken by the G8 in relation to the objective (i.e. no action plan on this issue was identified in any of the statements released at the Summit).
<b>0.5</b>	The G8 releases a statement recommitting to a water action plan positively related to the Japanese objectives in African development, but it is a highly-diluted, heavily compromised version of the Japanese objectives for water and sanitation.
<b>0.75</b>	The G8 releases a statement recommitting to a water action plan positively related to the Japanese objectives in African development, but with notable concessions in respect to Japan's original priorities for this objective are evident.
<b>1</b>	The G8 releases a statement of recommitment that is aligned closely to the G8 Presidency's focus on water and sanitation infrastructure AND makes a provision for the sharing of relevant technologies.

### *Prospects*

Japan is unlikely to allow water to be pushed from its African development agenda. Water, in conjunction with health and education, forms a key component of human security. In addition, the International Water and Sanitation Centre has actively petitioned Japan to pursue water at the G8 Summit, especially since water and sanitation were overlooked by the German presidency at the Heilingendamm Summit in 2007.<sup>183</sup> Moreover, Japan already leads the G8 as the sponsor of the International Year of Sanitation and the largest bilateral donor to the water sector.<sup>184</sup> States will likely agree to a plan of action on water and sanitation in Africa. They are not likely to confront any serious challenges on the issue from domestic sources nor are they likely to clash at the Summit, since they already reached consensus on water objectives at the 5-6 April 2008 Tokyo Development Minister's Meeting.

### *Postscript*

Acknowledging the need to "accelerate the achievement of the internationally agreed goals on water and sanitation," the G8 committed to reinvigorating its efforts to implement the *Evian Water Action Plan* and review it on the basis of a progress report prepared by G8 water experts at the 2009 Italy Summit.<sup>185</sup> The G8 also promoted integrated water resource management, strengthening trans-boundary basin organizations, sharing of water-related expertise and technology with developing countries, capacity-building for water related initiatives, and the promotion of data collection and utilization for the

<sup>183</sup> G8: Heilingendamm Summit overlooks water and sanitation, campaigners look to Japan, IRC, (Delft), 21 September 2007. Date of Access: 17 June 2008. <http://www.irc.nl/page/36577>.

<sup>184</sup> G8: Heilingendamm Summit overlooks water and sanitation, campaigners look to Japan, IRC, (Delft), 21 September 2007. Date of Access: 17 June 2008. <http://www.irc.nl/page/36577>.

<sup>185</sup> Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_173847.html](http://www.mofa.go.jp/u_news/2/20080708_173847.html).

adaptation to climate change.<sup>186</sup> Specifically, the leaders supported efforts to improve the governance of the water and sanitation sector by ensuring monitoring and reporting and the improvement of water delivery institutions.<sup>187</sup> The water initiatives are highly aligned to those outlined by the Japanese presidency prior to the Summit, particularly at TICAD IV.

*Analyst: Christopher VanBerkum*

### **Objective 3: Education [1]**

Education is another facet of Japan's comprehensive African development strategy, and the cross-sectoral approach to development and completion of the MDGs. Japan aims to discuss the Dakar Education for All goals as well as vocational training, secondary and higher education.

A commitment to Education for All was reiterated in Tokyo by the Development Ministers who, reaffirmed support for expanded access to and improved quality of basic education.<sup>188</sup> The importance of well-balanced and holistic education systems with attention to vocational training as well as secondary and higher education was stressed, as was the importance of a cross-sectoral approach, including ESD.

Because of the mere partial compliance of the 2007 Heilingendamm education commitment,<sup>189</sup> Japan will likely seek a recommitment to finding long term-funding solutions to the Education for All FTI in order to meet the 2015 education MDG deadline.

Specific issues and priorities of other member states for education and African development vary little from the Japanese position. It is likely that consensus will be reached at the Hokkaido-Toyako Summit, as the G8 Development Ministers who met in Tokyo have already jointly "underlined the importance of developing human resources indispensable for nation-building."<sup>190</sup>

However, the G8 will need to address concerns voiced by the Deputy Secretary General of the UN at TICAD IV, namely that the MDGs will not be completed by their 2015 deadline without greater funding resources and renewed commitments.<sup>191</sup> However, the Association for the Development of Education in Africa suggests that, in light of the progress made toward achieving universal primary education, that greater attention be placed on post-primary education.<sup>192</sup> This was also the theme of the 2008 Biennale of Education - Beyond Primary Education: Challenges of and Approaches to Expanding Learning Opportunities in Africa, held in Maputo, Mozambique between 5-9 May 2008.<sup>193</sup> African Education

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<sup>186</sup> Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_173847.html](http://www.mofa.go.jp/u_news/2/20080708_173847.html).

<sup>187</sup> Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_173847.html](http://www.mofa.go.jp/u_news/2/20080708_173847.html).

<sup>188</sup> The G8 Development Ministers' Meeting 2008, Ministry of Foreign Affairs of Japan, (Tokyo), 6 April 2008. Date of Access: 1 July 2008. [http://www.g8Summit.go.jp/eng/other/g8\\_develop\\_gs.html](http://www.g8Summit.go.jp/eng/other/g8_develop_gs.html).

<sup>189</sup> 2007 Heilingendamm Summit Interim Compliance Report, G8 Research Group, (Toronto), 19 January 2008. Date of Access: 1 July 2008. [http://www.g8.utoronto.ca/evaluations/2007compliance\\_interim/2007\\_00\\_interim.pdf](http://www.g8.utoronto.ca/evaluations/2007compliance_interim/2007_00_interim.pdf).

<sup>190</sup> The G8 Development Ministers' Meeting 2008, Ministry of Foreign Affairs of Japan, (Tokyo), 6 April 2008. Date of Access: 1 July 2008. [http://www.g8Summit.go.jp/eng/other/g8\\_develop\\_gs.html](http://www.g8Summit.go.jp/eng/other/g8_develop_gs.html).

<sup>191</sup> Deputy Secretary-General Urges Specific TICAD IV Action Plan, In Line With Summit Theme – "Towards a Vibrant Africa", Department of Public Information, News and Media Division, United Nations, (New York), 28 May 2008. Date of Access: 16 June 2008. <http://www.un.org/News/Press/docs/2008/dsgsm395.doc.htm>.

<sup>192</sup> 2008 Biennial on Education in Africa, Association for the Development of Education in Africa, (Maputo), 2008. Date of Access: 17 June 2008. [http://www.adeanet.org/Biennale%202008/en\\_index.htm](http://www.adeanet.org/Biennale%202008/en_index.htm).

<sup>193</sup> 2008 Biennial on Education in Africa, Association for the Development of Education in Africa, (Maputo), 2008. Date of Access: 17 June 2008. [http://www.adeanet.org/Biennale%202008/en\\_index.htm](http://www.adeanet.org/Biennale%202008/en_index.htm).

Ministers, development agencies and education professionals engaged in discussions that focused on post-primary education.<sup>194</sup>

### Scoring Guidelines

0	G8 does not make any substantive mention of the issue area at the Summit: no measureable progress or results with respect to <i>Education for All</i> or post-primary education (ie. No commitments or policy statements are released at the Summit, no evidence that the objective was discussed during the leaders’ meeting or ministerials, no mention of education and African development is made in bilateral or multilateral talks, press conferences, etc.) OR the G8 reaches a consensus on the issue area that is contrary to the Japanese objective of <i>Education for All</i> and post-primary education.
0.25	There is evidence to suggest that the G8 engaged in discussion on education, but no measureable action was taken by the G8 in relation to the objective (i.e. <i>Education for All</i> was not recommitted nor was a plan of action forthcoming in any Summit releases).
0.5	The G8 releases a statement recommitting to an education action plan positively related to the Japanese objectives in African development, but it is a highly-diluted, heavily compromised version of the G8 presidency’s objective in this area.
0.75	The G8 releases a statement recommitting to an education action plan positively related to the Japanese objectives on African development, but notable concessions with respect to Japan’s original priorities are evident.
1	The G8 releases a statement of recommitment that is aligned closely to the G8 Presidency’s focus on <i>Education for All</i> and post-primary education.

### Prospects

States will likely take a course of action on education in Africa that aligns with Japanese objectives on the issue. Japan has highlighted education as a priority on its African development agenda, and leaders have completed several similar commitments on education in the past]. Neither domestic nor inter-member policy clashes are likely to prevent a renewed financial commitment to Education for All.

### Postscript

In an effort closely aligned to the Japanese objectives for this objective, the G8 recommitted to *Education for All* and the agencies that implement it and “support the efforts of the efforts of the Fast Track Initiative (FTI) for universal primary education.”<sup>195</sup> The G8 will mobilize bilateral and multilateral resources to meet the shortfalls of FTI-endorsed countries estimated at approximately USD1 billion for 2008.<sup>196</sup> Development and Africa, the communiqué released in Hokkaido-Toyako, reiterated the importance of a holistic approach to the education systems, with priority for the completion of universal primary education by boys and girls, while balancing “primary and post-primary education.”<sup>197</sup>

<sup>194</sup> 2008 Biennial on Education in Africa, Association for the Development of Education in Africa, (Maputo), 2008. Date of Access: 17 June 2008. [http://www.adeanet.org/Biennale%202008/en\\_index.htm](http://www.adeanet.org/Biennale%202008/en_index.htm).

<sup>195</sup> Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_173847.html](http://www.mofa.go.jp/u_news/2/20080708_173847.html).

<sup>196</sup> Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_173847.html](http://www.mofa.go.jp/u_news/2/20080708_173847.html).

<sup>197</sup> Political Issues, Ministry of Foreign Affairs of Japan, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_230251.html](http://www.mofa.go.jp/u_news/2/20080708_230251.html).

#### Objective 4: Debt Relief [0.5]

The G8 has long committed to debt relief for HIPC. Through mechanisms established by the IMF and WB, the G8 seeks to increase economic growth and improve development to achieve the MDGs by 2015. At the 2000 Okinawa Summit, leaders discussed debt relief and assistance in detail, an issue that re-emerged frequently at subsequent summits. For example, the adoption of the AAP at the 2002 Kananaskasis Summit promised to support the HIPC initiative by decreasing the debt of 22 countries through both traditional debt relief and bilateral mechanisms.<sup>198</sup> Most recently, at the Gleneagles Summit, member countries announced on 8 July 2005 that they would cancel 100% of debt incurred by eligible HIPC located in Africa.<sup>199</sup> At TICAD IV,<sup>200</sup> participants noted the need to provide debt relief along with other initiatives to increase development.

At the 2008 Hokkaido-Toyako Summit, it is expected that G8 leaders will commit once again to meet their 2005 Gleneagles debt relief commitments rather than pursue a new set of outcomes. On 14 June 2008, the G8 released the *Action Plan for Private Sector Led Growth*, in which they reiterated their 2005 commitment to cancel 100% of debts for eligible HIPC.<sup>201</sup> Given that the G8 has fallen behind in their ODA pledges in 2007 and is falling short of meeting their commitment to debt relief, the G8 will need to set specific timelines and priorities in Hokkaido to achieve their commitment to debt relief.<sup>202</sup> However, with the significant rise of food and oil prices, debt relief will not be a foremost concern for G8 leaders at the Hokkaido-Toyako Summit.

#### Scoring Guidelines

<b>0</b>	G8 does not make any substantive mention of the 2005 Gleneagles commitments to debt relief at the Hokkaido-Toyako Summit; no measurable progress or results with respect to debt relief are evident (i.e. no communiqués or policy statements on the objective are released at the Summit, no evidence that the objective was discussed during the leaders’ meetings or ministerials, no mention of the issue area is made in multilateral or bilateral talks, press conferences, etc).
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion on debt relief, but no measurable action was taken by the G8 in relation to the objective (i.e. no action plan on this issue was identified in any of the communiqués or statements released at the Summit).
<b>0.5</b>	The G8 releases communiqués or makes statements committing to an action plan positively related to the G8 Presidency’s debt relief objective, but it is a highly-diluted, heavily compromised version of the G8 Presidency’s objective in this issue area.

<sup>198</sup> G8 Africa Action Plan. Kananaskasis Summit, 27 June 2002. Date of Access: 18 June 2008.

<http://www.g8.utoronto.ca/Summit/2002kananaskis/africaplan.html>.

<sup>199</sup> Africa, Gleneagles Summit, 8 July 2005. Date of Access: 18 June 2008

<http://www.g8.utoronto.ca/Summit/2005gleneagles/africa.html>.

<sup>200</sup> Summary of the Chair of TICAD IV, Ministry of Foreign Affairs, 30 May 2008. Date of Access: 16 June 2008.

<http://www.mofa.go.jp/region/Africa/ticad/ticad4/doc/summary.html>.

<sup>201</sup> G8 Action Plan for Private Sector Led Growth, 15 June 2008. Date of Access: 22 June 2008.

<http://www.g8Summit.go.jp/eng/doc/index.html>.

<sup>202</sup> Despite Increasing Evidence That Targeted Aid is Getting Good Results, the G8 are Falling Further Behind on Meeting Their Commitments, DATA, 18 June 2008. Date of Access: 20 June 2008.

[http://www.g8Summit.go.jp/eng/other/g8\\_develop\\_gs.html](http://www.g8Summit.go.jp/eng/other/g8_develop_gs.html).

0.75	The G8 releases communiqués or makes statements committing to an action plan positively related to the G8’s commitment to debt relief, but notable concessions with respect to the original objective are evident.
1	The G8 releases communiqués or makes statements committing to an action plan to meet the 2005 Gleneagles commitments to debt relief and highly aligned with the G8 Presidency’s objective in this issue area.

*Prospects*

Debt relief can be expected to be an agenda item at the G8 Summit in Hokkaido given the significance of the 2005 commitment to debt relief for HIPC at Gleneagles. However, several current global events are likely to overshadow this issue: good governance due to the rising political issues in Zimbabwe and South Africa, the rising cost of oil and energy, and the high cost of food. Therefore it is expected that the issue will be discussed within the broader issue of development.

*Postscript*

G8 leaders addressed debt relief at the Hokkaido-Toyoko Summit in the *Development and Africa* communiqué released on 8 July 2008. Although leaders renewed their commitment to the Monterrey Conference on Financing for Development which underscored the importance of mobilizing resources for debt relief, the statement fell short of the expected recommitment to the 2005 Gleneagles Summit pledge to cancel one hundred percent of the debt of eligible HIPCs. While debt cancellation initiatives by the G8 have extensively relieved many African countries of their unsustainable debt burdens, the communiqué outlined a heavily compromised version of the G8 Presidency’s objective on this issue.

*Analyst: Sadia Rafiquddin*

**Objective 5: Peace-building [1]**

Japan has included peace-building as a priority for African development.

Under the direction of their Japanese hosts, TICAD IV reiterated many of the aims Japan has held for African peace-building. Seamless peace-building efforts encompass conflict prevention, early warning measures, conflict resolution, and the prevention of relapses into conflict.<sup>203</sup> To sustain peace acquired through these processes, participatory democracy, continuous and inclusive dialogue, and strengthened governance need to be vigorously applied.<sup>204</sup> Linkages between peace consolidation and other areas of development are also critical.<sup>205</sup> Participants emphasized the importance of Africa’s ownership of peace initiatives and identified AU initiatives such as the APSA and APRM as positive steps towards good governance.

<sup>203</sup> Yokohama Declaration, Ministry of Foreign Affairs of Japan, (Tokyo), 30 May 2008. Date of Access 14 June 2008. <http://www.mofa.go.jp/region/africa/ticad/ticad4/doc/declaration.pdf>.

<sup>204</sup> Yokohama Declaration, Ministry of Foreign Affairs of Japan, (Tokyo), 30 May 2008. Date of Access 14 June 2008. <http://www.mofa.go.jp/region/africa/ticad/ticad4/doc/declaration.pdf>.

<sup>205</sup> Yokohama Declaration, Ministry of Foreign Affairs of Japan, (Tokyo), 30 May 2008. Date of Access 14 June 2008. <http://www.mofa.go.jp/region/africa/ticad/ticad4/doc/declaration.pdf>.

In an effort to assist African states to prevent conflict and ensure that previous conflicts do not re-emerge, the G8 agreed to the seven individual commitments on peace-building at the 2005 Gleneagles Summit, laid out in the *Africa* document.<sup>206</sup>

Japan's basic principles for peace consolidation in Africa include respect for and encouragement of African governments and local communities in state/nation building in post-conflict countries and the promotion of partnerships extended by the international community, especially in the coordination of post-conflict developing countries and development partners.<sup>207</sup> The G8 Presidency will seek a plan of action on African peace and security that incorporates both peace-building and peace support. Such an initiative will commit new funds to existing peace-building mechanisms and encourage the active promotion of partnerships between the G8 and Africa.

Prime Minister Fukuda stated in his policy speech in January 2008 that Japan would actively address global challenges and play a responsible role in the international community as a "Peace Fostering Nation," which contributes to peace and development.<sup>208</sup> He also stated that Japan aspires to become a hub of human resource development as well as making research and academic contributions to further promote cooperation in peace-building.<sup>209</sup>

Thus, a clear benchmark for success in this objective includes a plan of action that commits the G8 to new funding and support for African peace-building institutions to increase their capacity and the maintenance of constructive partnerships between the G8 states and their African counterparts.

The G8 will need to continue to address specific components of earlier commitments that still require attention. How best to supply the AU, which is a scheduled Summit participant, with funding and equipment will need to be addressed, as the force faces severe restrictions on its ability to function in peace-building.<sup>210</sup> Similarly, participants at the annual consultation between the AU and the G8 member countries, held on 20 June 2008 in Addis Ababa, observed that to put the APSA in working order, the AUC could make a greater progress if its Peace and Security Department had greater capacity and personnel.<sup>211</sup> The meeting emphasized the need to enhance the overall capacity of the AUC, including improvement and streamlining of procedures, in order to enhance the financial management capacity of

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<sup>206</sup> Africa, G8 Information Centre, (Toronto), 8 July 2005. Date of Access: 17 June 2008.

<http://www.g8.utoronto.ca/Summit/2005gleneagles/africa.html>.

<sup>207</sup> Japan's Support for the Consolidation of Peace in Africa, Ministry of Foreign Affairs of Japan, (Tokyo), February 2006.

Date of Access: 20 June 2008. <http://www.mofa.go.jp/region/africa/ticad/peace/support.html>.

<sup>208</sup> Tokyo Peacebuilders Symposium 2008 – "Peace-building Experience and Knowledge from Asia to the World, Ministry of Foreign Affairs of Japan and United Nations University, (Tokyo), 24 March 2008. Date of Access: 20 June 2008.

<http://www.mofa.go.jp/policy/un/pko/symposium0803-o.html>.

<sup>209</sup> Tokyo Peacebuilders Symposium 2008 – "Peace-building Experience and Knowledge from Asia to the World, Ministry of Foreign Affairs of Japan and United Nations University, (Tokyo), 24 March 2008. Date of Access: 20 June 2008.

<http://www.mofa.go.jp/policy/un/pko/symposium0803-o.html>.

<sup>210</sup> African Union Force Low on Money, Supplies and Morale, Washington Post, (Washington), 13 May 2007. Date of Access: 20 June 2008. <http://www.washingtonpost.com/wp-dyn/content/article/2007/05/12/AR2007051201567.html>.

<sup>211</sup> AU, G8 meeting underlines capacity building for African peace architecture, *Afriquenlinge*, (Addis Ababa), 20 June 2008. Date of Access: 20 June 2008. <http://www.afriquenligne.fr/news/africa-news/au,-g8-meeting-underlines-capacity-building-for-african-peace-architecture-200806207208.html>.

the AU.<sup>212</sup> At that meeting, all G8 member states except Russia extended financial and logistical support to the AU's peace-building activities.<sup>213</sup>

Initiatives in peace-building have engaged the O5, international organizations, and the African states. Japan has focused attention on the UN Peace-Building Commission, which plays a unique role in bringing together the relevant actors, international donors and governments, marshalling resources and advising on and proposing integrated strategies for post-conflict peace-building.<sup>214</sup>

### *Scoring Guidelines*

<b>0</b>	G8 does not make any substantive mention of the issue area at the Summit: no measureable progress or results with respect to health care (i.e. no commitments or policy statements are released at the Summit, no evidence that the objective was discussed during the leaders' meeting or ministerials, no mention of peace-building and African development is made in bilateral or multilateral talks, press conferences, etc.) OR the G8 reaches a consensus on the issue area that is contrary to the Japanese objective of a comprehensive commitment to peace-building.
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion on peace-building, but no measureable action was taken by the G8 in relation to the objective (i.e. no action plan on this issue was identified in any statement released at the Summit).
<b>0.50</b>	The G8 releases a statement committing to an action plan on peace-building positively related to the Japanese objectives in African development, but it is a highly-diluted, heavily compromised version of the G8 presidency's objective in this area.
<b>0.75</b>	The G8 releases a statement committing to an action plan on peace-building positively related to the Japanese objectives in African development, but notable concessions with respect to Japan's original priorities for this objective are evident.
<b>1</b>	The G8 releases a statement committing to an action plan that is highly aligned with the G8 Presidency's objective of a renewed commitment to fund and support African peace-building.

### *Prospects*

Member states of the G8 achieved consensus at the G8 Development Ministers' Meeting and the Yokohama Declaration on the need to support African peace-building initiatives that build on previously agreed to commitments.<sup>215</sup> Specific issues have been discussed at the G8-AU meeting in Addis Ababa, including expanding the capacity of African peace architecture, at the G8-AU meeting in Addis Ababa.<sup>216</sup> There is no evidence to suggest that domestic concerns will pressure a G8 member country to

<sup>212</sup> AU, G8 meeting underlines capacity building for African peace architecture, Afriquenligne, (Addis Ababa), 20 June 2008. Date of Access: 20 June 2008. <http://www.afriquenligne.fr/news/africa-news/au,-g8-meeting-underlines-capacity-building-for-african-peace-architecture-200806207208.html>.

<sup>213</sup> AU, G8 meeting underlines capacity building for African peace architecture, Afriquenligne, (Addis Ababa), 20 June 2008. Date of Access: 20 June 2008. <http://www.afriquenligne.fr/news/africa-news/au,-g8-meeting-underlines-capacity-building-for-african-peace-architecture-200806207208.html>.

<sup>214</sup> United Nations Peacebuilding Commission, United Nations, (New York). Date of Access: 20 June 2008. <http://www.un.org/peace/peacebuilding>.

<sup>215</sup> Yokohama Declaration, Ministry of Foreign Affairs of Japan, (Tokyo), 30 May 2008. Date of Access 1 July 2008. <http://www.mofa.go.jp/region/africa/ticad/ticad4/doc/declaration.pdf>.

<sup>216</sup> AU, G8 meeting underlines capacity building for African peace architecture, Afriquenligne, (Addis Ababa), 20 June 2008. Date of Access: 20 June 2008. <http://www.afriquenligne.fr/news/africa-news/au,-g8-meeting-underlines-capacity-building-for-african-peace-architecture-200806207208.html>.



prevent a consensus on specific objectives or that a policy clash could prevent an agreement from being reached.

### *Postscript*

In the *Political Issues* communiqué, the G8 committed to improve individual and collective efforts and capability for peacebuilding.<sup>217</sup> Leaders highlighted support of the UN, including the Security Council, and work towards enhancing the effectiveness of the Peacebuilding Commission.<sup>218</sup> Likewise, the G8 committed to strengthen its cooperation with African regional organizations and to support the capacity building of the AU. Peacebuilding, namely the strengthening of domestic endeavors to develop civilian human resources to play core roles in peacebuilding, was incorporated within a comprehensive approach to capacity-building of military, police, and civilian institutions.<sup>219</sup> Though the G8 did not outline a specific funding plan for either peacekeeping or peacebuilding, leaders did commit to providing support, training, and equipment to African initiatives.

*Analyst: Christopher VanBerkum*

### **Objective 6: Peace Support [1]**

Although Japan has chosen to focus on peace-building as a priority objective, peace support is the first condition of successful development.<sup>220</sup>

The G8 has already declared support for African initiatives that prevent, mediate, and resolve conflicts, and consolidate peace in the document *Africa*, released at the 2005 Gleneagles Summit. In the past, peace support has entailed backing African institutions in developing their capacity for promoting lasting peace and stability in Africa.

Summiteers reiterated the 2004 Sea Island commitment to equip and train 75,000 troops by 2010 to take part in peace support operations worldwide, with a focus on Africa. Five specific commitments were released at the 2005 Gleneagles Summit to that effect, which included flexible funding for peace support operations, coordinating technical assistance to the African Standby Force, helping to establish planning elements at the AU headquarters, and developing the ability of the AU to deploy unarmed military observer and policing missions.

Under the leadership of Japan, participants of TICAD IV emphasized that countries coming out of conflict need special assistance to begin reconstruction, and achieve sustainable development and prosperity.<sup>221</sup> Participants called attention to the significant role played by the UN and its bodies, the AU, and African countries in contributing to peacekeeping operations.

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<sup>217</sup> Political Issues, Ministry of Foreign Affairs of Japan , (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_230251.html](http://www.mofa.go.jp/u_news/2/20080708_230251.html).

<sup>218</sup> Political Issues, Ministry of Foreign Affairs of Japan , (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_230251.html](http://www.mofa.go.jp/u_news/2/20080708_230251.html).

<sup>219</sup> Political Issues, Ministry of Foreign Affairs of Japan , (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_230251.html](http://www.mofa.go.jp/u_news/2/20080708_230251.html).

<sup>220</sup> Africa, G8 Information Centre, (Toronto), 8 July 2005. Date of Access: 17 June 2008. <http://www.g8.utoronto.ca/Summit/2005gleneagles/africa.html>.

<sup>221</sup> Yokohama Declaration, Ministry of Foreign Affairs of Japan, (Tokyo), 30 May 2008. Date of Access 14 June 2008. <http://www.mofa.go.jp/region/africa/ticad/ticad4/doc/declaration.pdf>.

Thus, Japan will likely seek a commitment towards a peace support initiative that provides training, equipment and funding for African peace support initiatives, including 75,000 troops by 2010. As well, Japan will seek the support of the G8 in funding the infrastructure and programming of peacekeeping centers.

The G8 member states have reached consensus on this issue in the past and are unlikely to take a divergent path at Hokkaido. For instance, US Ambassador to the UN, Zalmay Khalilzad, stressed that the AU must enhance its capacity to conduct successful peacekeeping, and other nations should assist the AU with that effort, which entails increasing national peacekeeping capacity.<sup>222</sup> The US may encourage the G8 to support initiatives that build domestic African peacekeeping forces in addition to an African Standby Force. Germany, has already highlighted its own support for three multilateral peacekeeping centers: the Kofi Annan International Peacekeeping Training Centre (Accra, Ghana), African Centre for Strategic Research and Studies (Abuja, Nigeria), and the *École pour le Maintien de la Paix* (Bamako, Mali).<sup>223</sup> Germany has encouraged the international community to play a key role in supporting these African-led efforts and to support the integration of national peacekeeping centres into a peacekeeping network system.<sup>224</sup> France, the US, and the UK have already joined Germany in funding such institutions.<sup>225</sup>

To successfully complete priorities for African peace support, the G8 will need to work with international organizations and the O5. The AU is a key component of this effort and is being actively consulted. As well, of most immediate concern, the G8 will need to address to the AU's lack of "credibility and money,"<sup>226</sup> as this organization is so key to the peace support objective. Funding and equipment shortages of the AU peacekeepers in the Sudan have lowered troop morale and diminished the forces ability to function successfully.<sup>227</sup>

### Scoring Guidelines

<b>0</b>	G8 does not make any substantive mention of the issue area at the Summit: no measureable progress or results with respect to peace support (i.e. no commitments or policy statements are released at the Summit, no evidence that the objective was discussed during the leaders' meeting or ministerials, no mention of peace support and African development is made in bilateral or multilateral talks, press conferences, etc.) OR the G8 reaches a consensus on the issue area that is contrary to the Japanese objective of a recommitment to African peacekeeping structures and peacekeeping centres.
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion on education, but no measureable action was taken by the G8 in relation to the objective (i.e. no action plan on this issue was identified in any statement released at the Summit).

<sup>222</sup> UN Looking for Ways to Enhance African Peacekeeping, US Department of State, (Washington), 22 April 2008. Date of Access: 20 June 2008. <http://www.america.gov/st/peacesec-english/2008/April/20080422102908dmslahrellek0.2288019.html>.

<sup>223</sup> Peacekeeping in West Africa – the German Contribution, German Embassy Accra, (Accra). Date of Access: 20 June 2008. <http://www.ghana.diplo.de/Vertretung/ghana/en/01/Rauber/Peacekeeping.html>.

<sup>224</sup> Peacekeeping in West Africa – the German Contribution, German Embassy Accra, (Accra). Date of Access: 20 June 2008. <http://www.ghana.diplo.de/Vertretung/ghana/en/01/Rauber/Peacekeeping.html>.

<sup>225</sup> Peacekeeping in West Africa – the German Contribution, German Embassy Accra, (Accra). Date of Access: 20 June 2008. <http://www.ghana.diplo.de/Vertretung/ghana/en/01/Rauber/Peacekeeping.html>.

<sup>226</sup> Responsible China?, Washington Post, (Washington), 6 September 2006. Date of Access: 20 June 2008. <http://www.washingtonpost.com/wp-dyn/content/article/2006/09/05/AR2006090501187.html>.

<sup>227</sup> African Union Force Low on Money, Supplies and Morale, Washington Post, (Washington), 13 May 2007. Date of Access: 20 June 2008. <http://www.washingtonpost.com/wp-dyn/content/article/2007/05/12/AR2007051201567.html>.

<b>0.5</b>	The G8 releases a statement committing to an action plan on peace support positively related to the Japanese objectives in African development, but it is a highly-diluted, heavily compromised version of the G8 presidency's objective in this area.
<b>0.75</b>	The G8 releases a statement committing to an action plan on peace support positively related to the Japanese objectives in African development, but notable concessions with respect to Japan's original priorities for this objective are evident.
<b>1</b>	The G8 releases a statement recommitting to previous goals on African peace support initiatives that is highly aligned with the G8 Presidency's objective in this issue area.

### *Prospects*

States will likely be able to agree on a course of action provided that it follows in the same vein as previous commitments to enhance the peace and stability of Africa. Several member states already support initiatives to fund African peacekeeping centres and the commitment made to fund, support, and equip an African Standby Force was already agreed to by the G8 at the previous Summit. Neither domestic pressure nor policy clashes between states are likely to sideline this African development initiative.

### *Postscript*

The G8 committed to fulfill or exceed the commitments to peace support made at the 2004 Sea Island Summit.<sup>228</sup> Several of the specific commitments made by the leaders in Hokkaido Toyako are in line with the Japanese objectives for this issue area, namely building the capacity for peace support operations including the provision of quality training to and equipping troops by 2010, enhancing the logistics and support for deployments, assisting in the training and equipping of police in countries emerging from conflict, and supporting the role of the UN and Security Council in peace support operations.<sup>229</sup> Leaders also determined to strengthen cooperation with regional organizations and support the capacity building of the AU.<sup>230</sup>

*Analyst: Christopher VanBerkum*

## **Objective 7: Good Governance [0.75]**

At the Hokkaido-Toyako Summit, G8 leaders are expected to reiterate their commitment to good governance in Africa, specifically their support for the AAP, the APRM, and the NEPAD.

On 6 April 2008, the G8 Development Ministers Meeting recommitted their support to building peace and security in Africa recognizing that good governance is a precondition to development on the continent.<sup>231</sup> The Yokohama Declaration recognized achievements made in the realm of African peace and security, and also acknowledged the need for continual actions to strengthen good governance in

<sup>228</sup> Political Issues, Ministry of Foreign Affairs of Japan , (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_230251.html](http://www.mofa.go.jp/u_news/2/20080708_230251.html).

<sup>229</sup> Political Issues, Ministry of Foreign Affairs of Japan , (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_230251.html](http://www.mofa.go.jp/u_news/2/20080708_230251.html).

<sup>230</sup> Political Issues, Ministry of Foreign Affairs of Japan , (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_230251.html](http://www.mofa.go.jp/u_news/2/20080708_230251.html).

<sup>231</sup> G8 Development Ministers Meeting: Chair's Summary, 13 May 2008. Date of Access: 18 June 2008. [http://www.g8Summit.go.jp/eng/other/g8\\_develop\\_gs.html](http://www.g8Summit.go.jp/eng/other/g8_develop_gs.html).

Africa.<sup>232</sup> Given the recent violence in South Africa and tensions in Zimbabwe, it is anticipated that the G8 will address these issues in addition to the meeting leading up to the Summit in the context of African peace and security, good governance and state capacity building.

### *Scoring Guidelines*

<b>0</b>	G8 does not make any substantive mention of good governance at the Hokkaido-Toyako Summit; no measurable progress or results with respect to good governance is evident (i.e. no communiqués or policy statements on the objective are released at the Summit, no evidence that the objective was discussed during the leaders’ meetings or ministerials, no mention of the issue area is made in multilateral or bilateral talks, press conferences, etc.).
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion on good governance, but no measurable action was taken by the G8 in relation to the objective (i.e. no action plan on this issue was identified in any of the communiqués or statements released at the Summit).
<b>0.5</b>	The G8 releases communiqués or makes statements committing to an action plan positively related to the G8 Presidency’s good governance objective, but it is a highly-diluted, heavily compromised version of the G8 Presidency’s objective in this issue area.
<b>0.75</b>	The G8 releases communiqués or makes statements committing to an action plan positively related to the G8’s commitment to good governance, but notable concessions with respect to the original objective are evident.
<b>1</b>	The G8 releases communiqués or makes statements committing to an action plan to good governance and highly aligned with the G8 Presidency’s objective in this issue area.

### *Prospects*

The promotion and sustenance of good governance in Africa is expected to be a major item of concern on the agenda at the 2008 Hokkaido-Toyako Summit due to the tension generated by the situation in Zimbabwe. The G8 is expected to address good governance within this context of elections and corruption in Zimbabwe and present a clear articulate statement on the issue.

### *Postscript*

The G8 included a statement on good governance in its Africa and Development communiqué that was closely aligned to the Japanese objectives for good governance. Leaders announced that African development will be grounded in the set of core principles of development policy that were endorsed at the 2007 Heiligendamm Summit, including good governance based on transparency and the rule of law.<sup>233</sup> While leaders shared the view that good governance is of fundamental importance in promoting sustainable development based on mutual accountability,<sup>234</sup> the G8 did not comment specifically on the *Africa Peer Review Mechanism* or the *New Partnership for Africa’s Development*.

### **Addendum**

<sup>232</sup> Yokohama Action Plan TICAD IV, 30 May 2008. Date of Access: 19 June 2008.

<http://www.g8Summit.go.jp/eng/doc/index.html>.

<sup>233</sup> Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_173847.html](http://www.mofa.go.jp/u_news/2/20080708_173847.html).

<sup>234</sup> Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_173847.html](http://www.mofa.go.jp/u_news/2/20080708_173847.html).

Though not included as priority objective for the Japanese Presidency, summiteers renewed their 2005 Gleneagles Summit commitment to double global ODA by 2010, specifically to increase ODA to Africa by USD25 billion a year by 2010. Leaders acknowledged that ODA from G8 and other donors to Africa should be reassessed and may need to be increased in the period after 2010 beyond current commitments. The *Development and Africa* communiqué announced that the High-level Meeting on MDGs in September will provide “a timely and important opportunity to demonstrate a commitment, to review progress, and to identify remaining challenges and necessary coordinated commitment, to review progress, and to identify remaining challenges and necessary coordinated international and country-led actions to overcome them.”<sup>235</sup> ODA is essential for the reinvigorated efforts of the G8 to complete the MDGs.

*Analyst: Sadia Rafiquddin*

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<sup>235</sup> Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_173847.html](http://www.mofa.go.jp/u_news/2/20080708_173847.html).

# WORLD ECONOMY [0.57]

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At this year's G8 Summit, leaders will meet amid a confluence of severe economic crises that threaten to wreak havoc on a global economy already suffering from depressed growth. Financial instability from the subprime mortgage collapse in the US has severely damaged systemically important markets and institutions, causing massive capital losses, liquidity problems, and a prolonged credit crisis. According to the IMF, the financial crisis "has developed into the largest financial shock since the Great Depression."<sup>236</sup> Furthermore, the IMF has estimated that within two years financial institutions worldwide may lose USD945 billion.<sup>237</sup>

At the same time, soaring food and fuel prices threaten to plunge over 100 million people into extreme poverty, while food riots have already hit 30 countries.<sup>238</sup> In a letter to Japanese Prime Minister Yasuo Fukuda, WB president Robert Zoellick warned that "we are entering a danger zone" and implored the G8 to act immediately to address this "man-made catastrophe."<sup>239</sup> On 1 July 2008, the IMF warned that "some countries really are at a tipping point" and that "some governments will no longer be able to feed their people while maintaining stability in their respective economies."<sup>240</sup>

Since its inception, world economic issues have been the G8's bread and butter.<sup>241</sup> In fact, the original Group's first gathering came in response to conditions eerily similar to those the G8 faces today. In 1975, the world economy was beset by soaring oil, food, and commodity prices; systemic inflationary pressure; US dollar weakness amid currency instability worldwide; a global recession; and central banks having to balance contradictory pro-growth and anti-inflation interest rate objectives.<sup>242</sup>

Since the Heiligendamm Summit in 2007, which roughly coincided with the subprime mortgage collapse, the G7/8 Finance Ministers' meetings have coordinated several important policy initiatives. Outlined in greater detail below, these initiatives included short-term liquidity operations coordinated between central banks to contain instability, as well as comprehensive risk-management reforms to address the failures responsible for the crisis.<sup>243</sup>

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<sup>236</sup> World Economic Outlook, International Monetary Fund, (Washington D.C.), April 2008. Date of Access: 14 June 2008. <http://www.imf.org/external/pubs/ft/weo/2008/01/pdf/text.pdf>

<sup>237</sup> Global Financial Stability Report, International Monetary Fund, (Washington D.C.), April 2008. Date of Access: 14 June 2008. <http://www.imf.org/External/Pubs/FT/GFSR/2008/01/pdf/text.pdf>

<sup>238</sup> World Bank President to G8: 'World Entering a Danger Zone', The World Bank, (Washington D.C.), 2 July 2008. Date of Access: 3 July 2008. <http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:21828803~pagePK:34370~piPK:34424~theSitePK:4607,00.html>

<sup>239</sup> World Bank chief urges swift actions on food by G8, Reuters, (Washington D.C.), 2 July 2008. Date of Access: 3 July 2008. <http://www.reuters.com/article/companyNewsAndPR/idUSN0238901920080702>

<sup>240</sup> Price Surge Driving Some Countries Close to Tipping Point, IMF Survey Magazine, (Washington D.C.), 1 July 2008. Date of Access: 3 July 2008. <http://www.imf.org/external/pubs/ft/survey/so/2008/NEW070108A.htm>

<sup>241</sup> Profile: G8, BBC News, (London), 20 January 2008. Date of Access: 2 July 2008. [http://news.bbc.co.uk/2/hi/americas/country\\_profiles/3777557.stm](http://news.bbc.co.uk/2/hi/americas/country_profiles/3777557.stm)

<sup>242</sup> G8 SUMMIT AND THE INTERNATIONAL ECONOMIC CRISIS: Shocks, Summits, Solutions, World Today, (London), 1 June 2008. Date of Access 14 June 2008. <http://g8live.org/2008/06/01/g8-Summit-and-the-international-economic-crisis-shocks-Summits-solutions>

<sup>243</sup> Statement of G7 Finance Ministers and Central Bank Governors, G8 Information Center, (Toronto), 19 October 2007. Date of Access: 15 June 2008. <http://www.g7.utoronto.ca/finance/fm071019.htm>

In the run-up to Hokkaido-Toyako, however, commodity shocks and inflation upstaged the credit crisis as the G8's top economic priority.<sup>244</sup> The official statement from the pre-Summit G8 Finance Ministers' meeting on 14 June 2008 declared that "elevated commodity prices, especially of oil and food, pose a serious challenge to stable growth worldwide, have serious implications for the most vulnerable, and may increase global inflationary pressure."<sup>245</sup> After the meeting, Japanese Finance Minister Fukushiro Nukaga predicted that "surging crude oil and food prices will have a big impact in the medium to long run."<sup>246</sup> The commodity shocks "are having a cost-push impact on the real economy," he said, affirming the need to "carefully watch global inflation as a surge in crude oil and food prices hits poor countries and causes a big impact on the macro-economy."<sup>247</sup>

To confront the confluence of threats to world economic growth, the G8 is likely to focus on five objectives: 1) address inflation, 2) contain the credit crisis, 3) develop international investment principles that mitigate protectionism, 4) address exchange rate imbalances, and 5) consider the creation of economic stimulus packages.

*Lead Analyst: Daniel Seleanu*

### **Objective 1: Address Inflation [0.5]**

Inflation is currently a concern for many G8 nations and addressing inflation will be a major item on the meeting's economic agenda. Japan's situation is slightly different from that of other G8 states, in that it has recently experienced deflation.<sup>248</sup> Nonetheless, Japan is concerned with global commodity price inflation, specifically increases in the price of oil and food.

On a number of occasions, Japanese officials have stated their intentions to make oil and food prices a central agenda item at the Summit. After the recent G8 Finance Ministerial, Japan's Finance Minister Fukushiro Nukaga said: "High crude oil and food prices are having a cost-push impact on the real economy and affecting households...so G8 finance ministers discussed the need to carefully watch global inflation."<sup>249</sup> As chair of the Hokkaido-Toyako Summit, Japan has a number of short and medium-or long-run objectives on inflation.

In the short run, Japan has emphasized the importance of pressing for oil production increases. At a recent UK-Japan meeting, UK Prime Minister Gordon Brown and Prime Minister Fukuda agreed that

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<sup>244</sup> G8 finance chiefs target inflation: Rising commodity prices replace credit crunch as world's most serious economic risk, Japan Times, (Osaka), 15 June 2008. Date of Access: 19 June 2008.

<http://www.tmcnet.com/usubmit/2008/06/15/3498858.htm>.

<sup>245</sup> Statement of the G8 Finance Ministers, G8 Information Center, (Toronto), 14 June 2008. Date of Access: 14 June 2008.

<http://www.g7.utoronto.ca/finance/fm080614-statement.pdf>.

<sup>246</sup> Highlights 6-G8 Finance Ministers' Meeting in Osaka Japan, Reuters, (Osaka), 14 June 2008. Date of Access: 15 June 2008. [http://www.forbes.com/reuters/feeds/reuters/2008/06/14/2008-06-14T062252Z\\_01\\_T331\\_RTRIDST\\_0\\_G8-COMMENTS-HIGHLIGHTS-UPDATE-5.html](http://www.forbes.com/reuters/feeds/reuters/2008/06/14/2008-06-14T062252Z_01_T331_RTRIDST_0_G8-COMMENTS-HIGHLIGHTS-UPDATE-5.html).

<sup>247</sup> Highlights 6-G8 Finance Ministers' Meeting in Osaka Japan, Reuters, (Osaka), 14 June 2008. Date of Access: 15 June 2008. [http://www.forbes.com/reuters/feeds/reuters/2008/06/14/2008-06-14T062252Z\\_01\\_T331\\_RTRIDST\\_0\\_G8-COMMENTS-HIGHLIGHTS-UPDATE-5.html](http://www.forbes.com/reuters/feeds/reuters/2008/06/14/2008-06-14T062252Z_01_T331_RTRIDST_0_G8-COMMENTS-HIGHLIGHTS-UPDATE-5.html).

<sup>248</sup> G8 Summit and the International Economic Crisis: Shocks, Summits, Solutions, World Today, 1 June 2008. Date of Access: 15 June 2008. <http://g8live.org/2008/06/01/g8-Summit-and-the-international-economic-crisis-shocks-Summits-solutions>.

<sup>249</sup> Highlights 6 – G8 finance ministers' meeting in Osaka, Japan, Reuters, (Osaka), 14 June 2008. Date of Access: 15 June 2008. [http://www.forbes.com/reuters/feeds/reuters/2008/06/14/2008-06-14T062252Z\\_01\\_T331\\_RTRIDST\\_0\\_G8-COMMENTS-HIGHLIGHTS-UPDATE-5.html](http://www.forbes.com/reuters/feeds/reuters/2008/06/14/2008-06-14T062252Z_01_T331_RTRIDST_0_G8-COMMENTS-HIGHLIGHTS-UPDATE-5.html).

oil-producing nations need to increase the present and future supply of fuel.<sup>250</sup> Japan will succeed in its objective if this sentiment is incorporated into the world economy communiqué. Japan has already been somewhat successful in this objective. The communiqué from the recent G8 Finance Ministerial stated: “We urge oil producing countries to increase production and to invest to enhance long-term production capacity.”<sup>251</sup> Perhaps more importantly, shortly after the ministerial, Saudi Arabia announced that it would increase its oil production by half a million barrels per day.<sup>252</sup>

In the long run, Japan has focused on addressing oil price increases with better energy efficiency and new technology. At the WEF in Davos, Switzerland last January, Prime Minister Fukuda argued for a global target of 30% better energy efficiency by 2020.<sup>253</sup>

In a recent statement, Prime Minister Fukuda specifically challenged developing and emerging economies to reduce their consumption of energy. “Developing and emerging countries, which are not very efficient in energy consumption, are consuming excessive energy,” he said.<sup>254</sup> The Finance Ministerial communiqué was more specific on how improvements in efficiency might be encouraged: “Passing on price signals to consumers for example by reducing subsidies, while giving targeted support to the poorest, is also important.”<sup>255</sup>

Issues outside Japan’s core objectives on oil prices have receded somewhat in importance since the finance ministerial. Unable to reach a consensus on the role of speculation in oil price increases, finance ministers have asked the IMF to study financial aspects of the price spike.<sup>256</sup> Therefore, until the IMF presents its report this fall, speculation may be something of a dead issue. Also at the finance ministerial, the possible relationship between the weak American dollar and oil prices proved too divisive to include in the communiqué.<sup>257</sup>

At the recent High-Level Conference on World Food Security, Japan unveiled a comprehensive plan to deal with food price increases, which would also be up for discussion at the Hokkaido-Toyako Summit. In the short run, Prime Minister Fukuda called for emergency food and agricultural aid, the release of food stockpiles and the lifting of export restrictions on food.<sup>258</sup> Japan has announced a new USD100 million food aid package, and USD10 million of aid for farmers, presumably in part to encourage other

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<sup>250</sup> Japan-UK Summit talks, The Ministry of Foreign Affairs of Japan, (Tokyo), 2 June 2008. Date of Access: 17 June 2008. <http://www.mofa.go.jp/region/europe/uk/Summit0806.html>.

<sup>251</sup> Statement of the G8 Finance Ministers Meeting, (Osaka), Government of Japan, 14 June 2008. Date of Access: 15 June 2008. <http://www.g7.utoronto.ca/finance/fm080614-statement.pdf>.

<sup>252</sup> G8 warning on slump spurs Saudi oil increase, The Daily Telegraph, (London), 15 June 2008. Date of Access: 16 June 2008. <http://www.telegraph.co.uk/money/main.jhtml?view=DETAILS&grid=&xml=/money/2008/06/15/cnoil115.xml>.

<sup>253</sup> Special Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the Annual Meeting of the World Economic Forum, World Economic Forum, (Davos), 26 January 2008. Date of Access: 16 June 2008. <http://www.mofa.go.jp/policy/economy/wef/2008/address-s.html>.

<sup>254</sup> Highlights 3-Japan PM: G8 must send message on oil, food prices, Reuters, (Tokyo), 18 June 2008. Date of Access: 18 June 2008. <http://beta.ph.news.yahoo.com/rtrs/20080617/tbs-g8-japan-economy-9a48464.html>.

<sup>255</sup> Statement of the G8 Finance Ministers Meeting, (Osaka), Government of Japan, 14 June 2008. Date of Access: 15 June 2008. <http://www.g7.utoronto.ca/finance/fm080614-statement.pdf>.

<sup>256</sup> Statement of the G8 Finance Ministers Meeting, (Osaka), Government of Japan, 14 June 2008. Date of Access: 15 June 2008. <http://www.g7.utoronto.ca/finance/fm080614-statement.pdf>.

<sup>257</sup> G8 frets over commodity shock, Reuters, 14 June 2008. Date of Access: 15 June 2008.

<http://www.reuters.com/article/marketsNews/idUSSP2149020080614?pageNumber=2&virtualBrandChannel=0>.

<sup>258</sup> Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the High-Level Conference on World Food Security: The Challenges of Climate Change and Bioenergy, Government of Japan, (Rome), 3 June 2008. Date of Access: 13 June 2008. <http://www.mofa.go.jp/announce/pm/fukuda/address0806.html>.



G8 countries to make their own donations.<sup>259</sup> Japan will succeed in these short-term objectives if G8 countries act on some or all of these exhortations.

In the long run, Japan has called for donor countries to support agricultural productivity gains around the world, particularly in Africa.<sup>260</sup> On biofuels, Prime Minister Fukuda has displayed some scepticism, calling for more research into “second-generation” biofuels, which would hypothetically not use edible material.<sup>261</sup> Japan will succeed in these objectives if both of these initiatives are covered by the Hokkaido-Toyako communiqués.

Many of Japan’s objectives in addressing inflation have already been incorporated into the Finance Ministerial communiqué. Therefore, Japan’s overarching objective at Hokkaido-Toyako will be to maintain momentum in those areas of agreement, for example, by encouraging further donations to food and agricultural aid programs, and to build consensus on areas not yet resolved. Areas that Japan still needs to pursue aggressively include a global energy efficiency target to address oil prices, and a statement by the G8 that strongly condemns food stockpiling and export controls to address food prices.

### *Scoring Guidelines*

<b>0</b>	G8 communiqués reflect none of Japan’s priorities in addressing inflation.
<b>0.25</b>	One of the following happens: G8 communiqués reflect at least one of two of Japan’s priorities in addressing inflation; other states announce increased food and agricultural aid; the G8 endorses Japan’s global energy efficiency goal.
<b>0.5</b>	G8 communiqués reflect nearly all of Japan’s priorities in addressing inflation, but no state promises to carry out concrete actions stemming from those priorities.
<b>0.75</b>	G8 communiqués reflect nearly all of Japan’s priorities in addressing inflation. In addition, one of the following happens: the G8 endorses Japan’s specific global energy efficiency goals, or other G8 states agree to increase food and agricultural aid.
<b>1</b>	G8 communiqués reflect all of Japan’s priorities in addressing inflation: the communiqués call on oil producing countries to increase supplies; encourage greater energy efficiency in both, developing and emerging countries; discourage widely targeted fuel subsidies; supporting aid and research to increase agricultural productivity. At least one other G8 nation announces increased emergency food and agricultural aid. The G8 endorses Japan’s specific global energy efficiency goals.

### *Prospects*

The recent G8 Finance Ministerial has shown that there is support behind Japan’s short run objectives on oil prices, with the exception of the energy efficiency target, which may prove unpopular with less aggressively regulatory countries such as the US, or indeed with oil producing countries such as the UK and Canada. It seems unlikely that Japan’s specific energy efficiency goal will be universally endorsed.

<sup>259</sup> Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the High-Level Conference on World Food Security: The Challenges of Climate Change and Bioenergy, Government of Japan, (Rome), 3 June 2008. Date of Access: 13 June 2008. <http://www.mofa.go.jp/announce/pm/fukuda/address0806.html>.

<sup>260</sup> Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the High-Level Conference on World Food Security: The Challenges of Climate Change and Bioenergy, Government of Japan, (Rome), 3 June 2008. Date of Access: 13 June 2008. <http://www.mofa.go.jp/announce/pm/fukuda/address0806.html>.

<sup>261</sup> Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the High-Level Conference on World Food Security: The Challenges of Climate Change and Bioenergy, Government of Japan, (Rome), 3 June 2008. Date of Access: 13 June 2008. <http://www.mofa.go.jp/announce/pm/fukuda/address0806.html>.

Additionally, there are a number of controversial areas, such as speculation in the oil market and exchange rate stability, which could shift the Summit's focus away from Japan's objectives. The issue of speculation seems to have been put aside for this year, but possible discussions on currency values are a wild card which could distract Japan's economic objectives.

In addressing food price increases, the only Japanese objectives that have not already been incorporated into the finance ministers' communiqué are on releasing stockpiled food supplies and lifting export restrictions. There was some resistance to these proposals at the High-Level Conference on World Food Security, but the declaration nonetheless reaffirmed the need to "minimise the use of restrictive measures that could increase volatility of international prices."<sup>262</sup> It seems likely, therefore, that G8 countries will also condemn the use of food export controls and stockpiling.

### *Postscript*

The issue of inflationary pressure figures directly in the World Economy communiqué but is also addressed indirectly in communiqué on climate change and food security. The G8 communiqués address most issues that were prioritized by Japan but no new pledges have been made in sectors such as food and agricultural aid. The communiqué calls for oil production to be increased in the short term, in addition to "continuing research and development of second generation biofuel technologies"<sup>263</sup>. Furthermore, the statement on food security does emphasize the need to "accelerate research and development and increase access to new agricultural technologies to boost agricultural production"<sup>264</sup>. These concerns by G8 leaders are an indirect way of addressing inflation which figures in the World Economy Communiqué. Indeed, G8 leaders express "strong concern about elevated commodity prices, especially of oil and food, since they pose a serious challenge to...increase global inflationary pressure."<sup>265</sup>

*Analyst: Allison Martell*

## **Objective 2: Contain the Credit Crisis [0.5]**

Generally, Japan's goal is two-fold: 1) to promote measures that will prevent the year-long financial crisis from metastasizing into a global credit crunch and 2) to implement reforms that will improve the resilience of the international financial system to similar dislocations in the future. Specifically, Japan will push for the implementation of reforms proposed by the FSF, including the Basel II capital adequacy framework, by the end of 2008. In addition, the Japanese presidency will pursue a statement reaffirming the importance of the IMF's revised Bilateral Surveillance mandate and calling for increased cooperation between the IMF and FSF to improve early warning capabilities.

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<sup>262</sup> Declaration of the high-level conference on world food security: The challenges of climate change and bioenergy, United Nations, 5 June 2008. Date of Access: 17 June 2008.

[http://www.fao.org/fileadmin/user\\_upload/foodclimate/HLCdocs/declaration-E.pdf](http://www.fao.org/fileadmin/user_upload/foodclimate/HLCdocs/declaration-E.pdf)

<sup>263</sup> Environment and climate change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

<sup>264</sup> Global food security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July. [http://www.mofa.go.jp/u\\_news/2/20080708\\_182602.html](http://www.mofa.go.jp/u_news/2/20080708_182602.html)

<sup>265</sup> World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_115219.html](http://www.mofa.go.jp/u_news/2/20080708_115219.html)

In a speech at the WEF on 26 January 2008, Prime Minister Fukuda referred to the now year-long credit squeeze as a “21<sup>st</sup> century crisis,” saying that “a swift response is absolutely imperative.”<sup>266</sup> He blamed “overly lax” risk management in the securitization of complex financial instruments for the subprime mortgage meltdown that caused massive decapitalization among financial institutions worldwide.<sup>267</sup> In May, Vice Finance Minister Hiroki Tsuda outlined the following urgent tasks for the G8: “strengthening the regulatory framework for (financial institutions’) capital adequacy ratios, enhancing information disclosure, improving credit ratings and boosting authorities’ crisis management capabilities.”<sup>268</sup>

Over the last year, the global financial crisis has galvanized considerable international pressure on the G8, culminating in demands for concrete action. On 3 April 2008, the IIF presented a policy letter to the G7 Finance Ministers and Central Bank Governors calling for sustained liquidity support by leading central banks, strengthened internal governance of valuation processes, and a “comprehensive but targeted set of policies aimed at navigating the global economy through this difficult period.”<sup>269</sup> To underscore the urgency of the situation, IIF managing director Charles Dallara warned that “credit markets remain under severe stress” and that continued deterioration of financial market conditions could cause “a downward spiral with serious adverse consequences for the global economy.”<sup>270</sup>

The IMF’s April 2008 GFSR warned that “risks of a credit crunch have increased,” threatening an even more “wrenching adjustment” if immediate action is not taken to bolster confidence in financial markets.<sup>271</sup> In order to prevent the credit crisis from metastasizing, the GFSR called for immediate disclosure of losses by banks, concerted efforts by systemically important financial institutions to raise capital, and publication of aggregate financial stability reports by national authorities to restore counterparty confidence.<sup>272</sup>

Since the global financial crisis emerged last summer, however, the G8 has led international efforts to contain the consequences and eliminate the causes. In cooperation with partnering institutions, the G8’s response included: commissioning an action plan from the FSF in October 2007,<sup>273</sup> endorsing its recommendations in April 2008,<sup>274</sup> implementing the most crucial reforms within 100 days (by mid-July)<sup>275</sup> and committing to implement more reforms by the end of 2008.<sup>276</sup> The basic goals of the FSF

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<sup>266</sup> Special Address by Prime Minister Yasuo Fukuda On the Occasion of the Annual Meeting of the World Economic Forum, Office of the Prime Minister, (Tokyo), 26 January 2008. Date of Access: 12 June 2008. [http://www.kantei.go.jp/foreign/hukudaspeech/2008/01/26speech\\_e.html](http://www.kantei.go.jp/foreign/hukudaspeech/2008/01/26speech_e.html)

<sup>267</sup> Special Address by Prime Minister Yasuo Fukuda On the Occasion of the Annual Meeting of the World Economic Forum, Office of the Prime Minister, (Tokyo), 26 January 2008. Date of Access: 12 June 2008. [http://www.kantei.go.jp/foreign/hukudaspeech/2008/01/26speech\\_e.html](http://www.kantei.go.jp/foreign/hukudaspeech/2008/01/26speech_e.html).

<sup>268</sup> G-8 Finance Ministers to Discuss Global Economy & Development, Kyodo News, (Tokyo), 19 May 2008. Date of Access: 15 June 2008. <http://g8live.org/2008/05/19/g-8-finance-ministers-to-discuss-global-economy-development-2>.

<sup>269</sup> IIF Calls on Finance Ministers and Central Bank Governors to Address Critical Global Economic and Financial Markets Challenges, Institute of International Finance, (Washington D.C.), 3 April 2008. Date of Access: 2 July 2008. <http://www.iif.com/press/press+63.php>.

<sup>270</sup> IIF Calls on Finance Ministers and Central Bank Governors to Address Critical Global Economic and Financial Markets Challenges, Institute of International Finance, (Washington D.C.), 3 April 2008. Date of Access: 2 July 2008. <http://www.iif.com/press/press+63.php>.

<sup>271</sup> Global Financial Stability Report, International Monetary Fund, (Washington D.C.), April 2008. Date of Access: 14 June 2008. <http://www.imf.org/External/Pubs/FT/GFSR/2008/01/pdf/text.pdf>.

<sup>272</sup> Global Financial Stability Report, International Monetary Fund, (Washington D.C.), April 2008. Date of Access: 14 June 2008. <http://www.imf.org/External/Pubs/FT/GFSR/2008/01/pdf/text.pdf>.

<sup>273</sup> Statement of G7 Finance Ministers and Central Bank Governors, G8 Information Center, (Toronto), 9 February 2008. Date of Access: 13 June 2008. <http://www.g7.utoronto.ca/finance/fm080209.htm>

<sup>274</sup> Statement of G7 Finance Ministers and Central Bank Governors, G8 Information Center, (Toronto), 11 April 2008. Date of Access: 13 June 2008. <http://www.g7.utoronto.ca/finance/fm080411.htm>.

<sup>275</sup> G7 gives banks 100 days to start revealing losses, Thomson Financial News, (Washington D.C.), 11 April 2008. Date of Access: 2 July 2008. <http://www.forbes.com/markets/feeds/afx/2008/04/11/afx4881967.html>

reforms are to: strengthen oversight of capital, liquidity, and risk management; improve transparency and valuation of structured investment products and off-balance sheet entities; revamp credit rating agencies' analytical and reporting frameworks; enhance national authorities' responsiveness to international financial crises; and broaden international cooperation for mitigating stress in the financial system.<sup>277</sup>

### *Scoring Guidelines*

<b>0</b>	Leaders do not discuss the credit crisis or related initiatives.
<b>0.25</b>	Leaders discuss the credit crisis and related initiatives, but fail to encourage any policy implementations.
<b>0.5</b>	Leaders discuss yet fail to endorse new reform proposals commissioned previously from various international organizations. However, they call for continued implementation of previously-endorsed policies.
<b>0.75</b>	Leaders discuss and endorse new reforms, but do not discuss implementing the new policies; however they do call for continued implementation of previously-endorsed policies.
<b>1</b>	Leaders discuss, endorse, and commit to implement new reform proposals and push for continued implementation of previously-endorsed policies.

### *Prospects*

In light of the emergent food and oil crises – and the considerable progress already made on this objective – this issue will receive less attention than previously thought. While major policy and regulatory initiatives are unlikely, a possible exception exists. The final statement from G8's pre-Summit Finance Ministers' meeting on 14 June 2008 anticipated “concrete progress in closer cooperation between the IMF and the FSF on reinforcing early warning capabilities.”<sup>278</sup> Having focused extensively on reforming the IMF's surveillance program,<sup>279</sup> Japan may propose a more formal arrangement for cooperation between the IMF and FSF. Apart from this, the G8 will likely focus on boosting the momentum of policy initiatives already underway. On this matter, a solid consensus exists among G8 countries, so major disagreements are unlikely to impede the outcome.

### *Postscript*

The G8 leaders recognized that “serious strain still exists” in the financial market and urged “private-sector players, national supervisory authorities and international bodies to rapidly implement all FSF recommendations to strengthen the resilience of the financial system;” however, they did not discuss new policies to resolve this issue.<sup>280</sup>

<sup>276</sup> Statement of G7 Finance Ministers and Central Bank Governors, G8 Information Center, (Toronto), 11 April 2008. Date of Access: 13 June 2008. <http://www.g7.utoronto.ca/finance/fm080411.htm>.

<sup>277</sup> Executive Summary Forward of Financial Stability Forum Report to G7, Reuters, (New York), 11 April 2008. Date of Access: 1 July 2008. <http://www.reuters.com/article/governmentFilingsNews/idUSWAT00932020080411?pageNumber=2&virtualBrandChannel=0>.

<sup>278</sup> Statement of the G8 Finance Ministers, G8 Information Center, (Toronto), 14 June 2008. Date of Access: 14 June 2008. <http://www.g7.utoronto.ca/finance/fm080614-statement.pdf>.

<sup>279</sup> Statement by Senior Vice Minister of Finance of Japan Kazunori Tanaka at the Forty-eighth Annual Meeting of The Inter-American Development Bank, Ministry of Finance, (Tokyo), 19 March 2008. Date of Access: 2 July 2008. [http://www.mof.go.jp/english/mf\\_review/mfr406/406\\_02.htm](http://www.mof.go.jp/english/mf_review/mfr406/406_02.htm).

<sup>280</sup> G8 Hokkaido Toyako Summit, Ministry of Foreign Affairs of Japan, (Tokyo), Date of Access: 8 June 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_115219.html](http://www.mofa.go.jp/u_news/2/20080708_115219.html)

### **Objective 3: Develop International Investment Principles That Mitigate Protectionism [0.75]**

As G8 President, Japan will seek to boost the momentum of several regulatory initiatives, related to state-controlled international investment, already being devised and promoted by the IMF and the OECD. The regulations aim to mitigate protectionist impulses in recipient countries by enhancing the transparency of government-controlled investors. More specifically, Japan will push the G8 to endorse the OECD's declaration on SWFs and Recipient Country Policies. In addition, Japan will pursue a statement calling on the IMF to accelerate its work on voluntary best practices for SWFs.

At the October 2007 Finance Ministers and Central Bank Governors meeting in Washington, the G7 asked the IMF, WB and OECD to examine best practices for both SWFs and recipient countries. For SWFs, the G7 identified "institutional structure, risk management, transparency and accountability"<sup>281</sup> as specific areas of concern. For recipients of government-controlled investments, the G7 called for policies that respect free market principles such as "nondiscrimination, transparency, and predictability."<sup>282</sup> Subsequently, the IMF established the International Working Group of Sovereign Wealth Funds,<sup>283</sup> which will produce, by October 2008, a set of GAPP to be voluntarily applied by SWFs.<sup>284</sup> Similarly, the OECD incorporated SWFs into its Freedom of Investment, National Security and 'Strategic' Industries project<sup>285</sup> and in June 2008 presented G7 Finance Ministers with the Declaration on SWFs and Recipient Country Policies.<sup>286</sup>

Among individual G8 members, there is broad agreement that SWFs should voluntarily adopt best practices to pre-empt formal regulations that could impede capital flows. David McCormick, the undersecretary for international affairs at the US Treasury, urged the IMF to hasten its best practices dialog with SWFs, saying it would "help push back against the calls for increased restrictions on sovereign investment."<sup>287</sup> In August 2007, the European Commission launched its own probe into the role of SWFs in the EU.<sup>288</sup> The Commission endorsed the need for a common European approach to SWFs that favours existing principles of open investment<sup>289</sup> over new regulatory restrictions.<sup>290</sup>

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<sup>281</sup> Statement of G7 Finance Ministers and Central Bank Governors, G8 Information Center, (Toronto), 19 October 2007. Date of Access: 15 June 2008. <http://www.g7.utoronto.ca/finance/fm071019.htm>.

<sup>282</sup> Statement of G7 Finance Ministers and Central Bank Governors, G8 Information Center, (Toronto), 19 October 2007. Date of Access: 15 June 2008. <http://www.g7.utoronto.ca/finance/fm071019.htm>.

<sup>283</sup> International Working Group of Sovereign Wealth Funds is Established to Facilitate Work on Voluntary Principles, International Monetary Fund, (Washington D.C.), 1 May 2008. Date of Access: 22 June 2008. <http://www.imf.org/external/np/sec/pr/2008/pr0897.htm>.

<sup>284</sup> International Working Group of Sovereign Wealth Funds to Meet in Singapore on July 9-10, International Working Group of Sovereign Wealth Funds, (Washington D.C.), 20 June 2008. Date of Access: 22 June 2008. <http://www.iwg-swf.org/pr.htm>.

<sup>285</sup> Progress Report by the OECD Investment Committee, Organization for Economic Cooperation and Development, (Paris), 18 April 2008. Date of Access: 30 June 2008. <http://www.oecd.org/dataoecd/1/58/40473798.pdf>.

<sup>286</sup> Declaration On Sovereign Wealth Funds And Recipient Country Policies, Organization for Economic Cooperation and Development, (Paris), 5 June 2008. Date of Access: 30 June 2008. [http://www.olis.oecd.org/olis/2008doc.nsf/LinkTo/NT000032DE/\\$FILE/JT03247225.PDF](http://www.olis.oecd.org/olis/2008doc.nsf/LinkTo/NT000032DE/$FILE/JT03247225.PDF).

<sup>287</sup> IMF 'must reform to remain relevant', The Financial Times, (London), 25 February 2008. Date of Access: 14 June 2008. <http://g8live.org/2008/02/25/imf-must-reform-to-remain-relevant>.

<sup>288</sup> SWFs ISO Good Investments, Washington Post, (Washington D.C.), 7 December 2007. Date of Access: 30 June 2008. <http://www.washingtonpost.com/wp-dyn/content/article/2007/12/07/AR2007120701879.html>.

<sup>289</sup> A Common European Approach to Sovereign Wealth Funds, Commission of The European Communities, (Brussels), 27 February 2008. Date of Access: 1 July 2008. [http://ec.europa.eu/internal\\_market/finances/docs/sovereign\\_en.pdf](http://ec.europa.eu/internal_market/finances/docs/sovereign_en.pdf).

<sup>290</sup> EU Warns Against Overreaction On Sovereign Wealth Funds, International Herald Tribune, (Brussels), 25 February 2008. Date of Access: 2 July 2008. <http://www.iht.com/articles/2008/02/25/business/fund.php?page=1>.

European Commission President José Manuel Barroso declared: “We will not propose European legislation, though we reserve the right to do so if we cannot achieve transparency through voluntary means.”<sup>291</sup>

At the Seventeenth Meeting of the International Monetary and Financial Committee on 12 April 2008, Japanese Minister of Finance Fukushiro Nukaga asserted Japan’s support for the IMF’s work with SWFs to “formulate best practices in the areas of governance, institutional arrangements, and transparency.”<sup>292</sup> Minister Nukaga also declared his belief that “these efforts will be beneficial to both SWFs and recipient countries by minimizing protectionism in recipient countries.”<sup>293</sup> By exchanging legislative restraint and non-discrimination for transparency and accountability, the G8’s strategy aims to more efficiently distribute liquidity through investment flows from capital-rich countries.

On 13 February 2008, Japan’s Financial Services Minister Yoshimi Watanabe invited China’s SWF to invest in Japan.<sup>294</sup> This prompted Hajime Bada, President of Japan’s Iron and Steel Federation, to call for tougher regulation, saying that “Some countries are using their state funds to dominate certain industries.”<sup>295</sup> In response, Minister Watanabe acknowledged peoples’ anxieties and declared that “It is important for [SWFs] to enhance transparency and dispel these concerns.”<sup>296</sup> Furthermore, Prime Minister Fukuda’s Liberal Democratic Party is formulating a plan to launch Japan’s own SWF, using money from the nation’s JPY150 trillion state-run pension program and about USD1 trillion in foreign reserves.<sup>297</sup> Since Japan is courting foreign SWFs while considering the establishment of its own, the dual-issue of SWF conduct and freedom of investment will motivate Japan to highlight this particular objective.

### *Scoring Guidelines*

<b>0</b>	Leaders do not discuss state-controlled investors (like SWFs) or barriers to international investment.
<b>0.25</b>	Leaders discuss the benefits of investment from SWFs and either reaffirm the principle of open investment or discourage protectionism.
<b>0.5</b>	Leaders discuss reconciling the benefits of investment from SWFs with the need to protect sensitive industries from politically motivated acquisition, but issue only vague statements promoting transparency and non-discrimination.
<b>0.75</b>	Leaders discuss voluntary adoption of best practices by state-controlled investors and adherence by recipient countries to international norms on open investment, they issue statements encouraging reciprocal transparency and non-discrimination, but they stop short

<sup>291</sup> EU Warns Against Overreaction On Sovereign Wealth Funds, International Herald Tribune, (Brussels), 25 February 2008. Date of Access: 2 July 2008. <http://www.iht.com/articles/2008/02/25/business/fund.php?page=1>.

<sup>292</sup> Statement by Japanese Minister of Finance Hon. Fukushiro Nukaga at the Seventeenth Meeting of the International Monetary and Financial Committee, Ministry of Finance, (Tokyo), 12 April 2008. Date of Access: 15 June 2008. [http://www.mof.go.jp/english/if/ko\\_080412st.pdf](http://www.mof.go.jp/english/if/ko_080412st.pdf).

<sup>293</sup> Statement by Japanese Minister of Finance Hon. Fukushiro Nukaga at the Seventeenth Meeting of the International Monetary and Financial Committee, Ministry of Finance, (Tokyo), 12 April 2008. Date of Access: 15 June 2008. [http://www.mof.go.jp/english/if/ko\\_080412st.pdf](http://www.mof.go.jp/english/if/ko_080412st.pdf).

<sup>294</sup> Japan Welcomes China Sovereign Fund with Open Arms, Japan Times, (Tokyo), 14 February 2008. Date of Access: 2 July 2008. <http://search.japantimes.co.jp/cgi-bin/nb20080214a9.html>.

<sup>295</sup> Japan Calls for Curbs on Sovereign Wealth Funds, The Times Online, (London), 7 February 2008. Date of Access: 2 July 2008. [http://business.timesonline.co.uk/tol/business/industry\\_sectors/banking\\_and\\_finance/article3321940.ece](http://business.timesonline.co.uk/tol/business/industry_sectors/banking_and_finance/article3321940.ece).

<sup>296</sup> Japan Welcomes China Sovereign Fund with Open Arms, Japan Times, (Tokyo), 14 February 2008. Date of Access: 2 July 2008. <http://search.japantimes.co.jp/cgi-bin/nb20080214a9.html>.

<sup>297</sup> LDP to Suggest Sovereign Fund Based on Forex & Pension Money, Japan Times, (Tokyo), 21 June 2008. Date of Access: 2 July 2008. <http://search.japantimes.co.jp/cgi-bin/nb20080621a1.html>.

	of endorsing or proposing specific initiatives.
1	Leaders discuss SWF best practices and recipient country policies, they propose or endorse one or more specific initiatives, and/or they encourage hasty implementation of one or more specific initiatives.

### *Prospects*

Through membership and participation in the IMF, WB, OECD, EU, etc, all G8 member states have demonstrated a consensus on SWFs. On one hand, the G8 acknowledges that state-controlled foreign investments may expose strategic industries to clandestine political operations. On the other hand, SWFs represent a massive source of much-needed capital that can help invigorate economies that are currently suffering from recession. As such, the G7/8 has pursued a compromise that relies on the OECD to discourage protectionist policies in recipient countries, while promoting an IMF framework of voluntary best practices for SWFs. Considering Japan's success in moving the G8 towards a mutually-beneficial policy on SWFs, there will likely be no obstacles to achieving this objective. Ultimately, Japan will use the Hokkaido-Toyako Summit to maintain the relevance and momentum of the IMF and OECD initiatives.

### *Postscript*

The G8 nations agreed that “SWFs are increasingly important participants in the world economy and [they] welcome[d] recent commitments by some SWFs to greater transparency”. Furthermore, they “encouraged the work of the IMF and the OECD to identify best practices for SWFs and recipient countries.” However, the leader stopped short of proposing new initiatives.<sup>298</sup>

*Analyst: Daniel Seleanu*

### **Objective 4: Exchange rate stability [0.75]**

For the Hokkaido-Toyako G8 Summit, the G8 presidency will likely be looking, at most, for a statement reiterating the G8's pledge to stable exchange rates which reflect the world economic balance. This implies stemming volatile exchange rates in reference to the US dollar, the Euro and the Chinese Yuan through a market-oriented approach without mass currency buy-ins.

Exchange rates were not formally on the agenda at the latest G8 finance ministers meeting in Osaka on 13-14 June 2008. G8 finance ministers have not released any statements concerning their objectives for the G8 Summit, instead focusing on the price of oil and food, thereby deflating expectations of a statement in strong support of the USD at the G8 Summit.<sup>299</sup> Talks concerning foreign exchange took place on the sidelines. Japanese finance minister, Fukushiro Nukaga, said that “there was no talk about joint intervention,” which rules out the possibility of worldwide intervention through purchases of the dollar to force it higher.<sup>300</sup> G8 meetings do not include Central Bank Governors, which ensures that there is little discussion of foreign exchange.

<sup>298</sup> G8 Hokkaido Toyako Summit, Ministry of Foreign Affairs of Japan, (Tokyo), Date of Access: 8 June 2008.

[http://www.mofa.go.jp/u\\_news/2/20080708\\_115219.html](http://www.mofa.go.jp/u_news/2/20080708_115219.html)

<sup>299</sup> Dollar languishes as G8 avoids new currency push, Agence France PResse, (New York), 16 June 2008. Date of Access: 16 June 2008. [http://news.yahoo.com/s/afp/20080616/bs\\_afp/forexus\\_080616210754](http://news.yahoo.com/s/afp/20080616/bs_afp/forexus_080616210754).

<sup>300</sup> FX Overnight Briefing, Daily FOrax Fundamentals, (New York), 16 June 2008. Date of Access: 16 June 2008.

<http://www.actionforex.com/fundamental-analysis/daily-forex-fundamentals/fx-overnight-briefing-2008061549685>.

The G8 Presidency's position on this issue differs from the US, where there is a sense of urgency over the weakness of the USD. Treasury Secretary Henry Paulson maintains that "he would never take intervention off the table" because a strong dollar is in the US interest, a concern also echoed by US Federal Reserve Chairman, Ben Bernanke.<sup>301</sup>

The G8 Presidency is therefore standing by the currency policy principles it had adopted at the G7 finance ministers and Central Bank governors meeting on 11 April 2008 in Washington DC. On this occasion, the finance ministers reaffirmed their "shared interest in a strong and stable international financial system"<sup>302</sup> and added that "since [their] last meeting, there have been at times sharp fluctuations in major currencies, and [they] are concerned about their possible implications for economic and financial stability."<sup>303</sup> Furthermore, they welcomed "China's decision to increase the flexibility of its currency, but in view of its rising current account surplus and domestic inflation, encourage[d] accelerated appreciation of its effective exchange rate."<sup>304</sup> The Washington meeting marked the first occasion since 2004 that the paragraph on currencies has changed. The long held G7 philosophy which was reaffirmed in February 2008 in Tokyo is that "exchange rates should reflect economic fundamentals while excess volatility and disorderly movements in exchange rates are undesirable for economic growth."<sup>305</sup>

### *Scoring Guidelines*

<b>0</b>	There is no mention on foreign exchange in any communiqué and the issue is not discussed in multilateral or bilateral talks.
<b>0.25</b>	The issue of foreign exchange was addressed but no statement in relation to cooperative action to maintain stable exchange rates was made.
<b>0.50</b>	The issue of foreign exchange is addressed and the G8 issues a statement outlining the need for stable exchange rates with no regard for the current world economic outlook of exchange rate volatility.
<b>0.75</b>	The G8 releases a statement outlining the need for stable exchange rates encouraging accelerated appreciation of China's exchange rate or voicing their concern about recent exchange rate fluctuations on economic and financial stability.
<b>1</b>	The G8 releases a statement reiterating its support to the G7 Accord stipulating that it encourages accelerated appreciation of China's exchange rate in addition to their concern about recent exchange rate fluctuations on economic and financial stability.

### *Prospects*

At the G8 Summit, the G8 Presidency can be expected to maintain the pledge for stable exchange rates in a brief statement. The US may be trying to coordinate an intervention in order to enact a concerted action where G8 nations would purchase USD in order to force it to appreciate. The US plan of possible

<sup>301</sup> Paulson says intervention is never "off the table", Bloomberg, (New York), 9 June 2008. Date of Access: 16 June 2008. <http://www.bloomberg.com/apps/news?pid=20601087&refer=home&sid=a4Uzza0Qvc2s>.

<sup>302</sup> Statement of G7 Finance Ministers and Central Bank Governors in Washington, Ministry of Finance Japan, (Tokyo), 11 April 2008. Date of Access: 16 June 2008. [http://www.mof.go.jp/english/if/g7\\_080411.htm](http://www.mof.go.jp/english/if/g7_080411.htm).

<sup>303</sup> Statement of G7 Finance Ministers and Central Bank Governors in Washington, Ministry of Finance Japan, (Tokyo), 11 April 2008. Date of Access: 16 June 2008. [http://www.mof.go.jp/english/if/g7\\_080411.htm](http://www.mof.go.jp/english/if/g7_080411.htm).

<sup>304</sup> Statement of G7 Finance Ministers and Central Bank Governors in Tokyo, G8 Research Group, (Toronto), 9 February 2008. Date of Access: 16 June 2008. <http://www.g7.utoronto.ca/finance/fm080209.htm>.

<sup>305</sup> Statement of G7 Finance Ministers and Central Bank Governors in Tokyo, G8 Research Group, (Toronto), 9 February 2008. Date of Access: 16 June 2008. <http://www.g7.utoronto.ca/finance/fm080209.htm>.



intervention seems to be at odds with Japan's reluctance to intervene on currency markets. As European finance ministers remain silent on the issue, intervention is not likely to occur unless there is a dramatic drop in the value of the USD.

### *Postscript*

Although exchange rates were addressed by G8 leaders at the Summit, no substantive discussions were held on foreign exchange. This was foreseeable given that Central Bank governors were not present at the Summit. However, the G8 statement on World Economy does include a single line implicitly addressing the need for China to allow for its exchange rate to appreciate. Indeed, the communiqué stipulates that “in some emerging economies with large and growing current account surpluses, it is crucial that their effective exchange rates move so that necessary adjustment will occur.”<sup>306</sup>

*Analyst: Hugues Létourneau*

### **Objective 5: Stimulus Package [0]**

G7 Finance Ministers met in Osaka, Japan on 13-14 June 2008 for their last meeting before the Toya-ko Summit. In a released joint statement, the Ministers recognized that the combination of rising commodity and oil prices and continuing financial market turmoil “make our policy choices more complicated.” They further promised that they would “remain vigilant and...continue to take appropriate actions, individually and collectively, in order to secure stability and growth in our economies and globally.”<sup>307</sup> The Ministers have thus implicitly recognized that the use of either monetary or fiscal policy in isolation is unlikely to produce the desired results, and that more creative government action is needed to stimulate economic growth and stave off a recession, especially in the US.

In a statement released on 10 June 2008, US Treasury Under-Secretary David H. McCormick noted that while the US was facing tough economic conditions, “Japan and Europe [had] strong first quarters.”<sup>308</sup> The divergent economic performance of the G8 member states makes a common solution to the problems facing the world's largest industrialized economies even more difficult to find. As such, it is likely that when they gather in Hokkaido-Toyako in July, there will be endorsements for individual government plans to manage the paths of their respective economies. Under-Secretary Paulson pointed to US President George W. Bush's USD150 billion stimulus package as one such example.<sup>309</sup> Similar programs to shift budgetary resources away from bureaucracy and public works into the promotion of local industry and small and medium enterprises were also features of the Japanese government's 2008 budget.<sup>310</sup> Nevertheless, this is in contrast to the desire of some G8 member states to reduce government expenditures and decrease the total value of government involvement in the economy. For example, one

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<sup>306</sup> World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_115219.html](http://www.mofa.go.jp/u_news/2/20080708_115219.html).

<sup>307</sup> Statement of the G-8 Finance Ministers' Meeting, G8 Information Centre, (Toronto), 14 June 2008. Date of Access: 15 June 2008. <http://www.g8.utoronto.ca/finance/fm080614-statement.pdf>.

<sup>308</sup> Prepared Statement by Treasury Under Secretary David H. McCormick in Advance of G-8 Finance Ministers' Meeting, US Treasury, (Washington D.C.), 10 June 2008. Date of Access: 15 June 2008. <http://www.treasury.gov/press/releases/hp1018.htm>.

<sup>309</sup> Prepared Statement by Treasury Under Secretary David H. McCormick in Advance of G-8 Finance Ministers' Meeting, US Treasury, (Washington D.C.), 10 June 2008. Date of Access: 15 June 2008. <http://www.treasury.gov/press/releases/hp1018.htm>.

<sup>310</sup> Highlights of the Budget for FY2008, Ministry of Finance, (Tokyo), December 2007. Date of Access: 15 June 2008. <http://www.mof.go.jp/english/budget/e20071224a.pdf>.

of the priorities of the new Italian government, sworn in on 8 May 2008, is to “achieve consistent savings of [public] expenditure.”<sup>311</sup>

Thus, given the wide divergence in economic circumstances between various G8 countries, and the various fiscal goals of the governments, it is unlikely that any clear and coordinated fiscal stimulus plan will emerge from the Summit. Rather, it is probable that the Leaders will issue an endorsement of individual countries’ plans and policies as an encouragement for all governments to address the problems facing their economies with appropriate short-term and long-term measures and reforms.

#### *Scoring Guidelines*

<b>0</b>	Leaders do not discuss the use of fiscal stimulus to address slow economic growth.
<b>0.25</b>	Leaders discuss the possibility of fiscal stimulus, but issue only vague statements on stimulus or government reaction to slower growth.
<b>0.50</b>	Leaders discuss fiscal stimulus as a response to slower growth and encourage countries to consider all available policy options.
<b>0.75</b>	Leaders discuss slow economic growth and explicitly endorse the use of fiscal stimulus as a short-term answer to slower economic growth.
<b>1</b>	Leaders discuss the possibility of using fiscal stimulus and endorse fiscal supports with language tailored to the specific circumstances of each country/economic unit.

#### *Prospects*

Despite more robust economic forecasts for the EU, Russia and Japan, the US and Canada are still in danger of serious economic downturns. As such, those two governments will likely be the strongest proponents of fiscal stimulus packages. European leaders and Japan will undoubtedly seek to support an endorsement of fiscal stimuli for the US economy, fearing that further downturns in the US economy could have ripple effects, endangering their own economic growth.

#### *Postscript*

The Leaders did not discuss the use of fiscal stimulus to address slow economic growth; thus, a score of 0 was given regarding this objective.

*Analyst: Michael Erdman*

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<sup>311</sup> Consiglio dei Ministri n.2 del 12/5/2008, Governo italiano, (Rome), 12 May 2008. Date of Access: 15 June 2008. <http://www.governo.it/Governo/ConsiglioMinistri/dettaglio.asp?d=39029>.

# REGIONAL SECURITY [0.52]

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The issue of regional security has featured on the G8 summit agenda since 1982, when France held discussions on the Falklands War and Lebanon at the Versailles Summit. 1984 saw the addition of the Iran-Iraq war to the agenda, the security threats in the Persian Gulf were discussed in 1987, and Cambodia in 1988. During the 1996 summit in Lyon, the issue of regional security became truly multi-dimensional, encompassing Bosnia, the Middle East, and North Korea. At the 2004 Sea Island Summit, the G8 issued a statement on Sudan. The statement called on all parties involved to take necessary steps to halt the crisis, while pledging G8 member assistance towards that end. The 2005 Gleneagles Summit saw the adoption of the G8 Foreign Ministers' Meeting Statement on Afghanistan, which welcomed the framework for the Parliamentary and Provincial Elections in September 2005, while simultaneously expressing G8 support for the Afghan government and people in their reconstruction efforts.

The regional security of the Balkans and Kosovo was a priority of the G8 Foreign Ministers at the 1998 Birmingham Summit, which culminated in a political statement urging Serbia and the then Serbian President Slobodan Milosevic to cooperate with the peace process. The G8 Statement on Regional Issues produced during the 1999 Köln Summit asserted the "key role" of the G8 in the Kosovo crisis and welcomed the adoption of UNSCR 1244, which instated the current administration of Kosovo.

Although regional security issues were not expected to figure prominently in the agenda at the 2008 Hokkaido-Toyako Summit, they have gained momentum in the preceding weeks, and have crystallized into definite objectives for G8 leaders.<sup>312</sup> As chair, Japan will lead the G8 in discussing "regional political issues of international concern at the time of the Summit."<sup>313</sup> Consequently, G8 members can be expected to express their commitment to bolster peacekeeping initiatives and support for reconstruction efforts in Afghanistan, and to use the summit as a forum to discuss Kosovo's democratic, independent future, albeit on the sidelines of the main summit discussions. Additionally, leaders can be expected to address the situations in Zimbabwe, Myanmar, the Darfur Region, the Caucasus Region, the Middle East, and Tibet.

*Lead Analyst: Marko Adamovic*

## **Objective 1: Afghanistan [0.5]**

Afghanistan is a recurring topic of discussion for the G8. Despite concerted nation-building efforts by both the ISAF and NATO, Afghanistan remains unstable. In November 2006, the UN Security Council warned that Afghanistan may become a failed state due to increased Taliban violence, growing illegal drug production, and fragile state institutions.<sup>314</sup> In 2006, Afghanistan was rated 10th on the failed states index, up from 11th in 2005. In 2008, Afghanistan had risen to 8th on the failed state index.<sup>315</sup>

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<sup>312</sup> MOFA: G8 Foreign Ministers' Meeting (Kyoto, June 27, 2008), The Ministry of Foreign Affairs of Japan, 27 June 2008. Date of access: 5 July 2008. [http://www.mofa.go.jp/policy/economy/summit/f\\_kyoto08/statement.html](http://www.mofa.go.jp/policy/economy/summit/f_kyoto08/statement.html)

<sup>313</sup> Hokkaido-Toyako-Toyako Summit - Main Themes. The Ministry of Foreign Affairs of Japan. Date of access: 18 June 2008. <http://www.g8summit.go.jp/eng/info/theme.html>

<sup>314</sup> Afghanistan could return to being a 'failed State,' warns Security Council mission chief, UN News Centre, 22 November 2006. Date of access: 20 June 2008. <http://www.un.org/apps/news/story.asp?NewsID=20702&Cr=afghan&Cr1=Sudan> tops 'failed states index', BBC News. Date of access: 30 May 2008. <http://news.bbc.co.uk/1/hi/world/africa/4964444.stm>

Two documents guide the mission in Afghanistan: the Afghanistan Compact and the Afghan National Defense Strategy (ANDS). The preamble to the Compact states that the international community and the Islamic Republic of Afghanistan have a “shared commitment to continue...to work toward a stable and prosperous Afghanistan, with good governance and human rights protection for all under the rule of law.”<sup>316</sup> The Compact is based on four pillars: security; governance, rule of law, and human rights; economic and social development; and counternarcotics.

The ANDS highlights the need for international donor states, military forces, and NGOs to work collectively to accomplish its goals.<sup>317</sup> Taken in conjunction with the Compact’s priorities, the primary focus is on establishing security and extending the reach of the central government and the rule of law.

While the security environment has improved throughout most of the country, not all of Afghanistan is classified as a permissive environment. The southern provinces of Kandahar, Oruzgan, Helmand, and Zabol are seeing active fighting between joint NATO and Afghan National Army forces, and insurgents, led by the remnants of the Taliban.

Afghanistan is one of the few issues on which the G8 demonstrate firm cohesion. At the 2007 Heiligendamm Summit, the leaders’ discussions resulted in a consensus regarding the need to fight to defend open democracy in the region. Leaders released a statement to this effect and also agreed that the lives of Afghans are improving, but that continued engagement from the G8 and the wider global community is needed to fulfill the commitments made to the people and the Government of Afghanistan by both the UN and NATO.<sup>318</sup>

Similarly, at the G8 Foreign Ministers Meeting in Kyoto on 26 June 2008, the G8 Foreign Ministers pledged to increase assistance to the Afghan National Army (ANA) and police force, to step up counternarcotics efforts and to strengthen rule of law projects. The statement also particularly encouraged Afghanistan and Pakistan to “continue their cooperation in a constructive and mutually beneficial manner through dialogue.” Ministers also pledged to strengthen their assistance to the border region, including the Federally Administered Tribal Areas (FATA).

As G8 Chair, Japan is deeply involved in nation-building efforts in Afghanistan in the areas of the peace process, the improvement of security and reconstruction assistance. It is unlikely that there will be much of a change from last year’s consensus.<sup>319</sup> Japan has promised to utilize its role as 2008 chair to promote efforts to build peace and stability in Afghanistan. Speaking before the UNSC in March, Japanese Ambassador Yukio Takasu stated that “Japan, in its capacity as Chair of the G8, will pursue synergy between the discussion in the G8 summit process and those reviews and discussions taking place in the U.N. and other forums, so that we may better support the efforts to consolidate peace and stability in Afghanistan.”<sup>320</sup> In addition, Japanese Prime Minister Fukuda expressed continued Japanese support for

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<sup>316</sup> Afghanistan Compact, The London Conference on Afghanistan (London), 31 January – 1 February 2006: 1. Date of access: 10 June 2008. [http://www.unama-afg.org/news/\\_londonConf/\\_docs/06jan30-AfghanistanCompact-Final.pdf](http://www.unama-afg.org/news/_londonConf/_docs/06jan30-AfghanistanCompact-Final.pdf)

<sup>317</sup> Approval of ANDS by the President, Afghan National Development Strategy, 10 June 2008. Date of access: 10 June 2008. <http://www.and.s.gov.af/>

<sup>318</sup> The 2007 G8 Summit, Office of the Prime Minister, 8 June 2007. Date of access: 30 May 2008. <http://pm.gc.ca/eng/media.asp?id=1688>

<sup>319</sup> Japan’s Contribution to Afghanistan – working on the frontline in the war on terrorism, Ministry of Foreign Affairs, March 2007. Date of access: 30 May 2008. [http://www.mofa.go.jp/region/middle\\_e/afghanistan/pamph0703.pdf](http://www.mofa.go.jp/region/middle_e/afghanistan/pamph0703.pdf)

<sup>320</sup> G8 chair Japan pledges to promote int’l support for Afghanistan Kyodo News, 12 March 2008. Date of access: 30 May 2008. <http://g8live.org/2008/03/12/g-8-chair-japan-pledges-to-promote-intl-support-for-afghanistan/>

Afghanistan's reconstruction as well as expressing Japan's willingness to work, as chair, to coordinate the efforts of the international community's to help Afghanistan.<sup>321</sup> Thus, Japan is primarily looking for consolidation of existing processes and institutions. It has not been specified whether or not this will translate into a separate statement on Afghanistan, although Canada certainly intends to push for one.

### *Scoring Guidelines*

<b>0</b>	G8 does not make any substantive mention of Afghanistan at the summit; no measurable progress or results with respect to the objective are evident <b>OR</b> the G8 reaches a consensus on Afghanistan that is contrary to the objective of the G8 Presidency.
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion on Afghanistan, but no measurable action was taken by the G8 in relation to the objective. (i.e. no action plan on Afghanistan was identified in any of the communiqués or statements released at the summit).
<b>0.5</b>	The G8 releases communiqués or makes statements committing to an action plan positively related to the G8 Presidency's objective on Afghanistan, but it is a highly-diluted, heavily-compromised version of the G8 Presidency's objective towards this objective.
<b>0.75</b>	The G8 releases communiqués or makes statements committing to an action plan positively related to the G8 Presidency's objective on Afghanistan, but notable concessions with respect to the original objective are evident.
<b>1</b>	The G8 releases communiqués or makes statements committing to an action plan that is highly aligned with the G8 Presidency's objective on Afghanistan.

### *Prospects*

While Afghanistan is on the Summit agenda and will certainly be discussed, it is not a priority for Japan. The focus will predominantly be on the world economy, environmental issues such as climate change, and African development.<sup>322</sup> Even within the political issues on the Summit agenda, Afghanistan is trumped by nuclear non-proliferation, which, given Japan's geopolitical situation (its status as the only G8 nation to have experienced the horrors of a nuclear attack, as well as its geographical proximity to North Korea), is to be expected. Thus, while there is cohesion among the G8 on this issue, it is possible that it will be squeezed off the agenda by more pressing issues.

### *Postscript*

Given the immediacy of the situation in Zimbabwe, there was relatively little attention paid to the issue of Afghanistan at the G8 Summit in Hokkaido. Leaders did, however, welcome the G8 Foreign Ministers' Statement on Afghanistan and reaffirmed "the importance of economic and social development along with counter-terrorism measures in the Afghanistan-Pakistan border region." They committed to "building lasting peace stability and security in [the] region...[and] strengthening the coordination of our efforts in the border region in cooperation with the respective countries, international organizations and other donors." Leaders committed to "strengthen humanitarian, stabilization, military

<sup>321</sup> BBC Monitoring Asia Pacific (February 4, 2008), "Visiting Afghan foreign minister thanks Japan for resuming refuelling."

<sup>322</sup> Prime Minister Fukuda's Message, G8 Hokkaido -Toyako Summit. DateDateDateDateToyako <sup>322</sup> Joint Position Paper of access: 30 May 2008. <http://www.g8summit.go.jp/eng/info/index.html>Brazil, China, India, Mexico and South Africa Participating in the G8 Heiligendamm Summit, Indian Ministry of External

and reconstruction assistance” thereby improving capabilities, individually and collectively, for peacekeeping and peacebuilding.<sup>323</sup>

In a more general statement on global political issues, Leaders committed to: (a) build capacity for peace support operations including providing quality training to and equipping troops by 2010, as well as enhance logistics and transportation support for deployment; (b) strengthen assistance both in quality and quantity to train and equip police in countries in and emerging from conflict, as well as continue to develop global capacity for police peacekeeping including stability/formed police units, and; (c) strengthen their domestic endeavour to develop civilian human resources to play core roles in peacebuilding.<sup>324</sup> Thus, although these commitments are positively related to the Japanese Presidency's objectives with regard to Afghanistan, the fact that the single paragraph on the issue was not even included in the main Summit communiqué, but in the separate statement on counter-terrorism, means that the Afghanistan objective has received a score of 0.5.

*Analyst: Erin Fitzgerald*

## **Objective 2: Zimbabwe [0.5]**

The G8 Presidency has not directly stated what its goals are regarding the recent political instability and violence in Zimbabwe. The best illustration of the Presidency's position can be found in the 17 April 2008 G8 Foreign Ministers statement about Zimbabwe, which indicates that the G8 members are closely and concernedly monitoring developments in Zimbabwe.<sup>325</sup> In the statement, the G8 pledged support for the efforts of the South African Development Community (SADC) election monitors, and generally for democracy in Zimbabwe.<sup>326</sup> G8 members are generally in agreement upon the need for a cessation of government sponsored violence in Zimbabwe. Five G8 members were at the US-EU Summit, which urged the Zimbabwean government to “cease the state-sponsored violence and intimidation against its people.”<sup>327</sup> However, not all members concur upon what further action they should take in the name of human rights and democracy in Zimbabwe.

Over the past year, the UK has taken the harshest stance towards the government of Zimbabwe. British Prime Minister Gordon Brown refused to attend the EU-Africa summit in December 2007 in protest of Robert Mugabe's attendance.<sup>328</sup> Unique among G8 members, Brown communicated his support for more sanctions against the Zimbabwean leadership.<sup>329</sup> The commonly held position of G8 members is

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<sup>323</sup> G8 Leaders' Statement on Counter-Terrorism, The Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008. Date of access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_230513.html](http://www.mofa.go.jp/u_news/2/20080708_230513.html)

<sup>324</sup> Political Issues, The Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008. Date of access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_230251.html](http://www.mofa.go.jp/u_news/2/20080708_230251.html)

<sup>325</sup> G8 Foreign Ministers' Statement on Zimbabwe, The Ministry of Foreign Affairs of Japan, (Tokyo), 17 April 2008. fairs, (Berlin), 6 June 2007. Date of Access: 1616161623 June 2008.

[http://www.mofa.go.jp/announce/announce/2008/4/1179167\\_1000.html](http://www.mofa.go.jp/announce/announce/2008/4/1179167_1000.html)<http://meaindia.nic.in/pressrelease/2007/06/08pr01.htm>  
m. nounce/2008/4/1179167\_1000.html" [http://www.mofa.go.jp/announce/announce/2008/4/1179167\\_1000.html](http://www.mofa.go.jp/announce/announce/2008/4/1179167_1000.html)

<sup>326</sup> G8 Foreign Ministers' Statement on Zimbabwe, The Ministry of Foreign Affairs of Japan, (Tokyo), 17 April 2008. Date of Access: 16 June 2008. [http://www.mofa.go.jp/announce/announce/2008/4/1179167\\_1000.html](http://www.mofa.go.jp/announce/announce/2008/4/1179167_1000.html)

<sup>327</sup> EU-US Summit: Bush says Iran 'faces international isolation', The Guardian Online Edition, (London), 10 June 2008. Date of Access: 16 June 2008. <http://www.guardian.co.uk/world/2008/jun/10/eu.usa?gusrc=rss&feed=networkfront>

<sup>328</sup> An awkward meeting: Robert Mugabe at the EU-Africa Summit. The Economist Online Edition, (London), 8 December 2007. Date of Access: 16 December 2008. [http://www.economist.com/world/africa/displaystory.cfm?story\\_id=10273503](http://www.economist.com/world/africa/displaystory.cfm?story_id=10273503)

<sup>329</sup> Zimbabwe: Prime Minister Interview, Foreign and Commonwealth Office, (London), 20 September 2007. Date of Access: 16 June 2008. <http://www.fco.gov.uk/en/newsroom/latest-news/?view=News&id=1535128>

support for election observers in Zimbabwe. France,<sup>330</sup> Germany,<sup>331</sup> the UK,<sup>332</sup> and the European Union<sup>333</sup> have all called for UN or EU observers to monitor the upcoming election. Canada has called for the SADC, the African Union and the UN to become involved in Zimbabwe as well as for a moratorium on arms sales to Zimbabwe.<sup>334</sup> The US has ruled out sanctions for the time being, but has stated that if the run-off election is fixed by Mugabe’s regime, it would consider taking harsher actions against a “rogue regime.”<sup>335</sup>

At the G8 Foreign Ministers’ meeting on 26 – 27 June 2008, Ministers reiterated their concern about the situation in Zimbabwe, deploring the Zimbabwean authorities and expressing that the “systematic violence, obstruction and intimidation” have made a democratic run-off election impossible. Ministers further urged Zimbabwean authorities to achieve a prompt, peaceful resolution of the crisis in accordance with the democratic wishes of the Zimbabwean people and, for that purpose, to cooperate fully with the international efforts including those of SADC, the African Union and UN. They also called for the immediate permission of humanitarian organizations to resume operations.<sup>336 337</sup>

The Japanese Presidency will have to ensure that all members of the G8 are able to agree upon the actions that should be taken in support of the people of Zimbabwe. The Presidency must craft an action plan which balances the desires for harsher responses against Mugabe and his government, against those of countries who have adopted a more conservative approach to dealing with Mugabe’s regime.

### *Scoring Guidelines*

<b>0</b>	The G8 produces no statement and there is no evidence of discussion about Zimbabwe.
<b>0.25</b>	The G8 discusses Zimbabwe and offers vague calls for peace or an improvement in the humanitarian situation in Zimbabwe.
<b>0.5</b>	The G8 condemns violence and calls for democracy in Zimbabwe or discusses an action plan that will aid in bringing democracy to and ending violence in Zimbabwe.
<b>0.75</b>	The G8 discusses and promises to consider implementing an action plan that will aid in bringing democracy to and ending violence in Zimbabwe.
<b>1</b>	The G8 designs and fully commits support to an action plan that will aid in bringing

<sup>330</sup> Zimbabwe: Detention of opposition leader Morgan Tsvangirai, Ministère des Affaires Étrangères et Européennes, (Paris), 4 June 2008. Date of Access: 16 June 2008. [http://www.diplomatie.gouv.fr/en/country-files\\_156/zimbabwe\\_271/france-and-zimbabwe\\_2400/political-relations\\_6140/detention-of-opposition-leader-morgan-tsvangirai-04.06.08\\_11529.html](http://www.diplomatie.gouv.fr/en/country-files_156/zimbabwe_271/france-and-zimbabwe_2400/political-relations_6140/detention-of-opposition-leader-morgan-tsvangirai-04.06.08_11529.html)

<sup>331</sup> Opening Speech by Frank-Walter Steinmeier, Federal Minister for Foreign Affairs, at the 20th Africa Festival Würzburg, 22 May 2008, Auswärtiges Amt, (Berlin). Date of Access: 16 June 2008. <http://www.auswaertiges-amt.de/diplo/en/Infoservice/Presse/Rede/2008/080522-BM-AfricaFestival.html>

<sup>332</sup> Foreign Secretary Written Ministerial Statement on Zimbabwe, Foreign and Commonwealth Office, 6 May 2008. Date of Access: 16 June 2008. <http://www.fco.gov.uk/en/newsroom/latest-news/?view=News&id=3318428>

<sup>333</sup> 2870th Council meeting General Affairs and External Relations External relations Brussels, 26-27 May 2008, European Union, (Brussels), 26 May 2008. Date of Access 16 June 2008. <http://europa.eu/rapid/pressReleasesAction.do?reference=PRES/08/141&format=HTML&aged=0&language=EN&guiLanguage=en>

<sup>334</sup> Canada Appeals for Increased Engagement in Zimbabwe, Department of Foreign Affairs and International Trade Canada, (Ottawa), 2 May 2008. Date of Access: 16 June 2008. [http://w01.international.gc.ca/minpub/Publication.aspx?isRedirect=True&publication\\_id=386135&docnumber=103&language=E](http://w01.international.gc.ca/minpub/Publication.aspx?isRedirect=True&publication_id=386135&docnumber=103&language=E)

<sup>335</sup> Remarks on Recent Events in Zimbabwe, US Department of State, (Washington, DC), 6 June 2008. Date of Access: 16 June 2008. <http://www.state.gov/p/af/rls/rm/2008/105713.htm>

<sup>336</sup> MOFA: Joint Press Conference by the G8 Foreign Ministers (June 27, 2008), The Ministry of Foreign Affairs of Japan, 27 June 2008. Date of access: 5 July 2008. [http://www.mofa.go.jp/policy/economy/summit/f\\_kyoto08/joint.html](http://www.mofa.go.jp/policy/economy/summit/f_kyoto08/joint.html)

<sup>337</sup> MOFA: G8 Foreign Ministers’ Statement on Zimbabwe (June 27, 2008), 27 June 2008. Date of access: 5 July 2008. [http://www.mofa.go.jp/policy/economy/summit/f\\_kyoto08/zimbabwe.html](http://www.mofa.go.jp/policy/economy/summit/f_kyoto08/zimbabwe.html)

*Prospects*

Considering the Foreign Ministers' statements, it is likely that an agreement will be reached that would, at minimum, condemn the violence in Zimbabwe and put forth a call for a turn to democracy and increased allowance of humanitarian aid. The exact details of the statement are hard to predict given the fact that the situation within Zimbabwe will undoubtedly change one way or the other after the run-off election on 27 June 2008. As long as the UK or others do not stubbornly insist upon an extremely forceful action plan, it is likely that an adequate middle-ground response, perhaps consisting of limited sanctions and teams of international observers, will be agreed upon.

*Postscript*

At Hokkaido-Toyako, G8 Leaders expressed "grave concern about the situation in Zimbabwe," while simultaneously deploring the fact that the presidential election took place despite the absence of appropriate conditions for free and fair voting (i.e. intimidation, systemic violence). There was the recommendation of a special envoy of the UN Secretary-General to report on the political, humanitarian, human rights and security situation and to support regional efforts to take forward mediation between political parties. Leaders agreed to promote peace and security through supporting the AU and Regional Economic Communities in enhancing Africa's peacekeeping capabilities in particular the African Peace Security Architecture (APSA), including the African Standby Force (ASF).

G8 Leaders supported the AU's call to encourage Zimbabwean leaders to initiate dialogue with view to promoting peace and stability; also including the SADC in the necessary cooperative dialogue. Leaders further stressed their "deep concern" by the humanitarian dimension of the situation in Zimbabwe stating that "the Zimbabwean authorities must allow the immediate resumption of humanitarian operations and full and non-discriminatory access to humanitarian assistance to prevent the suffering of the most vulnerable people in Zimbabwe." Leaders pledged to take further financial steps against "those individuals responsible for violence."<sup>338</sup> Prime Minister Fukuda stated that for sanctions to be implemented, they would have to be facilitated by the UN, through agreement in the UNSC.<sup>339</sup>

*Analyst: Andrew Wright*

**Objective 3: Myanmar [1]**

The Japanese Government has heavily invested itself with the situation in Myanmar. Japan has been actively providing aid to the region in response to government requests from Myanmar.<sup>340</sup> Japan has attended successful meetings with the Health and Foreign Ministers of Myanmar. Moreover, Japan has discussed the situation with the Association of Southeast Asian Nations.<sup>341,342,343</sup> Overall, the Japanese

<sup>338</sup> G8 Leaders' Statement on Zimbabwe, The Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008. Date of access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_230618.html](http://www.mofa.go.jp/u_news/2/20080708_230618.html)

<sup>339</sup> Chair's Summary, Yasuo Fukuda, (Hokkaido Toyako), 9 July 2008.

<sup>340</sup> Cyclone Disaster in Myanmar (Return of Japan Disaster Relief Medical Team), Ministry of Foreign Affairs of Japan, (Tokyo), 9 June 2008. Date of access: 16 June 2008. [http://www.mofa.go.jp/announce/announce/2008/6/1180679\\_1020.html](http://www.mofa.go.jp/announce/announce/2008/6/1180679_1020.html)

<sup>341</sup> Meeting between Mr. Osamu Uno, Vice-Minister for Foreign Affairs, and Dr. Kyaw Myint, Minister for Health of Myanmar, Ministry of Foreign Affairs of Japan, (Tokyo), 9 June 2008. Date of access: 16 June 2008. [http://www.mofa.go.jp/announce/announce/2008/5/1180463\\_1010.html](http://www.mofa.go.jp/announce/announce/2008/5/1180463_1010.html)



government has been cooperative with the government of Myanmar. In February, Japan announced its pleasure with the democratization process as represented by the referendum on the constitution, although Japan also called for the release of political prisoner Aung San Suu Kyi.<sup>344</sup>

The stances of the remaining G8 members can be split into two camps, those calling for harsh actions to be taken against the current regime in Myanmar, and those who are more willing to cooperate with the military junta and other local countries. The US and France are the most clear advocates of the former group. The US has been very critical of the government of Myanmar. On 2 June 2008, US Defense Secretary Robert Gates accused it of “criminal neglect,”<sup>345</sup> and was critical of the proposed constitution in February 2008.<sup>346</sup>

The UK, Russia, and Japan have focused less on sanctions and intervention and more on international discussions and cooperation. British Foreign Office Minister Malloch Brown emphasized his government’s cooperation with Myanmar officials, and stated that his government desired neither UN intervention nor firm deadlines for cooperation of the military junta.<sup>347</sup> Back in 28 September 2007, then-Russian President Vladimir Putin announced that he supported the cause of human rights in Myanmar but insisted that before any sanctions could be enacted, it would have to go through the UN.<sup>348</sup> There has been no change in this stance. As mentioned, Japan has also been emphasizing cooperation with the Myanmar government and has made little mention of sanctions or forced intervention.

Between 26-27 June 2008, G8 Foreign Ministers renewed their commitment to aiding those affected by Cyclone Nargis. They called on the authorities of Myanmar to lift all remaining restrictions on the flow of aid and to improve access for foreign aid workers to the affected areas. They urged the Myanmar government to foster a peaceful transition to a legitimate, democratic, civilian government and strongly supported the UN Secretary General's good offices mission, and Myanmar’s cooperation with Special Adviser Ibrahim Gambari.<sup>349</sup> Similarly, Ministers encouraged the authorities of Myanmar to engage all stakeholders in an inclusive and transparent political process. In this context, they called on Myanmar to immediately release political detainees including Aung San Suu Kyi.<sup>350</sup>

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<sup>342</sup> Meeting between Mr. Osamu Uno, Vice Minister for Foreign Affairs, and U Nyan Win, Foreign Minister of Myanmar, Ministry of Foreign Affairs of Japan, (Tokyo), 9 June 2008. Date of access: 16 June 2008. [http://www.mofa.go.jp/announce/announce/2008/5/1180512\\_1010.html](http://www.mofa.go.jp/announce/announce/2008/5/1180512_1010.html)

<sup>343</sup> Meeting between Mr. Osamu Uno, Vice Minister for Foreign Affairs, and Dr. Surin Pitsuwan, ASEAN Secretary-General, Ministry of Foreign Affairs of Japan, (Tokyo), 9 June 2008. Date of access: 16 June 2008. [http://www.mofa.go.jp/announce/announce/2008/5/1180519\\_1010.html](http://www.mofa.go.jp/announce/announce/2008/5/1180519_1010.html)

<sup>344</sup> Statement by the Press Secretary/Director-General for Press and Public Relations, Ministry of Foreign Affairs, on the Situation in Myanmar (Announcement of Timing of National Referendum on a New Constitution and General Elections), Ministry of Foreign Affairs of Japan, (Tokyo), 9 June 2008. Date of access: 16 June 2008. [http://www.mofa.go.jp/announce/announce/2008/2/1177696\\_980.html](http://www.mofa.go.jp/announce/announce/2008/2/1177696_980.html)

<sup>345</sup> Gates Accuses Myanmar of Criminal Neglect, The New York Times Online Edition, (New York), 2 June 2008. Date of access: 16 June 2008.

<http://www.nytimes.com/2008/06/02/world/asia/02gates.html?em&ex=1212552000&en=38043f45b462bb60&ei=5087%0A>

<sup>346</sup> Burmese Regime Announces Sham Referendum, US Department of State, (Washington, DC), 11 February 2008. Date of access: 16 June 2008. <http://www.state.gov/r/pa/prs/ps/2008/feb/100254.htm>

<sup>347</sup> Foreign Minister travels to Thailand for talks on Burma, Foreign and Commonwealth Office, (London), 15 May 2008. Date of access: 16 June 2008. <http://www.fc.gov.uk/en/newsroom/latest-news/?view=News&id=3449547>

<sup>348</sup> Press Conference Following Talks With Prime Minister Jose Luiz Rodriguez Zapatero of Spain, President of Russia Official Web Portal, (Moscow), 29 September 2007. Date of access: 2008.

[http://www.kremlin.ru/eng/text/speeches/2007/09/28/2149\\_type82914type82915type82917\\_146196.shtml](http://www.kremlin.ru/eng/text/speeches/2007/09/28/2149_type82914type82915type82917_146196.shtml)

<sup>349</sup> MOFA: G8 Foreign Ministers’ Meeting: Chairman’s Statement (27 June 2008), The Ministry of Foreign Affairs of Japan, 27 June 2008. Date of access: 4 July 2008. [http://www.mofa.go.jp/policy/economy/summit/f\\_kyoto08/statement.html](http://www.mofa.go.jp/policy/economy/summit/f_kyoto08/statement.html)

<sup>350</sup> MOFA: Joint Press Conference by the G8 Foreign Ministers (June 27, 2008), The Ministry of Foreign Affairs of Japan, 27 June 2008. Date of access: 5 July 2008. [http://www.mofa.go.jp/policy/economy/summit/f\\_kyoto08/joint.html](http://www.mofa.go.jp/policy/economy/summit/f_kyoto08/joint.html)

Japan will aim to keep Myanmar on the discussion table at the G8 Summit, and will attempt to ensure vocal support for humanitarian issues in Myanmar. This G8 Presidency, however, will most likely not want to support a forceful resolution against Myanmar. The Japanese Presidency will be looking for a statement that calls for the release of Aung San Suu Kyi, while also emphasizing the need for cooperation with the military junta regarding humanitarian aid and possible provision of further assistance to the government in return for showing signs of democratization.

### *Scoring Guidelines*

<b>0</b>	The G8 makes no mention of Burma/Myanmar <b>OR</b> the G8 firmly commits to or recommends harsh sanctions or forceful intervention in Burma/Myanmar.
<b>0.25</b>	The G8 expresses concern about the humanitarian or democratic situation in Burma/Myanmar.
<b>0.5</b>	The G8 condemns the imprisonment of Aung San Suu Kyi and expresses desire to provide humanitarian aid and democratization in Burma/Myanmar but recommends no method for it.
<b>0.75</b>	The G8 recommends the release of Aung San Suu Kyi and recommends cooperation in humanitarian aid and democratization with the Burmese/Myanmarese government.
<b>1</b>	The G8 calls for the release of Aung San Suu Kyi and pledges cooperation in humanitarian aid and democratization with the Burmese/Myanmarese government.

### *Prospects*

The Japanese Presidency's success depends on whether it can convince the US, France and other countries, such as Canada, to moderate their calls for a harsh response against the government of Myanmar. Given that Japan will foreseeably have the UK and Russia as allies in this goal it is likely that a middle ground will be reached. The fact that the UK agreed to the possibility of forced intervention in the future,<sup>351</sup> and France's eventual concession to sending its aid through the UN in Thailand,<sup>352</sup> demonstrates that compromise is possible and it bodes well for the possibility of a solution being reached. While it is unlikely that the G8 will pledge firm support to either cooperation or sanctions, based on the Foreign Ministers' meeting it is highly probable that the G8 will call for the release of Aung San Suu Kyi and express its desire to provide humanitarian aid and democracy in Myanmar.

### *Postscript*

At Hokkaido-Toyako, G8 Leaders called on the authorities of Myanmar to lift all remaining restrictions on international aid. Stressing a transparent political process, Leaders urged for the immediate release of political prisoners including Aung San Suu Kyi.<sup>353</sup>

*Analyst: Andrew Wright*

## **Objective 4: Sudan and Darfur [0.75]**

<sup>351</sup> Foreign Minister travels to Thailand for talks on Burma, Foreign and Commonwealth Office, (London), 15 May 2008. Date of access: 16 June 2008. <http://www.fc.gov.uk/en/newsroom/latest-news/?view=News&id=3449547>

<sup>352</sup> Tropical Cyclone Nargis: French humanitarian aid (May 29, 2008), Ministère des Affaires Étrangères et Européennes, (Paris), 29 May 2008. Date of access: 16 June 2008. [http://www.diplomatie.gouv.fr/en/country-files\\_156/burma\\_483/france-and-burma\\_6315/humanitarian-action\\_6407/tropical-cyclone-nargis-29.05.08\\_11207.html](http://www.diplomatie.gouv.fr/en/country-files_156/burma_483/france-and-burma_6315/humanitarian-action_6407/tropical-cyclone-nargis-29.05.08_11207.html)

<sup>353</sup> Chair's Summary Hokkaido [sic] Toyako, July 9 2008, The Ministry of Foreign Affairs of Japan, (Tokyo), 9 July 2008. Date of access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080709\\_144220.html](http://www.mofa.go.jp/u_news/2/20080709_144220.html)

While various concerns have taken a back seat due to the urgency of the food crisis and the rising oil price, the humanitarian crisis in Sudan remains intact on the official agenda of the 2008 G8 Hokkaido - Toyako Summit. Japan has expressed its interest in showing a “positive attitude toward peace-building in Sudan.”<sup>354</sup>

Tokyo has declared its support for the Sudanese Comprehensive Peace Agreement, and has agreed to further contribute over USD200 million of aid for peace-building in the region.<sup>355</sup>

At the Tokyo Peacebuilders Symposium held between 24-25 March 2008, Japanese Minister of Foreign Affairs Masahiko Koumura acknowledged the concentration of unresolved conflicts in the area surrounding Sudan.<sup>356</sup> Minister Koumura further emphasized the need for attention to the humanitarian crisis in Sudan at the G8 News Agencies Summit reception held in Tokyo on 16 June 2008.<sup>357</sup>

Despite residing in the official Hokkaido-Toyako Summit agenda, Prime Minister Fukuda did not include the humanitarian crisis in Sudan as priority objectives for African Development in his announcement at the World Economic Forum on 26 January 2008.

At the Seventeenth Japan-EU Summit, Japan reiterated in a joint statement with the EU the importance of peace-building, especially in Africa.<sup>358</sup> Japan aims to support the multidimensional presence in Chad and the Central African Republic consisting of MINURCAT, the EUFOR TCHAD/RCA as well as the Chadian Integrated Security Detachment, which are contributing to the security in those countries and are also expected to enhance stability in Darfur, Sudan.<sup>359</sup>

At the Heiligendamm Summit, leaders underlined that there was no military solution to the conflict in Darfur and affirmed full support for the Special Envoys of the UN and AU to bring the parties to a negotiated political agreement.<sup>360</sup> To that end, G8 welcomed the Tripoli Consensus of 31 January 2007.<sup>361</sup> Previous efforts by the G8 at the 2004 Sea Island Summit focused on a statement of support for a negotiated peace and the provision of humanitarian aid to the victims.<sup>362</sup> These prior actions by the G8 suggest that Japan will seek another statement on the issue.

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<sup>354</sup> Japan’s 2008 G8: Plans for the Hokkaido-Toyako Toyako Summit, The International Herald Tribune, 16 May 2008. Date of Access: 20 June 2008.

<sup>355</sup> Japan’s 2008 G8: Plans for the Hokkaido-Toyako Toyako Summit, Kyodo News, 9 January 2008. Date of Access: 20 June 2008.

<sup>356</sup> The Ministry of Foreign Affairs, Keynote Speech by Mr. Masahiko Koumura, Minister for Foreign Affairs of Japan, “Building Peacebuilders for the Future” at the Tokyo Peacebuilders Symposium 2008. Date of Access: 20 June 2008. <http://www.mofa.go.jp/policy/un/pko/symposium0803-s.html>.

<sup>357</sup> Japan, G8 Nations to Send “Strong Message” on North Korea, Afghanistan, BBC Monitoring Asia Pacific, (Tokyo), 16 June 2008. Date of Access: 20 June 2008. Alternate: <http://www.zibb.com/article/3433200/Japan+G8+nations+to+send+strong+message+on+North+Korea+Afghanistan++agency>.

<sup>358</sup> 17<sup>th</sup> Japan-EU Summit, 23 April 2008 Joint Press Statement, Ministry of Foreign Affairs of Japan, (Tokyo), 23 April 2008. Date of Access: 20 June 2008. <http://www.mofa.go.jp/region/europe/eu/Summit/joint0804.html>.

<sup>359</sup> 17<sup>th</sup> Japan-EU Summit, 23 April 2008 Joint Press Statement, Ministry of Foreign Affairs of Japan, (Tokyo), 23 April 2008. Date of Access: 20 June 2008. <http://www.mofa.go.jp/region/europe/eu/Summit/joint0804.html>.

<sup>360</sup> G8 Summit Statement on Sudan-Darfur, G8 Information Center, (Heiligendamm), 8 June 2007. Date of Access: 20 June 2008. <http://www.g7.utoronto.ca/Summit/2007heiligendamm/g8-2007-sudan.html>.

<sup>361</sup> G8 Summit Statement on Sudan-Darfur, G8 Information Center, (Heiligendamm), 8 June 2007. Date of Access: 20 June 2008. <http://www.g7.utoronto.ca/Summit/2007heiligendamm/g8-2007-sudan.html>.

<sup>362</sup> G8 Statement on Sudan, G8 Information Centre, (Sea Island), 10 June 2004. Date of Access: 20 June 2004. <http://www.g7.utoronto.ca/Summit/2004seaisland/sudan.html>.

The Japanese Presidency will seek the support of the G8 in a statement which supports ongoing peacekeeping operations in the Sudan by the African Union, neighbouring African states, and the UN. Moreover, Japan will encourage funding contributions from the G8 for the United Nations-African Union Mission in Darfur (UNAMID).

The organization Human Rights First and a coalition of 40 NGOs, representing every G8 member state and the Sudan have called on G8 leaders to insist on specific measures to address the Darfur crisis in the outcome statement issued at the end of the July Summit in Hokkaido-Toyako.<sup>363</sup> These measures include the cessation of violence, the immediate deployment of the peacekeeping force (UNAMID), a halt to all arms transfers to Darfur, a recommitment to peace processes and justice for atrocities already committed.<sup>364</sup> Despite this, however, none of the G8 countries have altered their position since the adoption of the G8 Statement on Sudan/Darfur since the Heiligendamm Summit. Actions since the previous Summit indicate apprehension to move beyond vocal support of the UN and the provision of humanitarian aid. Every G8 member has supported the role of the UN or has called on the government of the Sudan to comply with ICC directives.

The US has constructed economic sanctions against the Sudan and has suggested that, unless the government of Sudan ceases violence in Darfur, it will encourage all members of the UNSC to adopt similar measures.<sup>365</sup> It is possible that this may be similarly encouraged by the G8. Although France and the UK have announced that they will consider joint action against parties committing atrocities on the ground or hampering the deployment of UNAMID,<sup>366</sup> China opposes the use of sanctions against Sudan, as it is both a major oil importer from and arms exporter to that state.<sup>367</sup>

Other specific areas of concern include renewed funding for the AU peacekeeping force, which has “run out of credibility and money.”<sup>368</sup> Member states will need to find a means of balancing aid for humanitarian purposes and for funding the various peace initiatives.

The G8 will also need to act efficiently on the humanitarian crisis in Darfur – Sudan’s government has declared its intention to launch a new offensive against rebels in northern Darfur, which promises an upsurge in violence in an area home to 250,000 people.<sup>369</sup>

The O5 and several international organizations are supportive of UN activities in the Sudan as well. China has called UN peacekeepers in the Sudan a “good and realistic option.”<sup>370</sup> However, China has

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<sup>363</sup> Rights Groups Based in All G8 Countries, Sudan Call on Nations’ Leaders to Advocate Against Darfur Violence at July Summit, Human Rights First, (New York), 19 June 2008. 20 June 2008. <http://www.humanrightsfirst.org/media/darfur/2008/statement/312>.

<sup>364</sup> Rights Groups Based in All G8 Countries, Sudan Call on Nations’ Leaders to Advocate Against Darfur Violence at July Summit, Human Rights First, (New York), 19 June 2008. 20 June 2008. <http://www.humanrightsfirst.org/media/darfur/2008/statement/312>.

<sup>365</sup> President Bush Visits the Holocaust Memorial Museum, The White House, (Washington), 18 April 2008. Date of Access: 20 June 2008. <http://www.whitehouse.gov/news/releases/2007/04/20070418.html>.

<sup>366</sup> Joint UK-France Summit Declaration, (London), 27 March 2008. Date of Access: 1 July 2008. <http://www.pm.gov.uk/files/pdf/UK-FR%20Communique%20270308.pdf>.

<sup>367</sup> Asia-Europe Meeting Serves to Flesh out G8 Priorities, Deutsche Welle, (Bonn), 29 May 2007. Date of Access: 20 June 2008. <http://www.dw-world.de/dw/article/0,2144,2559894,00.html>.

<sup>368</sup> Responsible China?, Washington Post, (Washington), 6 September 2006. Date of Access: 20 June 2008. <http://www.washingtonpost.com/wp-dyn/content/article/2006/09/05/AR2006090501187.html>.

<sup>369</sup> Responsible China?, Washington Post, (Washington), 6 September 2006. Date of Access: 20 June 2008. <http://www.washingtonpost.com/wp-dyn/content/article/2006/09/05/AR2006090501187.html>.

<sup>370</sup> Responsible China?, Washington Post, (Washington), 6 September 2006. Date of Access: 20 June 2008. <http://www.washingtonpost.com/wp-dyn/content/article/2006/09/05/AR2006090501187.html>.

failed to encourage the Sudan to allow peacekeepers into Darfur and has previously “lobbied hard and successfully to prevent Russia from supporting the peacekeeping resolution.”<sup>371</sup> China has announced that it is “unnecessary for the Security Council to put the draft to the vote in a hurry.”<sup>372</sup>

### *Scoring Guidelines*

<b>0</b>	G8 does not make any substantive mention of the crisis in Darfur: no measureable progress or results with respect to UNAMID or humanitarian/mission assistance (i.e. no commitments or policy statements are released at the Summit, no evidence that the objective was discussed, no mention of education and African development is made in bilateral or multilateral talks, press conferences, etc.) OR the G8 reaches a consensus on the issue area that is contrary to the Japanese objective of the G8 Presidency.
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion on Darfur, but no measureable action was taken by the G8 in relation to the objective (i.e. Darfur and UNAMID were not discussed nor a statement of support or funding forthcoming in any Summit releases).
<b>0.5</b>	The G8 releases a statement of support positively related to the Japanese objectives in African development, but it is a highly-diluted, heavily compromised version of the G8 Presidency’s objective in this area.
<b>0.75</b>	The G8 releases a statement of support for UNAMID, one which calls on the Sudan to end the violence in Darfur, positively related to the Japanese objectives in African development, but notable concessions with respect to Japan’s original priorities for this objective are evident.
<b>1</b>	The G8 releases a statement on Darfur that is aligned closely to the G8 Presidency’s focus on abstaining from military intervention, supporting UNAMID, and funding humanitarian aid.

### *Prospects*

G8 members are likely to agree on a course of action because the Japanese objectives for Darfur are similar to previous objectives and incorporate most of the actions that are already being practiced by member states. Though there are unlikely to be policy clashes between members of the G8 themselves, China will strongly discourage the G8 from taking a more proactive role in Darfur. Still, domestic pressure for the nations of the G8 to finance and support humanitarian and military intervention in the region is high. Whilst Darfur is likely to be raised as a topic of discussion, this would occur within the larger context of African peace-building and peace support.

### *Postscript*

The Chair’s Summary, outlined by Prime Minister Fukuda on 9 July 2008, referenced the ongoing political and humanitarian crisis in the Sudan. Although leaders reiterated their “deep concern about the deteriorating security and humanitarian/human rights situation in Sudan,”<sup>373</sup> the G8 did not outline specific commitments on funding or material support for humanitarian missions in the region, though

<sup>371</sup> Responsible China?, Washington Post, (Washington), 6 September 2006. Date of Access: 20 June 2008. <http://www.washingtonpost.com/wp-dyn/content/article/2006/09/05/AR2006090501187.html>.

<sup>372</sup> Responsible China?, Washington Post, (Washington), 6 September 2006. Date of Access: 20 June 2008. <http://www.washingtonpost.com/wp-dyn/content/article/2006/09/05/AR2006090501187.html>.

<sup>373</sup> Chair’s Summary, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyko), 9 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080709\\_144220.html](http://www.mofa.go.jp/u_news/2/20080709_144220.html).

this was one of the Japanese objectives. The G8 outlined its support for UNAMID,<sup>374</sup> one of the Japanese objectives for the Darfur, and encouraged countries to provide support for the expedited full deployment of the mission.<sup>375</sup> Because it is evident that Japan has made notable concessions to its priority objective of humanitarian assistance in the region, a score of 0.75 has been awarded.

*Analyst: Christopher VanBerkum and May Jeong*

## **Objective 5: Kosovo [0]**

Kosovo has been a priority of the G8 at numerous summits since NATO's 1999 campaign. This year's summit does not include Kosovo on its agenda, yet there is the possibility that it will be discussed. With the support of the US and UK, Kosovo claimed its independence in 2008 and enacted its new constitution on 22 June 2008, subsequently causing a number of riots in Serbia. Seven of the eight G8 members have recognized Kosovo's independence; as have 20 of the EU's 27-member body, leaving Russia as the lone opposition within G8 discussions. The transition of power from the United Nations Mission in Kosovo (UNMIK) to the European Union Rule-of-Law Mission (EULEX) will undoubtedly provide for intense discussions at the upcoming summit. Considering Russia's traditional and economic ties with Serbia<sup>376</sup> and its position on Kosovo's "illegal" constitution,<sup>377</sup> consensus over Kosovo's independent future will be a difficult reality to achieve. However, as Russia has been "consistently advocating diplomatic methods for resolving conflicts,"<sup>378</sup> the Hokkaido-Toyako Summit will provide an opportunity to put this advocacy into concrete terms.

At the EU-US Summit on 9 June 2008, President George Bush and other European leaders discussed how best to encourage a democratic Serbia to move along the path toward the European mainstream, as well as how to support an independent, multiethnic and democratic Kosovo. These steps are intended to "accelerate the integration of the Western Balkans into the institutions of Europe, and are critical for ensuring the peace and stability in that part of the world."<sup>379</sup> Such unity among Western leaders should promote a positive environment for negotiation and better facilitate consensus on Kosovo at the Hokkaido-Toyako Summit, Russian opposition notwithstanding.

In Kosovo, there has yet to be any agreement between NATO peacekeepers and the EULEX, which will be taking over many of the UNMIK functions. The two sides cooperate informally, but key documents such as intelligence assessments can only be exchanged "under the table."<sup>380</sup> The G8 has an opportunity to be proactive in resolving these peacekeeping/peacemaking issues.

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<sup>374</sup> Chair's Summary, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyko), 9 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080709\\_144220.html](http://www.mofa.go.jp/u_news/2/20080709_144220.html).

<sup>375</sup> Chair's Summary, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyko), 9 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080709\\_144220.html](http://www.mofa.go.jp/u_news/2/20080709_144220.html).

<sup>376</sup> Russia Cashes in on Kosovo Fears, TIME online, 8 March 2008. Date of access: 22 June 2008. <http://www.time.com/time/world/article/0,8599,1720718,00.html>

<sup>377</sup> Russia calls new Kosovo constitution illegal, Thomson Reuters, 16 June 2008. Date of access: 23 June 2008. <http://www.reuters.com/article/GCA-Russia/idUSL1667381420080616>

<sup>378</sup> Medvedev to focus on economic, int'l issues during visit to China, ITAR-TASS World Service, 21 May 2008. Date of access: 23 June 2008. <http://g8live.org/2008/05/21/medvedev-to-focus-on-economic-int%e2%80%99l-issues-during-visit-to-china/>

<sup>379</sup> White House Press Office; Press Briefing by National Security Advisor Stephen Hadley on the President's Trip to Europe, Dow Jones International News, 20 June 2008. Date of access: 23 June 2008. <http://g8live.org/2008/06/20/white-house-press-office-press-briefing-by-national-security-advisor-stephen-hadley-on-the-presidents-trip-to-europe-2/>

<sup>380</sup> The State of NATO: a Ray of Light in the Dark Defile, The Economist, 27 March 2008. Date of access: 23 June 2008. <http://g8live.org/2008/03/27/the-state-of-natoa-ray-of-light-in-the-dark-defile/>

Major tensions have persisted over the transition of power in Kosovo. On 14 June 2008, UNMIK handed power over to EULEX despite Russian opposition. Russia claims that any changes to the UN mission must be made through the UNSC, in which Russia holds veto power.<sup>381</sup> Days later, on 18 June 2008, Kosovo President Fatmir Sejdiu signed a decree for the establishment of the first nine diplomatic missions abroad. Kosovo will open its first embassies in France, Germany, Italy, Britain and the United States.<sup>382</sup>

### *Scoring Guidelines*

<b>0</b>	G8 does not make any substantive mention of Kosovo at the summit; no measurable progress or results with respect to the objective are evident.
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion on Kosovo, but no measurable action was taken by the G8 in relation to the objective.
<b>0.5</b>	The G8 releases communiqués or makes statements committing to an action plan positively related to the G8 Presidency’s objective in Kosovo, but it is a highly-diluted, heavily-compromised version of the G8 Presidency’s objective.
<b>0.75</b>	The G8 releases communiqués or makes statements committing to an action plan, or to the EULEX mission, positively related to the G8 Presidency’s objective, but notable concessions with respect to the original objective are evident.
<b>1</b>	The G8 releases communiqués or makes statements committing to an action plan that is highly aligned with the G8 Presidency’s objective on Kosovo.

### *Prospects*

Russia can be expected to reaffirm its opposition to Kosovo’s independence. Based on the declaration from the EU-US Summit, other G8 leaders can be expected to continue to support the stability and security of Kosovo and its regional integration and to assist in Kosovo’s economic and institutional development.<sup>383</sup> The G8 can also be expected to call for a smooth transition from UNMIK to EULEX and commend the efforts of NATO and the OSCE, while at the same time calling on the Kosovar government to promote peace, democracy and stability from within.

### *Postscript*

Kosovo was not mentioned at the Hokkaido-Toyako Summit.

*Analyst: Marko Adamovic*

## **Objective 6: The Middle East [0.5]**

At the Hokkaido-Toyako Summit, it is unlikely that the Middle East issue will be a primary topic of discussion as it has not been mentioned as a central theme of the summit. The G8 has not declared any specific summit goals or action plan with regards to the situation in the region. The issue is likely to be

<sup>381</sup> UN to Transfer power in Kosovo, BBC News Europe (London) 12 June 2008. Date of access: 20 June 2008. [http://news.bbc.co.uk/nol/ukfs\\_news/hi/newsid\\_7450000/newsid\\_7451300/7451310.stm](http://news.bbc.co.uk/nol/ukfs_news/hi/newsid_7450000/newsid_7451300/7451310.stm)

<sup>382</sup> Kosovo president signs decree for nine diplomatic missions, China View (Xinhua) 19 June 2008. Date of access: 20 June 2008. [http://news.xinhuanet.com/english/2008-06/19/content\\_8396224.htm](http://news.xinhuanet.com/english/2008-06/19/content_8396224.htm)

<sup>383</sup> EU-US Summit Declaration (Ljubljana), 10 June 2008. Date of access: 18 June 2008. [http://www.consilium.europa.eu/uedocs/cms\\_Data/docs/pressdata/en/er/101043.pdf](http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/en/er/101043.pdf)

examined in the context of a broader discussion of regional political issues (identified as North Korea, Iran, and Afghanistan), as well as under the theme of energy security and non-proliferation.<sup>384</sup>

At the moment, Japan has taken the most prominent role in identifying the Middle Eastern peace process as a priority where non-proliferation is concerned. On 6 June 2008, during a press conference with Israeli reporters, Japanese ambassador to Israel Kuninori Matsuda announced his country's decision to place the subject matter at the top of the conference's agenda, and also expressed his country's commitment to non-proliferation and non-stockpiling of nuclear weapons policy.<sup>385</sup> Furthermore, during the 2 June 2008 meeting with Iranian President Mahmoud Ahmadinejad, Japanese Prime Minister Fukuda confirmed his view that adherence to non-proliferation will have a positive effect on attempts to find a resolution to conflict in the Middle East.<sup>386</sup> In light of these declarations, it is plausible to presume that Japan will likely steer the discussion away from the Israel-Palestine situation, placing greater emphasis on Iran's nuclear aspirations and its effect on the balance of power and stability in the region. On 3 March 2008, UNSC Resolution 1803 was adopted. It contained additional punitive measures against Iran's nuclear program.<sup>387</sup> Furthermore, since the member-states of the EU+3 negotiating team (UK, US, France, Germany, and Russia) will be present at the summit, the discussion of Iran is going to take precedence over any other regional issue.

On 27 June 2008, at the G8 Foreign Ministers' Meeting, Ministers reiterated their full support for the ongoing Israeli-Palestinian negotiations with a view to reaching an agreement by the end of 2008 on the establishment of a viable Palestinian state in the West Bank and Gaza and an end to the conflict. They called on all parties to refrain from any action that would undermine the negotiations and to implement their Road Map obligations, such as freezing all settlement activities and ending all acts of violence, terrorism and incitement. They additionally emphasized the importance of facilitating movement and access. They welcomed the recent truce in Gaza and called for its observance. We support the statement of the Quartet made in Berlin on convening an international meeting in Moscow which is expected to lend support to the process launched in Annapolis. The Ministers also welcomed the recent political progress in Lebanon and reaffirmed the support for a sovereign, independent and democratic Lebanon. Lastly, they called on all parties to comply with relevant UNSCRs and encourage them to rapidly proceed in the formation of the new government without resorting to violence.<sup>388</sup>

Japan is likely to collaborate with EU members in discussions regarding the Middle East. This is evident from the statements made at the 17<sup>th</sup> Japan-EU Summit which took place in April 2008. In particular, the two sides reiterated their support for the Road Map to Peace and urged full commitment to this initiative from Israeli and Palestinian authorities, recalling that only a negotiated solution can bring peace and security to the Middle East. Also, the goal of "an independent, democratic and viable Palestinian state in the West Bank and Gaza" was confirmed.<sup>389</sup>

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<sup>384</sup> 2008 Japan G8 Summit NGO Forum. 12 May 2008. Date of Access: 12 June 2008.

<http://g8ngoforum.sakura.ne.jp/english/general/japanese-government-renewed-g8-website/>

<sup>385</sup> "Japan Puts Denuclearization at Center of G8 Summit." YNet Israel News. 6 June 2008. Date of Access: 13 June 2008. <http://www.ynetnews.com/articles/0,7340,L-3552592,00.html>

<sup>386</sup> "Japan Puts Denuclearization at Center of G8 Summit." YNet Israel News. 6 June 2008. Date of Access: 13 June 2008. <http://www.ynetnews.com/articles/0,7340,L-3552592,00.html>

<sup>387</sup> The G8 Hokkaido-Toyako Toyako Summit And Non-proliferation. Carnegie Endowment for International Peace. 20 March 2008. Date of access: 20 June 2008.

<http://www.carnegieendowment.org/publications/index.cfm?fa=view&id=19993&prog=zgp&proj=znpp>

<sup>388</sup> MOFA: G8 Foreign Ministers' Meeting: Chairman's Statement (27 June 2008), The Ministry of Foreign Affairs of Japan, 27 June 2008. Date of access: 4 July 2008. [http://www.mofa.go.jp/policy/economy/summit/f\\_kyoto08/statement.html](http://www.mofa.go.jp/policy/economy/summit/f_kyoto08/statement.html)

<sup>389</sup> 17th Japan-EU Summit Tokyo, 23 April 2008 Joint Press Statement. Ministry of Foreign Affairs of Japan. 23 April 2008. Date of access: 15 June 2008. <http://www.mofa.go.jp/region/europe/eu/summit/joint0804.html>



## Scoring Guidelines

<b>0</b>	Limited discussion on the subject of Middle Eastern conflict. No clear strategy or plan of action declared.
<b>0.25</b>	Partial engagement with the topic, however the manner of engagement is strictly within limits of a larger discussion of energy security and non-proliferation. No additional action aside from reiteration of G8 commitment to the UN Roadmap to Peace. Reaffirmation of cooperation with the United Nations Office for the Coordination of Humanitarian Affairs, World Health Organization, the World Food Programme, and the Office of the UNHCR.
<b>0.5</b>	Significant engagement with the topic, however with the maintenance of contrasting approaches to the issue and the continuing inability to resolve these differences (namely, the US, the EU-Japan, and Russian approaches). Affirmation of humanitarian cooperation under the direction of the Quartet, encouragement of Israeli compliance with the Agreement on Movement and Access of November 2005 in order to facilitate humanitarian effort in Gaza and the West Bank.
<b>0.75</b>	Significant engagement with the topic and the discussion of it held independently and not as an addition to energy security and non-proliferation. Aside from reiterated support for the already existing UN framework, a creation of a G8-originated initiative.
<b>1</b>	Significant engagement with the topic and the discussion of it held independently and not as an addition to energy security and non-proliferation. Aside from reiterated support for the already existing UN framework, a creation of G8 Middle East Action Plan and an implementation of a reliable and transparent negotiation network between the G8 nations and Israeli and Palestinian authorities.

## Prospects

Japan is likely to pursue a balance of discussions between the Middle East and other regional issues. However, it is highly unlikely that the former will receive more attention or any further definitive action beyond what was already agreed to at Heiligendamm. Instead, other regional issues such as North Korea and Iran are likely to be at the centre of discussions.

## Postscript

Leaders reiterated full support for the Israeli-Palestinian negotiations with a view to reach agreement by end-2008. They called on all parties to refrain from actions which would undermine their Road Map obligations. Furthermore, they welcomed the recent truce in Gaza and called for its observance. Leaders emphasized their role in providing assistance to Palestinians and Palestinian institutions.<sup>390</sup>

*Analyst: Iryna Lozynska*

## Objective 7: The Caucasus [0]

The Caucasus region has not been the subject of much discussion during previous G8 summits. This year, the addition of the region comes as a result of major military build-ups, political tension and human rights violations in the region. Human Rights Watch has suggested a number of steps the EU

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<sup>390</sup> Chair's Summary Hokkaido [sic] Toyako, July 9 2008, The Ministry of Foreign Affairs of Japan, (Tokyo), 9 July 2008. Date of access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080709\\_144220.html](http://www.mofa.go.jp/u_news/2/20080709_144220.html)

should ask Russia to take. These include revisiting investigations into Chechnya cases previously deemed inadequate by the European Court of Human Rights as well as those into abuses committed by Russian military servicemen, police and intelligence officials<sup>391</sup>

The Russian government has made a great number of provocative and aggressive steps with respect to Georgia's conflict regions in the last two months. These steps involved Russia to unilaterally withdraw from the regime of sanctions against the military build-up in Abkhazia. In March, the Russian State Duma voted unanimously on a resolution which explicitly supported separatist claims in Georgia and represented an infringement of Georgia's sovereignty.<sup>392</sup> Georgia claims that the Russian "destructive" policy aims at "the conflict regions' full-fledged economic, legal and political integration with Russia."<sup>393</sup>

Meanwhile, ceasefire breaches between Azerbaijan and Armenia have given little hope for a peaceful resolution over their border disputes.<sup>394</sup> At the EU-US Summit on 9 June 2008, leaders pledged to continue to promote democracy, the rule of law, and respect for human rights in both Armenia and Azerbaijan.<sup>395</sup>

At the EU-US Summit, President Bush and European leaders discussed support for Georgian President Mikheil Saakashvili and his peace initiatives on Abkhazia, and how best to encourage direct talks between the Georgian government and the Abkhaz.<sup>396</sup> They also pledged to "work with all appropriate parties to promote resolution of the conflicts in the region."<sup>397</sup>

The US wants to go further and extend NATO membership to Ukraine and Georgia. Both the US and former Communist countries see this as a means of stabilizing emerging democracies. Resistance against this plan is led by Germany, which argues that Ukrainian opinion is dangerously divided about NATO. In addition, Georgia's democratic credentials have been questionable of late, while territorial disputes over Abkhazia and South Ossetia remain unresolved.<sup>398</sup>

In May 2008, the European Council reconfirmed its support for international efforts aimed at a peaceful settlement of the Abkhazian and South Ossetian conflicts, especially those of the UN, the Group of Friends of the UN Secretary-General and the OSCE.<sup>399</sup> The Council welcomed the peace initiative on

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<sup>391</sup> EU: Press for Rights Reform at Russia Summit (Human Rights Watch, 23-6-08), 23 June 2008. Date of access: 23 June 2008. <http://hrw.org/english/docs/2008/06/23/russia19182.htm>

<sup>392</sup> Russia's Duma takes resolutions on breakaway regions in Caucasus, 21 March 2008. Date of Access: 7 June 2008. [http://www.monstersandcritics.com/news/europe/news/article\\_1396418.php/Russias\\_Duma\\_takes\\_resolution\\_on\\_breakaway\\_regions\\_in\\_Caucasus](http://www.monstersandcritics.com/news/europe/news/article_1396418.php/Russias_Duma_takes_resolution_on_breakaway_regions_in_Caucasus).

<sup>393</sup> Ministry of Foreign Affairs of Georgia – Ministry's Statements (Tbilisi), 8 April 2008. Date of access: 20 June 2008. [http://www.mfa.gov.ge/index.php?lang\\_id=ENG&sec\\_id=36&info\\_id=6280](http://www.mfa.gov.ge/index.php?lang_id=ENG&sec_id=36&info_id=6280)

<sup>394</sup> The Ministry of Foreign Affairs Statement on Serious Violation of Cease-Fire on the Karabakh Frontline (Yerevan), 4 March 2008. Date of access: 23 June 2008. <http://www.armeniaforeignministry.com/>

<sup>395</sup> EU-US Summit Declaration (Ljubljana), 10 June 2008. Date of access: 18 June 2008. [http://www.consilium.europa.eu/uedocs/cms\\_Data/docs/pressdata/en/er/101043.pdf](http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/en/er/101043.pdf)

<sup>396</sup> White House Press Office; Press Briefing by National Security Advisor Stephen Hadley on the President's Trip to Europe, Dow Jones International News, 20 June 2008. Date of access: 23 June 2008. <http://g8live.org/2008/06/20/white-house-press-office-press-briefing-by-national-security-advisor-stephen-hadley-on-the-presidents-trip-to-europe-2/>

<sup>397</sup> White House Press Office; Press Briefing by National Security Advisor Stephen Hadley on the President's Trip to Europe, Dow Jones International News, 20 June 2008. Date of access: 23 June 2008. <http://g8live.org/2008/06/20/white-house-press-office-press-briefing-by-national-security-advisor-stephen-hadley-on-the-presidents-trip-to-europe-2/>

<sup>398</sup> The State of NATO: a Ray of Light in the Dark Defile, The Economist, 27 March 2008. Date of access: 23 June 2008. <http://g8live.org/2008/03/27/the-state-of-natoa-ray-of-light-in-the-dark-defile/>

<sup>399</sup> 70th Council meeting General Affairs and External Relations External relations Brussels, 26-27 May 2008, European Union, (Brussels), 26 May 2008. Date of Access 16 June 2008.

Abkhazia put forward by the Georgian President, as well as the recent direct talks between the parties, hoping that they will contribute to a constructive dialogue on the issue. The Council affirmed that the EU stands ready to contribute to all these efforts and called on involved parties to continue these talks on a higher level in order to reach peaceful and sustainable solutions. The Council underlined the importance of the work of the European Union Special Representative (EUSR) for the South Caucasus and that the EUSR for the South Caucasus and the European Commission will continue to implement confidence-building measures in support of resolving the conflicts.<sup>400</sup>

The Council looked forward to strengthening EU-Georgia relations through active continuation of EU-Georgia political dialogue and implementation of the European Neighbourhood Policy Action Plan. The Council welcomed the establishment of the EU-Georgia Subcommittee on Justice, Freedom and Security and the results of its first meeting on 30 April 2008. The Council took note of the Georgian wish for visa facilitation, and looks forward to continuing result-oriented work in the area of mobility. The EU is considering means of strengthening economic cooperation with Georgia and, if the necessary conditions are met, the possibility of a deep and comprehensive Free Trade Agreement.<sup>401</sup>

### *Scoring Guidelines*

<b>0</b>	G8 does not make any substantive mention of the Caucasus region at the summit.
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion on the Caucasus region, but no measurable action was taken by the G8 in relation to the objective.
<b>0.5</b>	The G8 releases communiqués or makes statements committing to an action plan positively related to the G8 Presidency’s objective in the Caucasus region, but it is a highly-diluted, heavily-compromised version of the G8 Presidency’s objective in this issue area.
<b>0.75</b>	The G8 releases communiqués or makes statements committing to an action plan positively related to the G8 Presidency’s objective in the Caucasus region, but notable concessions with respect to the original objective are evident.
<b>1</b>	The G8 releases communiqués or makes statements committing to an action plan that is highly aligned with the G8 Presidency’s objective in the Caucasus region.

### *Prospects*

The Caucasus region will prove a difficult issue for consensus at Hokkaido-Toyako. Russia and the European powers will be at odds over Georgia’s democratic progress. Both the US and EU will likely encourage Russia to promote peace and security along its borders, as Russia is the common denominator in most issues within the Caucasus region. Towards the discussion of the Caucasus Region, it is likely that the G8 will discuss the “importance of a comprehensive approach, [and] agree on the need to

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<http://europa.eu/rapid/pressReleasesAction.do?reference=PRES/08/141&format=HTML&aged=0&language=EN&guiLanguage=en>

<sup>400</sup>2870th Council meeting General Affairs and External Relations External relations Brussels, 26-27 May 2008, European Union, (Brussels), 26 May 2008. Date of Access 16 June 2008.

<http://europa.eu/rapid/pressReleasesAction.do?reference=PRES/08/141&format=HTML&aged=0&language=EN&guiLanguage=en>

<sup>401</sup>2870th Council meeting General Affairs and External Relations External relations Brussels, 26-27 May 2008, European Union, (Brussels), 26 May 2008. Date of Access 16 June 2008.

<http://europa.eu/rapid/pressReleasesAction.do?reference=PRES/08/141&format=HTML&aged=0&language=EN&guiLanguage=en>

enhance the capacity for peacekeeping/peacebuilding worldwide in the areas of military, police and civilians.”<sup>402</sup>

### *Postscript*

UN Secretary General Ban Ki-moon condemned the bombings Gagra, Sukhumi and Gali on Abkhaz-controlled territory as well as in the immediate vicinity of the cease fire line on Georgian-controlled territory.<sup>403</sup> However, no mention of the Caucasus region was made by G8 Leaders at Hokkaido-Toyako.

*Analyst: Marko Adamovic*

### **Objective 8: Tibet [0]**

Tibet has not traditionally featured in past G8 agendas. However, recent human rights abuses in March 2008 have garnered international attention. Although Japan has not identified it as a priority, it is likely that it will merit some discussion. In line with recent G8 meetings, Japan has called for "outreach" events to bring in leaders of other major nations, specifically, China. China was outraged by foreign criticism leading up to the Olympics of its crackdown on protests against its rule in Tibet. Japanese officials urged Chinese Foreign Minister Yang Jiechi to increase transparency about Tibet, stating that "the world is watching how China is handling the Tibet issue." Minister Yang confirmed that President Hu Jintao will take part in the G8 summit. China can be expected to maintain that "Tibet is not an ethnic issue, religious issue or human rights issue. It is an issue of national unification or break-up."<sup>404</sup>

During the EU-US Summit on 9 June 2008, American and European leaders expressed concern over the recent unrest in Tibet and urged all sides to refrain from further violence. They welcomed China's recent decision to hold talks with the Dalai Lama's representatives and encouraged both parties to move forward with a substantive, constructive and results-oriented dialogue at an early date. Moreover, China was urged and encouraged to take substantive steps to allow its citizens to enjoy internationally recognized human rights; thereby addressing its poor human rights record.<sup>405</sup>

France has called on Chinese authorities to show the utmost restraint during periods of political unrest. French Minister of Foreign and European Affairs, M. Bernard Kouchner stated that "these events make it more necessary to engage in dialogue to achieve a lasting solution that allows the Tibetans to enjoy their cultural and spiritual identity to the full in the framework of the People's Republic of China." With the approach of the Olympic Games, France calls the attention of the Chinese authorities to the importance of respecting human rights.<sup>406</sup>

### *Scoring Guidelines*

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<sup>402</sup> MOFA: G8 Foreign Ministers' Meeting: Chairman's Statement (27 June 2008), The Ministry of Foreign Affairs of Japan, 27 June 2008. Date of access: 4 July 2008. [http://www.mofa.go.jp/policy/economy/summit/f\\_kyoto08/statement.html](http://www.mofa.go.jp/policy/economy/summit/f_kyoto08/statement.html)

<sup>403</sup> The Secretary-Generals' Statements, Secretary-General office of the Spokesperson, 7 July 2008. Date of access: 8 July 2008. <http://www.un.org/apps/sg/sgstats.asp?nid=3280>

<sup>404</sup> China Confirms Attendance at G8 Summit, Egypt News (Cairo), 15 June 2008. Date of access: 16 June 2008. [http://news.egypt.com/en/entertainment/index.php?option=com\\_content&task=view&id=3022&Itemid=426](http://news.egypt.com/en/entertainment/index.php?option=com_content&task=view&id=3022&Itemid=426)

<sup>405</sup> EU-US Summit Declaration, (Ljubljana), 10 June 2008. Date of access: 18 June 2008. [http://www.consilium.europa.eu/uedocs/cms\\_Data/docs/pressdata/en/er/101043.pdf](http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/en/er/101043.pdf)

<sup>406</sup> Situation in Tibet, French Ministry of Foreign and European Affairs, (Washington), 16 March 2008. Date of access: 19 June 2008. <http://ambafrance-us.org/spip.php?article924>

<b>0</b>	G8 does not make any substantive mention of Tibet; there is no evidence of discussion at the summit.
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion on Tibet, but no measurable action was taken by the G8.
<b>0.5</b>	The G8 releases communiqués or makes statements committing to an action plan positively related to the G8 Presidency’s objective on Tibet, but it is a highly-diluted, heavily-compromised version of the G8 Presidency’s objective.
<b>0.75</b>	The G8 releases communiqués or makes statements committing to an action plan towards Tibet.
<b>1</b>	The G8 releases communiqués or makes statements condemning China’s human rights violations in Tibet.

*Prospects*

Considering China’s intricate engagement in the international economic and political community, the G8 can be expected to release a statement that would at best, condemn China’s human rights record, even amidst China’s recent release of thousands of prisoners held captive from the March 2008 protests.<sup>407</sup> Additionally, the G8 can be expected to commend the Chinese government for its efforts to meet with the Dalai Lama’s representatives, even amidst previous Chinese disapproval for the Dalai Lama’s engagement with other state leaders.<sup>408,409</sup>

*Postscript*

UN Secretary General Ban Ki-moon condemned the bombings Gagra, Sukhumi and Gali on Abkhaz-controlled territory as well as in the immediate vicinity of the cease fire line on Georgian-controlled territory.<sup>410</sup> However, no mention of the Caucasus region was made by G8 Leaders at Hokkaido-Toyako.

*Analyst: Marko Adamovic*

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Most Tibet protesters ‘now freed’, BBC News World, (London), 20 June 2008. Date of access: 21 June 2008. [http://news.bbc.co.uk/1/hi/ukfs\\_news/hi/newsid\\_7460000/newsid\\_7466300/7466313.stm](http://news.bbc.co.uk/1/hi/ukfs_news/hi/newsid_7460000/newsid_7466300/7466313.stm)

<sup>408</sup> Courting Beijing’s Wrath, Spiegel Online International, 17 September 2007. Date of access: 18 June 2008. <http://www.spiegel.de/international/world/0,1518,506166,00.html>

<sup>409</sup> Brown Holds Talks With Dalai Lama, BBC News UK (London), 23 May 2008. Date of access: 19 June 2008. [http://news.bbc.co.uk/2/hi/uk\\_news/7417604.stm](http://news.bbc.co.uk/2/hi/uk_news/7417604.stm)

<sup>410</sup> The Secretary-Generals’ Statements, Secretary-General office of the Spokesperson, 7 July 2008. Date of access: 8 July 2008. <http://www.un.org/apps/sg/sgstats.asp?nid=3280>

# NON-PROLIFERATION [0.74]

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Non-proliferation is a prioritized political theme set out by the Japanese G8 presidency for the 2008 Hokkaido-Toyako Summit. The high profile cases of nuclear noncompliance—Iran and North Korea—will take the centre stage of non-proliferation discourse at the Summit. While North Korea appears willing to take small steps to curtail its isolationist position by revealing its nuclear activities, Iran increasingly defies UN Security Council Resolutions to halt its uranium enrichment and plutonium production capabilities.

Non-proliferation and the Global Partnership became permanent fixtures on the G8 agenda at the Kananaskis Summit in 2002. The multilateral Global Partnership's purpose is to support Russia and other former USSR states in decommissioning excess nuclear, chemical, and biological weapon stocks. The general aim of the Global Partnership is “to prevent rogue states or terrorists from gaining the knowledge or materials needed to manufacture WMD.”<sup>411</sup>

The G8 continued its commitment to the Global Partnership and expanded its scope with the 2003 Evian Action Goals. At the subsequent G8 Summit in 2004 the G8 launched the Sea Island Action Plan on Non-proliferation, seeking to “prevent, contain, and roll back proliferation by strengthening the global partnership regime” and pledging to raise up to USD20 billion for the Global Partnership until 2012.”<sup>412</sup> At the 2007 Heiligendamm Summit, the G8 reached a consensus on the primary non-proliferation matters, including reaffirming support for a multilateral treaty system.<sup>413</sup>

With increasing support for nuclear energy as an option for generating power, peaceful uses of nuclear energy will also be a main non-proliferation priority. Different projects for developing a global nuclear fuel supply network will also likely be discussed.

*Lead Analyst: Egor Ouzikov*

## **Objective 1: Iran [0.75]**

On 8 April 2008, Iran announced that it has begun to dramatically increase its capacity to produce enriched uranium.<sup>414</sup> Despite international condemnation, Iran stubbornly continues its nuclear program, therefore making it a top priority in non-proliferation discussions at the Hokkaido-Toyako Summit.<sup>415</sup> The Japan Presidency will lead the language on tackling the Iranian nuclear standoff and seek “to send a strong message toward strengthening the non-proliferation regime.”<sup>416</sup>

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<sup>411</sup> G8 Summit Analysis Part I: Issue Objectives Reports, G8 Information Centre, (Toronto), June 2007, Date of Access: 6 July 2008. <http://www.g8.utoronto.ca/evaluations/2007heilgendamm/2007issues-obj.pdf>.

<sup>412</sup> G8 Summit Analysis Part I: Issue Objectives Reports, G8 Information Centre, (Toronto), June 2007, Date of Access: 6 July 2008. <http://www.g8.utoronto.ca/evaluations/2007heilgendamm/2007issues-obj.pdf>.

<sup>413</sup> G8 Summit Analysis Part I: Issue Objectives Reports, G8 Information Centre, (Toronto), June 2007, Date of Access: 6 July 2008. <http://www.g8.utoronto.ca/evaluations/2007heilgendamm/2007issues-obj.pdf>.

<sup>414</sup> Iran nuclear output rising, leader says, Los Angeles Times, (Los Angeles), 9 April 2008. Date of Access: 2 June 2008. <http://www.latimes.com/news/printedition/asection/la-fg-iran9apr09,1,4214186.story>

<sup>415</sup> Japan puts denuclearization at center of G8 summit, Israel News, (Israel), 6 June 2008. Date of Access: 12 June 2008. <http://www.ynetnews.com/articles/0,7340,L-3552592,00.html>

<sup>416</sup> Main Themes at Hokkaido-Toyako Tokyo Summit and Japan's Objectives, G8 Hokkaido-Toyako Tokyo 2008, (Tokyo), Date of Access: 10 June 2008. <http://www.g8summit.go.jp/eng/info/theme.html>

Discussions at Hokkaido-Toyako will likely produce statements of support for tougher measures against Iran. At the 2006 St. Petersburg Summit, the G8 issued a statement of support for the incentive package to Iran and for actions taken by the United Nations Security Council (UNSC) to deal with Iran's illicit nuclear program.<sup>417</sup> In the 2007 *Heiligendamm Statement on Non-proliferation*, the G8 went a step further by stating, "We deplore the fact that Iran has so far failed to meet its obligations," and promising to support the adoption of strict measures if Iran continued to ignore its obligations.<sup>418</sup> Given recent developments, the G8 is likely to meet the promise made at Heiligendamm and support the adoption of sanctions against Iran.

On 26 May 2008, the International Atomic Energy Agency (IAEA) released a report prepared by Director General Mohamed El Baradei, which claimed, "Tehran was hiding information about alleged studies into making nuclear warheads as well as defying UN demands to suspend uranium enrichment activities."<sup>419</sup> The report found that Iran's studies of uranium conversion, high explosives testing, and design of a missile re-entry vehicle, were a "matter of serious concern."<sup>420</sup> Nations are worried that Iran is seeking to master uranium enrichment in order to obtain the capacity for speedy production of atomic weapons.<sup>421</sup>

To ensure global and regional security, the six great powers—China, France, Germany, Russia, the UK, and the US—presented Iran with a modified political and economical incentives package on 14 June 2008. Hours after EU Foreign Policy Minister Javier Solana presented the package, Iranian spokesperson Gholam Hossein Elham rejected the main condition of the offer—that Tehran suspends uranium enrichment.<sup>422</sup> On the same day, Foreign Ministry spokesperson Mohammad-Ali Hosseini assured that Tehran's nuclear agenda is geared towards attainment of cheap, clean, and sustainable energy, not towards the production of nuclear weaponry.<sup>423</sup>

Nevertheless, failure to cooperate has led the UNSC to enforce three sanctions against Iran in the last two years. Passed in 2006, resolution 1737 banned trade with Iran in "all items, materials, equipment, goods and technology that could contribute to the country's enrichment-related, reprocessing or heavy-water related activities, or to the development of nuclear-weapon delivery systems."<sup>424</sup> In March 2007, the Council passed resolution 1747, which imposed a ban on arms sales to Iran and expanded the freeze on Iran's assets. The Council further tightened the sanctions a year later when it adopted resolution 1803, which calls upon all States to "exercise vigilance in the areas of publicly provided financial support for

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<sup>417</sup> Statement on Non-Proliferation, G8 St. Petersburg 2006, (St. Petersburg), 16 July 2006. Date of Access: 15 June 2008. <http://en.g8russia.ru/docs/20.html>

<sup>418</sup> Heiligendamm Statement on Non-Proliferation, G8 Heiligendamm 2007, (Heiligendamm), 8 June 2007. Date of Access: 15 June 2008. [http://www.g-8.de/nsc\\_true/Content/EN/Artikel/\\_g8-summit/anlagen/heiligendamm-statement-on-non-proliferation,templateId=raw,property=publicationFile.pdf/heiligendamm-statement-on-non-proliferation](http://www.g-8.de/nsc_true/Content/EN/Artikel/_g8-summit/anlagen/heiligendamm-statement-on-non-proliferation,templateId=raw,property=publicationFile.pdf/heiligendamm-statement-on-non-proliferation)

<sup>419</sup> IAEA to discuss tougher report on Iran's nuclear issue, Xinhua, (Beijing), 2 June 2008. Date of Access: 10 June 2008. [http://news.xinhuanet.com/english/2008-06/02/content\\_8297032.htm](http://news.xinhuanet.com/english/2008-06/02/content_8297032.htm)

<sup>420</sup> IAEA to discuss tougher report on Iran's nuclear issue, Xinhua, (Beijing), 2 June 2008. Date of Access: 10 June 2008. [http://news.xinhuanet.com/english/2008-06/02/content\\_8297032.htm](http://news.xinhuanet.com/english/2008-06/02/content_8297032.htm)

<sup>421</sup> Daragahi, Borzou, "Iran nuclear output rising, leader says," Los Angeles Times, (Los Angeles), 9 April 2008. Date of Access: 2 June 2008. <http://www.latimes.com/news/printedition/asection/la-fg-iran9apr09,1,4214186.story>

<sup>422</sup> Iran defiant as diplomats deliver nuclear ultimatum, Guardian, (London), 14 June 2008. Date of Access: 15 June 2008. <http://www.guardian.co.uk/world/2008/jun/14/iran.nuclear1?gusrc=rss&feed=networkfront>

<sup>423</sup> Iran: We have no secret N-activities, Press TV, (Tehran), 14 June 2008. Date of Access: 15 June 2008. <http://www.presstv.ir/detail.aspx?id=59986&sectionid=351020104>

<sup>424</sup> Chairman of Security Council Committee Monitoring Sanctions Against Iran Briefs on Number of Member States Reporting Their Implementation Measures, 7<sup>th</sup> Space, (New York), 15 June 2008. Date of Access: 15 June 2008. [http://7thspace.com/headlines/284599/chairman\\_of\\_security\\_council\\_committee\\_monitoring\\_sanctions\\_against\\_iran\\_briefs\\_on\\_number\\_of\\_member\\_states\\_reporting\\_their\\_implementation\\_measures.html](http://7thspace.com/headlines/284599/chairman_of_security_council_committee_monitoring_sanctions_against_iran_briefs_on_number_of_member_states_reporting_their_implementation_measures.html)

trade with Iran and of banking with Iran, particularly with respect to Bank Melli and Bank Saderat (two of the most influential Iranian banks).<sup>425</sup>

As the Security Council tightens its Iran protocol, members of the G8 are likely to seek a tougher approach towards Iran’s uranium enrichment program. During his farewell tour of Europe, US President Bush gained support from French President Nicolas Sarkozy, Italian Prime Minister Silvio Berlusconi, and German Chancellor Angela Merkel for efforts to prevent Iran from obtaining nuclear weapons.<sup>426</sup> Merkel went a step further and backed the adoption of more sanctions on Tehran upon its refusal of the Six’ latest request that it cease enrichment.<sup>427</sup> Bush also spoke of “new sanctions” should Iran refuse the revised incentives package.<sup>428</sup> Meanwhile, Japan and Russia remain devoted to efforts that prevent proliferation and support existing sanctions against Iran, but are both reluctant to agree with US policy.<sup>429 430</sup> According to Japanese Ambassador to Tehran Akio Hirota, “Japan’s view on Iran is very different from the US.”<sup>431</sup> Russian Prime Minister Vladimir Putin also reaffirmed that—contrary to President Bush—he does not believe Iran is seeking nuclear arms.<sup>432</sup> The differing opinions will probably result in G8 discussions on an appropriate response to Iran’s nuclear program.

### Scoring Guidelines

<b>0</b>	The G8 makes no statement in support of Iran’s non-proliferation obligations. Talks on a new sanction regime against Iran do not occur.
<b>0.25</b>	The G8 reminds Iran of its NPT, UN, and IAEA obligations, but issues no statement on enhancing sanctions against Iran.
<b>0.5</b>	The G8 reminds Iran of its NPT, UN, and IAEA obligations. There is little progress on developing a common position regarding the sanction regime against Iran.
<b>0.75</b>	The G8 issues a collective statement warning Iran of its NPT, UN, and IAEA obligations. Talks are held on enhancing sanctions against Iran.
<b>1</b>	The G8 issues a collective statement warning Iran of its NPT, UN, and IAEA obligations. All G8 members agree on the extent of a new sanction regime against Iran.

### Prospects

<sup>425</sup> Chairman of Security Council Committee Monitoring Sanctions Against Iran Briefs on Number of Member States Reporting Their Implementation Measures, 7<sup>th</sup> Space, (New York), 15 June 2008. Date of Access: 15 June 2008. [http://7thspace.com/headlines/284599/chairman\\_of\\_security\\_council\\_committee\\_monitoring\\_sanctions\\_against\\_iran\\_briefs\\_on\\_number\\_of\\_member\\_states\\_reporting\\_their\\_implementation\\_measures.html](http://7thspace.com/headlines/284599/chairman_of_security_council_committee_monitoring_sanctions_against_iran_briefs_on_number_of_member_states_reporting_their_implementation_measures.html)

<sup>426</sup> Pelofsky, Jeremy, “Bush heads to Britain for last stop of Europe tour,” Reuters, (London), 15 June 2008. Date of Access: 15 June 2008. <http://uk.reuters.com/article/domesticNews/idUKN1440321920080614>

<sup>427</sup> Shared interests, common strategies, The Press and Information Office of the Federal Government of Germany, (Berlin), 11 June 2008. Date of Access: 13 June 2008. [http://www.bundesregierung.de/nn\\_264266/Content/EN/Artikel/2008/06/2008-06-10-bush-ankuendigung\\_en.html](http://www.bundesregierung.de/nn_264266/Content/EN/Artikel/2008/06/2008-06-10-bush-ankuendigung_en.html)

<sup>428</sup> Pelofsky, Jeremy and Noah Barkin, “Bush seeks Merkel’s help to pressure Iran,” Reuters, (Berlin), 10 June 2008. Date of Access: 14 June 2008. <http://www.reuters.com/article/latestCrisis/idUSN10313394>

<sup>429</sup> Statement by Mr. Masahiko Koumura, Minister for Foreign Affairs, on the Adoption of United Nations Security Council Resolution 1803 concerning Iran’s Nuclear Issue, Japanese Ministry of Foreign Affairs, (Tokyo), 4 March 2008. Date of Access: 14 June 2003. [http://www.mofa.go.jp/announce/announce/2008/3/1178441\\_990.html](http://www.mofa.go.jp/announce/announce/2008/3/1178441_990.html)

<sup>430</sup> Iran Gets a Nuclear Vote of Confidence, Moscow Times, (Moscow), 2 June 2008. Date of Access: 15 June 2008. <http://www.themoscowtimes.com/article/1009/42/367888.htm>

<sup>431</sup> Tokyo’s Iran policy ‘completely different’ from US, Tehran Times, (Tehran), 14 June 2008. Date of Access: 15 June 2008. [http://www.tehrantimes.com/index\\_View.asp?code=170644](http://www.tehrantimes.com/index_View.asp?code=170644)

<sup>432</sup> Iran Gets a Nuclear Vote of Confidence, Moscow Times, (Moscow), 2 June 2008. Date of Access: 15 June 2008. <http://www.themoscowtimes.com/article/1009/42/367888.htm>



Overall success on this issue means persuading Iran to suspend its proliferation-sensitive nuclear activities. The G8 is likely to produce a statement that reminds Iran of its NPT, UN, and IAEA obligations, and that gives support for the adoption of UNSC resolutions 1737, 1747 and 1803. The G8 is also likely to reiterate its Heiligendamm commitment “to resolving regional proliferation challenges by diplomatic means.”<sup>433</sup> The statement may include support for further sanctions against Iran. However, given the stance of Japan and Russia, it is unlikely. Real discussion on how best to approach the issue will probably occur on the sidelines of the Summit between the six great powers.

### *Postscript*

The G8 has earned a score of 0.75 for its progress on Iran’s nuclear case at the Hokkaido-Toyako Summit. The G8 communiqué on political issues expressed “serious concern” at Iran’s failure to meet its NPT, UN, and IAEA obligations as well as at the dangers posed by Iran’s nuclear program.<sup>434</sup> Also according to Article 59 of the statement, the G8 warned Iran to “fully comply” with the UN Security Council Resolutions 1696, 1737, 1747, and 1803 and to suspend its enrichment-related activities.<sup>435</sup> No statement with collective support for existing or new sanctions against Iran was released, but the G8 supports all efforts to resolve Iran’s nuclear stand-off “innovatively, through negotiation.”<sup>436</sup>

*Analyst: Denitza Koev*

## **Objective 2: North Korea [1]**

North Korea’s nuclear program has continued to be a relevant non-proliferation issue. Japan’s G8 Presidency has indicated that it will take a leading role in discussions over North Korea’s nuclear program and that it will try to persuade North Korea and Iran from cooperating in their nuclear pursuits.<sup>437</sup> The nuclearization of North Korea is the most high-profile danger to East Asian security. Since the 2007 Heiligendamm Summit, North Korea has been subject to IAEA monitoring and verification, as well as disablement, of the Yongbyon nuclear facilities.<sup>438</sup>

On 27 June 2008, the G8 foreign ministers met in Kyoto to discuss a range of regional and global issues. Regarding the North Korean nuclear weapons topic, the foreign ministers released a statement reaffirming their commitments to “achieve the verifiable denuclearization of the Korean Peninsula.”<sup>439</sup> In the chairman’s statement, the ministers welcomed North Korea’s six-month overdue declaration of its

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<sup>433</sup> Heiligendamm Statement on Non-Proliferation, G8 Heiligendamm 2007, (Heiligendamm), 8 June 2007. Date of Access: 15 June 2008. [http://www.g-8.de/nsc\\_true/Content/EN/Artikel/\\_g8-summit/anlagen/heiligendamm-statement-on-non-proliferation,templateId=raw,property=publicationFile.pdf/heiligendamm-statement-on-non-proliferation](http://www.g-8.de/nsc_true/Content/EN/Artikel/_g8-summit/anlagen/heiligendamm-statement-on-non-proliferation,templateId=raw,property=publicationFile.pdf/heiligendamm-statement-on-non-proliferation)

<sup>434</sup> Political Issues, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008, Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_230251.html](http://www.mofa.go.jp/u_news/2/20080708_230251.html).

<sup>435</sup> Political Issues, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008, Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_230251.html](http://www.mofa.go.jp/u_news/2/20080708_230251.html).

<sup>436</sup> Political Issues, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008, Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_230251.html](http://www.mofa.go.jp/u_news/2/20080708_230251.html).

<sup>437</sup> Japan’s 2008 G8: Plans for the Hokkaido-Toyako Toyako Summit, G8 Information Centre, (Toronto), 2 July 2008, Date of Access: 5 June 2008. <http://www.g7.utoronto.ca/evaluations/2008hokkaido2008Hokkaido-Toyako/2008plan/2008agenda080702.pdf>.

<sup>438</sup> Background of “non-proliferation” and outcomes to be achieved, Toyako Hokkaido-Toyako Summit, (Toyako), 5 July 2008. Date of Access: 5 July 2008. [http://www.g8summit.go.jp/doc/pdf/nonprolife\\_0705.pdf](http://www.g8summit.go.jp/doc/pdf/nonprolife_0705.pdf).

<sup>439</sup> G8 Foreign Minister’s Meeting Chairman’s Statement, The Ministry of Foreign Affairs of Japan, (Kyoto), 27 June 2008. Date of Access: 27 June 2008. [http://www.mofa.go.jp/policy/economy/Summit/f\\_kyoto08/statement.html](http://www.mofa.go.jp/policy/economy/Summit/f_kyoto08/statement.html).

nuclear assets to China as agreed over the Six-Party talks.<sup>440</sup> However, they stressed the need to verify the declaration and emphasized the importance “of accelerating the Six-Party Talks toward the full implementation of the Joint Statement of 19 September 2005 including the abandonment of all nuclear weapons and existing nuclear programs by North Korea.”<sup>441</sup>

On 3 July 2008, US President George W. Bush reiterated his stance that “military options remain on the table”<sup>442</sup> in resolving nuclear disputes with North Korea. Although Bush recognizes the progress North Korea has made with the recent declaration of its nuclear programs, he still “expects there to be full declaration of manufactured plutonium [and] full disclosure of any enrichment activities and proliferation activities.”<sup>443</sup> For President Bush, the Hokkaido-Toyako Summit could be the last chance to leave a positive mark regarding North Korea’s non-proliferation.

### *Scoring Guidelines*

<b>0</b>	The G8 fails to make a statement regarding North Korea’s nuclear program.
<b>0.25</b>	The G8 makes little mention of North Korea’s nuclear program.
<b>0.50</b>	The G8 issues a statement condemning North Korean proliferation, but makes no long-term commitment.
<b>0.75</b>	The G8 issues a statement condemning North Korean proliferation and reaches consensus on obliging North Korea to fulfill the verification of its nuclear activities.
<b>1</b>	The G8 issues a statement condemning North Korean proliferation. The G8 reaches consensus on obliging North Korea to fulfill the verification of its nuclear activities and to return to the Six-Party talks.

### *Prospects*

The G8 will not face many obstacles in making a statement calling for North Korea to completely abandon its nuclear weapons program and to return to the Six-Party Talks. However, it is less likely that a statement calling for more sanctions against North Korea will be made, considering the importance of keeping North Korea on a positive path to denuclearization. The next step is to get North Korea to oblige to verify its declaration of nuclear activities. The presence of South Korean President Lee Myung Bak will be a motivating factor at the G8 for North Korean denuclearization.

The G8 has earned the highest possible score for reaching consensus on how best to advance North Korean nonproliferation. The G8 urged the DPRK to abandon all of its nuclear weapons and current nuclear programs, as well as to disable all of its nuclear facilities, all in an “irreversible manner.”<sup>444</sup> Furthermore, the G8 expects the comprehensive verification of North Korea’s declaration of its nuclear activities, with the support of the Six-Part members; in fact, the G8 is committed to the Six-Party’s goal

<sup>440</sup> N Korea hands over nuclear data, BBC World News, (London), 26 June 2008. Date of Access: 26 June 2008. <http://news.bbc.co.uk/2/hi/asia-pacific/7474952.stm>.

<sup>441</sup> G8 Foreign Minister’s Meeting Chairman’s Statement, The Ministry of Foreign Affairs of Japan, (Kyoto), 27 June 2008. Date of Access 27 June 2008. [http://www.mofa.go.jp/policy/economy/Summit/f\\_kyoto08/statement.html](http://www.mofa.go.jp/policy/economy/Summit/f_kyoto08/statement.html).

<sup>442</sup> Military Options Still on the Table Over NK Nukes: Bush, G8 Information Centre (Toronto) 3 July 2008. Date of Access: 5 July 2008.

<http://g8live.org/2008/07/03/military-options-still-on-the-table-over-nk-nukes-bush/>

<sup>443</sup> Military Options Still on the Table Over NK Nukes: Bush, G8 Information Centre (Toronto) 3 July 2008. Date of Access: 5 July 2008.

<http://g8live.org/2008/07/03/military-options-still-on-the-table-over-nk-nukes-bush/>

<sup>444</sup> Political Issues, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008, Date of Access: 9 July 2008.

[http://www.mofa.go.jp/u\\_news/2/20080708\\_230251.html](http://www.mofa.go.jp/u_news/2/20080708_230251.html).

towards “normalization of relations” and “the verifiable denuclearization of the Korean Peninsula” as mentioned in Article 58 of the Political Issues communiqué.<sup>445</sup> Finally, the G8 statement mentioned the importance of resolving the abduction issue.

*Analysts: Kenta Hatamochi and Egor Ouzikov*

### **Objective 3: Strengthening the Non-proliferation Framework [0.5]**

According to Japanese Foreign Minister Masahiko Komura, the government of Japan will seek to strengthen the current non-proliferation framework at the G8 Summit.<sup>446</sup> This objective involves enhancing cooperation between all G8 members and developing common positions on pressing non-proliferation issues, such as measures to be taken against the two greatest proliferators—North Korea and Iran. In particular, the relations of other states with Russia will be significant in this process. According to ranking member of the Senate Foreign Relations Committee Richard Lugar and co-chairman of the Nuclear Threat Initiative Sam Nunn, successful cooperation between Russia and the US is vital to the durability of the non-proliferation regime. Lugar and Nunn have urged the US Congress to ratify an agreement signed by President Bush in early May, setting the “non-proliferation conditions” for the transfer of Russia’s nuclear fuel, nuclear reactors, and other nuclear technologies for civilian use.<sup>447</sup> The continued vitality of the US-launched Proliferation Security Initiative (PSI) also necessitates continued cooperation between all G8 members, in particular, between Russia and the United States. The PSI is designed to halt trafficking of Weapons of Mass Destruction (WMDs), their delivery systems, and relation materials between states and non-state actors “of proliferation concern.”<sup>448</sup>

However, the aim of the Japanese Presidency to strengthen G8 cooperation on halting the proliferation of weapons and materials of mass destruction is likely to be complicated by US-Russia divisions on several key non-proliferation issues, such as the Conventional Armed Forces in Europe (CFE) Treaty. Originally signed by NATO and the former Warsaw Pact members in 1990, the CFE Treaty established parity between the two blocs in major conventional forces. In order to prolong the Treaty’s relevance beyond the disintegration of the Warsaw Pact and the eastward expansion of NATO, the parties signed the amending “Adaptation Agreement” in 1999 in Istanbul, which, despite ratification by Russia, has not yet come into force. NATO members had conditioned their ratification of the Agreement upon Russian compliance with its political commitments also made in Istanbul, such as the withdrawal of Russian forces from Georgia and Moldova.

On 14 July 2007 Russian President Vladimir Putin suspended Russia’s participation in the CFE Treaty and all accompanying agreements, citing the failure of other CFE parties to ratify the Adaptation Agreement and generating significant political fallout.<sup>449</sup> This has also led to a notable disagreement with the US, which, according to the Assistant Secretary for European and Eurasian Affairs at the US

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<sup>445</sup> Political Issues, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008, Date of Access: 9 July 2008.

[http://www.mofa.go.jp/u\\_news/2/20080708\\_230251.html](http://www.mofa.go.jp/u_news/2/20080708_230251.html).

<sup>446</sup> Japan to lead discussions on North Korea, Iran nuclear issues at July’s G8, BBC Monitoring Asia Pacific, 1 April 2008.

Date of Access: 1 June 2008. <http://www.g7.utoronto.ca/evaluations/2008hokkaido2008Hokkaido-Toyako/2008plan/2008plan.html>

<sup>447</sup> Lugar, Richard and Sam Nunn. Help Russia Help Us, The New York Times, (New York City), 30 May 2008. Date of Access: 31 May 2008. [http://www.nytimes.com/2008/05/30/opinion/30lugar.html?\\_r=1&hp&oref=slogin](http://www.nytimes.com/2008/05/30/opinion/30lugar.html?_r=1&hp&oref=slogin)

<sup>448</sup> United States Bureau of International Security and Non-proliferation, The Proliferation Security Initiative (PSI), (Washington, DC), 26 May 2008. Date of Access: 29 May 2008. <http://www.state.gov/t/isn/rls/fs/105217.htm>

<sup>449</sup> Hollis, Duncan B., Russian Suspends CFE Treaty Participation, the American Society of International Law, (Washington, DC), 23 July 2007. Date of Access: 13 June 2008. <http://www.asil.org/insights/2007/07/insights070723.html>

Department of State Daniel Fried, “regrets” the Russian withdrawal from this binding treaty.<sup>450</sup> Moreover, US disagreements with Russia, as well as China, over the American plans to deploy a missile defence system to Eastern Europe will also have to be overcome for the Hokkaido-Toyako Summit to achieve success on in the non-proliferation issue area. In fact, President Dmitry Medvedev and President Hu Jintao signed a joint communiqué in Beijing on 23 May 2008, in which they stated that the move to establish the missile defence system does not “assist international efforts on arms control and non-proliferation and strengthening trust between states.”<sup>451</sup>

### *Scoring Guidelines*

<b>0</b>	The G8 makes no progress on enhancing cooperation to strengthen the non-proliferation framework, nor on any of the non-proliferation issues.
<b>0.25</b>	Russia and the US make a statement of cooperation on non-proliferation issues (ex. North Korea and Iran).
<b>0.50</b>	Russia and the US make a statement of cooperation on non-proliferation issues (ex. North Korea and Iran), and all G8 members make a statement of cooperation/common position on non-proliferation issues (ex. North Korea and Iran).
<b>0.75</b>	Russia and the US make a statement of cooperation on non-proliferation issues (ex. North Korea and Iran), all G8 members make a statement of cooperation/common position on non-proliferation issues (ex. North Korea and Iran), and the G8 moves toward the resolution of the CFE disagreement.
<b>1</b>	Russia and the US make a statement of cooperation on non-proliferation issues (ex. North Korea and Iran), all G8 members make a statement of cooperation/common position on non-proliferation issues (ex. North Korea and Iran), the G8 moves toward the resolution of the CFE disagreement, and Russia and the US move toward the resolution of the missile defence system controversy.

### *Prospects*

Although the CFE Treaty deals with conventional, rather than nuclear, forces, the US-Russia division sparked by it may prove to be a hindrance toward enhanced G8 cooperation on North Korea, Iran, as well as other non-proliferation issues at Hokkaido-Toyako. However, although significant divisions exist, the G8 also has a considerably history of cooperation on non-proliferation issues, especially in the form of the Global Partnership against the Proliferation of Weapons and Materials of Mass Destruction.

### *Postscript*

The objective of strengthening the nonproliferation framework received a score of 0.5. In particular, Russia and the US were able to achieve consensus within the G8 on the diplomatic measures aimed at minimizing North Korea’s nuclear program and on the need for negotiations with Iran over its nuclear activities.<sup>452</sup> The G8 leaders affirmed the “3S” framework for nonproliferation safeguards, safety, and

<sup>450</sup> Looking Forward to the Medvedev Administration in Russia, Testimony Before the Commission on Security and Cooperation in Europe by Daniel Fried, Assistant Secretary for European and Eurasian Affairs, The United States Department of State, (Washington, DC), 8 May 2008. Date of Access: 29 May 2008.

<http://www.state.gov/p/eur/rls/rm/104496.htm>

<sup>451</sup> Pronina, Lyubov and Sebastian Alison, Medvedev, Hu Criticize US Missile-Defense Plans, Bloomberg Asia, 23 May 2008. Date of Access: 31 May 2008. [http://www.bloomberg.com/apps/news?pid=20601080&sid=aq\\_8ptrZXk9k&refer=asia](http://www.bloomberg.com/apps/news?pid=20601080&sid=aq_8ptrZXk9k&refer=asia)

<sup>452</sup> Political Issues, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008, Date of Access: 9 July 2008.

[http://www.mofa.go.jp/u\\_news/2/20080708\\_230251.html](http://www.mofa.go.jp/u_news/2/20080708_230251.html)

security.<sup>453</sup> No statement was released on discussions over the CFE disagreement. Neither was a G8 statement made about the continued dispute over US plans to install a missile defense system in Eastern Europe. The G8 leaders affirmed the “3S” framework for nonproliferation safeguards, safety, and security.

*Analyst: Julia Muravska*

#### **Objective 4: The Global Partnership [0.5]**

The 2002 Kananaskis G8 Summit was marked by the members’ commitment to provide financial and technological assistance to Russia—which has the world’s largest chemical weapons arsenal—to aid it in the destruction or conversion of its chemical weapons and production facilities, as part of the Global Partnership against the Proliferation and Materials of Mass Destruction.

At the 2007 G8 Summit in Heiligendamm, the G8 members examined the progress made by the Global Partnership projects, highlighting the need for more efficient intra-G8 cooperation. Furthermore, the Heiligendamm discussions mentioned expanding the Partnership beyond the former USSR, as well as beyond its mandated expiry in 2012.<sup>454</sup> The inclusion of Middle Eastern states into the Partnership is essential for the success of the initiative, as well as for the vitality of the overall non-proliferation regime, and will therefore be a notable marker of success at Hokkaido-Toyako on this front. The United States has already made progressive moves to aid Saudi Arabia in the development of civilian nuclear power. On 16 May 2008, President Bush met with the Saudi King Abdullah to conclude an agreement providing Saudi Arabia with access to safe nuclear fuel sources, making the country a model for non-proliferation in the region. The talks have also included Saudi Arabia in a global initiative to combat nuclear terrorism and illegal trafficking, as well as the proliferation of WMDs and related materials.<sup>455</sup> In addition, the United States has signed a Memorandum of Understanding with the UAE, Jordan, Saudi Arabia and Bahrain, wherein these states pledged to rely on the global market for obtaining nuclear fuel, rather than pursuing enrichment and reprocessing abilities.<sup>456</sup>

Germany has been especially active in its continued assistance to Russia, committing USD1.5 billion toward the Global Partnership. In particular, the German government has contributed USD218 million to the construction of a chemical weapon destruction facility in Pochev, Russia, which is slated for completion in 2009. The German Federal Office of Defence Technology and Procurement has also pledged technological assistance.<sup>457</sup>

Thus far, Russia has destroyed over 25% of its chemical weapons arsenal, the equivalent of 10,500 metric tons. However, the head of the Federal Department for the Safe Storage and Destruction of Chemical Weapons, Lieutenant General Valery Kapashin, stated that proper financing is essential for the

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<sup>453</sup> International Initiative on 3S-based Nuclear Energy Infrastructure, G8 Hokkaido Toyako Summit, (Toyako), 8 July 2008, Date of Access: 9 July 2008. [http://www.g8summit.go.jp/doc/pdf/0708\\_04\\_en.pdf](http://www.g8summit.go.jp/doc/pdf/0708_04_en.pdf).

<sup>454</sup> Heiligendamm Statement on Non-proliferation, G8 Research Group, (Toronto), 8 June 2007, Date of Access: 5 July 2008. <http://www.g8.utoronto.ca/summit/2007heilgendamm/g8-2007-nonprolif.html>.

<sup>455</sup> Stearns, Scott. Bush in Saudi Arabia for Nuclear Deal, Voice of America, (Riyadh), 16 May 2008. Date of Access: 15 June 2008. <http://voanews.com/english/2008-05-16-voa23.cfm>

<sup>456</sup> Remarks at the Naval Postgraduate School by Principal Deputy Assistant Secretary, International Security and Non-proliferation, (Monterey), 10 June 2008. Date of Access: 15 June 2008. <http://www.state.gov/t/isn/rls/rm/105775.htm>

<sup>457</sup> Germany to Help Russia Destroy Chemical Weapon Stockpile, Deutsche Welle, (Berlin), 10 June 2008. Date of Access: 14 June 2008. <http://www.dw-world.de/dw/article/0,2144,3401229,00.html>

completion of Russia's initiative.<sup>458</sup> Since Russia has so far received only 25% of USD20 billion pledged at Kananaskis,<sup>459</sup> a G8 statement confirming the members' continued assistance to Russia at the Hokkaido -Toyako Summit 2008 will be a clear measure to strengthen the Global Partnership.

### *Scoring Guidelines*

<b>0</b>	The G8 makes no reference to the Global Partnership.
<b>0.25</b>	The G8 reaffirms its commitment to the Kananaskis targets.
<b>0.50</b>	The G8 reaffirms its commitment to the Kananaskis targets and announces a definite financial commitment to Russian nuclear disarmament.
<b>0.75</b>	The G8 reaffirms its commitment to the Kananaskis targets, the G8 announces a definite financial commitment to Russian nuclear disarmament, and the G8 makes a decision on whether or not to expand the Global Partnership beyond 2012.
<b>1</b>	The G8 reaffirms its commitment to the Kananaskis targets, the G8 announces a definite financial commitment to Russian nuclear disarmament, the G8 makes a decision on whether or not to expand the Global Partnership beyond 2012, and the G8 announces a scheme for including other states in the Partnership initiatives.

### *Prospects*

There is a high likelihood that the G8 will make some progress on achieving its objective on reinforcing the Global Partnership, since this initiative has been in place since the 2002 Kananaskis Summit. In addition, the Global Partnership has been free of significant intra-member disagreements. However, a G8 decision on a possible temporal and/or geographic expansion of the Partnership may be sidelined by the need to solve more pressing non-proliferation issues, such as in North Korea and Iran.

### *Postscript*

The objective of strengthening and maintaining the Global Partnership received a score of 0.5. The G8 leaders re-affirmed their commitment to the Global Partnership at the Hokkaido Toyako Summit, specifying that they are “determined to accomplish priority projects... in Russia as well as in Ukraine.”<sup>460</sup> Moreover, the G8 leaders stated their commitment to continuing the Global Partnership projects in Russia, specifying chemical weapons destruction and the dismantlement of decommissioned nuclear submarines as priority areas.<sup>461</sup> However, there was neither a definite scheme for expanding the Partnership beyond 2012 nor a plan to attract new members.

*Analyst: Julia Muravska*

## **Objective 5: Promoting Peaceful Uses of Nuclear Energy [1]**

<sup>458</sup> Russia Destroys over 25% of its Chemical Weapons, Russian News and Information Agency (RIA), (Moscow), 3 June 2008. Date of Access: 10 June 2008. <http://en.rian.ru/russia/20080603/109124738.html>

<sup>459</sup> Russia Destroys over 25% of its Chemical Weapons, Russian News and Information Agency (RIA), (Moscow), 3 June 2008. Date of Access: 10 June 2008. <http://en.rian.ru/russia/20080603/109124738.html>

<sup>460</sup> Report on the G8 Global Partnership, Official Website of the Hokkaido Toyako Summit, (Hokkaido Toyoko), 8 July 2008. Date of Access: 8 July 2008. [http://www.g8summit.go.jp/doc/pdf/0708\\_12\\_en.pdf](http://www.g8summit.go.jp/doc/pdf/0708_12_en.pdf)

<sup>461</sup> Political Issues, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_230251.html](http://www.mofa.go.jp/u_news/2/20080708_230251.html)

Many countries increasingly see nuclear energy as an answer to environmental and energy security concerns because nuclear energy does not discharge greenhouse gases while generating power.

At a meeting in Aomori, Japan on 7 June 2008, the Energy Ministers of China, India, Japan, South Korea, and the United States jointly recognized peaceful nuclear energy as a necessity to “increasing energy security by diversifying the energy mix.”<sup>462</sup> Furthermore, on 8 June 2008, the Energy Ministers of the G8, China, India, and South Korea stressed the need for peaceful uses of nuclear energy to be in accordance with nuclear non-proliferation and nuclear liability schemes, as well as “the necessity of responsible policies for decommissioning and fuel and radioactive waste management.”<sup>463</sup> The G8 recognizes the importance of the International Atomic Energy Agency (IAEA) in directing nuclear energy policies that conform to the principles of non-proliferation.

At the 2007 Heiligendamm Summit, the G8 did not succeed in agreeing on Nuclear Suppliers Group (NSG) “mechanisms to strengthen controls on transfers of enrichment and reprocessing equipment, facilities and technology.”<sup>464</sup> The G8 pledged to continue to try to reach a consensus on the NSG by the 2008 Hokkaido -Toyako Summit, but will “seriously consider alternative strategies” to make enrichment processes safer from proliferation.<sup>465</sup>

The US-proposed Global Nuclear Energy Partnership (GNEP) initiative also promotes the development of peaceful uses of nuclear power in exchange for obligations from countries to purchase nuclear fuel from multilaterally controlled fuel banks.<sup>466</sup> The plan also means to make nuclear fuel less attractive for armament purposes.<sup>467</sup> Other initiatives to be discussed at the Hokkaido -Toyako Summit 2008 may include the Russian project for setting up international fuel supply centres, the Japanese proposal of IAEA standby arrangements for the “assurance of nuclear fuel supply,” and the German offer of IAEA-controlled commercial enrichment.<sup>468</sup>

The Hokkaido -Toyako 2008 G8 Summit will be the primary opportunity to advance all of the aforementioned initiatives for a non-proliferation-oriented nuclear fuel supply network.

### *Scoring Guidelines*

<b>0</b>	The G8 fails to raise awareness for the “3S” scheme for peaceful uses of nuclear energy. The G8 fails to reach consensus on any existing proposals for a nuclear fuel supply framework.
<b>0.25</b>	The G8 confirms the importance of the “3S” scheme for peaceful purposes of nuclear energy, but does not reach consensus on any of the existing proposals for a nuclear fuel supply

<sup>462</sup> Joint Statement of Energy Ministers of the People’s Republic of China, India, Japan, the Republic of Korea and the United States, G8 Information Centre, (Toronto), 7 June 2008, Date of Access: 25 June 2008.

<http://www.g8.utoronto.ca/energy/080607joint.pdf>.

<sup>463</sup> Joint Statement of Energy Ministers of the G8, the People’s Republic of China, India, and The Republic of Korea, G8 Information Centre, (Toronto), 7 June 2008, Date of Access: 25 June 2008. <http://g8.utoronto.ca/energy/080608joint.pdf>.

<sup>464</sup> Heiligendamm Statement on Non-Proliferation, G8 Information Centre, (Toronto), 8 June 2007, Date of Access: 30 June 2008. <http://www.g7.utoronto.ca/summit/2007heilgendamm/g8-2007-nonprolif.html>.

<sup>465</sup> Heiligendamm Statement on Non-Proliferation, G8 Information Centre, (Toronto), 8 June 2007, Date of Access: 30 June 2008. <http://www.g7.utoronto.ca/summit/2007heilgendamm/g8-2007-nonprolif.html>.

<sup>466</sup> Nuclear Pact with Russia Faces Resistance, Wall Street Journal, (New York), 2 July 2008, Date of Access: 5 July 2008. <http://online.wsj.com/article/SB121494534459920539.html>.

<sup>467</sup> Bush’s Nuclear Reprocessing Plan Under Fire, Arms Control Today, (Washington), July 2008, Date of Access: 5 July 2008. [http://www.armscontrol.org/act/2008\\_07-08/BushNuclear.asp](http://www.armscontrol.org/act/2008_07-08/BushNuclear.asp).

<sup>468</sup> Heiligendamm Statement on Non-Proliferation, G8 Information Centre, (Toronto), 8 June 2007, Date of Access: 30 June 2008. <http://www.g7.utoronto.ca/summit/2007heilgendamm/g8-2007-nonprolif.html>.

	network.
<b>0.5</b>	The G8 confirms the importance of the “3S” scheme for peaceful purposes of nuclear energy. The G8 continues to attempt to reach consensus on a framework for the Nuclear Suppliers Group.
<b>0.75</b>	The G8 actively promotes the development of infrastructure in support of the “3S” scheme. The G8 continues to attempt to reach consensus on a framework for the Nuclear Suppliers Group and discusses other initiatives for a nuclear fuel supply network.
<b>1</b>	The G8 actively promotes the development of infrastructure in support of the “3S” scheme. The G8 reaches consensus on a framework for the Nuclear Suppliers Group and discusses other initiatives for a nuclear fuel supply network.

### *Prospects*

The G8 is expected to promote the “3S” concepts for peaceful uses of nuclear energy: safeguards against proliferation, safety of nuclear energy, and security against nuclear terrorism.<sup>469</sup> Non-proliferation is a priority issue area for the Japanese Presidency at the G8 Summit, giving Japan the opportunity to lead by example in helping develop nuclear safeguards in cooperation with the IAEA and multilateral initiatives. Although the G8 will likely succeed in raising awareness for the “3S” scheme, it will be more difficult to build consensus on other individual initiatives such as the framework for the Nuclear Suppliers Group.

### *Postscript*

The G8 has earned a score of 1 for its developments on peaceful uses of nuclear energy. Firstly, the G8 recognized the growing importance of nuclear energy in resolving both climate change and energy security concerns. In consequence, the G8 affirmed to keep on developing and promoting the international “3S” initiative of nonproliferation safeguards, safety, and security,<sup>470</sup> in cooperation with the IAEA.<sup>471</sup> The G8 recognized the work of the Nuclear Suppliers Group in moving closer towards reaching consensus on enrichment transfer and reprocessing criteria, as well as agreed that the transfer conditions will not allow replication of enrichment facilities, at the minimum.<sup>472</sup> Finally, the International Initiative on 3S-based Nuclear Energy Infrastructure set in principle the relevance of other national and multilateral approaches to peaceful uses of nuclear energy, including the International Project on Innovative Nuclear Reactors and Fuel Cycles.<sup>473</sup>

*Analyst: Egor Ouzikov*

<sup>469</sup> Peaceful Uses of Nuclear Energy and the “3S”, Toyako Hokkaido-Toyako Summit, (Toyako), 5 July 2008. Date of Access: 5 July 2008. [http://www.g8summit.go.jp/doc/pdf/nuclear\\_0705.pdf](http://www.g8summit.go.jp/doc/pdf/nuclear_0705.pdf).

<sup>470</sup> International Initiative on 3S-based Nuclear Energy Infrastructure, G8 Hokkaido Toyako Summit, (Toyako), 8 July 2008, Date of Access: 9 July 2008. [http://www.g8summit.go.jp/doc/pdf/0708\\_04\\_en.pdf](http://www.g8summit.go.jp/doc/pdf/0708_04_en.pdf).

<sup>471</sup> Environment and Climate Change, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008. Date of Access: 9 July 2008.

<sup>472</sup> Political Issues, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008, Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_230251.html](http://www.mofa.go.jp/u_news/2/20080708_230251.html).

<sup>473</sup> International Initiative on 3S-based Nuclear Energy Infrastructure, G8 Hokkaido Toyako Summit, (Toyako), 8 July 2008, Date of Access: 9 July 2008. [http://www.g8summit.go.jp/doc/pdf/0708\\_04\\_en.pdf](http://www.g8summit.go.jp/doc/pdf/0708_04_en.pdf).



# COUNTER-TERRORISM [0.73]

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The issue of counter-terrorism is a relatively new addition to the G8 agenda. Until 2001, Justice and Home ministers and G8 leaders, almost exclusively discussed issues relating to countering the growing scourge of transnational organized crime.<sup>474</sup> After the 11 September 2001 terrorist attacks in the US, counter-terrorism has since been included on the agenda for the Justice and Home Ministerial meetings, and consequently the G8 Summits.<sup>475</sup>

The Japanese government has stated that the “G8 will act resolutely against terrorism”.<sup>476</sup> However, a specific agenda outlining the counter-terrorism topics to be addressed at the Summit has yet to be announced.

Through the G8 Summits, three main reoccurring topics under the issue area of counter-terrorism have emerged; improving transport security and boarder control, curtailing terrorist financing, and supporting the United Nations efforts to counter terrorism through the Counter-Terrorism Committee.<sup>477</sup>

In 2006, the International Working Group on Land Transport Security was created to expand on the existing work of the G8 and other international groups.<sup>478</sup> The Group is comprised of G8 and non-G8 members. The Working Group’s activities focus on improving protocols related to surveillance and screening methods. Japan is an active participant in the Working Group.<sup>479</sup> At the 2007 Heiligendamm Summit in Germany, the G8 committed to work with the FATF to expedite domestic implementation and international promotion of its 40+9 Recommendations aimed at denying terrorist entities access to fundraising and money laundering facilities.<sup>480</sup> At both the 2006 Saint Petersburg Summit and the 2007 Heiligendamm Summit, the G8 issued statements of support and pledged to continue to reinforce the United Nations’ Counter-Terrorism strategy relating to Security Council resolution 1373 (2001).<sup>481</sup>

The ability of the G8 to fulfill commitment objectives has been varied. The G8’s efforts to curtail terrorist financing have been very effective with most G8 members having implemented the

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<sup>474</sup> About the meeting, G8 Justice and Home Affairs Ministerial meeting 2008, (Tokyo, Japan), June 2008. Date of Access: 15 June 2008. <http://www.g8jha2008.jp/eng/what.html>

<sup>475</sup> About the meeting, G8 Justice and Home Affairs Ministerial meeting 2008, (Tokyo, Japan), June 2008. Date of Access: 15 June 2008. <http://www.g8jha2008.jp/eng/what.html>

<sup>476</sup> Main Themes, G8 Hokkaido-Toyako Summit, (Toyako, Japan), June 2008. Date of Access: 15 June 2008. <http://www.g8summit.go.jp/eng/info/theme.html>

<sup>477</sup> G8 Summit Statement on Counter-Terrorism – Security in an Era of Globalization, G8 Summit 2007, (Heiligendamm, Germany), June 2008. Date of Access: 15 June 2008. <http://www.g-8.de/Webs/G8/EN/Homepage/home.html>

<sup>478</sup> International Cooperation: International Working Group on Land Transport Security, UNEECE Expert group on Inland Transport Security, (Geneva, Switzerland), 22 May 2007. Date of Access: 5 July 2008. [http://www.unece.org/trans/doc/2007/ac11/2nd\\_ppt03e.pdf](http://www.unece.org/trans/doc/2007/ac11/2nd_ppt03e.pdf)

<sup>479</sup> The Establishment of International Working Group on Land Transport Security, Ministry of Land, Infrastructure and Transport, Japan, (Tokyo, Japan), January 2006. Date of Access: 15 June 2008. [www.apec-tptwg.org.cn/new/Archives/tptwg29/Land/07\\_tptwg29\\_leg\\_007\\_report%20annex%201.ppt](http://www.apec-tptwg.org.cn/new/Archives/tptwg29/Land/07_tptwg29_leg_007_report%20annex%201.ppt)

<sup>480</sup> G8 Summit Statement on Counter-Terrorism – Security in an Era of Globalization, G8 Summit 2007, (Heiligendamm, Germany), June 2008. Date of Access: 15 June 2008. <http://www.g-8.de/Webs/G8/EN/Homepage/home.html>

<sup>481</sup> Report on G8 support to the United Nations’ Counter-Terrorism Efforts, G8 Summit 2007, (Heiligendamm, Germany), June 2008. Date of Access: 15 June 2008. [http://www.g-8.de/Content/EN/Artikel/\\_g8-summit/anlagen/report-on-g8-support-to-the-un-counter-terrorism-efforts,templateId=raw,property=publicationFile.pdf/report-on-g8-support-to-the-un-counter-terrorism-efforts](http://www.g-8.de/Content/EN/Artikel/_g8-summit/anlagen/report-on-g8-support-to-the-un-counter-terrorism-efforts,templateId=raw,property=publicationFile.pdf/report-on-g8-support-to-the-un-counter-terrorism-efforts)

recommendations of the FATF.<sup>482</sup> G8 members, however, have been less successful in terms of transport security and border control.<sup>483</sup> The Japanese G8 Presidency is likely to focus on moving these two issues forward.

*Lead Analyst: Aaron Ghobarah*

### **Objective 1: Terrorist Financing [0.75]**

Terrorist financing will likely be discussed at the upcoming Summit. The G8 Justice Ministers Conference held in Tokyo on 11 June 2008 discussed measures on counter terrorism, including continuing effort to curtail terrorist financing.<sup>484</sup> Furthermore, the 14 June 2008 Finance Ministers' declaration confirmed their commitment to fight terrorist financing and promote the implementation of UN Resolutions, including Resolution 1803, which warns against dealing with all Iranian financial institutions. The ministers also urged the FATF to continue monitoring these threats and take appropriate action to safeguard the international financial system.<sup>485</sup>

A FAFT ministers meeting on 12 April 2008 resulted in a revised mandate for the FAFT. Among other objectives, it promotes stronger partnerships with the private sector to enhance efforts against terrorist financing.<sup>486</sup> The mandate also responds to new threats to the integrity of the financial system, such as proliferation finance. In March the FAFT also released a Guidance Manual for the implementation of FAFT standards within low capacity countries.<sup>487</sup> It is expected that the new measures will be discussed and endorsed at the Hokkaido-Toyako Summit.

At the 2007 Heiligendamm Summit, the G8 pledged to counter cash smuggling used to finance terrorism and violent extremism.<sup>488</sup> Also at Heiligendamm, the G8 praised the Financial Action Task Force for its efforts and agreed to promote and implement its 40 Recommendations on Money Laundering and nine Special Recommendations on Terror Finance. Due to the G8's success in preventing terrorist access to formal financial systems, it was agreed to apply the same standards to cash transactions and informal parts of the financial system. The G8 stressed the need for broad international implementation of Special Recommendation IX to minimize cross border movement of illegal cash, and especially to focus on informal methods of transfer. To achieve these goals, the G8 promised to focus on, amongst other things, identifying main transshipment and courier routes, improving information exchanges, and boost law enforcement investigations. Other initiatives include, enhancing cash declaration/disclosure standards and reassessing domestic border services for vulnerabilities.<sup>489</sup>

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<sup>482</sup> 2007 Heiligendamm G8 Summit Interim Compliance Report, G8 Research Group, (Toronto, Canada), 27 February 2008. Date of Access: 15 June 2008. [http://www.g8.utoronto.ca/evaluations/2007compliance\\_interim/2007\\_00\\_interim.pdf](http://www.g8.utoronto.ca/evaluations/2007compliance_interim/2007_00_interim.pdf)

<sup>483</sup> 2007 Heiligendamm G8 Summit Interim Compliance Report, G8 Research Group, (Toronto, Canada), 27 February 2008. Date of Access: 15 June 2008. [http://www.g8.utoronto.ca/evaluations/2007compliance\\_interim/2007\\_00\\_interim.pdf](http://www.g8.utoronto.ca/evaluations/2007compliance_interim/2007_00_interim.pdf)

<sup>484</sup> G8 Justice Ministers start conference on measures against terrorism, News. 11 June 2008. Date of access: 14 June 2008. [http://news.xinhuanet.com/english/2008-06/11/content\\_8349596.htm](http://news.xinhuanet.com/english/2008-06/11/content_8349596.htm).

<sup>485</sup> Statement of the G8 Finance Ministers Meeting, Osaka, Japan 14 June, 2008. G8 Finance Ministers. Date of access: June 15, 2008. <http://www.mof.go.jp/english/if/su080614.pdf>.

<sup>486</sup> FAFT Revised Mandate 2008-2012, FAFT. 12 April 2008. Date of access: 15 June 2008. [http://www.fatf-gafi.org/document/10/0,3343,en\\_32250379\\_32235720\\_40433674\\_1\\_1\\_1\\_1,00.html](http://www.fatf-gafi.org/document/10/0,3343,en_32250379_32235720_40433674_1_1_1_1,00.html).

<sup>487</sup> News and Events, FAFT. 7 March 2008. Date of access: 15 June 2008 [http://www.fatf-gafi.org/pages/0,3417,en\\_32250379\\_32237217\\_1\\_1\\_1\\_1,00.html](http://www.fatf-gafi.org/pages/0,3417,en_32250379_32237217_1_1_1_1,00.html).

<sup>488</sup> G8 Statement of Counter Terrorism. Heiligendamm. 8 June 2007, G8 Information Center. Date of access: 13 June, 2008. <http://www.g8.utoronto.ca/summit/2007heiligendamm/g8-2007-ct.html>.

<sup>489</sup> G8 Statement of Counter Terrorism. Heiligendamm. 8 June 2007, G8 Information Center. Date of access: 13 June, 2008. <http://www.g8.utoronto.ca/summit/2007heiligendamm/g8-2007-ct.html>.

## Scoring Guidelines

0	Terrorist financing is not discussed at the Summit.
0.25	Terrorist financing is discussed but no declarations or action is taken by the G8.
0.5	G8 makes minor changes to commitment to curb terrorist financing and does not endorse FAFT changes.
0.75	G8 reconfirms intention to curb terrorism financing but does not endorse the FAFT changes
1	G8 commits to action or makes a statement which is highly aligned with its objective in the area. G8 reconfirms their pledge to curb terrorist financing and endorses new FAFT measures, including assisting developing countries in preventing terrorist financing.

### Prospects

Though it will be discussed, terrorist financing will not be among the most pressing issues at the upcoming Summit. Focus on the subject at previous Summits has established a well working system and only minor changes can be expected. Specifically, the changes recently introduced by the FAFT will be discussed and most likely endorsed. The G8 can also be expected to reconfirm their intentions to curb terrorist financing, and perhaps announce the intention of furthering progress.

### Postscript

In the G8 statement on Counter-Terrorism, the G8 has committed to strengthening efforts to combat terrorist financing, including supporting UN Counter-Terrorism efforts and the implementation of FATF Special Recommendations, with specific mention to Special Recommendations VIII and IX.<sup>490</sup> Special Recommendation VIII addresses financial controls for non-profit organizations and Special Recommendation IX addresses cash couriers.<sup>491</sup> The G8 statement did not reference any specific assistance to developing nations to implement the FATF recommendations or other assistance to combat terrorist financing. Thus, the G8 has been awarded a score of 0.75.

*Analyst: Anna Okorokov*

## Objective 2: Transport Security/Border Control [0.75]

The Japanese Presidency's agenda will likely address transport security and border control in a broad context within terrorism and regional issues at the 2008 Summit in Hokkaido-Toyako. Japan has not laid out any specific aims on this issue for the G8 to address.

Japan has demonstrated engagement on this issue by sending senior diplomats to attend a conference on curbing terrorist infiltration in Istanbul on 2 November 2007.<sup>492</sup> The draft agreement calls on Iraq and its

<sup>490</sup> G8 Statement on Counter-Terrorism. Tokyo. 8 July 2008, The Ministry of Foreign Affairs of Japan. Date of access: 9 July, 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_230513.html](http://www.mofa.go.jp/u_news/2/20080708_230513.html)

<sup>491</sup> 9 Special Recommendations (SR) on Terrorist Financing (TF). Paris. 22 October 2004, FATF. Date of access: 9 July, 2008. [http://www.fatf-gafi.org/document/9/0,3343,en\\_32250379\\_32236920\\_34032073\\_1\\_1\\_1\\_1,00.html](http://www.fatf-gafi.org/document/9/0,3343,en_32250379_32236920_34032073_1_1_1_1,00.html)

<sup>492</sup> Istanbul conference on Iraq to focus on anti-terrorism, Xinhua News Agency, (Beijing), 2 November 2007. Date of Access: 15 June 2008. <http://g8live.org/2007/11/02/istanbul-conference-on-iraq-to-focus-on-anti-terrorism/>

neighbours to establish efficient mechanisms to impede cross-border terror, including the reinforcement of cooperative control of shared borders.<sup>493</sup> Furthermore, the agreement communicates to all states the importance of the prevention of cross-border terrorist activity to all states and to support Iraq's efforts in this regard.<sup>494</sup>

At a meeting in Islamabad on 11 December 2007, a Japanese envoy stated that “the border conflicts between Pakistan and Afghanistan are very important” and that “G8 countries would provide every possible help to both the countries for settlement of these disputes.”<sup>495</sup>

Japan's Anti-Terrorism Special Measures Law has previously been extended three times (in 2003, in 2005 and in 2006), thus exhausting the number of possible extensions.<sup>496</sup> Japan has since passed a new Anti-Terrorism Special Measures Law, allowing Japan's Self Defence Force to renew support for coalition operations in Afghanistan through its critical maritime refuelling initiative.<sup>497</sup> Japan is also part of a Trilateral Strategic Dialogue with the US and Australia that concerns security and defence.<sup>498</sup>

A Regional Road Map for Aviation Security was set at the 5<sup>th</sup> ASEAN and Japan Transport Ministers Meeting in Singapore on 2 November 2007, outlining “a collaborative framework to further enhance aviation security through improvement plans and supportive activities for their implementation.”<sup>499</sup>

Since 20 November 2007, Japan has taken a strong stance on security by fingerprinting and photographing all foreigners entering at air and marine ports.<sup>500</sup> As of July 2008, Japan plans to oblige all airlines to compare travelers' faces with their passport photos and to cross-check the names on passports with those on boarding passes at boarding gates of international airports in order to avoid having terrorists and smugglers traveling on international flights.<sup>501</sup> Japan has also started installing new security cameras and replacing old ones in the country's rail system.<sup>502</sup>

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<sup>493</sup> Istanbul conference on Iraq to focus on anti-terrorism, Xinhua News Agency, (Beijing), 2 November 2007. Date of Access: 15 June 2008. <http://g8live.org/2007/11/02/istanbul-conference-on-iraq-to-focus-on-anti-terrorism/>

<sup>494</sup> Istanbul conference on Iraq to focus on anti-terrorism, Xinhua News Agency, (Beijing), 2 November 2007. Date of Access: 15 June 2008. <http://g8live.org/2007/11/02/istanbul-conference-on-iraq-to-focus-on-anti-terrorism/>

<sup>495</sup> Envoys of Japan, Germany US demand from Pakistan to do more against terrorism is correct; The Baluchistan Times; (Karachi); 11 December 2007. Date of Access: 15 June 2008. <http://g8live.org/2007/12/11/envoys-of-japan-germany-us-demand-from-pakistan-to-do-more-against-terrorism-is-correct/>

<sup>496</sup> Japan decides to continue to the dispatch of JMSDF vessels to the Indian Ocean in order to support of international efforts to fight against against terrorism (Extension of the Anti-Terrorism Special Measures Law), Embassy of Japan in Washington, (Washington), 30 October 2006. Date of Access: 15 June 2008. <http://www.us.emb-japan.go.jp/english/html/pressreleases/2006/103006.htm>

<sup>497</sup> Japan – Passage of New Anti-Terrorism Special Measures Law; The Hon Stephen Smith MP, Australian Minister for Foreign Affairs; (Canberra); 12 January 2008. Date of Access: 15 June 2008. [http://www.foreignminister.gov.au/releases/2008/fa-s012\\_08.html](http://www.foreignminister.gov.au/releases/2008/fa-s012_08.html)

<sup>498</sup> Japan – Passage of New Anti-Terrorism Special Measures Law; The Hon Stephen Smith MP, Australian Minister for Foreign Affairs; (Canberra); 12 January 2008. Date of Access: 15 June 2008. [http://www.foreignminister.gov.au/releases/2008/fa-s012\\_08.html](http://www.foreignminister.gov.au/releases/2008/fa-s012_08.html)

<sup>499</sup> The Fifth ASEAN and Japan Transport Ministers Meeting Joint Ministerial Statement (Singapore) 2 November 2007. Date of Access: 15 June 2008. <http://www.aseansec.org/21026.htm>

<sup>500</sup> Foreign Arrivals get Biometric Scan, The Japan Times (Tokyo) 21 November 2007. Date of Access: 15 June 2008. <http://search.japantimes.co.jp/cgi-bin/nn20071121a1.html>

<sup>501</sup> More airport checks. Carriers to screen passports at gates, The Japan Times Online, (Tokyo), 30 March 2008. Date of Access: 15 June 2008. <http://search.japantimes.co.jp/cgi-bin/nn20080330a1.html>

<sup>502</sup> Train stations installing more security cameras ahead of G8 summit, Mainichi Daily News (Tokyo) 14 April 2008. Date of Access: 15 June 2008. <http://mdn.mainichi.jp/national/news/20080414p2a00m0na025000c.html>

In response to the heightened risk of foreign terrorists infiltrating Japan during the 2008 G8 Summit in Hokkaido-Toyako, the National Police Agency has asked all hotels to fully comply by April 2008 with the April 2005 government hotel law amendment for hotels to photocopy guests' passports and to keep record of nationalities and passport numbers with the exception of those with long-term residence status.<sup>503</sup> The records will allow for simplified cross-referencing with the identities of suspected terrorists before attacks take place and will facilitate locating them.<sup>504</sup>

### *Scoring Guidelines*

<b>0</b>	The Presidency shows no cooperation or leadership during discussions.
<b>0.25</b>	The Presidency shows little initiative in addressing transport security and border control.
<b>0.5</b>	The Presidency cooperates with other countries but does not advance its own proposed solution.
<b>0.75</b>	The Presidency cooperates with the other G8 nations and actively contributes during the decision-making process.
<b>1</b>	The Presidency cooperates with other countries and actively pursues the inclusion of statements on transport security and border control in the final documentation of the Leaders' Summit.

### *Prospects*

Though it is certain Japan will promote counter-terrorism security initiatives, other issues will likely have priority over transport security and border control. In this vein, any commitments made at Hokkaido-Toyako on the subject are likely to be vague. It therefore remains probable that no specific commitments or timetables will be agreed upon by the Group.

### *Postscript*

Transportation security is briefly mentioned in the G8 statement on Counter-Terrorism.<sup>505</sup> The G8 has reasserted that its members will work towards strengthening measures to counter attacks on transportation systems, but no specific plan of action is mentioned.<sup>506</sup> As there is no mention of commitments to improve border controls and security, a score of 1.0 can not be awarded. Thus, a score of 0.75 is awarded.

*Analyst: Daniel Gatto*

## **Objective 3: Cyber Terrorism [0.75]**

<sup>503</sup> One in four hotels and ryokan inns across Japan is not complying with government anti-terror initiatives that require them to record nationalities and passport numbers of foreign guests, according to a survey; The International Herald Tribune; (Neully, France); 5 January 2008. Date of Access: 15 June 2008.

<http://g8live.org/2008/01/05/one-in-four-hotels-and-ryokan-inns-across-japan-is-not-complying-with-government-anti-terror-initiatives-that-require-them-to-record-nationalities-and-passport-numbers-of-foreign-guests-according-to-a/>

<sup>504</sup> One in four hotels and ryokan inns across Japan is not complying with government anti-terror initiatives that require them to record nationalities and passport numbers of foreign guests, according to a survey; The International Herald Tribune; (Neully, France); 5 January 2008. Date of Access: 15 June 2008.

<http://g8live.org/2008/01/05/one-in-four-hotels-and-ryokan-inns-across-japan-is-not-complying-with-government-anti-terror-initiatives-that-require-them-to-record-nationalities-and-passport-numbers-of-foreign-guests-according-to-a/>

<sup>505</sup> G8 Statement on Counter-Terrorism. Tokyo. 8 July 2008, The Ministry of Foreign Affairs of Japan. Date of access: 9 July, 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_230513.html](http://www.mofa.go.jp/u_news/2/20080708_230513.html)

<sup>506</sup> G8 Statement on Counter-Terrorism. Tokyo. 8 July 2008, The Ministry of Foreign Affairs of Japan. Date of access: 9 July, 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_230513.html](http://www.mofa.go.jp/u_news/2/20080708_230513.html)

During Japan's G8 Presidency cyber terrorism will likely be included once again under the umbrella of counter-terrorism. The topic of cyber terrorism was addressed at both the Saint Petersburg Summit<sup>507</sup> and the Heiligendamm Summit.<sup>508</sup>

No specific aims have been outlined by the Japanese government, however based on previous Summits Japan will look to secure a statement asserting the G8's commitment to share and develop technologies and best practices in order to prevent cyber terrorism.

According to the official website, IMPACT "...is dedicated to bringing together governments, industry leaders and cyber security experts to enhance the global community's capacity to prevent, defend and respond to cyber threats."<sup>509</sup> The governments of Japan, Canada, and the US sent representatives to IMPACT's inaugural World Cyber Security Summit in Kuala Lumpur, Malaysia held 20 – 23 May 2008.<sup>510</sup>

Further to the creation of IMPACT, NATO members Germany and Italy have assisted in funding and staffing a cyber defence hub in Estonia. The hub will provide research, consultation and training on the development of cyber defences for participating national governments.<sup>511</sup> The hub was developed in response to a cyber attack against Estonia in 2007.

In response to the perceived increasing threat of cyber-terrorism, the American Homeland Security Secretary, Michael Chertoff, has reached out to the private sector in Silicone Valley, asking industry leaders to help the government secure cyberspace.<sup>512</sup>

The topic of cyber terrorism is slowly growing in importance, but has yet to reach the top of government agendas.

### *Scoring Guidelines*

<b>0</b>	The G8 fails to discuss the topic of cyber-terrorism
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion regarding cyber terrorism, but no notable progress or measurable action was taken by the G8 (i.e. Cyber terrorism was not identified in any of the communiqués or statements released at the Summit).
<b>0.50</b>	The G8 releases communiqués or makes statements committing to continued international cooperation to prevent cyber-terrorism.
<b>0.75</b>	The G8 releases communiqués or makes statements committing to specific initiatives/actions to counter cyber-terrorism, but no timetable/milestones are set.
<b>1</b>	The G8 releases communiqués or makes statements committing to specific initiatives/actions to counter cyber-terrorism, with set timetables/milestones

<sup>507</sup> G8 Summit Declaration on Counter-Terrorism, G8 Saint Petersburg Summit, (Saint Petersburg, Russia), 16 July 2006. Date of Access: 16 June 2008. <http://en.g8russia.ru/docs/17.html>

<sup>508</sup> G8 Summit Statement on Counter-Terrorism – Security in an Era of Globalization, G8 Summit 2007, (Heiligendamm, Germany), June 2008. Date of Access: 15 June 2008. <http://www.g8.de/Webs/G8/EN/Homepage/home.html>

<sup>509</sup> Introduction, IMPACT, (Kuala Lumpur, Malaysia), 23 May 2008. Date of Access: 16 June 2008. <http://www.impact-alliance.org/subpage>

<sup>510</sup> Introduction, IMPACT, (Kuala Lumpur, Malaysia), 23 May 2008. Date of Access: 16 June 2008. <http://www.impact-alliance.org/wcss>

<sup>511</sup> Estonian Cyber Defence hub set up, BBC News Online, (London, UK), 14 May 2008. Date of Access: 16 June 2008. <http://news.bbc.co.uk/2/hi/europe/7401260.stm>

<sup>512</sup> Cyber Risks equals 9/11 impact, BBC News Online, (San Francisco, USA), 8 April 2008. Date of Access: 16 June 2008. <http://news.bbc.co.uk/2/hi/technology/7335930.stm>

## *Prospects*

The G8 will most likely issue another statement regarding the need to continue co-ordinated efforts to prevent cyber-terrorism. However, it is unlikely that any specific initiatives or new funding will be agreed upon at this Summit. The topic of cyber-terrorism is likely to be overshadowed by higher priority issues, like the environment and world economy.

## *Postscript*

*Analyst: Aaron Ghobarah*

### **Objective 4: Illicit Arms Trafficking [0.5]**

As the G8 president this year, Japan may address illicit arms trafficking as part of the Counter-Terrorism agenda this summer. Although this issue has not been raised at past G8 Summits, Japan has always been a strong proponent in fighting the illegal trade of weapons and it is likely that illicit arms trafficking will be a part of Japan's Counter-Terrorism agenda this summer. On 8 April 2008 at the UN Disarmament Commission Annual Session, Ambassador Takahiro Shinyo expressed Japan's belief "that the UN Programme of Action (PoA) on Small Arms and Light Weapons (SALW) is the most important international framework for tackling the illicit trade in SALW [and that the] implementation of the PoA must be strengthened continually."<sup>513</sup> In his speech, he also explained the importance of establishing an Arms Trade Treaty to: 1) guarantee the responsible transfer of arms; and 2) create a common standard for arms transfers.<sup>514</sup>

Likewise, on 25 April 2008, the Ministry of Foreign Affairs of Japan held the Asian Senior-level Talks on Non-Proliferation and discussed the importance of "[implementing] UN Security Council resolutions" and "[strengthening the] export control system" in Asian countries.<sup>515</sup> Currently, there are numerous workshops organized by the UN to discuss the issues surrounding the illicit trade in small arms. Through these discussions, many G8 countries have concluded that the supply and demand side of SALW are closely related; thus, they strive to decrease the demand for SALW while establishing better control methods to secure the transfer of weapons.

During this year's Summit, the Japanese presidency may seek the support of the G8 towards the establishment of an Arms Trade Treaty and action plans to further promote the global implementation of the PoA, especially in Asia where transfer controls are insufficient.<sup>516</sup>

## *Scoring Guidelines*

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<sup>513</sup> "Statement by H.E. Ambassador Takahiro Shinyo, Deputy Permanent Representative of Japan to the United Nations," 8 April 2008. Date of Access: 12 June 2008. <http://www.mofa.go.jp/announce/speech/un2008/un0804-2.html>

<sup>514</sup> "Statement by H.E. Ambassador Takahiro Shinyo, Deputy Permanent Representative of Japan to the United Nations," 8 April 2008. Date of Access: 12 June 2008. <http://www.mofa.go.jp/announce/speech/un2008/un0804-2.html>

<sup>515</sup> "The Results of the Fifth Asian Senior-level Talks on Non-Proliferation," 1 May 2008. Date of Access: 14 June 2008. [http://www.mofa.go.jp/announce/announce/2008/5/1179532\\_1010.html](http://www.mofa.go.jp/announce/announce/2008/5/1179532_1010.html)

<sup>516</sup> "Chairperson's Summary Of the Tokyo Workshop on Small Arms and Light Weapons," 14 March 2007. Date of Access: 12 Jun 2008. <http://www.mofa.go.jp/policy/un/disarmament/weapon/workshop0703.html>

<b>0</b>	The G8 fails to address SALW and its issues such as demand factors and transfer controls of weapons
<b>0.25</b>	The G8 discusses SALW but is unable to make any progress on its issues
<b>0.50</b>	The G8 releases a statement committing to the further global implementation of the PoA but it is highly-diluted and seems rather ineffective
<b>0.75</b>	The G8 makes progress in promoting further implementation of the PoA but fails to establish an Arms Trade Treaty
<b>1</b>	The G8 successfully agrees on an Arms Trade Treaty and takes actions to promote further implementation of the PoA

### *Prospects*

It is likely that the G8 nations will successfully coordinate their actions to promote the global implementation of the PoA. However, it is unlikely that they will be able to agree on an Arms Trade Treaty within the limited time available during the Summit as the US is expected to oppose this resolution in the way that it has in the past when the Treaty was first presented at the UN General Assembly.<sup>517</sup>

### *Postscript*

Illicit Arms Trafficking is not directly addressed in the G8 statement on Counter-Terrorism. However, the G8 does state that they will “reinforce [their] efforts to tackle a wide array of threats including chemical, biological, radiological and nuclear terrorism...”<sup>518</sup> The G8 “...recognizes the United Nations’ central role in countering terrorism and [expresses their] firm support for UN efforts... including the Global Counter-Terrorism Strategy and relevant Security Council resolutions.”<sup>519</sup> One of the UN measures to counter terrorism is to:

“To strengthen coordination and cooperation among States in combating crimes that might be connected with terrorism, including..., illicit arms trade, in particular of small arms and light weapons, including man-portable air defence systems...”<sup>520</sup>

Through UN efforts, the G8 hopes to further reduce the risk of terrorism propagated by Illicit Arms Trafficking. As there is no specific mention of a commitment to implement a Plan of Action to reduce Illicit Arms Trafficking in the G8 statement on Counter-Terrorism, a score of 0.75 is not possible. Thus, a score of 0.5 has been awarded as, at present, the G8 merely will address this issue through supporting UN efforts.

*Analyst: Kenta Hatamochi*

<sup>517</sup> “Statement by the Press Secretary / Director-General for Press and Public Relations,” 7 December 2006. Date of Access: 14 Jun 2008. <http://www.mofa.go.jp/announce/announce/2006/12/1207-2.html>

<sup>518</sup> G8 Statement on Counter-Terrorism. Tokyo. 8 July 2008, The Ministry of Foreign Affairs of Japan. Date of access: 9 July, 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_230513.html](http://www.mofa.go.jp/u_news/2/20080708_230513.html)

<sup>519</sup> G8 Statement on Counter-Terrorism. Tokyo. 8 July 2008, The Ministry of Foreign Affairs of Japan. Date of access: 9 July, 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_230513.html](http://www.mofa.go.jp/u_news/2/20080708_230513.html)

<sup>520</sup> United Nations General Assembly Adopts Global Counter-Terrorism Strategy. New York. 8 September 2006, UN Action to Counter Terrorism. Date of access: 9 July, 2008. <http://www.un.org/terrorism/strategy-counter-terrorism.shtml>



# ENVIRONMENT [0.93]

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Environmental issues and climate change have been named as main themes for the 2008 G8 Summit in Hokkaido-Toyako, Japan. Japanese Prime Minister Yasuo Fukuda has stressed that global environmental issues have significant effects on day-to-day life and economic activity. They have recognized that these issues constitute a major challenge for humanity and must be addressed.<sup>521</sup>

Environmental concerns have been at the forefront of G8 agendas in recent years. In 2007, the German Presidency's central theme of "Growth and Responsibility in the World Economy" featured climate change, energy efficiency, energy security and responsibility for raw materials as key issues.<sup>522</sup> During the G8 Energy Ministerial Meeting leading up to the 2006 St. Petersburg Summit, ministers reaffirmed their commitment to the 2005 Gleneagles plan, which included measures to "promote innovations, increase energy efficiency and enhance environmental protection."<sup>523</sup> The Hokkaido-Toyako agenda includes specific issues listed in the Gleneagles plan, such as transitioning to cleaner energy, climate change management, promoting research and development, and illegal logging.

Commentators have pointed out that G8 statements on environmental issues have in some cases been more lucid than those made at larger international forums. On the issue of biofuels, for instance, participants in the Rome Food Security Conference held 3-5 June 2008 only agreed on the need for "in-depth studies" and "international dialogue," while the G8 finance ministers offered a specific endorsement of developing second-generation methods of biofuel production.<sup>524</sup>

The 13-14 December 2007 Climate Change Summit in Bali and the 19-30 May 2008 Biodiversity conference held in Bonn garnered international attention and interstate dialogue. Furthermore, the 2008 Rome High-Level Food Security Conference highlighted the complex linkages between climate change and the accessibility of basic commodities.<sup>525</sup> Civil society has actively lobbied for prioritizing the environment within the G8 agenda. Greenpeace, for example, urged G8 energy ministers to develop policies for cleaner, renewable futures.<sup>526</sup> This string of prominent international events and vocal civil society provide much incentive for the G8 to address environmental challenges.

The environment has been a salient topic at the G8 ministerial meetings leading up to the Hokkaido-Toyako Summit and the G8 will look to build upon work done at previous Summits while tackling emergent debates. Many areas of discussion over the environment will be contextualized by current food security and oil crises, which are of particular concern for industrializing countries. As evidenced by Japan's Cool Earth Promotion Programme, the Satoyama Initiative on biodiversity, and the 3R

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<sup>521</sup> Hokkaido-Toyako Toyako Summit Main Themes, Ministry of Foreign Affairs of Japan, (Tokyo). Date of Access: 12 June 2008. <http://www.g8Summit.go.jp/eng/info/theme.html>.

<sup>522</sup> Chair's Summary: Heiligendamm G8 Summit 2007, Federal Government of Germany, (Berlin), 8 June 2007. Date of Access: 16 June 2008. [http://www.g-8.de/Content/EN/Artikel/\\_g8-Summit/anlagen/chairs-summary,templateId=raw,property=publicationFile.pdf/chairs-summary](http://www.g-8.de/Content/EN/Artikel/_g8-Summit/anlagen/chairs-summary,templateId=raw,property=publicationFile.pdf/chairs-summary).

<sup>523</sup> Chair's Statement of G8 Energy Ministerial Meeting, G8 Research Group, (Toronto), March 16, 2006. Date of Access: 17 June 2008. <http://www.g8.utoronto.ca/energy/energy060316.html>.

<sup>524</sup> G-8 calls for development of new biofuels from nonfood materials, Kyodo News, (Osaka), 14 June 2008. Date of Access: 15 June 2008. [http://www.breitbart.com/article.php?id=D919R7IO0&show\\_article=1](http://www.breitbart.com/article.php?id=D919R7IO0&show_article=1).

<sup>525</sup> Food Summit calls for more investment in agriculture, Food and Agricultural Organization Newsroom, (Rome), 6 June 2008. Date of Access: 2 July 2008. <http://www.fao.org/newsroom/en/news/2008/1000856/index.html>.

<sup>526</sup> Greenpeace Rejects Nuke, Carbon Capture Technology, Scoop Independent News, (Tokyo), 8 June 2008. Date of Access: 15 June 2008. <http://www.scoop.co.nz/stories/WO0806/S00140.htm>.

Initiative, the Presidency has made a deliberate effort to ensure that the environment will constitute a key focus of the Hokkaido-Toyako Summit.

*Lead Analyst: Victoria Long*

### **Objective 1: Natural resource management: biodiversity and forests [0.75]**

Natural resource management will be a key environmental issue discussed at the Hokkaido-Toyako Summit. At the Japan-New Zealand environmental workshop on 25 March 2008, Japan's Global Ambassador for Environmental Affairs Kyoji Komachi noted that forests, illegal logging and biodiversity were a part of its environment diplomacy and indicated that as a member of the G8, Japan would actively engage these issues.<sup>527</sup>

Japan and the G8 will aim to build upon commitments made at the 2007 Heiligendamm Summit. On 17 March 2007, the G8 + 5 Environmental Ministers agreed on the Potsdam Initiative, a document recognizing the need to protect biological diversity.<sup>528</sup> The document also promotes improving the science and education of biodiversity, with considerations for related topics such as wildlife trafficking, illegal logging, marine biodiversity and climate change. On 26 May 2008, at the G8 Environment Ministerials, representatives from the G8 and other participants submitted the Kobe Call for Action on Biodiversity, which highlighted key concerns, including the 2010 Biodiversity target, sustainability, biodiversity and protected areas, private sector engagement, and biodiversity science.<sup>529</sup>

Japan and the G8 will also plan to continue working with the COP of the UN Convention on Biological Diversity. During the COP-6 at The Hague in April 2002, the Strategic Plan for the Convention on Biological Diversity was adopted, including an ambitious program to significantly reduce the rate of loss of biodiversity by 2010.<sup>530</sup> Biodiversity has figured prominently on the international agenda in recent months. The COP-9, the last one before the target year of 2010, was held in Bonn, Germany, in May 2008.<sup>531</sup> Japan has pledged to continue to work with the COP and announced that it will host the next COP-10 on biodiversity in Nagoya in 2010.<sup>532</sup>

With consideration for prior commitments, the G8 firstly will reiterate and refine its commitment to the 2010 biodiversity loss rate reduction targets agreed to at The Hague and Potsdam. At the 2001 Gothenburg Summit, the EU already adopted the more stringent target of halting biodiversity loss by

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<sup>527</sup> Opening Speech for Japan-New Zealand Environment Workshop by H.E. Mr. Kyoji Komachi, Ministry of Foreign Affairs of Japan, (Tokyo), 25 March 2008. Date of Access: 15 June 2008. <http://www.mofa.go.jp/region/asia-paci/nz/speech0803.html>.

<sup>528</sup> Gabriel: A Good Signal for the G8 Summit in Heiligendamm, Federal Ministry for the Environment, Nature Conservation and Nuclear Safety of Germany, (Berlin), 17 March 2007. Date of Access: 15 June 2008. [http://www.bmu.de/english/current\\_press\\_releases/pm/38931.php](http://www.bmu.de/english/current_press_releases/pm/38931.php).

<sup>529</sup> Kobe Call for Action for Biodiversity, Convention on Biological Diversity Secretariat, (Kobe), 26 May 2008. Date of Access: 15 June 2008. <http://www.cbd.int/doc/speech/2008/sp-2008-05-26-g8call-en.pdf>.

<sup>530</sup> COP 6 Decision VI/26, Convention on Biological Diversity Secretariat, (Montreal), 19 April 2002. Date of Access: 16 June 2008. <http://www.cbd.int/decisions/?m=COP-06&id=7200>.

<sup>531</sup> Welcome to COP9, Convention on Biological Diversity Secretariat, (Montreal), 16 June 2008. Date of Access: 16 June 2008. <http://www.cbd.int/cop9>.

<sup>532</sup> The 10th Meeting of the Conference of the Parties to the Convention on Biological Diversity (COP10) and the 5th Meeting of the Conference of the Parties Serving as the Meeting of the Parties to the Cartagena Protocol (COP-MOP5) to be Held in Nagoya, Aichi Prefecture, Ministry of Foreign Affairs of Japan, (Tokyo), 30 May 2008. Date of Access: 16 June 2008. [http://www.mofa.go.jp/announce/announce/2008/5/1180627\\_1010.html](http://www.mofa.go.jp/announce/announce/2008/5/1180627_1010.html).

2010.<sup>533</sup> At the COP-9, German Chancellor Angela Merkel pledged EUR500 million to help defend threatened ecosystems, but noted that Germany “could not shoulder the burden alone” and joined calls for a biodiversity fund.<sup>534</sup> The Kobe Call for Action reaffirms the commitment by the G8 at Potsdam and the potential for future targets.

The G8 will also recognize the important link between biodiversity and sustainability, especially in the context of deforestation and illegal logging. More specifically, the G8 will likely endorse the recommendations of the G8 Forest Experts’ Report on Illegal Logging. The second round by the Forest Experts’ Group for the G8 was held in March 2008 in Tokyo. The summary from these rounds tackled issues including legality, sustainability, transparency of forest management and alternatives to combating illegal logging.<sup>535</sup> The final G8 Forest Experts’ report, released in May 2008, included a summary and evaluation of actions taken, as well as a list of recommendations for further programs.<sup>536</sup>

The G8 Presidency will likely call for continued progress in creating protected areas and standards for the sustainable use of biodiversity. The Kobe Call for Action includes designation and management in collaboration with UNESCO, the Ramsar Convention, and the World Heritage Convention.<sup>537</sup> Furthermore, the G8 environment ministers’ Call to Action included Japan’s Satoyama Initiative, a zoning concept to ensure the protection of biodiversity.<sup>538</sup> The Presidency will likely call on other countries to support the Satoyama Initiative and to produce results in time for the 2010 Convention of Biological Diversity conference in Nagoya.<sup>539</sup>

Lastly, the G8 will aim to improve science scientific capabilities in relation to biodiversity. The Kobe Call for Action calls for strengthening of capabilities to monitor biodiversity, including “international collaboration in research, monitoring, assessment and information sharing of biodiversity.”<sup>540</sup>

The Japanese Presidency will succeed if it manages to broker consensus on future initiatives on biodiversity goals and standards beyond 2010 and if the G8 reaffirms the Potsdam initiative. Additionally, the Japanese Presidency is seeking a G8 agreement to implement the recommendations of the G8 Forests Experts’ Report on Illegal Logging, to increase collaboration and support for research and monitoring in biodiversity, and to enlarging protected areas.

### *Scoring Guidelines*

<b>0</b>	The G8 does not reaffirm their Potsdam initiative nor addresses any initiative regarding
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<sup>533</sup> Facts on Biodiversity, G8 Research Group, (Toronto), 17 March 2007. Date of Access: 16 June 2008.

[http://www.g7.utoronto.ca/environment/g8\\_biodiversity\\_en\\_2007.pdf](http://www.g7.utoronto.ca/environment/g8_biodiversity_en_2007.pdf).

<sup>534</sup> Biodiversity: German pledges 500 million euros at UN talks, Agence France Presse, (Bonn), 28 May 2008. Date of Access: 16 June 2008. [http://news.yahoo.com/s/afp/20080528/sc\\_afp/environmentbiodiversityun\\_080528160356](http://news.yahoo.com/s/afp/20080528/sc_afp/environmentbiodiversityun_080528160356).

<sup>535</sup> The Second Round on the International Experts Meeting on Illegal Logging: Chairpersons Summary, Ministry of Foreign Affairs of Japan, (Tokyo), 4 March 2008. Date of Access: 16 June 2008.

<http://www.mofa.go.jp/policy/environment/forest/meet0803-s.pdf>.

<sup>536</sup> The G8 Experts’ Report on Illegal Logging, Ministry of Foreign Affairs of Japan, (Tokyo), May 2008. Date of Access: 16 June 2008. <http://www.mofa.go.jp/policy/environment/forest/report0805.pdf>.

<sup>537</sup> Kobe Call for Action for Biodiversity, Convention on Biological Diversity Secretariat, (Kobe), 26 May 2008. Date of Access: 15 June 2008. <http://www.cbd.int/doc/speech/2008/sp-2008-05-26-g8call-en.pdf>.

<sup>538</sup> Environment Ministers Meetings: Chair’s Summary, G8 Research Group, (Toronto), 26 May 2008. Date of Access: 2 July 2008. <http://www.g7.utoronto.ca/environment/env080526.html>.

<sup>539</sup> G-8 climate chiefs to eye emissions cut target, anti-pollution steps, Kyodo News, (Tokyo), 19 May 2008. Date of Access: 15 June 2008. [http://www.breitbart.com/article.php?id=D90OBMMG0&show\\_article=1](http://www.breitbart.com/article.php?id=D90OBMMG0&show_article=1).

<sup>540</sup> Kobe Call for Action for Biodiversity, Convention on Biological Diversity Secretariat, (Kobe), 26 May 2008. Date of Access: 15 June 2008. <http://www.cbd.int/doc/speech/2008/sp-2008-05-26-g8call-en.pdf>.

	standards for the sustainable use of biodiversity, enlarging protected areas, or illegal logging.
<b>0.25</b>	The G8 reaffirms the Potsdam initiative but does not make any commitment with respect to regarding standards for the sustainable use of biodiversity, enlarging protected areas, or illegal logging or future biodiversity targets beyond 2010.
<b>0.50</b>	The G8 reaffirms the Potsdam initiative, and commits to one initiative regarding either standards for the sustainable use of biodiversity, enlarging protected areas, or illegal logging, but does not add provisions for future biodiversity targets beyond 2010.
<b>0.75</b>	The G8 reaffirms the Potsdam initiative, and agrees to all additional proposals regarding biodiversity, but does not add provisions for future biodiversity targets beyond 2010.
<b>1</b>	The G8 reaffirms the Potsdam initiative, adds provisions for concrete future biodiversity targets beyond 2010, and endorses all initiatives concerning standards of sustainable use of biodiversity, illegal logging, biodiversity research and enlarging protected areas.

### *Prospects*

EU member nations have already agreed to more stringent biodiversity targets than the original initiative at the G8. Among G8 nations, only the US has neither accepted nor ratified the convention, however this did not prevent agreement at Potsdam in 2007. The Environmental Ministerials at Kobe in May showed support by the G8 for a variety of initiatives that Japan has endorsed. Given the consensus among member nations at COP-9, it is likely the G8 will generally agree to the proposals of the G8 host nation at Hokkaido-Toyako.

### *Postscript*

The leaders reconfirmed their commitment to the 2010 Biodiversity Target established in the 2007 Potsdam Initiative to significantly reduce the loss of biodiversity.<sup>541</sup>

With regards to forests, the G8 leaders emphasized the need to for cooperative action and forest-related governance.<sup>542</sup> The G8 leaders promoted the development of an international forest monitoring network as part of the actions for Reducing of Emissions from Deforestation and Forest Degradation in Developing Countries (REDD). The leaders welcomed the G8 Forest Experts' Report on Illegal Logging, however, there was some ambiguity over the extent to which G8 leaders plan to follow through on the options listed in the Report given that the statement read, "we will follow up, as appropriate".<sup>543</sup> The leaders did state they will consider boosting cooperation to combat forest fires.

A full score was not awarded to this objective given uncertainty over the G8 leaders' commitment to post-2010 biodiversity target negotiations. The G8 endorsed the Kobe Call for Action for Biodiversity, submitted by the G8 environment ministers in the lead-up to the Hokkaido-Toyako Summit. In doing so, however, they only promoted the initiation of dialogue for the development of a post-2010 biodiversity target and other initiatives.

*Analyst: Conrad Lochovsky*

<sup>541</sup> Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

<sup>542</sup> Declaration of Leaders Meeting of Major Economies on Energy Security and Climate Change, Ministry of Foreign Affairs, (Tokyo), 9 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080709\\_121006.html](http://www.mofa.go.jp/u_news/2/20080709_121006.html)

<sup>543</sup> Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

## Objective 2: Biofuels and renewable energy [1]

While renewable energy was not separately listed as an original priority by the Presidency, food and energy security will be top priorities in Hokkaido-Toyako given the unfolding global food and oil price crisis. As such, the issue of renewable energy sources, especially biofuels, is certain to appear on the G8 agenda in July. The Japanese Presidency will be seeking a G8 commitment on the development of second-generation biofuels.<sup>544</sup> Besides a commitment to share technological information internationally, the Presidency is also calling on G8 members to dedicate funds to research and development for low-carbon energy.<sup>545</sup>

While touring Europe, Prime Minister Fukuda stated that addressing ballooning fuel prices will be high on the G8 agenda and will necessitate talks on alternative energy sources and energy efficiency.<sup>546</sup> The IEA has similarly called for an ‘energy revolution’, emphasizing the need for technologies and strategies for “weaning the world off oil.”<sup>547</sup> As pointed out by Prime Minister Fukuda, with the short supply of cultivatable land and an increasing world population, “it is estimated that over 100 million people are newly at risk of hunger as a result of this threat, and we find ourselves confronting the possibility that our efforts thus far to achieve the MDG may be hindered.”<sup>548</sup> As such, the food crisis will be addressed as both an environmental and development-related issue.

Following their Osaka ministerial meeting, G8 finance ministers stated that, “as biofuels pose challenges and opportunities, it is essential to secure the stability of their production and use.”<sup>549</sup> Ministers at the G8 finance and G8 science and technology meetings stated that second-generation biofuel production methods from non-food materials are a priority.<sup>550</sup> This supports the Japanese Presidency’s endorsement of the development of second-generation biofuels.<sup>551</sup>

In an effort to promote its goal of halving carbon dioxide emissions from current levels by 2050, Japan identified 21 emerging technologies, including near-zero emissions coal-fired plants, and called on other countries to invest more money into energy research and development.<sup>552</sup> Concerned about carbon-releasing sources of energy such as coal, the Presidency is seeking continued commitment from G8 members to enhance technology-sharing and international cooperation with regards to renewable

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<sup>544</sup> Second-generation biofuel could solve food, fuel crises, China Daily, 6 June 2008. Date of Access: 14 June 2008. [http://www.chinadaily.com.cn/opinion/2008-06/06/content\\_6741385.htm](http://www.chinadaily.com.cn/opinion/2008-06/06/content_6741385.htm).

<sup>545</sup> Japan: Minister upbeat on role of science, technology at G8 forum, BBC Monitoring Asia Pacific, (Nago), 15 June 2008. Date of Access: 15 June 2008. <http://global.factiva.com.myaccess.library.utoronto.ca/ha/default.aspx> (Document BBCAPP0020080615e46f000m9).

<sup>546</sup> Japan's PM says fuel prices high on G8 agenda, Reuters UK edition, (Berlin), 1 Jun 2008. Date of Access: 15 June 2008. <http://uk.reuters.com/article/businessNews/idUKL0114838720080601>.

<sup>547</sup> International Agency Urges the Start of an ‘Energy Revolution’, New York Times World Business, (Brussels), 7 June 2008. Date of Access: 17 June 2008. <http://www.nytimes.com/2008/06/07/business/worldbusiness/07energy.html?em&ex=1212984000&en=8c889d2af86df37f&ei=5087%0A>.

<sup>548</sup> Address by Prime Minister of Japan Yasuo Fukuda on the Occasion of the High-Level Conference on World Food Security: The Challenges of Climate Change and Bioenergy, Food and Agriculture Organization, (Rome), 3 June 2008. Date of Access: 4 July 2008. [http://www.fao.org/fileadmin/user\\_upload/foodclimate/statements/jap\\_fukuda.pdf](http://www.fao.org/fileadmin/user_upload/foodclimate/statements/jap_fukuda.pdf).

<sup>549</sup> G-8 calls for development of new biofuels from nonfood materials, Kyodo News, (Osaka), 14 June 2008. Date of Access: 15 June 2008. [http://www.breitbart.com/article.php?id=D919R7IO0&show\\_article=1](http://www.breitbart.com/article.php?id=D919R7IO0&show_article=1).

<sup>550</sup> 2ND LD: G-8 science ministers agree on cooperation to tackle global issues, Kyodo News, (Nago), 15 June 2008. Date of Access: 15 June 2008. <http://home.kyodo.co.jp/modules/fstStory/index.php?storyid=384009>.

<sup>551</sup> Second-generation biofuel could solve food, fuel crises, China Daily, 6 June 2008. Date of Access: 14 June 2008. [http://www.chinadaily.com.cn/opinion/2008-06/06/content\\_6741385.htm](http://www.chinadaily.com.cn/opinion/2008-06/06/content_6741385.htm).

<sup>552</sup> G8 wants to buck trend and raise energy technology R&D spending, Japan Times, (Aomori), 10 June 2008. Date of Access 14 June 2008. <http://search.japantimes.co.jp/cgi-bin/nb20080610a7.html>.

energy.<sup>553</sup> The Presidency's initiation of the first G8 science and technology ministerial meeting underlined the need to promote international science and technology cooperation on a wide range of environmental concerns, from biodiversity to food and energy.

### *Scoring Guidelines*

<b>0</b>	The G8 makes no mention of the development of second-generation biofuels, nor does it state the need for international cooperation and technology sharing, nor does it call for funding for energy research and development.
<b>0.25</b>	The G8 raises the idea of developing second-generation biofuels OR recognizes the need for international cooperation and technology sharing OR calls for funding for energy research and development.
<b>0.5</b>	The G8 discusses the idea of developing second-generation biofuels AND recognizes the need for international cooperation and technology sharing, or, calls for funding for energy research and development.
<b>0.75</b>	The G8 discusses the idea of developing second-generation biofuels and commits to promoting the development of such biofuels AND commits to continue current levels of international cooperation and technology sharing AND calls for funding for energy research and development.
<b>1</b>	The G8 outlines a commitment to promoting and implementing the development of second-generation biofuels AND commits to enhanced international cooperation and technology sharing schemes AND dedicates funding for energy research and development.

### *Prospects*

There is much evidence of international support for research and development in renewable energy sources. UK Prime Minister Gordon Brown, for instance, will be presenting the idea of spending oil revenue to fund renewable energy projects at the upcoming oil Summit in Saudi Arabia and at the Hokkaido-Toyako Summit.<sup>554</sup> There remains, however, much controversy over the extent to which crop-based fuels have played a role in the international food crisis. As Russian Finance Minister Alexey Kudrin stated, "countries are not prepared to give up manufacturing biofuel. It is not the key cause of the rises of prices for food. Stopping to produce biofuel doesn't mean that everything will be back in order."<sup>555</sup> While heated debate on biofuels is expected at the Hokkaido-Toyako Summit, there is momentum for the development of technology-driven solutions. For instance, US Secretary of Energy Samuel Bodman highlighted US investment for next-generation renewable energy technologies.<sup>556</sup> As such, the Presidency's goal of promoting the development of second-generation biofuels is likely to gain support.

### *Postscript*

<sup>553</sup> Japan: Minister upbeat on role of science, technology at G8 forum, BBC Monitoring Asia Pacific, (Nago), 15 June 2008. Date of Access: 15 June 2008. <http://global.factiva.com.myaccess.library.utoronto.ca/ha/default.aspx> (Document BBCAPP0020080615e46f000m9).

<sup>554</sup> Prime Minister Gordon Brown calls for 'new deal' to solve oil crisis, Telegraph.co.uk, (London), 22 June 2008. Date of Access: 4 July 2008. <http://www.telegraph.co.uk/news/newsttopics/politics/2172039/Prime-Minister-Gordon-Brown-calls-for-new-deal-to-solve-oil-crisis.html>.

<sup>555</sup> Many refuse to blame food price rises on biofuels – Alexey Kudrin, Russian finance min Russia & CIS Business and Financial Newswire, (Osaka), 13 June 2008. Date of Access: 15 June 2008. <http://global.factiva.com.myaccess.library.utoronto.ca/ha/default.aspx> (Document DAIBN00020080614e46d000m9).

<sup>556</sup> U.S. Secretary of Energy Concludes Productive G8+3 Energy Ministerial Meeting in Japan, U.S. Department of Energy, (Washington D.C.), 8 June 2008. Date of Access: 4 July 2008. <http://www.doe.gov/news/6319.htm>.

The G8 met its objective of promoting and implementing the development of second-generation biofuels by stating they will “accelerate the development and commercialization of sustainable second-generation biofuels from non-food plant materials and inedible biomass.”<sup>557</sup>

With regards to enhancing international technological cooperation, the G8 met the presidency’s objective by committing to establish “an international initiative with the support of the IEA to develop roadmaps for innovative technologies and cooperate upon existing and new partnerships.”<sup>558</sup>

During the meeting of major economies, leaders recognized that “technology cooperation with and transfer to developing countries” are vital for the uptake of environmental technologies, a key point for mitigation and adaptation.<sup>559</sup> The G8 members have pledged “over the next several years over USD10 billion annually in direct government-funded R&D” to promote the commercialization of these technologies and encourage private sector investment.<sup>560</sup> To this end, the establishment of the Climate Investment Funds (CIF) was welcomed and supported and the G8 members have thus far pledge USD6 billion as an ODA contribution.<sup>561</sup> Also, the G8 welcomed the multilateral development banks’ ambition to mobilize public and private investments of over USD100 billion for the Clean Energy Investment Framework and the G8 called for continued investments in renewable energy.<sup>562</sup>

### *Addendum*

A welcomed, specific commitment regarding environmental technologies, was the G8’s commitment to establish “an international initiative with the support of the IEA to develop roadmaps for innovative technologies and cooperate upon existing and new partnerships.”<sup>563</sup>

*Analyst: Victoria Long*

### **Objective 3: Energy efficiency [1]**

The topic of energy efficiency is a priority for the G8’s environment agenda. In particular, the Presidency is looking to the G8 for backing on sectoral approaches to energy efficiency. The Japanese Presidency will also seek G8 support for trade mechanisms encouraging energy efficiency, such as the lowering of import tariffs on energy-saving products.

Improving energy efficiency has been cited as a means to address critical environmental problems, such as climate change. At the G8 Environment Ministerial Meeting, ministers endorsed Japan’s proposal to

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<sup>557</sup> G8 Leaders Statement on Global Food Security, Ministry of Foreign Affairs, (Tokyo), 8 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_182602.html](http://www.mofa.go.jp/u_news/2/20080708_182602.html)

<sup>558</sup> Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

<sup>559</sup> Declaration of Leaders Meeting of Major Economies on Energy Security and Climate Change, Ministry of Foreign Affairs, (Tokyo), 9 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080709\\_121006.html](http://www.mofa.go.jp/u_news/2/20080709_121006.html)

<sup>560</sup> Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

<sup>561</sup> Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

<sup>562</sup> Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

<sup>563</sup> Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

cut emissions by 50% before 2050.<sup>564</sup> With regards to this mid-century target, the IEA has recommended the implementation of energy efficiency measures and the reduction of emissions from power.<sup>565</sup> Building upon this momentum, the Hokkaido-Toyako Summit provides an opportunity to develop incentives for energy efficiency and to enhance international cooperation on research and technology-sharing.

Japan initiated the UN’s decision to recognize 2005-2014 as the “Decade of Education for Sustainable Development” and energy efficiency-related technology transfers are vital to promoting sustainable growth. Supachai Panitchpakdi, chief of the UN Conference on Trade and Development, urged Japan to take leadership in establishing an effective technology-sharing program at the G8 Summit.<sup>566</sup> Pointing to Japan as a primary innovator in the area of energy efficiency, Panitchpakdi suggested that promoting technology transfers could draw cooperation from emerging economies in addressing climate change.<sup>567</sup> To this end, the G8 environment ministers specifically recognized developing nations’ demands for assistance in financing technology transfers in order to become more energy efficient.<sup>568</sup>

Additionally, Japan and the EU agreed on 17 June 2008 to cooperate on developing new energy technologies as part of their efforts to address climate change.<sup>569</sup> These recent developments are positive indicators that the development of effective technology transfer mechanisms will appear on the Hokkaido-Toyako agenda.

The Presidency has advocated a sectoral approach to determining energy efficiency targets. Such an approach involves the identification of industry-by-industry, area-by-area potential emissions-reduction volumes, later amalgamated for a quantified national target.<sup>570</sup> The Presidency has also touted trade incentives as means to enhance energy efficiency. On 11 June 2008, Japanese government officials announced that “Japan and the United States are considering proposing that the Group of Eight major industrial powers eliminate or lower import tariffs on energy-saving products such as fuel cells, solar cells and wind power generators to help reduce greenhouse gas emissions.”<sup>571</sup>

### Scoring Guidelines

<b>0</b>	The G8 does not raise the idea of sectoral approaches to energy efficiency NOR does the G8 mention the idea of lowering import tariffs on energy-saving products.
<b>0.25</b>	The G8 mentions the idea of sectoral approaches to energy efficiency AND mentions the idea

<sup>564</sup> Chair’s Summary: G8 Environment Ministers Meeting, Ministry of the Environment of Japan, (Kobe), 26 May 2008. Date of Access: 15 June 2008. <http://www.env.go.jp/en/focus/attach/080610-a2.pdf>.

<sup>565</sup> International Agency Urges the Start of an ‘Energy Revolution’, New York Times World Business, (Brussels), 7 June 2008. Date of Access: 17 June 2008. <http://www.nytimes.com/2008/06/07/business/worldbusiness/07energy.html?em&ex=1212984000&en=8c889d2af86df37f&ei=5087%0A>.

<sup>566</sup> Japan urged to craft effective technology-sharing program, Kyodo News, (Tokyo), 31 March 2008. Date of Access: 14 June 2008. <http://search.japantimes.co.jp/cgi-bin/nn20080331a4.html>.

<sup>567</sup> Japan urged to craft effective technology-sharing program, Kyodo News, (Tokyo), 31 March 2008. Date of Access: 14 June 2008. <http://search.japantimes.co.jp/cgi-bin/nn20080331a4.html>.

<sup>568</sup> Agreement on 2020 emissions target eludes G8 ministers, Associated Press, (Kobe), 27 May 2008. Date of Access: 15 June 2008. <http://www.bostonherald.com/business/general/view.bg?articleid=1096607>.

<sup>569</sup> Japan, EU to join up on new energy technologies, Kyodo News, (Tokyo), 17 June 2008. Date of Access: 17 June 2008. <http://search.japantimes.co.jp/rss/nb20080617a3.html>.

<sup>570</sup> Fukuda, Danish minister agree to make G-8, U.N. meeting successful, Kyodo News, (Tokyo), 16 June 2008. Date of Access: 18 June 2009. [http://www.breitbart.com/article.php?id=D91B3N780&show\\_article=1](http://www.breitbart.com/article.php?id=D91B3N780&show_article=1).

<sup>571</sup> Japan, U.S. eyeing G-8 plan to remove tariffs on energy-saving goods, Kyodo News, (Tokyo), 26 September 2007. Date of Access: 14 June 2008. <http://g8live.org/2007/09/26/japan-us-eyeing-g-8-plan-to-remove-tariffs-on-energy-saving-goods>.



	of lowering import tariffs on energy-saving products.
<b>0.50</b>	The G8 discusses the idea of sectoral approaches to energy efficiency AND discusses the suggestion of lowering import tariffs on energy-saving products.
<b>0.75</b>	The G8 endorses a sectoral approach to energy efficiency target-setting AND accepts the lowering of import tariffs on energy-saving products as an effective means to promote energy efficiency.
<b>1</b>	The G8 makes plans for implementing a sectoral approach to determining energy efficiency targets AND calls on member states to lower import tariffs on energy-saving products.

### *Prospects*

International concern over the threat posed by surging food and oil prices, especially to emerging economies, has sparked further calls to increase energy efficiency. For instance, the G8 finance ministers specifically cited improvements in energy efficiency as a means of taming commodity-led inflation.

The IPEEC, formed at the 2008 G8 environment ministers' meeting, specifically calls for information sharing "to significantly improve energy efficiency on sectoral and cross-sectoral bases." As such, the Presidency's proposal for a sectoral approach to energy efficiency targets is likely to enjoy support among G8 members. It is to be noted, however, that India perceives sectoral approaches to setting efficiency standards as a threat to its development imperatives.<sup>572</sup> Several G8 members, notably Canada, Japan and the US are intent upon addressing the surging emissions of major emerging economies.<sup>573</sup> Both Chinese President Hu Jintao and Indian Prime Minister Manmohan Singh will be attending the G8 Summit as part of the O5.

### *Postscript*

During the Major Economies' Meeting, G8 leaders committed to significantly improving energy efficiency, in the context of implementing the UN Framework Convention on Climate Change (UNFCCC).<sup>574</sup> The G8 leaders referred to sectoral approaches as useful tools to improve energy efficiency and for meeting national emission reduction objectives.<sup>575</sup> More specifically, the G8 welcomed the formation of the International Partnership for Energy Efficiency Cooperation (IPEEC), which specifically identified a sectoral approach to measuring energy efficiency.

The Presidency was in favour of the lowering or elimination of import tariffs on energy-saving products. The G8 leaders suggested that the reduction or elimination of trade barriers on climate-change conscious

<sup>572</sup> PM to leverage climate plan at G8 Summit, Times of India, (New Delhi), 18 June 2008. Date of Access: 18 June 2008. [http://timesofindia.indiatimes.com/Earth/PM\\_to\\_leverage\\_climate\\_plan\\_at\\_G8\\_Summit/articleshow/3135866.cms](http://timesofindia.indiatimes.com/Earth/PM_to_leverage_climate_plan_at_G8_Summit/articleshow/3135866.cms).

<sup>573</sup> Bush seeks progress on long-term climate goal at G8, The Guardian, (Washington), 2 July 2008. Date of Access: 2 July 2008. <http://www.guardian.co.uk/business/feedarticle/7625515>.

Canada won't be a part of any deal that doesn't bind big polluters: PMO, The Canadian Press, (Ottawa), 2 July 2008. Date of Access: 2 July 2008. [http://canadianpress.google.com/article/ALeqM5g1iVdb2vWS59PLCpSm2Ij0ONNj\\_Q](http://canadianpress.google.com/article/ALeqM5g1iVdb2vWS59PLCpSm2Ij0ONNj_Q).

Japan PM urges all major emitters to tackle climate change, Agence France-Presse, (Tokyo), 28 June 2008. Date of Access: 2 July 2008. <http://afp.google.com/article/ALeqM5gfb8vnPUk4v1wPaUDtENQTBkNUQ>.

<sup>574</sup> Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

<sup>575</sup> Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

goods and services be considered, albeit on a voluntary basis.<sup>576</sup> Nonetheless, the G8 stated that the WTO negotiations on the elimination of tariff and non-tariff barriers to environmental goods and services should be enhanced.

### *Addendum*

In the G8 statement on environment and climate change, G8 leaders committed to maximize implementation of the IEA's 25 energy efficiency recommendations, a point not specifically mentioned in the scoring guidelines.<sup>577</sup>

*Analyst: Victoria Long*

### **Objective 4: Nuclear Safety [1]**

As host of the 2008 Hokkaido-Toyako Summit, Japan intends to put nuclear energy safety high on its environmental agenda and plans to come to an agreement on international safety guidelines for nuclear power plants with its G8 counterparts.<sup>578</sup> Japan aims to raise its reliance on nuclear power from 30 to 40% in order to reduce the resource-scarce nation's dependency on foreign energy sources. Relying more heavily on nuclear power will help Japan meet its Kyoto Protocol target of a 6% reduction of CO2 emissions by 2012, which it is struggling to meet.<sup>579</sup> Safety is a critical issue for Japan's nuclear ambitions, as the country has experienced serious nuclear accidents in the past, including the 1999 Tokaimura criticality incident and the 2004 Mihama disaster.<sup>580</sup> Japan's vulnerability to natural disasters, especially earthquakes, aggravates concerns over nuclear safety. On 16 July 2007, a 6.8 magnitude earthquake caused a leak of radioactive material from Kashiwazaki-Kariwa, the largest nuclear power facility in the world.<sup>581</sup> As of June 2008, the facility remains closed while inspection and restoration activities continue.<sup>582</sup>

At the Hokkaido-Toyako Summit, Japan will propose nuclear safety guidelines that include, standardized training for nuclear facility staff, and unified regulations on management to prevent the proliferation of nuclear technologies and materials.<sup>583</sup> These proposed guidelines would be applicable to both existing nuclear reactors and new ones. In order to ensure the effectiveness of the proposed

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<sup>576</sup> Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

<sup>577</sup> Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

<sup>578</sup> Japan to pitch global nuclear safety rules at G8 Summit, Japan Times, (Tokyo), 20 March 2007. Date of Access: 12 June 2008 <http://search.japantimes.co.jp/cgi-bin/nn20070520a3.html>.

<sup>579</sup> AEA inspectors assess Japanese nuclear power plant, Australian Broadcasting Corporation Transcripts, (Sydney), 6 August 2007. Date of Access: 12 June 2008 <http://g8live.org/2007/08/06/iaea-inspectors-assess-japanese-nuclear-power-plant>.

<sup>580</sup> Donnelly, Michael (2002), "Nuclear Safety and Criticality at Toaimura: A Failure of Governance," in John Kirton, and Junichi Takase, *New Directions in Global Political Governance: The G8 and International Order in the Twenty-First Century* (Ashgate: Aldershot), pp. 117-140.

<sup>581</sup> Quake-hit Japanese nuclear plant may have experienced strongest shaking on record in world, International Herald Tribune, (London), 31 July 2007. Date of Access: 4 July 2008. <http://www.ihl.com/articles/ap/2007/07/31/asia/AS-GEN-Japan-Quake-Nuclear.php>.

<sup>582</sup> Status of the Inspection and Restoration Works Performed after the Niigata-Chuetsu-Oki Earthquake, Tokyo Electric Power Company, (Tokyo), 12 June 2008. Date of Access 16 June 2008. <http://www.tepco.co.jp/en/press/corp-com/release/08061201-e.html>.

<sup>583</sup> Japan to pitch global nuclear safety rules at G8 Summit, Japan Times, (Tokyo), 20 March 2007. Date of Access: 12 June 2008. <http://search.japantimes.co.jp/cgi-bin/nn20070520a3.html>.

guidelines, the Japanese will call on G8 members to increase contributions to a nuclear safety fund operated by the IAEA.<sup>584</sup> Through such an international agreement, Japan hopes to promote nuclear power as a means to combat climate change, while simultaneously promoting its domestic atomic energy industry in order to gain international market share.<sup>585</sup> Japan has also proposed that the G8 cover the deficit of EUR300 million left outstanding by the EBRD for the Chernobyl Shelter Fund and the Nuclear Safety Account.<sup>586</sup>

The importance of nuclear safety was raised at G8 Summits in 2006 and 2007, and consistently brought together an otherwise divided G8.<sup>587</sup> The recent unprecedented surge in world oil prices is forcing many G8 states to seriously consider developing alternative energy sources such as nuclear power. Thus it is likely that nuclear energy and safety will be priority issues at the Hokkaido-Toyako Summit, and will receive the same level of consensus as the previous two Summits.

### *Scoring Guidelines*

<b>0</b>	G8 does not make any substantive mention nuclear safety at the Summit; no measurable progress or results with respect to the objective are evident (i.e. no communiqués or policy statements on nuclear are released at the Summit, no evidence that nuclear safety was discussed during the leaders’ meetings or ministerials, no mention of the nuclear safety is made in multilateral or bilateral talks, press conferences, etc.) OR the G8 reaches a consensus on the nuclear that is contrary to the objective of the G8 Presidency.
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion on establishing international guidelines for nuclear safety, but no measurable action was taken by the G8 in relation to the objective (i.e. no action plan on nuclear safety was identified in any of the communiqués or statements released at the Summit).
<b>0.50</b>	The G8 releases communiqués or makes statements committing to an action plan positively related to the G8 Presidency’s objectives regarding establishing international guidelines for nuclear safety but it is a highly-diluted, heavily compromised version of the G8 Presidency’s objective in this issue area.
<b>0.75</b>	The G8 releases communiqués or makes statements committing to an action plan positively related to the G8 Presidency’s objectives regarding establishing international guidelines for nuclear safety, but notable concessions with respect to the original objective are evident.
<b>1</b>	The G8 releases communiqués or makes statements committing to an agreement on international safety guidelines for nuclear power plants, which follows the G8 Presidency’s proposed objectives.

### *Prospects*

Nuclear energy and safety concerns remain contentious domestic issues in many countries. However, the current energy crisis is driving previously hesitant G8 nations to consider adopting atomic energy as a power source. For example, Italy is the only G8 country with no nuclear power facilities; it

<sup>51</sup> Japan to pitch global nuclear safety rules at G8 Summit, Japan Times, (Tokyo), 20 March 2007. Date of Access: 12 June 2008 <http://search.japantimes.co.jp/cgi-bin/nn20070520a3.html>.

<sup>585</sup> Japan to pitch global nuclear safety rules at G8 Summit, Japan Times, (Tokyo), 20 March 2007. Date of Access: 12 June 2008 <http://search.japantimes.co.jp/cgi-bin/nn20070520a3.html>.

<sup>586</sup> EBRD to put 135 Mln euro into Chernoby, Russia & CIS Business and Financial Newswire, 19 May 2008. Date of Access: June 12 2008. <http://g8live.org/index.php?s=EBRD+to+put+in&search.x=0&search.y=0>

<sup>587</sup> Prospects for the 2008 G8 Hokkaido-Toyako Toyako Summit, G8 Research Group, (Toronto), 21 May 2008. Date of Access: 4 July 2008. [http://www.g8.utoronto.ca/scholar/kirton\\_080521.html](http://www.g8.utoronto.ca/scholar/kirton_080521.html).

decommissioned its plants after a public referendum following the Chernobyl disaster.<sup>588</sup> However, recent spikes in the oil market have pushed Italy to seriously consider nuclear power. In June 2008, Italy's Minister of Economic Development, Claudio Scajola declared, "our priority will be nuclear. It is a direction in which the whole world is being forced to go and we Italians must absolutely follow."<sup>589</sup> Russia, Canada, the US, and European states such as France are advocates of the nuclear alternative, and will likely support Japan's push for international nuclear safety guidelines. The US will play a particularly important role in supporting Japan's objective. In April 2007 the two countries agreed to a Joint Nuclear Energy Action Plan to facilitate the safe expansion of nuclear power and to promote non-proliferation.<sup>590</sup> Therefore, given such bilateral agreements and the energy security challenges G8 members are facing, it is likely nuclear safety will be addressed in a manner that meets the G8 Presidency's objectives.

### *Postscript*

In a communiqué on climate change and the environment released on 8 July 2008, the G8 noted that its members are witnessing "growing number of countries [that] have expressed...interests in nuclear power programs as a means to addressing climate change and energy security concerns. These countries regard nuclear power as an essential instrument in reducing dependence on fossil fuels and hence greenhouse gas emissions".<sup>591</sup>

The G8 reiterated that the safeguards (nuclear non-proliferation), nuclear safety and nuclear security (3S) are fundamental principles for the peaceful use of nuclear energy.

The leaders announced that "an international initiative proposed by Japan on 3S-based nuclear energy infrastructure will be launched", and affirmed the role of the International Atomic Energy Agency (IAEA) in this process.<sup>592</sup>

Thus, nuclear safety receives a score of 1.0, as the G8 agreed to launch Japan's 3S-based nuclear infrastructure initiatives, which directly reflects the Presidency's nuclear safety objectives.

### *Addendum*

With regards to the IAEA efforts regarding nuclear safety, the leaders specifically announced a 3S-based nuclear energy infrastructure.

*Analyst: Masashi Crete-Nishihata*

## **Objective 5: The 3Rs: Reduce, Reuse, Recycle [1]**

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<sup>588</sup> Italy switches back to nuclear as soaring fuel bills bite, Telegraph, (London), 15 June 2008. Date of Access: 15 June 2008. <http://www.telegraph.co.uk/news/worldnews/europe/italy/2135432/Italy-switches-back-to-nuclear-as-soaring-fuel-bills-bite.html>.

<sup>589</sup> Italy switches back to nuclear as soaring fuel bills bite, Telegraph, (London), 15 June 2008. Date of Access: 15 June 2008. <http://www.telegraph.co.uk/news/worldnews/europe/italy/2135432/Italy-switches-back-to-nuclear-as-soaring-fuel-bills-bite.html>.

<sup>590</sup> United States and Japan Sign Joint Nuclear Energy Action Plan to Promote Nuclear Energy Cooperation, U.S. Department of Energy, (Washington D.C.), 25 April 2007. Date of Access: 15 June 2008. <http://www.doe.gov/news/4991.htm>.

<sup>591</sup> Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

<sup>592</sup> Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

The 3R Initiative was formally launched at The Ministerial Conference in Tokyo on 28-30 April 2005.<sup>593</sup> Its aim is to promote the development of a sound-material-cycle society through the effective use of resources and materials.<sup>594</sup> The G8 Action Plan on Science and Technology for Sustainable Development was established at the 2003 G8 Summit in Evian. It was designed to "to support the development of cleaner, sustainable, and more efficient technologies." A year later, at the 2004 Sea Island Summit, the G8 followed up by committing to launch the 3R Initiative.<sup>595</sup> Countries and organizations participating in the initiative shared information on 3R-relevant activities and agreed to promote strategies leading to a sound material-cycle society, the reduction of barriers to the international flow of goods and materials, cooperation between developed and developing countries and stakeholders, and science and technology suitable for the 3Rs.<sup>596</sup>

At the 2005 Gleneagles Summit, G8 member countries recognized the contributions of the 3R Initiative and the platform it provided to discuss related policies.<sup>597</sup> Also noted was how the 3R Initiative had demonstrated a determination by G8 members to make contributions towards the establishment of a sustainable society.<sup>598</sup>

On 25 March 2008, H.E. Mr. Kyoji Komachi, Ambassador for Global Environmental Affairs of Japan at the Japan-New Zealand Environment Workshop emphasized how Japan is "actively supporting the creation of a sound material-cycle society." He labels Japan as a society that promotes the 3R Initiative by reducing their consumption of natural resources and their burden on the environment. Mr. Komachi also stressed that the promotion of waste is essential in order to develop a sound material-cycle society at both the national and international levels.<sup>599</sup>

At the 2008 G8 Environment Ministers Meeting, the G8 Ministers recognized that environmental pollution was caused partly by increased waste generation that is not treated in an environmentally sound manner.<sup>600</sup> They too recognized that worldwide inefficient resource and waste management is responsible for an immense amount of wasted raw materials. The G8 supports the 3R Initiative as a way to promote the efficient use of resources and the harmonization of economic and environmental interests.<sup>601</sup> By adopting 3R principles related to sustainable consumption and production, resource productivity can increase while easing the rate of environmental degradation. The Environment

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<sup>593</sup> Ministerial Conference on the 3R Initiative, Ministry of the Environment of Japan, (Tokyo). Date of Access: 12 June 2008. <http://www.env.go.jp/recycle/3r/en/info.html>.

<sup>594</sup> The 3R Initiative, Ministry of the Environment of Japan, (Tokyo). Date of Access: 2 July 2008. <http://www.env.go.jp/recycle/3r/en/outline.html>.

<sup>595</sup> Science and Technology for Sustainable Development: "3r" Action Plan and Progress on Implementation, White House, (Washington D.C.), 10 June 2004. Date of Access: 7 June 2008. <http://www.whitehouse.gov/news/releases/2004/06/20040610-53.html>.

<sup>596</sup> Ministerial Conference on the 3R Initiative, Ministry of the Environment of Japan, (Tokyo). Date of Access: 12 June 2008. <http://www.env.go.jp/recycle/3r/en/info.html>.

<sup>597</sup> Gleneagles Dialogue 2008, G8 Information Centre, (Toronto), 26 May 2008. Date of Access: 12 June 2008. <http://www.g7.utoronto.ca/environment/env080526.html>.

<sup>598</sup> Gleneagles Dialogue 2008, G8 Information Centre, (Toronto), 26 May 2008. Date of Access: 12 June 2008. <http://www.g7.utoronto.ca/environment/env080526.html>.

<sup>599</sup> Opening Speech for Japan-New Zealand Environment Workshop by Ambassador for Global Environmental Affairs of Japan Kyoji Komachi, Ministry of Foreign Affairs of Japan, (Tokyo), 25 March 2008. Date of Access: 12 June 2008. <http://www.mofa.go.jp/region/asia-paci/nz/speech0803.html>.

<sup>600</sup> G8 Environment Ministers Meeting 2008: Kobe 3R Action Plan, Ministry of the Environment of Japan, (Tokyo), 10 June 2008. Date of Access: 16 June 2008. <http://www.env.go.jp/en/focus/attach/080610-a5.pdf>.

<sup>601</sup> G8 Environment Ministers Meeting 2008: Kobe 3R Action Plan, Ministry of the Environment of Japan, (Tokyo), 10 June 2008. Date of Access: 16 June 2008. <http://www.env.go.jp/en/focus/attach/080610-a5.pdf>.

Ministers Meeting also reconfirmed that the G8 countries need to “show active leadership by promoting sound waste management and effective resource utilization both domestically and at the international level through collaboration with other countries as well as international organizations.”<sup>602</sup> The G8 Ministers also noted that the 3R Initiative can contribute to the MDGs by opening up new markets and employment opportunities.<sup>603</sup>

The G8 Ministers agreed on the Kobe 3R action plan and that progress is to be reported in 2011.<sup>604</sup>

### *Scoring Guidelines*

<b>0</b>	The G8 does not make any significant mention of the 3R Initiative at the Summit and no policy statements on the objective are released.
<b>0.25</b>	The G8 engages in discussion about the 3R Initiative but no action plan was issued at the Summit.
<b>0.50</b>	The G8 makes statements that commit to an action plan that is positively related to the G8 Presidency’s objective regarding the 3R Initiative, but is a highly-diluted version of the G8 Presidency’s objective.
<b>0.75</b>	The G8 makes statements that commit to an action plan that is positively related to the G8 Presidency’s objective regarding the 3R Initiative, but there are still notable concessions evident.
<b>1</b>	The G8 makes statements that commit to an action plan that is highly correlated with the G8 Presidency’s objective in regards to the 3R Initiative.

### *Prospects*

The 3R Initiative will have weight at the upcoming Summit, especially with the ongoing promotion of environmentally sound waste management by Japan and the launch of their new “Action Plan towards a Global Zero Waste Society.”<sup>605</sup> However, there is a high chance that the issue will be squeezed off the agenda due to its lack of inertia and the predominance of more pressing issues.

### *Postscript*

The G8 endorsed the Kobe 3R Action Plan so as to implement the principles of the 3Rs, as advocated by the presidency.<sup>606</sup> More specifically, the G8 committed to setting targets based on the OECD’s work to optimize resource cycles.<sup>607</sup> The G8 furthermore supported the proposal to liberalize trade in remanufactured goods under the WTO Doha Round.<sup>608</sup>

<sup>602</sup> G8 Environment Ministers Meeting 2008: Kobe 3R Action Plan, Ministry of the Environment of Japan, (Tokyo), 10 June 2008. Date of Access: 16 June 2008. <http://www.env.go.jp/en/focus/attach/080610-a5.pdf>.

<sup>603</sup> G8 Environment Ministers Meeting 2008: Kobe 3R Action Plan, Ministry of the Environment of Japan, (Tokyo), 10 June 2008. Date of Access: 16 June 2008. <http://www.env.go.jp/en/focus/attach/080610-a5.pdf>.

<sup>604</sup> Gleneagles Dialogue 2008, G8 Information Centre, (Toronto), 26 May 2008. Date of Access: 12 June 2008. <http://www.g7.utoronto.ca/environment/env080526.html>.

<sup>605</sup> Gleneagles Dialogue 2008, G8 Information Centre, (Toronto), 25 May 2008. Date of Access: 12 June 2008. <http://www.g7.utoronto.ca/environment/env080526.html>.

<sup>606</sup> Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

<sup>607</sup> Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

<sup>608</sup> Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html)

*Addendum*

The expressed support of the proposal to liberalize trade in the remanufactured goods under the WTO Doha Round is a particular commitment that was not listed in the original scoring guidelines.

*Analyst: Julia Kulik*

# OUTREACH AND EXPANSION [0.88]

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Actors from the developing world have been invited to attend G8 meetings since the 2000 Okinawa Summit; however, the nature of their participation has always been at the discretion of the individual summit host and has often had no consistent theme from year to year. In 2005, then British Prime Minister Tony Blair asked leaders from the five largest emerging economies of the world – Brazil, China, India, Mexico and South Africa – to join G8 members at the Gleneagles Summit. Though it was the first time the so-called “Outreach 5” (O5) attended as official observers of the G8, their involvement was still limited to a small range of specific issue areas, such as climate change and the Doha Round of trade negotiations.<sup>609</sup> Following those talks, the O5 leaders issued a joint statement declaring their hope for a “new paradigm for international cooperation.”<sup>610</sup>

Since that time, the O5 countries have continued to assume a growing role not only within the G8 but also in the broader sphere of international governance. In addition to being invited to the 2006 St. Petersburg Summit, O5 countries have also assumed a prominent place within the G8+5 Climate Change Dialogue launched in late February 2006,<sup>611</sup> the UNFCCC,<sup>612</sup> and the G4 and G20 world trade negotiations.<sup>613</sup>

The O5 countries took another step forward at the 2007 Heiligendamm Summit when German Chancellor Angela Merkel announced the launch of the Heiligendamm Dialogue Process; a program that seeks to establish a more formally-defined place for the Outreach 5 countries within the G8 structure. Representing the key areas in which the G8 sees the need for cooperation with emerging countries, the O5 took on four commitment areas at the Heiligendamm Summit:

- Promoting and protecting innovation;
- Strengthening the freedom of investment by means of an open investment climate, including strengthening the principles of corporate social responsibility;
- Determining joint responsibilities for development, focussing specifically on Africa;
- Joint access to know-how to improve energy efficiency and technology co-operation, with the aim of contributing to reducing CO<sub>2</sub> emissions.<sup>614</sup>

In order to sustain the Process without prolonging the mandate of the German presidency or compromising the prerogative of future summit presidents, the OECD was commissioned to facilitate

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<sup>609</sup> Prime Minister Manmohan Singh’s Statement on Departure for the G8 Summit, Indian Prime Minister’s Office, (New Delhi), 6 July 2005. Date of Access: 23 June 2008. <http://pmindia.nic.in/visits/content.asp?id=43>.

<sup>610</sup> Joint Declaration of the Heads of State and/or Government of Brazil, China, India, Mexico and South Africa participating in the G8 Gleneagles Summit, University of Toronto G8 Information Centre, (Gleneagles), 7 July 2005. Date of Access: 22 June 2008. <http://www.g8.utoronto.ca/summit/2005gleneagles/plusfive.pdf>.

<sup>611</sup> G8+5 Climate Change Dialogue, GLOBE International, (London). Date of Access: 22 June 2008.

<http://www.globeinternational.org/content.php?id=2:7:0:0:0>.

<sup>612</sup> UNFCCC Climate Change Summit, Bali, Indonesia, World Wildlife Fund Media Release, (Gland), 10 December 2007. Date of Access: 23 June 2008.

[http://www.wwf.org.nz/index.php/about\\_us/media\\_releases/entry/unfccc\\_climate\\_change\\_summit\\_bali\\_indonesia](http://www.wwf.org.nz/index.php/about_us/media_releases/entry/unfccc_climate_change_summit_bali_indonesia).

<sup>613</sup> G4 to Take Stock of WTO Talks, The Financial Express, (New Delhi), 10 April 2007. Date of Access: 23 June 2008. [http://www.financialexpress.com/old/latest\\_full\\_story.php?content\\_id=160682](http://www.financialexpress.com/old/latest_full_story.php?content_id=160682).

<sup>614</sup> Heiligendamm Process, The Press and Information Office of the Federal Government, (Berlin), 8 June 2007. Date of Access: 23 June 2008. [http://www.g-8.de/Content/EN/Artikel/\\_\\_\\_g8-summit/2007-06-08-heiligendamm-prozess\\_\\_en.html](http://www.g-8.de/Content/EN/Artikel/___g8-summit/2007-06-08-heiligendamm-prozess__en.html).



the Heiligendamm Process.<sup>615</sup> This platform is composed of a steering committee of high-level officials from all 13 countries as well as four working groups that parallel the four key issue areas. Furthermore, in July 2007, the OECD created the Heiligendamm Dialogue Process Support Unit to provide further logistical and analytical support.<sup>616</sup>

Outreach to the five emerging economies – now technically termed the “Heiligendamm Dialogue Process Partners” or, more boldly, the G5 – has not been listed among the Japanese Presidency’s priorities; however, under the terms of the original Heiligendamm Process, an interim progress report is scheduled to be presented at the Hokkaido-Toyako Summit.<sup>617</sup> The results of this report, along with the O5 countries’ performance at the Summit, may determine the course of their future relationship with the G8. Though no final decisions on membership will be made at the Summit, G8 and O5 leaders alike must begin to consider where this Process will lead.

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### **Objective 1: MEM-16 or E-16 [1]**

One of the most important goals for the 2008 G8 Presidency is to formulate a comprehensive and inclusive plan to deal with climate change. The G8 countries will be looking for a consensus on plans to implement the MEM-16 after the commitment period of the Kyoto Protocol expires in 2012.

In the past, the G8 has made commitments to operate within the UNFCCC and to encourage other countries to do the same. Currently, there are 23 ambitious commitments set to be fulfilled by 2010 in areas such as reducing emissions of GHGs. Presently, the G8 is faced with increasing pressure to institutionalize climate change talks so that it can monitor responses of major emitters using more efficient and accountable methods.<sup>618</sup> The G8 thus recognizes that developing countries, such as China, India, and South Africa, must not be left out of the elite club’s conversations. For this reason, the Japanese Presidency has invited the O5, along with Australia, Indonesia, and South Korea, to climate change talks on day three of the summit.<sup>619</sup> Combined, these countries account for 80 percent of the world’s GHG emissions.<sup>620</sup>

One potential course of action for the G8 is the institutionalization of the Major Economies Meeting (also known as the Major Emitters Meeting or MEM) of 16 countries at the summit level. On 27 September 2007, US President George Bush hosted the first MEM on Energy Security and Climate

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<sup>615</sup> Ulrich Benterbusch and Juliane Seifert, *The Heiligendamm Dialogue Process: Joining Forces to Meet the Needs of the World Economy*, Friedrich-Ebert-Stiftung, (Berlin), April 2008. Date of Access: 23 June 2008. <http://library.fes.de/pdf-files/iez/global/05310.pdf>.

<sup>616</sup> Ulrich Benterbusch and Juliane Seifert, *The Heiligendamm Dialogue Process: Joining Forces to Meet the Needs of the World Economy*, Friedrich-Ebert-Stiftung, (Berlin), April 2008. Date of Access: 23 June 2008. <http://library.fes.de/pdf-files/iez/global/05310.pdf>.

<sup>617</sup> Heiligendamm Process, The Press and Information Office of the Federal Government, (Berlin), 8 June 2007. Date of Access: 23 June 2008. [http://www.g-8.de/Content/EN/Artikel/\\_g8-summit/2007-06-08-heiligendamm-prozess\\_en.html](http://www.g-8.de/Content/EN/Artikel/_g8-summit/2007-06-08-heiligendamm-prozess_en.html).

<sup>618</sup> John Kirton, *Prospects for the 2008 G8 Hokkaido -Toyako Summit: Key Messages for the Future of Summitry*, G8 Research Group, (Toronto), 21 May 2008. Date of Access: 25 June 2008. [http://www.g7.utoronto.ca/scholar/kirton\\_080521.html](http://www.g7.utoronto.ca/scholar/kirton_080521.html).

<sup>619</sup> Jenilee Guebert, *Japan’s 2008 G8: Plans for the Hokkaido -Toyako Summit*, University of Toronto G8 Information Centre, (Toronto), 29 May 2008. Date of Access: 25 June 2008. <http://www.g8.utoronto.ca/evaluations/2008hokkaido/2008plan/2008plan080529.html>.

<sup>620</sup> Jenilee Guebert, *Japan’s 2008 G8: Plans for the Hokkaido Toyako Summit*, University of Toronto G8 Information Centre, (Toronto), 29 May 2008. Date of Access: 25 June 2008. <http://www.g8.utoronto.ca/evaluations/2008hokkaido/2008plan/2008plan080529.html>.

Change in Washington, DC. A second meeting was held on 30-31 January 2008 in Honolulu, followed by another in Paris on 17-18 April 2008.<sup>621</sup> The MEM brought together world leaders, as well as officials from the UN in a new US-led initiative. In addition to the G8 countries, the O5, and the EU, the other nations in attendance included Australia, Indonesia, and South Korea. The MEM is designed to make progress on the commitments made at the Heiligendamm Summit such as reducing GHG emissions, increasing energy security and efficiency, and promoting strong economic growth.<sup>622</sup>

The MEM-16 proposal is an extension of the L20 model, which seeks to offer world leaders an informal forum in which to negotiate pragmatic solutions to global problems.<sup>623</sup> Unlike former US President Bill Clinton's earlier E-8 plan that only included G8 members; the MEM-16 strategy mirrors the existing Finance Ministers G20 in country composition, making it "small enough to be effective yet large enough to represent the world's diversity."<sup>624</sup>

### *Scoring Guidelines*

<b>0</b>	G8 does not make any substantive mention of the MEM-16.
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion on the MEM-16, but no consensus was reached that the model best suits the G8 framework (i.e. no action plan on this issue was identified in any of the communiqués or statements released at the Summit).
<b>0.5</b>	The G8 releases communiqués or makes statements acknowledging the MEM-16 but states further discussion is required before implementation.
<b>0.75</b>	The G8 releases communiqués or makes statements committing to formal climate change talks with non-G8 partners, but not under the specific auspices of the MEM-16.
<b>1</b>	The G8 releases communiqués or makes statements committing to implementing the MEM-16.

### *Prospects*

With climate change topping the Japanese Presidency's list of priorities and the presence of over three-quarters of the MEM-16 at the Summit, there is a strong possibility that significant action will be taken on this issue. However, as evidenced by the UN Climate Change Conference in Bali on 3-14 December 2007, finding consensus between developed and developing countries is hard to achieve. The MEM-16 path seems most appropriate at the leaders' level to encourage accountability in developing countries, but decisive moves toward the objective will be difficult to accomplish. The greatest test of the Hokkaido-Toyako Summit will thus be whether it can move the reluctant US and the major ecological powers of China, India, Brazil, Mexico and South Africa towards accepting binding targets to control their climate changing activity in the years ahead.<sup>625</sup>

### *Postscript*

<sup>621</sup> Major Economies Process on Energy Security and Climate Change, US Department of State, (Washington, DC), 18 April 2008, Date of Access: 25 June 2008, <http://www.state.gov/oes/climate/mem>.

<sup>622</sup> Fact Sheet: Major Economies Meeting on Energy Security and Climate Change, US Department of State, (Washington, DC), 27 September 2007, Date of Access: 25 June 2008, <http://www.whitehouse.gov/news/releases/2007/09/20070927.html>.

<sup>623</sup> L20: A Leader's Forum, Centre for Global Studies, (Victoria). Date of Access: 25 June 2008. <http://www.l20.org/about.php>.

<sup>624</sup> L20: A Leader's Forum, Centre for Global Studies, (Victoria). Date of Access: 25 June 2008. <http://www.l20.org/about.php>.

<sup>625</sup> John Kirton, Prospects for the 2008 G8 Hokkaido Toyako Summit: Key Messages for the Future of Summitry, G8 Research Group, (Toronto), 21 May 2008, Date of Access: 25 June 2008. [http://www.g7.utoronto.ca/scholar/kirton\\_080521.html](http://www.g7.utoronto.ca/scholar/kirton_080521.html).

The G8 earned a score of 1, indicating that it has fully complied with its objective of following through with MEM-16 discussions. Though the *Declaration of Leaders Meeting of Major Economies on Energy Security and Climate Change* contained no specific mention of emissions reductions targets, both Japanese Prime Minister Yasuo Fukuda and incoming G8 President Silvio Berlusconi affirmed their desire to continue working with the MEM-16 through to the 2009 Summit in Italy.<sup>626,627</sup> There was also a clear consensus to the effect that a global response is needed to address global climate change “in accordance with [their] common but differentiated responsibilities.”<sup>628</sup> Australia, Indonesia, and South Korea committed to long-term emissions reductions equal to the targets set by the G8.

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## **Objective 2: Expansion to G13/G14 [0.75]**

The second objective of the Japanese Presidency surrounds action at the leaders’ levels. The Presidency will be looking for an acknowledgement of the O5’s definite inclusion in future summits. Acknowledgment from Italian President Silvio Berlusconi is thus especially important in this regard.

In the initial announcement of the Heiligendamm Process, German Chancellor Angela Merkel stressed that the Process was meant neither as a prelude to G8 expansion, nor a means for political negotiation. Nonetheless, the growing relationship with the O5 countries is a tacit recognition on the part of the G8 that they cannot address the world’s most pressing concerns without the help of the emerging countries, especially in areas related to climate change and global trade.<sup>629</sup> In her final summit speech at Heiligendamm, Chancellor Merkel stated, “We cannot get by or shape globalization in a humane way without each other.”<sup>630</sup> She later added, “We know that without the emerging economies, progress on issues such as climate change, the Doha world trade round and intellectual property rights is unimaginable.”<sup>631</sup>

Indeed, some G8 leaders have begun to express a desire to further integrate the O5 countries in order to make the G8 more representative and effective in managing world affairs. Like his predecessor, British Prime Minister Gordon Brown has been highly encouraging of a G8 expansion project that would include the O5 countries. The Times of India quoted Brown as saying, “A G8 that discusses the world economy without involving India cannot be a G8 that is discussing all the details of what needs to be done in the world economy.”<sup>632</sup>

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<sup>626</sup> Major Economies Leader Meeting, Kazuo Kodama, (Hokkaido Toyako), 9 July 2008.

<sup>627</sup> Press Conference by the Chair, Yasuo Fukuda, (Hokkaido Toyako), 9 July 2008.

<sup>628</sup> Declaration of Leaders Meeting of Major Economies on Energy Security and Climate Change, G8 Summit 2008 Hokkaido Toyako (Hokkaido Toyako), 9 July 2008. Date of Access: 9 July 2008.

[http://www.mofa.go.jp/u\\_news/2/20080709\\_121006.html](http://www.mofa.go.jp/u_news/2/20080709_121006.html).

<sup>629</sup> Katharina Gnath, *Beyond Heiligendamm: The G8 and Its Dialogue With Emerging Countries*, Internationale Politik Global Edition, (Berlin), Fall 2007. Date of Access: 21 June 2008. <http://www.ip-global.org/archiv/2007/autumn2007/beyond-heiligendamm.html>.

<sup>630</sup> Merkel Says G8 Made “Far-Reaching Decisions,” Deutsche-Welle, (Berlin), 8 June 2007. Date of Access: 22 June 2008. <http://www.dw-world.de/dw/article/0,2144,2582301,00.html>.

<sup>631</sup> G8 to Expand Relationship With Emerging Nations, Deutsche-Welle, (Berlin), 8 June 2007. Date of Access: 22 June 2008. <http://www.dw-world.de/dw/article/0,2144,2579939,00.html>.

<sup>632</sup> India Should Be Part of UNSC, G8, Says Brown, The Times of India, (Gurgaon), 23 April 2008. Date of Access: 21 June 2008. <http://timesofindia.indiatimes.com/articleshow/2976413.cms>.

Similarly, French President Nicolas Sarkozy has been very outspoken about the need to integrate the emerging economies into the formal G8 structure. In a speech delivered at the Fifteenth Ambassadors' Meeting on 27 August 2007, President Sarkozy exclaimed, "The G8 can't meet for two days and the G13 for just two hours. That doesn't seem fitting, given the power of these five emerging countries."<sup>633</sup> He later went on to add, "I hope that bit by bit, the G8 becomes the G13."<sup>634</sup> In a March 2007 diplomatic visit to London, President Sarkozy even began to hint at a possible G14 structure where Egypt would also be included as a representative of the Muslim world: "I shall fight to get the G8 gradually to open up to become a G13 or G14 to reflect more accurately the world's new balance. Frankly, do you believe it's reasonable for eight of us to meet to talk about the world's great problems and on the last day invite for lunch two billion six hundred and fifty million inhabitants?"<sup>635</sup>

Even OECD Secretary-General Angel Gurría recommended that the G8 "should become G13 as soon as we can."<sup>636</sup> Speaking at the World Economic Forum in Davos, Switzerland, Secretary-General Gurría said, "The G8 cannot solve any problems without five and the five cannot solve problems without the eight, so why wait?"<sup>637</sup>

As effusive as its advocates have been in their support for expanding the G8, some member-states remain unconvinced that the O5 countries, much less Egypt, merit a permanent place among the world's upper elite.<sup>638</sup> It should be noted that the announcement of the Heiligendamm Process was made in a joint statement by the German Presidency and the O5 countries – not by all the G8 leaders.<sup>639</sup> The US and Japan have proved to be the most resistant to expanding the club, Canada, Italy and Russia have so far remained silent on the issue.<sup>640</sup>

### Scoring Guidelines

<b>0</b>	The G8 reaches a consensus withdrawing its support for the Heiligendamm Dialogue Process and returns to the system of year-to-year summit invitations.
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion on the Heiligendamm Process, but no measurable action was taken by the G8 in relation to continued future outreach. (i.e. no action plan on future outreach was identified in any of the communiqués or statements released at the Summit).

<sup>633</sup> Speech by President Nicholas Sarkozy at the Fifteenth Ambassadors' Meeting, Government Information Service, (Paris), 27 August 2007. Date of Access: 23 June 2008. [http://www.premier-ministre.gouv.fr/en/information/press\\_871/fifteenth\\_ambassadors\\_conference\\_speech\\_57109.html](http://www.premier-ministre.gouv.fr/en/information/press_871/fifteenth_ambassadors_conference_speech_57109.html).

<sup>634</sup> Speech by President Nicholas Sarkozy at the Fifteenth Ambassadors' Meeting, Government Information Service, (Paris), 27 August 2007. Date of Access: 23 June 2008. [http://www.premier-ministre.gouv.fr/en/information/press\\_871/fifteenth\\_ambassadors\\_conference\\_speech\\_57109.html](http://www.premier-ministre.gouv.fr/en/information/press_871/fifteenth_ambassadors_conference_speech_57109.html).

<sup>635</sup> President Sarkozy's Speech to Members of UK Houses of Parliament, United Kingdom Parliament, (London), 26 March 2008. Date of Access: 24 June 2008. <http://www.parliament.uk/documents/upload/PresidentSarkozyaddress080326.pdf>.

<sup>636</sup> G8 Should Become G13 As Soon As Possible – OECD's Gurría, Reuters, (New York), 25 January 2008. Date of Access: 24 June 2008. <http://www.reuters.com/article/companyNewsAndPR/idUSL2564177520080125>.

<sup>637</sup> G8 Should Become G13 As Soon As Possible – OECD's Gurría, Reuters, (New York), 25 January 2008. Date of Access: 24 June 2008. <http://www.reuters.com/article/companyNewsAndPR/idUSL2564177520080125>.

<sup>638</sup> Katharina Gnath, Beyond Heiligendamm: The G8 and Its Dialogue With Emerging Countries, Internationale Politik Global Edition, (Berlin), Fall 2007. Date of Access: 21 June 2008. <http://www.ip-global.org/archiv/2007/autumn2007/beyond-heiligendamm.html>.

<sup>639</sup> Katharina Gnath, Beyond Heiligendamm: The G8 and Its Dialogue With Emerging Countries, Internationale Politik Global Edition, (Berlin), Fall 2007. Date of Access: 21 June 2008. <http://www.ip-global.org/archiv/2007/autumn2007/beyond-heiligendamm.html>.

<sup>640</sup> Ding Ying, To Join or Not to Join?, Beijing Review, (Beijing), 15 February 2008. Date of Access: 22 June 2008. [http://www.bjreview.com.cn/world/txt/2008-02/15/content\\_99515.htm](http://www.bjreview.com.cn/world/txt/2008-02/15/content_99515.htm).

<b>0.5</b>	The G8 releases communiqués or makes statements committing to continued dialogue with the Heiligendamm Dialogue Process partners, but in forums other than the G8 summits.
<b>0.75</b>	The G8 releases communiqués or makes statements (especially from Italian Prime Minister Silvio Berlusconi) committing to continued dialogue with the Heiligendamm Dialogue Process partners until the following year, but makes no mention of any action plans beyond the 2009 Italian Summit.
<b>1</b>	The G8 releases communiqués or makes statements (especially from Italian Prime Minister Silvio Berlusconi) committing to a long-term dialogue with the Heiligendamm Process partners at the 2009 Italian Summit and potentially at future summits.

### *Prospects*

Despite some countries' scepticism, all G8 leaders seem to acknowledge the necessity of including the O5 countries in some capacity for future summits. The Heiligendamm Process commits the G8 and O5 to at least two years of "results-oriented discussions," at which point it will be reviewed at the 2009 Italian Summit.<sup>641</sup> Furthermore, despite the UK and France's enthusiasm for expansion, it is up to the next summit presidents – Italy and Canada – to determine the framework for those negotiations. So far, there is little indication that either government will make any definitive statement about their intentions at Hokkaido-Toyako.

### *Postscript*

This objective receives a score of 0.75 because the G8 committed to continued dialogue with the Heiligendamm Dialogue Process partners until 2009. At the press briefing for the Outreach Working Session on 9 July 2008, Italian Prime Minister Silvio Berlusconi announced a tentative agenda for the G8 Summit that he will host next year. Prime Minister Berlusconi stated that the O5 will be invited on the second day and again on the third day when the talks with African leaders are held. There was no mention, however, of any action plans beyond the 2009 Italian Summit.<sup>642</sup>

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### **Objective 3: G20 Dialogue on Energy and Environment [0.75]**

The Japanese Presidency will be seeking acknowledgement and/or approval of the Gleneagles Dialogue, or the G20 on Energy and Environment. Such acknowledgement from the G8 would indicate the necessity of full inclusion of the O5 in climate change talks at the ministerial level.

Under an agreement reached at the 2005 Gleneagles Summit, the G8 countries committed to forming the G20 Dialogue. The purpose of the initiative is to allow ministers of the G8 and the O5 to meet and exchange opinions in a frank and open manner. The focus of the Dialogue is thus not on negotiation. The Dialogue brought together the 20 major GHG emitting countries in the world, accounting for 80 percent of the global total. Other attendees include countries that have yet to commit to emission reduction obligations.<sup>643</sup>

<sup>641</sup> Katharina Gnath, *Beyond Heiligendamm: The G8 and Its Dialogue With Emerging Countries*, Internationale Politik Global Edition, (Berlin), Fall 2007. Date of Access: 21 June 2008. <http://www.ip-global.org/archiv/2007/autumn2007/beyond-heiligendamm.html>.

<sup>642</sup> Outreach Working Session, Kazuo Kodama, (Hokkaido Toyako), 9 July 2008.

<sup>643</sup> Characteristics of Gleneagles Dialogue, Ministry of the Environment, Government of Japan, (Tokyo), 2008. Date of Access: 25 June 2008. <http://www.env.go.jp/earth/g8/en/g20/background.html>.

Held on 14-16 March 2008, the Ministerial Meeting on the Dialogue on Climate Change, Clean Energy, and Sustainable Development was the fourth meeting of the Gleneagles Dialogue and the first ministerial meeting related to the Hokkaido-Toyako Summit. The meeting brought together environment and energy ministers from 20 major GHG-emitting countries, representatives from relevant international organizations such as the World Bank and the International Energy Agency, industries, NGOs, and NPOs.

An acknowledgement of the G20 Dialogue would cement the O5's importance in climate change talks, thereby tying them with themes of outreach and expansion. The O5 were also invited to the G8 environment ministers' meeting on 24-26 May 2008 to discuss global warming, biological diversity, and 3R (reduce, reuse, recycle). On 7-8 June 2008, the G8 and O5 energy ministers also discussed energy policies closely related to climate change.<sup>644</sup>

### *Scoring Guidelines*

<b>0</b>	The G8 does not make any acknowledgement of the G20 Dialogue.
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion on the G20 Dialogue, but no official acknowledgement and/or approval of it is made in any of the communiqués or statements released at the Summit.
<b>0.5</b>	The G8 releases communiqués or makes statements that acknowledge the G20 Dialogue, but make no mention of its role in future climate change talks.
<b>0.75</b>	The G8 releases communiqués or makes statements that acknowledge the importance of the G20 Dialogue, but does not commit to any future climate change talks.
<b>1</b>	The G8 releases communiqués or makes statements that acknowledge the importance of the G20 Dialogue to future climate change talks and establishes an action plan for continued discussions.

### *Prospects*

The pre-eminence of the climate change issue at the Hokkaido-Toyako Summit will likely ensure that some form of acknowledgment is paid to the Gleneagles Dialogue in hopes of encouraging the O5 countries to continue engaging with the G8 at the ministerial level. The Heiligendamm Process and subsequent climate change conferences confirm both the crucial role developing countries play in finding a lasting solution to climate change and the lack of consensus on the issue. Even if summit talks falter at Hokkaido-Toyako, it is likely that the G20 Dialogue will still be mentioned as the most promising path for future talks between G8 and O5 members.

### *Postscript*

This objective earned a score of 0.75, as the G8 expressed its satisfaction with the Gleneagles Dialogue on Climate Change, Clean Energy, and Sustainable Development. Nevertheless, the G8 failed to establish a concrete action plan for future climate change talks in a framework similar to that of the Gleneagles Dialogue. In Environment and Climate Change, the G8 stated: "We welcome the final report of the Gleneagles Dialogue...and acknowledge the role that further exchanges of this nature can play in

<sup>644</sup> G8 Summit Related Meetings, The Denki Shimbun, (Tokyo), 2008. Date of Access: 25 June 2008. <http://www.shimbun.denki.or.jp/english/profile/office.html>.

supporting action on climate change and the UNFCCC process.”<sup>645</sup> Nevertheless, the G8 did not specify when and how these ‘further exchanges’ would take place. No further mention of the Gleneagles Dialogue was made in any other G8 document or statement.

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#### **Objective 4: Heiligendamm Process: Guide to the Second Year [1]**

Initiated by the German Presidency in 2007, the Heiligendamm Process seeks to foster structured, issue-oriented dialogue between the G8 and the O5 countries. The interim results of these dialogues are due to be submitted at the Hokkaido-Toyako Summit with a final report to follow in 2009. The Japanese Presidency will be looking for indicators of how the G8 values the Process, what the G8 will do before the presentation of the final report, and how the G8 plans to go forward post-2009.

In its first year, the Heiligendamm Process focused on four topics: Innovation, Investment, Development, and Climate Change. The Process’s steering committee and working groups housed at the OECD in Paris have each met twice this year, with Germany and Japan sharing chairmanship duties over the steering committee and France leading the Working Group on African development.<sup>646</sup> Technical experts have also been assigned to each committee, ensuring thorough examination of all the issue areas.

In March 2008, the financial specialists’ introductory meeting on investment provided a positive start to the Heiligendamm Process. A second group was to convene its first meeting on innovation soon after. Presently, the Process centres on expanding the dialogue at all levels to include trade, climate change, health, and finance issues.<sup>647</sup> The G8 is seeking “notably higher standards on intellectual property and investment protection, more money and standards for development and more action to control climate change.”<sup>648</sup>

#### *Scoring Guidelines*

<b>0</b>	The G8 does not make any substantive mention of the Heiligendamm Process (i.e. no communiqués or policy statements regarding how the G8 values the Process or what the G8 will do before or after the 2009 Summit are released at the Summit, no evidence that the future of the Heiligendamm Process was discussed during the leaders’ meetings or ministerials, etc.).
<b>0.25</b>	There is evidence to suggest that the G8 engaged in discussion on the Heiligendamm Process, but does not release any statement about its perceived value or any action plan for the 2009 Summit.
<b>0.5</b>	The G8 releases communiqués or makes statements mentioning the Heiligendamm Process, but does not make any pronouncements about its value or their plans for it before or after the 2009 Summit.
<b>0.75</b>	The G8 releases communiqués or makes statements about the value of the Heiligendamm Process, but does not commit to any actions beyond the end of the 2008 Hokkaido-Toyako Summit.

<sup>645</sup> Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html).

<sup>646</sup> The G8 Heiligendamm Process, European Commission, (Brussels). Date of Access: 24 June 2008. [http://ec.europa.eu/development/how/relations/relg8\\_en.cfm](http://ec.europa.eu/development/how/relations/relg8_en.cfm).

<sup>647</sup> John Kirton, “From G8 2003 to G13 2010? The Heiligendamm Process’s Past, Present and Future,” 1.

<sup>648</sup> John Kirton, “From G8 2003 to G13 2010? The Heiligendamm Process’s Past, Present and Future,” 11.

1	The G8 releases communiqués or makes statements that describes the value of the Heiligendamm Process and commits to an action plan for the 2009 Summit.
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### *Prospects*

Most significant about the Japanese Presidency is its failure to take ownership of the Heiligendamm Process, treating the interim report that will be delivered at the Hokkaido-Toyoko Summit as merely “*pro forma* for the G8 leaders to take note of.”<sup>649</sup> In fact, the report’s results could determine what role the O5 countries will play after 2009. The O5’s performance in trade and climate change issues will be especially crucial. There are also a number of topics not currently on the agenda that may persuade G8 states to continue actively including the O5, such infectious disease control and macroeconomic management.

Furthermore, the G8 must ascertain what the O5 countries want from the G8 and whether they would even consent to the conditions necessary for greater G8 participation. The joint position paper released by the O5 countries in Heiligendamm suggests that they are not so desperate to join the G8 as to accept membership “at any cost.”<sup>650</sup> Therefore, discussions on the future of the Heiligendamm Process will involve trying to convince both sides that on-going formal dialogue can be mutually beneficial.

### *Postscript*

The G8 Presidency receives a score of 1 because the G8 released a statement that acknowledges the value of the Heiligendamm Process in addition to having set an action plan for the Italy Summit next year. The G8 welcomed “the progress of the Heiligendamm Process”<sup>651</sup> in an effort “to enhance mutual confidence and understanding and to develop a true partnership”<sup>652</sup> focusing on the four commitment areas made at last year’s summit: investment, innovation, energy efficiency, and development. In terms of an action plan, the G8 clearly stated their commitment to receive “a comprehensive concluding report at the G8 Summit in 2009.”<sup>653</sup>

The G8 expressed the value of the O5 by emphasizing the need for global responses to global problems. In the interim report presented by German Chancellor Angela Merkel regarding the progress of discussions under the Heiligendamm Process, the G8 indicated its satisfaction with the role of the Outreach 5 countries so far and committed itself to continuing along the prescribed course. In the communiqué entitled *Development and Africa*, the G8 recognized the role of emerging donors in development initiatives.<sup>654</sup> At the press briefing for the Outreach Working Session on 9 July 2008, there was a specific call for a partnership on providing Official Development Assistance (ODA) to developing

<sup>649</sup> John Kirton, “From G8 2003 to G13 2010? The Heiligendamm Process’s Past, Present and Future,” 8.

<sup>650</sup> Joint Position Paper of Brazil, China, India, Mexico and South Africa Participating in the G8 Heiligendamm Summit, Indian Ministry of External Affairs, (Berlin), 6 June 2007. Date of Access: 23 June 2008. <http://meaindia.nic.in/pressrelease/2007/06/08pr01.htm>.

<sup>651</sup> World Economy, G8 Summit 2008 Hokkaido Toyoko, (Hokkaido Toyoko), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_115219.html](http://www.mofa.go.jp/u_news/2/20080708_115219.html).

<sup>652</sup> World Economy, G8 Summit 2008 Hokkaido Toyoko, (Hokkaido Toyoko), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_115219.html](http://www.mofa.go.jp/u_news/2/20080708_115219.html).

<sup>653</sup> World Economy, G8 Summit 2008 Hokkaido Toyoko, (Hokkaido Toyoko), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_115219.html](http://www.mofa.go.jp/u_news/2/20080708_115219.html).

<sup>654</sup> Development and Africa, G8 Summit 2008 Hokkaido Toyoko, (Hokkaido Toyoko), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_173847.html](http://www.mofa.go.jp/u_news/2/20080708_173847.html).



countries. Given the capability of emerging economies such as Brazil, China, and India to provide ODA, the G8 and O5 leaders emphasized mutual accountability of donor countries and African recipients.<sup>655</sup>

*Analyst: Miyun Oh*

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<sup>655</sup> Outreach Working Session, Kazuo Kodama, (Hokkaido Toyako), 9 July 2008.

# TRADE [0.31]

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The issue of multilateral trade has been regularly discussed at G8 summits. At the Genoa Summit of 2001, G8 leaders supported the launch of an ambitious new round of multilateral trade negotiations.<sup>656</sup> In November 2001, the Fourth World Trade Organization (WTO) Ministerial Conference concluded with the establishment of the Doha Development Round. The objective of this round of trade talks is to lower trade barriers around the world. The WTO set 2004 as the deadline by which the round was expected to conclude. However, the trade talks continue because of failure to reach an agreement at the 2003 Cancun Ministerial.<sup>657</sup> Disagreements between developed and developing countries over agricultural subsidies and import tariffs on industrial goods have caused the trade talks to drag on in a near stalemate. Nevertheless, G8 leaders have continuously expressed their commitment to completing the trade talks. This is particularly important as G8 leaders believe that the upcoming US presidential elections will put the Doha Round on hold. Speaking to Members of Parliament in London, UK Prime Minister Gordon Brown stated, "if we cannot get a trade deal within the next few weeks, it may elude us for many, many months, if not longer."<sup>658</sup>

At the 2007 Heiligendamm Summit, G8-member states hoped that post-summit negotiations between trade ministers would result in a conclusion to the trade talks by the end of 2007.<sup>659</sup> However, this objective was never accomplished. The WTO is now targeting a final deal before the end of 2008. Several participants of the trade talks, notably the European Union, are pushing for a resolution before 2009 when a new US president and congress will reshuffle the negotiating deck following the November elections.<sup>660</sup> The G8 summit will most likely reaffirm the need to foster world trade and push for a conclusion to the Doha Round ahead of a crucial WTO mini-ministerial meeting to be held in Geneva.

Apart from world trade, the issue of trade overlaps with another major theme of the Hokkaido-Toyako summit: Development and Africa. G8 countries acknowledge that trade is an important means of improving African development, especially with regards to poverty reduction. They will use the policy guidelines of the recent 4<sup>th</sup> Tokyo International Conference for African Development (TICAD IV) to engage those African countries attending the Summit to further mobilize international support for African development. The Yokohama Declaration, which outlines the policy guidelines of the conference, argued for an "early, fair and balanced conclusion to the WTO Doha Round to improve Africa's share of global trade and investment flows."<sup>661</sup> Thus, completion of the Doha Round is a high priority. Other guidelines include support for the Aid for Trade Initiative, strengthening closer public-private partnerships by promoting trade and investment in Africa, enhanced trade and investment flows between Asia and Africa (known as the South-South cooperation) as well as intra-Africa trade.

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<sup>656</sup> Final Communiqué, (Genova), 22 July 2001. Date of access: 15 June 2008.

<http://www.g8.utoronto.ca/summit/2001genoa/finalcommunique.html>.

<sup>657</sup> Analysis of the collapse of the Cancun Ministerial, Third World Network, 16 September 2003. Date of access: 15 June 2008. <http://www.twinside.org.sg/title/twninfo76.htm>.

<sup>658</sup> Time running out to secure trade deal, warns Brown, Financial Times, 4 July 2008.

<sup>659</sup> G8 Trade Declaration, G8 Information Centre, (Heiligendamm), 8 June 2007. Date of Access: 15 June 2008.

<http://www.g8.utoronto.ca/summit/2007heiligendamm/g8-2007-trade.html>.

<sup>660</sup> Brazil sees chance to advance trade talks, despite reserves, Agence France Presse, 21 May 2008. Date of Access: 16 June 2008. <http://g8live.org/2008/05/21/brazil-sees-chance-to-advance-trade-talks-despite-reserves/>.

<sup>661</sup> Yokohama Declaration: Towards a Vibrant Africa, May 30 2008. Date of Access: 30 June 2008.

<http://www.mofa.go.jp/region/Africa/ticad/ticad4/doc/declaration.html>.

The spike in global food and oil prices has contributed to the deterioration of the world economy. Some developing countries have resorted to implementing protectionist measures to ensure adequate food supplies for their own citizens. Africa is particularly affected by the volatility in food prices. This highlights the urgency for G8 leaders to agree on an action plan to address the impact of trade practices on development and global economic stability.

*Lead Analyst: Sahar Kazranian*

### **Objective 1: Doha Round [0.25]**

The successful completion of the Doha Round of trade talks will be a prominent objective during the G8 Hokkaido-Toyako Summit. Doha trade negotiations have drawn on since 2001 and both developed and developing nations are keen to see the negotiations come to an amicable conclusion.<sup>662</sup> G8 members hope to reconcile their conflicting interests with those of developing countries. Any agreements related to the Doha Round at the Summit will steer the direction for post-summit discussions on international trade.

Developed nations, like the United States (US), have refused to lower agricultural subsidies, while less developed nations, like China, have refused to decrease tariff barriers to their service and industry sectors. The WTO has set a self-imposed deadline for the completion of the talks by late 2008.<sup>663</sup> Several factors will induce G8 member states to strive for the conclusion of Doha, the most important being the deterioration of the world economy.

Due to the present uncertainty of the world economy, G8-member states regard the conclusion of the Doha trade talks as vital to the task of generating economic stability. In January 2008, trade ministers and representatives from the WTO met to discuss how to conclude the Doha Round. Participants included ministers from the G20, a group of developing countries opposed to farm subsidies in the developed world, United States Trade Representative (USTR) Susan Schwab, and Peter Mandelson from the European Union (EU). An underlying consensus at the meeting was that completing Doha would improve world economic stability.<sup>664</sup> Brazilian Foreign Minister Celso Amorim argued that “a global trade deal would help stabilize financial markets, which have been gripped by volatile trading stemming from the subprime crisis and problems in the banking sector.”<sup>665</sup> Minister Amorim also argued that completing Doha would give confidence to investors and stated, “it’s not only a window of opportunity, but because of the financial crisis it has become a window of necessity.”<sup>666</sup> Indian Trade Minister Kamal Nath, whose country will attend the Hokkaido-Toyako Summit along with Brazil, also emphasized the importance of ending the trade rounds in light of the deteriorating world economy.<sup>667</sup>

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<sup>662</sup> WTO Minister Hope for April Breakthrough, G8 Live, Agence France Presse, (Toronto), 26 January 2008. Date of Access: 13 June 2008. <http://g8live.org/2008/01/26/wto-ministers-hope-for-april-breakthrough/>

<sup>663</sup> WTO Minister Hope for April Breakthrough, G8 Live, Agence France Presse, (Toronto), 26 January 2008. Date of Access: 13 June 2008. <http://g8live.org/2008/01/26/wto-ministers-hope-for-april-breakthrough/>

<sup>664</sup> WTO Minister Hope for April Breakthrough, G8 Live, Agence France Presse, (Toronto), 26 January 2008. Date of Access: 13 June 2008. <http://g8live.org/2008/01/26/wto-ministers-hope-for-april-breakthrough/>

<sup>665</sup> WTO Minister Hope for April Breakthrough, G8 Live, Agence France Presse, (Toronto), 26 January 2008. Date of Access: 13 June 2008. <http://g8live.org/2008/01/26/wto-ministers-hope-for-april-breakthrough/>

<sup>666</sup> WTO Minister Hope for April Breakthrough, G8 Live, Agence France Presse, (Toronto), 26 January 2008. Date of Access: 13 June 2008. <http://g8live.org/2008/01/26/wto-ministers-hope-for-april-breakthrough/>

<sup>667</sup> WTO Minister Hope for April Breakthrough, G8 Live, Agence France Presse, (Toronto), 26 January 2008. Date of Access: 13 June 2008. <http://g8live.org/2008/01/26/wto-ministers-hope-for-april-breakthrough/>

The surge in world food prices will also motivate G8 member nations to conclude the Doha Round talks. Completing the Doha negotiations would cause G8 nations, such as the US, to lower farm subsidies, which would alleviate pressure from spiking food prices.<sup>668</sup> As a result, countries using high tariffs to protect their agricultural sector would be encouraged to lower tariffs on farm products.<sup>669</sup>

A conclusion to the Doha negotiations will also be motivated by US President George W. Bush's presidential term ending in January 2009. Head of the WTO Pascal Lamy, argues that "the answer from the US side now is clear. Bush wants a deal before leaving. That's absolutely crucial."<sup>670</sup>

G8 members will press China to become a more active negotiator with regard to the Doha agreement at the upcoming summit. China has been accused of adopting a passive, low-profile approach to global trade negotiations in the WTO. USTR Schwab stated in early December 2007 that "China is the biggest beneficiary of an open world trading system and the most significant victim if the world turns [against] open trade, and we want to see that more in China's posture in the WTO."<sup>671</sup> It is anticipated that the WTO's extended deadline for the Doha Round and US Congressional action on China trade during an election year will prompt China to play a more active role.

### Scoring

<b>0</b>	G8-member nations show no interest in continuing trade negotiations and consider the Doha trade round a failure.
<b>0.25</b>	The G8 engages in discussion on conclusion of the Doha Round but no action plan to help steer post-summit discussions was agreed upon.
<b>0.5</b>	The G8 releases statements and communiqués showing commitment to the creation of an action plan but do not adequately address the central conflict of interests between developed and developing countries.
<b>0.75</b>	The G8-member nations agree to meet after the Summit to conclude the Doha trade round talks and recognize the WTO's extended deadline of late 2008.
<b>1</b>	Doha trade negotiations conclude with the generation of a comprehensive and inclusive trade agreement.

### Prospects

It is unlikely that a trade agreement will be generated through the Hokkaido-Toyako Summit; however, the Summit will be an important opportunity to strive for more amicable trade negotiations, which are currently stalled. The US will likely be the most vocal G8 member to press for the conclusion of the trade negotiations. Leaders from the developing world, however, will reiterate their concerns regarding agricultural subsidies and insist that the G8 offer proposals that are mutually beneficial for both the developed and developing world.

### Postscript

<sup>668</sup> Immediate Long-Run Fixes Needed in Food Crisis – IFPRI, G8 Live, Reuters News, (Toronto), 25 May 2008. Date of Access: 13 June 2008. <http://g8live.org/2008/05/25/immediate-long-run-fixes-needed-in-food-crisis-ifpri/>

<sup>669</sup> Immediate Long-Run Fixes Needed in Food Crisis – IFPRI, G8 Live, Reuters News, (Toronto), 25 May 2008. Date of Access: 13 June 2008. <http://g8live.org/2008/05/25/immediate-long-run-fixes-needed-in-food-crisis-ifpri/>

<sup>670</sup> WTO Minister Hope for April Breakthrough, G8 Live, Agence France Presse, (Toronto), 26 January 2008. Date of Access: 13 June 2008. <http://g8live.org/2008/01/26/wto-ministers-hope-for-april-breakthrough/>

<sup>671</sup> Low-Key Chinese Role in Doha Trade Talks Frustrates U.S., EU, G8 Live, Inside US-China Trade, (Toronto), 2 January 2008. Date of Access: 13 June 2008. <http://g8live.org/2008/01/02/low-key-chinese-role-in-doha-trade-talks-frustrates-us-eu/>

G8 leaders highlighted the importance of a “successful conclusion of an ambitious, balanced and comprehensive WTO Doha agreement”.<sup>672</sup> Emphasizing the merits of globalization, G8 leaders highlighted the rising tide in protectionism that hinders international trade and investment. Conclusion of the Doha Round was, thus, important to counter this phenomenon. Additionally, G8 leaders supported the upcoming WTO Ministerial on 21 July 2008 which aims to accelerate a conclusion on the trade talks.<sup>673</sup>

In discussions on global food security, G8 leaders acknowledged that inflationary pressures in food markets are having negative macroeconomic effects on low-income countries. In light of this fact, there is an “urgent” need for a conclusion to the Doha Round.<sup>674</sup>

There was no explicit mention of the central conflicts between developed and developing countries with respect to global trade, nor the endorsement of an action plan for concluding the Doha Round.

Thus, the G8 is awarded a score of 0.25.

*Analyst: Tatjana Zalar*

## **Objective 2: Economic Growth in Africa [0.5]**

During the TICAD IV, participants released the Yokohama Declaration calling for a successful conclusion of the Doha Round by mobilizing international support for African development.<sup>675</sup> Over the next five years, under the TICAD process, the Yokohama Action Plan will help promote and expand trade, encourage foreign investment, assist private sector development, and promote tourism.<sup>676</sup> Under the Agriculture and Rural Development objectives, the parties agreed to enhance food production capacity and agricultural productivity, improve access to markets and agricultural competitiveness, and support sustainable management of water resources and land use.<sup>677</sup> It is expected that the declarations during the Hokkaido-Toyako Summit will build upon the developments of the TICAD IV conferences.<sup>678</sup>

At the World Economic Summit in Davos, Japanese Prime Minister Yasuo Fukuda suggested what Japan expected to come out of G8 discussions on the issue of economic growth in Africa. He stated that “Japan intends to put forth a blueprint for region-wide infrastructure development...with a view to creating an appealing environment that will attract private investment.”<sup>679</sup>

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<sup>672</sup> World Economy, G8 Summit 2008 Hokkaido Toyako Summit, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_115219.html](http://www.mofa.go.jp/u_news/2/20080708_115219.html).

<sup>673</sup> World Economy, G8 Summit 2008 Hokkaido Toyako Summit, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_115219.html](http://www.mofa.go.jp/u_news/2/20080708_115219.html).

<sup>674</sup> G8 Leaders Statement on Global Food Security, G8 Summit 2008 Hokkaido Toyako Summit, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_182602.html](http://www.mofa.go.jp/u_news/2/20080708_182602.html).

<sup>675</sup> Yokohama Declaration: Towards a Vibrant Africa, May 30 2008. Date of Access: 30 June 2008. <http://www.mofa.go.jp/region/Africa/ticad/ticad4/doc/declaration.html>.

<sup>676</sup> TICAD IV Yokohama Action Plan, Ministry of Foreign Affairs Japan (Tokyo) 30 May 2008. Date of Access: 16 June 2008. <http://www.mofa.go.jp/region/africa/ticad/ticad4/doc/actoin.pdf>

<sup>677</sup> TICAD IV Yokohama Action Plan, Ministry of Foreign Affairs Japan (Tokyo) 30 May 2008. Date of Access: 16 June 2008. <http://www.mofa.go.jp/region/africa/ticad/ticad4/doc/actoin.pdf>

<sup>678</sup> Main themes at Hokkaido-Toyako Toyako Summit and Japan’s Objectives, G8 Hokkaido-Toyako Toyako Summit, (Japan) June 2008. Date of Access: 16 June 2008 <http://www.g8summit.go.jp/eng/info/theme.html>

<sup>679</sup> Summit Documents, G8 Hokkaido-Toyako Toyako Summit (Japan) 26 January 2008. Date of Access: 16 June 2008. [http://www.g8summit.go.jp/eng/doc/080126\\_davos.html](http://www.g8summit.go.jp/eng/doc/080126_davos.html)

On 14 June 2008, Japan released a draft declaration on the G8 Action Plan for Private Sector Led Growth in Africa: Improving the Investment Climate and Strengthening the Financial Sector. The draft declaration states that Japan will be looking to “honor existing commitments to double aid to Africa and cancel 100 per cent of debts for eligible Heavily Indebted Poor Countries in an attempt to attain the MDGs.”<sup>680</sup> These commitments will rely on two pillars: improving the investment climate and strengthening the financial sector.<sup>681</sup> The Japanese presidency will be looking for statements, financial contributions, and the creation of Small and Medium Enterprise(SME)-related institutions during the Hokkaido-Toyako Summit.

Since the last G8 Summit in Heiligendamm, the G7 Finance Ministers have continuously reaffirmed their commitment to promoting economic growth and development in Africa. Nevertheless, despite high hopes for achieving this objective, efforts may be hindered by soaring food and oil prices and turbulent financial markets. The crisis poses the highest risk in the poor countries where the share of income spent on food is much higher than in developed countries.<sup>682</sup> Therefore, the G8 members will need to resolve the volatility in the markets in order to ensure the human security required for developing long-term investments projects fostering growth and security in Africa.

### *Scoring*

<b>0</b>	The G8 undermines any support of initiatives geared towards economic growth and development in Africa and releases statements contrary to the stated commitments.
<b>0.25</b>	The G8 fails to make any statements geared towards economic growth in Africa
<b>0.5</b>	The G8 issues communiqués that promote economic growth initiatives but fails to take any concrete steps towards eliminating debt, establishing financial institutions, and launching infrastructure initiatives.
<b>0.75</b>	The G8 issues communiqués that promote economic growth initiatives in Africa but takes few steps towards engaging into providing capital for the development of stated projects
<b>1</b>	The G8 eliminates debts for Heavily Indebted Poor Countries, promotes the establishment of SME-related organizations, and establishes the blueprint for long-term infrastructure programs

### *Prospects*

It remains ambiguous whether all states will agree on a plan of action and push the initiative through. While most G8 states are likely to verbally state their support for economic development in Africa, Japan and Germany will most likely be most active in the discussions around this objective and will try to press for collective action. However, the issue may be overshadowed by more pressing matters such as a looming global economic recession, international security, and energy security. The success of the initiative will also rely on the ability of the African leaders to engage with the G8 on an issue that is highly important for them.

### *Postscript*

<sup>680</sup> G8 Action Plan for Private Sector Led Growth in Africa, Ministry of Foreign Affairs Japan (Tokyo), 14 June 2008. Date of Access: 16 June 2008. <http://www.mof.go.jp/english/if/su080614c.pdf>

<sup>681</sup> G8 Action Plan for Private Sector Led Growth in Africa, Ministry of Foreign Affairs Japan (Tokyo), 14 June 2008. Date of Access: 16 June 2008 <http://www.mof.go.jp/english/if/su080614c.pdf>

<sup>682</sup> EU Warns about Higher Food Costs, BBC News (London), 29 May 2007. Date of Access: 16 June 2008 <http://news.bbc.co.uk/2/hi/business/7426273.stm>

G8 countries endorsed the G8 Action Plan for Private Sector Led Growth adopted by G8 Finance Ministers on 14 June 2008.<sup>683</sup> The action plan aims to promote trade in Africa by providing support in trade policy reform, trade-related infrastructure and trade facilitation, as well through regional trade integration and South-South trade.<sup>684</sup> Highlighting that G8 debt cancellation initiatives have relieved many African nations of their debt burdens, G8 leaders encouraged partnerships between African nations and emerging donors to address issues such as trade. They appreciated the efforts of financial institutions and partnerships for infrastructure development in Africa<sup>685</sup> without putting forward concrete plans to reinforce these initiatives.

*Analysts: Mila Khodskaya and Sahar Kazranian*

### **Objective 3: Aid for Trade [0.25]**

During the TICAD IV, Foreign Ministers and Central Bank Leaders highlighted the critical importance of the Aid for Trade Initiative for global poverty reduction. The conference concluded with the Yokohama Action Plan, which highlighted the Initiative's importance vis-à-vis increasing "the global competitiveness of African countries by accelerating assistance including Japan's 'Development Initiative for Trade' and support[ing] the early, fair and balanced conclusion of the WTO Doha development Agenda negotiations."<sup>686</sup>

The Japanese presidency has shown a keen interest in following up with the Aid for Trade Initiative during summit discussions on development in Africa. The Japanese Ministry of Foreign Affairs stated that:

"through implementing our commitments on Aid for Trade, we will address constraints on capacity to trade by providing support in a range of areas such as trade policy reform, trade-related infrastructure and trade facilitation. In particular, we will aim to improve and deepen regional integration to enlarge regional markets and south-south trade."<sup>687</sup>

Aid for Trade is a sub-initiative under the Doha Round that aims to bring developing countries off the sidelines of the global trading system.<sup>688</sup> However, in recent years, the Initiative has been given particular attention. During the 2006 St. Petersburg Summit, leaders agreed to "further work on Aid for Trade to help ensure that African countries are better able to participate in and benefit from the

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<sup>683</sup> Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_173847.html](http://www.mofa.go.jp/u_news/2/20080708_173847.html).

<sup>684</sup> Yokohama Declaration: Towards a Vibrant Africa, (Yokohama), 30 May 2008. Date of Access: 8 July 2008. <http://www.mof.go.jp/english/if/su080614c.pdf>.

<sup>685</sup> Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_173847.html](http://www.mofa.go.jp/u_news/2/20080708_173847.html).

<sup>686</sup> TICAD IV Yokohama Action Plan, Ministry of Foreign Affairs Japan (Tokyo), 30 May 2008. Date of Access: 17 June 2008. <http://www.mofa.go.jp/region/africa/ticad/ticad4/doc/actoin.pdf>

<sup>687</sup> G8 Action Plan for Private Sector Led Growth in Africa, Ministry of Foreign Affairs Japan (Tokyo), 14 June 2008. Date of Access: 17 June 2008 <http://www.mof.go.jp/english/if/su080614c.pdf>

<sup>688</sup> Annual Report 2007, the World Trade Organization (Geneva) 2007. Date of Access: 17 June 2008 [http://www.wto.org/english/res\\_e/booksp\\_e/anrep\\_e/anrep07\\_e.pdf](http://www.wto.org/english/res_e/booksp_e/anrep_e/anrep07_e.pdf)

multilateral trading system.”<sup>689</sup> In October 2008, G8 Finance Ministers and Central Bank Governors reaffirmed the importance of trade liberalization and Aid for Trade in reducing the global poverty.<sup>690</sup>

The Japanese Presidency is expected to seek support for the Aid for Trade Initiative that will commit the G8 leaders to provide more funds to help increase the competitiveness of African countries and remove barriers to trade. Yet it remains uncertain how much emphasis will be placed upon the Initiative and whether Japan will spend a considerable amount of time addressing the issue. Aid for Trade remains a sub-topic of the Doha Round, and is often cast aside by more prominent issues such as the dispute over agricultural subsidies and the need for barrier-free trade.

### *Scoring*

<b>0</b>	The G8 undermines the importance of Aid for Trade by not addressing it in statements and communiqués.
<b>0.25</b>	The G8 engaged in discussion on the Aid for Trade Initiative.
<b>0.50</b>	The G8 produces statements in support of the Aid for Trade Initiative and provides partial funds for the developing countries.
<b>0.75</b>	The G8 promotes the Aid for Trade Initiative by releasing statements in support of the Initiative, provides substantial funds for the developing countries and persuades the international community to engage with the issue.
<b>1</b>	The G8 actively supports the Initiative, engages with African leaders on its importance and provides funds for the developing countries, and promotes South-South trade.

### *Prospects*

In past summits, G8 leaders have supported the Aid for Trade Initiative. However, G8 leaders are expected to focus on initiatives to mitigate the effects of global economic turmoil on underdeveloped African regions that are not able to sustain the effects of rising food prices. It is likely that the Japanese Presidency will not prioritize the Initiative as highly as in past discussions on multilateral trade. Meanwhile, it can be expected that all states will agree to language that supports the Initiative; most G7 Finance Ministers have already affirmed their commitment. Their backing, however, is not expected to mobilize the kind of support that would have existed without the current global economic emergencies overshadowing the Summit.

### *Postscript*

In the final communiqué on Development and Africa, G8 countries endorsed the G8 Action Plan for Private Sector Led Growth which was adopted by G8 Finance Ministers on 14 June 2008.<sup>691</sup> Guidelines include a commitment to implement the Aid for Trade Initiative.<sup>692</sup> In addition, G8 countries seek “effective implementation of the financial commitments regarding spending on Aid for Trade including

<sup>689</sup> All G7/8 Commitments, 1975-2006, the G8 Research Group (Toronto) 2006. Date of Access: 17 June 2008. [http://www.g7.utoronto.ca/evaluations/G8\\_commitments.pdf](http://www.g7.utoronto.ca/evaluations/G8_commitments.pdf)

<sup>690</sup> Statement of G-7 Finance Ministers and Central Bank Governors, 19 October 2008. Date of Access: 5 July 2008. <http://www.ustreas.gov/press/releases/hp625.htm>.

<sup>691</sup> Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_173847.html](http://www.mofa.go.jp/u_news/2/20080708_173847.html).

<sup>692</sup> G8 Action Plan for Private Sector Led Growth, (Osaka), 14 June 2008. Date of Access: 9 July 2008. <http://www.mof.go.jp/english/if/su080614c.pdf>.



trade related technical assistance”<sup>693</sup> G8 leaders expect to increase the commitment to USD4 billion.<sup>694</sup> However, they did not make concrete funding commitments to the initiative. Instead, G8 leaders expect to increase funding to USD4 billion.<sup>695</sup>

*Analysts: Mila Khodskaya and Sahar Kazranian*

#### **Objective 4: Containing agricultural subsidies [0]**

Due to the recent surge in world food prices, which have risen by 43 percent in the year through March, discussions regarding the containment of agricultural subsidies will be an important topic during the upcoming Hokkaido-ToyakoG8 summit.<sup>696</sup> Joachim von Braun, director general of the International Food Policy Research Institute (IFPRI), insists, “global and international action is needed now,” in order to address the record surge in the cost of basic food staples such as wheat and rice.<sup>697</sup>

Japanese Prime Minister Yasuo Fukuda confirmed on 16 June 2008 that the food crisis will be a major topic up for discussion at the upcoming Summit, stating that he would “ensure that the assembled leaders hold a thorough discussion so that we will be able to state, as G8, our determination and response to reach a solution to these issues.”<sup>698</sup>

G8-member states such as Germany and the UK have supported the call for reduced agricultural subsidies. In May 2008, German Chancellor Angela Merkel and Mexican President Felipe Calderon agreed to push the debate on the world food crisis during the G8 summit in Japan.<sup>699</sup> During a video address to a UNESCO meeting on the global food crisis, British Prime Minister Gordon Brown stated that “rich countries must also stop undermining the livelihoods of the poorest through agricultural subsidies and dumping. It is unacceptable that rich countries still subsidize farming by \$1 billion a day, costing poor farmers in developing countries an estimated \$100 billion a year in lost income.”<sup>700</sup>

Although some G8-member states have supported the containment of agricultural subsidies, in early June the US enacted a new ‘Farm Bill’ that will increase support for American farmers by USD289 billion.<sup>701</sup> With the G8 Summit approaching, this action by the US indicates that generating a cohesive agreement with regard to agricultural subsidies will be very difficult.

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<sup>693</sup> Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_173847.html](http://www.mofa.go.jp/u_news/2/20080708_173847.html).

<sup>694</sup> Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_173847.html](http://www.mofa.go.jp/u_news/2/20080708_173847.html).

<sup>695</sup> Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_173847.html](http://www.mofa.go.jp/u_news/2/20080708_173847.html).

<sup>696</sup> Immediate, Long-Run Fixes Needed in Food Crisis – IFPRI, G8 Live, Reuters News, (Toronto), 25 May 2008. Date of Access: 13 June 2008. <http://g8live.org/2008/05/25/immediate-long-run-fixes-needed-in-food-crisis-ifpri/>

<sup>697</sup> Immediate, Long-Run Fixes Needed in Food Crisis – IFPRI, G8 Live, Reuters News, (Toronto), 25 May 2008. Date of Access: 13 June 2008. <http://g8live.org/2008/05/25/immediate-long-run-fixes-needed-in-food-crisis-ifpri/>

<sup>698</sup> Japan’s PM Urges Boosting Farm Produce To Ease Crisis, G8 Live, Dow Jones Industrial News, (Toronto), 16 June 2008. Date of Access: 16 June 2008. <http://g8live.org/2008/06/16/japans-pm-urges-boosting-farm-produce-to-ease-food-crisis/>

<sup>699</sup> British PM Wants End to Farm Subsidies, Associated Press, (Toronto), 20 May 2008. Date of Access: June 13, 2008. <http://ap.google.com/article/ALeqM5jtFqRVL1zLJZWofQuDRQ-ihVYBOgD90PNLEG0>

<sup>700</sup> British PM Wants End to Farm Subsidies, Associated Press, (Toronto), 20 May 2008. Date of Access: June 13, 2008. <http://ap.google.com/article/ALeqM5jtFqRVL1zLJZWofQuDRQ-ihVYBOgD90PNLEG0>

<sup>701</sup> US Farm Bill Again Under Attack at WTO, Reuters, (Geneva), 1 June 2008. Date of Access: 17 June 2008. <http://www.reuters.com/article/marketsNews/idUSL1139898620080611?sp=true>

Greater consensus regarding agricultural subsidies is vital to the successful conclusion of the Doha trade round negotiations. The Doha trade negotiations, which have been ongoing since 2001, call for developed nations to agree to lower agricultural subsidies, which would address the current food crisis. However, there have been disputes over the fairness of the negotiations. Brazil's Foreign Minister Celso Amorin complained in October that the WTO is biased in favor of developed nations: "I can't come to a place in which everyone's sensitivity is taken into account and my own sensitivity is not taken into account," he said. "That's not fair and one thing that we'll be demanding is fairness."<sup>702</sup>

### *Scoring*

<b>0</b>	No discussion regarding the reduction of agricultural subsidies takes place. No future negotiations on this issue are planned.
<b>0.25</b>	Discussions on the reduction of agricultural subsidies take place but the US insists on maintaining its agricultural subsidies with no concessions.
<b>0.50</b>	G8-member states discuss the issue of lowering agricultural subsidies; no comprehensive agreement on how to lower subsidies.
<b>0.75</b>	Statements and communiqués reveal agreement on an action plan to reduce subsidies but the US insists on maintaining agricultural subsidies.
<b>1</b>	G8-member states agree to lower agricultural subsidies and take a step forward to concluding the Doha Round of trade talks.

### *Prospects*

Reaching an agreement regarding the reduction of agricultural subsidies will be very difficult given the lack of consensus among G8-member states. The new 'Farm Bill' enacted by the US will further aggravate these difficulties. The Doha Trade negotiations are ongoing and perhaps a deal to reduce agricultural subsidies can be struck through the Doha negotiations, which will be promoted independently at the Summit.

### *Postscript*

G8 leaders promised to seek measures to increased agricultural output in countries affected by the global food crisis. They highlighted the need for countries to remove export restrictions<sup>703</sup>, a policy used by developing countries to curb rising food prices. However, the issue of reducing agricultural *subsidies* in the developed world was not addressed.

*Analyst: Tatjana Zalar*

## **Objective 5: Environmental Initiatives [0.75]**

In September 2007, the US and Japan considered proposing that the G8 eliminate or lower import tariffs on energy-saving products such as fuel cells, solar cells, and wind power to help reduce greenhouse gas emissions. At the time, Japan expressed a desire to make the initiative one of the major achievements at

<sup>702</sup> WTO Trade Talks Slanted Against Poor Nations – Brazil, Reuters News, (Geneva), 31 October 2007. Date of Access: 13 June 2008. <http://g8live.org/2007/10/31/wto-trade-talks-slanted-against-poor-nations-brazil/>

<sup>703</sup> Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_182602.html](http://www.mofa.go.jp/u_news/2/20080708_182602.html).

the Hokkaido-Toyako Summit.<sup>704</sup> With the initiative, Japan intends to play a leading role in crafting a post-Kyoto framework beyond its expiration in 2012.

However, major greenhouse gas emitters, the US included, may disagree with Japan over the exact list of goods subject to tariff removal or cuts. Japan has previously called for the inclusion of hybrid vehicles in the list, a move that the US opposes because it could negatively impact US automakers. While the EU is expected to back the Japan-US initiative, a senior US official said that hybrid cars have a greater impact on the US and European markets than other environmentally-friendly goods like solar cells or wind power generators.<sup>705</sup>

Japan has pushed for lower import tariffs on energy-saving products in the ongoing Doha Round of trade talks. According to a senior US official, the US and Europe will support Japan's proposal as long as the list of goods is limited to those related to renewable energy.<sup>706</sup> Japan has told the US that regardless of the outcome of trade talks, Japan will propose that G8 countries voluntarily eliminate or lower import tariffs on goods that would help reduce greenhouse gas emissions.<sup>707</sup>

Japan is known to excel in the trade of energy-saving products. The world's top maker of solar power generators, Sharp Corporation, is expected to increase exports if the US or other G8-member countries agree to liberalize trade in solar-power generators under the initiative.<sup>708</sup> According to an estimate by Japan's Ministry of Economy, Trade and Industry, the market for fuel cells will increase significantly and thus provide greater business opportunities for manufacturers.<sup>709</sup> Japan argues that its proposal would benefit consumers in participating countries by allowing them to purchase energy-saving products at lower prices.

However, developing countries appear reluctant to partake in the Japan-US initiative, fearing that it would lead to further reduction in import tariffs on other industrial goods.

The recent 17<sup>th</sup> Japan-EU Summit concluded with the release of a joint press statement in which Japan and the EU pledged their support for the further liberalization of trade in environmentally-friendly goods and services, among others, through the WTO, which contributes to improving innovation and in all countries.<sup>710</sup>

Another initiative related to reducing greenhouse gas emissions under discussion is the transfer of energy-saving technology. At a meeting of Energy Ministers from the G8 and China, India and South Korea, the parties agreed on a new multilateral energy initiative called the International Partnership for Energy Efficiency Cooperation (IPEEC).<sup>711</sup> The aim of this new framework is to facilitate energy-saving

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<sup>704</sup> Japan, U.S. eyeing G-8 plans to remove tariffs on energy-saving goods, Kyodo News, (Tokyo), 26 September 2007. Date of Access: 15 June 2008. <http://g8live.org/2007/09/26/japan-us-eyeing-g-8-plan-to-remove-tariffs-on-energy-saving-goods/>.

<sup>705</sup> Japan, U.S. eyeing G-8 plans to remove tariffs on energy-saving goods, Kyodo News, (Tokyo), 26 September 2007. Date of Access: 15 June 2008. <http://g8live.org/2007/09/26/japan-us-eyeing-g-8-plan-to-remove-tariffs-on-energy-saving-goods/>.

<sup>706</sup> Japan, U.S. eyeing G-8 plans to remove tariffs on energy-saving goods, Kyodo News, (Tokyo), 26 September 2007. Date of Access: 15 June 2008. <http://g8live.org/2007/09/26/japan-us-eyeing-g-8-plan-to-remove-tariffs-on-energy-saving-goods/>.

<sup>707</sup> Japan, U.S. eyeing G-8 plans to remove tariffs on energy-saving goods, Kyodo News, (Tokyo), 26 September 2007. Date of Access: 15 June 2008. <http://g8live.org/2007/09/26/japan-us-eyeing-g-8-plan-to-remove-tariffs-on-energy-saving-goods/>.

<sup>708</sup> Japan, U.S. eyeing G-8 plans to remove tariffs on energy-saving goods, Kyodo News, (Tokyo), 26 September 2007. Date of Access: 15 June 2008. <http://g8live.org/2007/09/26/japan-us-eyeing-g-8-plan-to-remove-tariffs-on-energy-saving-goods/>.

<sup>709</sup> Japan, U.S. eyeing G-8 plans to remove tariffs on energy-saving goods, Kyodo News, (Tokyo), 26 September 2007. Date of Access: 15 June 2008. <http://g8live.org/2007/09/26/japan-us-eyeing-g-8-plan-to-remove-tariffs-on-energy-saving-goods/>.

<sup>710</sup> Japan-EU joint press statement on climate change cooperation, BBC, (Tokyo), 24 April 2008.

<sup>711</sup> G8/Energy: Ministers Agree New Partnership, Europolitics Environment, 26 June 2008.

measures and transfer related technologies by sharing information on individual goals and action plans as well as technological know-how.

During these discussions, developing nations called on developed countries to “facilitate the transfer of environmentally-friendly technologies and help developing countries reform their traditional ways of production.”<sup>712</sup> Zhang Guobao, vice chairman of China’s National Development and Reform Commission stated that “blocks remain high for developing countries to have access to the updated technologies they long for.”<sup>713</sup>

### Scoring

<b>0</b>	G8-member states do not address this objective in any substantive way.
<b>0.25</b>	The G8 engages in discussion on reducing tariffs and transfer of energy-saving technology but propose no action plan on how to implement these objectives.
<b>0.50</b>	The G8 releases action plan on reducing tariffs and transfer of energy-saving technology but is not comprehensive due to developing countries’ objections in Japan-US initiative
<b>0.75</b>	The G8 agrees to lower import tariffs on goods related to renewable energy (not including hybrid cars) and show support for IPEEC framework to increase transfer of energy-saving technology and know-how.
<b>1</b>	The G8 agrees to lower import tariffs on environmentally friendly goods, including hybrid cars, and show support for IPEEC framework to increase transfer of energy-saving technology and know-how.

### Prospects

Japan will take the leading role in pushing for the reduction of import tariffs on environmentally-friendly products. The US and EU will most likely agree with its proposals although they will object to certain items on the list of goods such as the hybrid car.

### Postscript

In their statement on the world economy, G8 leaders pledged to enhance “[e]fforts in the WTO negotiations to eliminate tariffs and non-tariff barriers to environmental goods and services”.<sup>714</sup> In addition, they encouraged countries to consider reducing or eliminating trade barriers on goods or services directly linked to addressing climate change. G8 leaders supported a WTO proposal to liberalize trade in remanufactured goods.<sup>715</sup> Leaders endorsed the Kobe 3R Action Plan whose principles (Reduce, Reuse, Recycle) underpin the WTO proposal.<sup>716</sup> Despite welcoming the establishment of the International Partnership for Energy Efficiency Cooperation (IPEEC), the transfer of energy-saving technology and know-how was not specifically addressed.

*Analyst: Sahar Kazranian*

<sup>712</sup> G8 +3 to promote energy efficiency for stable mkt, climate, Asia Pulse, (Aomori), 9 June 2008.

<sup>713</sup> G8 +3 to promote energy efficiency for stable mkt, climate, Asia Pulse, (Aomori), 9 June 2008.

<sup>714</sup> Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako Summit, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html).

<sup>715</sup> Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako Summit, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html).

<sup>716</sup> Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako Summit, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. [http://www.mofa.go.jp/u\\_news/2/20080708\\_143446.html](http://www.mofa.go.jp/u_news/2/20080708_143446.html).